

APPORTIONMENT OF FEDERAL-AID HIGHWAY FUNDS AUTHORIZED FOR THE FISCAL YEAR 1971

State	Primary highway system	Secondary or feeder roads	Urban highways	Subtotal	Interstate system	Total
Alabama	39,565,055	\$7,286,194	\$3,678,182	\$20,529,431	\$74,558,400	\$95,087,831
Alaska	28,325,916	17,667,140	179,635	44,172,691	14,172,691	58,345,382
Arizona	7,055,256	4,373,269	2,065,342	13,493,867	59,270,400	72,764,263
Arkansas	7,302,957	5,774,356	1,490,829	14,568,142	24,264,800	38,832,942
California	24,050,373	10,956,278	29,616,744	64,623,395	353,819,206	418,442,601
Colorado	6,565,929	6,565,929	2,332,832	15,914,811	16,914,811	32,829,622
Connecticut	3,788,737	2,096,639	4,308,657	10,194,033	70,677,600	80,871,633
Delaware	2,425,500	1,617,000	628,107	4,670,607	9,604,000	14,274,607
Florida	9,443,679	5,870,183	7,693,306	23,007,168	67,228,000	90,235,168
Georgia	11,367,192	8,642,525	4,433,497	24,443,214	77,655,200	102,098,414
Hawaii	2,425,500	1,617,000	1,015,527	5,058,027	51,626,400	56,684,427
Idaho	5,490,839	3,936,991	578,330	10,006,160	28,184,800	38,190,960
Illinois	18,156,508	9,893,657	17,568,790	45,569,155	216,031,200	261,600,355
Indiana	10,509,502	7,632,064	6,139,235	24,280,801	76,322,400	100,603,201
Iowa	11,075,707	8,244,692	2,924,797	22,245,196	39,984,000	62,229,196
Kansas	11,040,396	7,707,350	2,684,676	21,432,422	31,908,800	53,341,222
Kentucky	8,088,584	5,442,049	4,282,544	17,658,934	66,836,000	84,492,934
Louisiana	7,587,141	5,442,049	4,282,544	17,311,734	94,707,200	112,018,934
Maine	3,574,380	2,718,180	928,470	7,221,030	26,695,200	33,916,230
Maryland	4,561,422	2,849,929	4,947,319	12,358,670	78,674,400	91,033,070
Massachusetts	6,077,357	2,684,530	9,441,234	18,183,121	98,666,400	116,849,521
Michigan	14,805,999	9,285,616	12,407,820	36,499,435	160,641,600	197,141,035
Minnesota	12,633,818	8,892,670	4,485,468	26,011,956	86,200,800	112,212,756
Mississippi	7,870,293	6,566,962	1,606,356	16,043,591	40,611,200	56,655,791
Missouri	13,282,747	9,094,106	6,079,937	28,466,790	75,930,400	104,397,190
Montana	9,025,281	6,259,811	626,345	15,911,437	74,323,200	90,234,637
Nebraska	8,759,685	6,244,521	1,577,767	16,581,973	16,385,600	32,967,573
Nevada	5,536,248	3,682,276	9,411,234	9,531,997	16,814,800	26,346,897
New Hampshire	2,425,500	1,617,000	723,732	4,766,232	21,912,800	26,679,032
New Jersey	6,716,829	2,261,551	20,734,604	109,995,200	130,729,800	240,726,029
New Mexico	5,578,620	5,112,920	1,322,686	14,014,110	40,689,600	54,703,710
New York	21,828,231	10,054,045	34,478,259	66,350,535	258,785,200	325,135,735
North Carolina	11,602,769	10,337,723	3,588,805	25,529,297	51,077,600	76,606,897
North Dakota	8,412,046	4,684,715	480,653	11,577,414	23,559,200	35,136,614
Ohio	16,174,746	10,054,045	14,561,387	41,589,988	187,746,400	229,336,388
Oklahoma	9,928,791	6,905,972	3,018,054	19,852,817	29,596,000	49,448,817
Oregon	7,677,226	5,360,004	2,285,932	15,323,162	84,162,400	99,485,562
Pennsylvania	17,466,472	11,186,862	17,413,525	46,066,859	198,273,600	244,340,459
Rhode Island	2,425,500	1,617,000	1,164,551	5,607,551	20,305,600	25,913,151
South Carolina	6,308,724	5,491,862	1,959,488	13,760,074	42,492,800	56,252,874
South Dakota	6,844,730	4,951,706	497,435	12,293,871	22,736,000	35,029,871
Tennessee	9,828,633	7,787,791	3,897,496	21,613,920	95,412,800	117,026,720
Texas	29,833,764	18,838,317	15,295,462	63,967,543	182,746,400	246,714,943
Utah	5,198,198	3,369,807	1,42,203	9,995,208	55,742,400	65,737,608
Vermont	2,425,500	1,617,000	293,068	4,335,568	27,479,200	31,814,768
Virginia	9,470,383	7,363,935	4,743,500	21,577,818	92,590,400	114,168,218
Washington	7,839,994	5,298,008	4,092,869	17,230,871	113,366,400	130,597,271
West Virginia	4,842,593	4,338,206	1,439,970	10,620,769	132,966,400	143,587,169
Wisconsin	11,399,169	8,021,511	5,293,638	24,714,318	34,260,800	58,975,118
Wyoming	5,569,562	3,768,560	322,834	9,660,956	23,082,000	32,742,956
District of Columbia	2,425,500	1,617,000	1,717,521	5,760,021	71,932,000	77,692,021
Puerto Rico	2,425,500	2,699,532	2,102,198	7,227,230		7,227,230
Total	485,100,000	323,400,000	269,500,000	1,078,000,000	3,920,000,000	4,998,000,000

ADJOURNMENT UNTIL 10:00 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to

come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:00 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 9 minutes p.m.) the Senate adjourned until tomorrow, Friday, October 2, 1970, at 10 a.m.

HOUSE OF REPRESENTATIVES—Thursday, October 1, 1970

The House met at 12 o'clock noon. Rev. James E. Coates, Bethlehem Baptist Church, Washington, D.C., offered the following prayer:

O God, we beseech Thee ever to guide our Nation in the way of Thy truth and peace, so that we may never fail in the blessing which Thou hast promised to that people whose God is the Lord.

Forgive those national sins which do so easily beset us: Our wanton waste of the wealth of soil and sea; our desecration of natural beauty; our love of money; our complacency; and our neglect of our brethren—some black, some white, and some red—who suffer poverty and prejudice.

Grant the safe return of our President who has gone forth seeking peace and brotherhood among the nations.

Comfort with the hope that new leadership inspires that "cradle of civilization" now frozen in grief for its beloved defender, mourned also by world leaders.

Most gracious God, we humbly beseech Thee, especially for the Representatives in Congress assembled: that Thou wouldst be pleased to direct and prosper all their deliberations to the good, safety, honor, and welfare of the people. Grant these public servants, in their dedication to the people, the wisdom and courage to meet the challenges of these difficult times; through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 4509. An act to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; and

H.R. 12943. An act to amend section 3 of the act of November 2, 1966, to extend for 3 years the authority to make appropriations to carry out such act.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15424, AMENDING MERCHANT MARINE ACT, 1936, UNTIL MIDNIGHT FRIDAY

Mr. CLARK, Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight Friday night to file a conference report on H.R. 15424, to amend the Merchant Marine Act, 1936.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REASONS FOR OBJECTION TO UNANIMOUS-CONSENT REQUEST FOR CONSIDERATION OF CONFERENCE REPORT ON STATE, JUSTICE, AND COMMERCE APPROPRIATION BILL

(Mr. BINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, yesterday I objected to immediate consideration by unanimous consent of the conference report on the State, Justice, and Commerce appropriation bill. I did so because the conference report had not yet been made available to the Members and because I knew that the conferees were recommending that for the first time the United States deliberately go into default on legally binding international financial obligation.

This House originally approved full payment of the U.S. assessment for the International Labor Organization for this year in the amount of some \$7.5 million. Upon recommendation of the Senate Appropriation Committee the Senate voted to reduce that item by some \$3.75 million, being the total amount of the assessment not already paid. The managers on the part of the House agreed to the Senate action.

Mr. Speaker, I will communicate further with the Members on this important matter. Suffice it to say for the moment that this action is rightly opposed by the administration; it will put the United States right into the category with the Soviet Union and France as willful defaulters on financial obligations to international organizations.

COAL: THE HUMAN SIDE

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia, Mr. Speaker, for the Record there follows an exchange of correspondence I have had with the President of the United States on the subject of coal mine safety. This includes my letter to the President on June 26, 1970, which was answered on August 19, 1970, by Richard K. Cook, Special Assistant to the President. Unfortunately, the problems which I raised concerning deaths and injuries in the coal mines have worsened, as indicated in my remarks on September 25, 1970, which follow:

JUNE 26, 1970.

HON. RICHARD M. NIXON,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: Since the safety provisions of the Federal Coal Mine Health and Safety Act went into effect on April 1, more coal miners have been killed than during a comparable period last year. It is clear that these deaths are the result of a failure by the Bureau of Mines to enforce the law.

I appeal to you as the Chief Executive, sharing my concern for law and order, to see that the letter and the spirit of the law are enforced. I appeal to you to give positive meaning to your eloquent support of coal mine safety, in your special message to the Congress on March 4, 1969, when you so well

stated: "Acceptance of the possibility of death in the mine has become almost as much a part of the job as the tools and the tunnels. The time has come to replace this fatalism with hope by substituting action for words. Catastrophes in the coal mines are not inevitable. They can be prevented, and they must be prevented."

I appeal to you to end the "benign neglect" which has apparently gripped those charged with enforcing the mine safety law. The coal miners of the nation are once again trapped by the system, as the goal of production outweighs protection. The one agency charged with protecting the public interest has lost its backbone, its will, and even brushes aside its express authority granted by Congress to protect those human beings who labor in the coal pits of the nation.

Perhaps the most flagrant violation of the law which Congress passed and you signed on December 30, 1969, is the requirement for one spot inspection per week of coal mines with a history of hazardous conditions. This provision covers some 200 mines throughout the nation, but instead of 200 inspections per week since the safety provisions became effective, there have been an average of scarcely 20 per week. Coal miners have gone to their deaths in many uninspected mines. The record of injuries is mounting.

As a Representative of one of the largest coal-producing counties in the nation, I can report to you that the coal miners in my area are angry, restless and bitter over this benign neglect. Their hopes were raised after the Farmington disaster of November 20, 1968, when a shocked nation demanded that positive steps must be taken to protect those working in the mines. The Congress acted, and declared as national public policy that "the first priority and concern of all in the coal mining industry must be the health and safety of its most precious resource—the miner."

Please, Mr. President, don't let this dangerous situation get completely out of hand. The rumblings of revolt in the coal fields are real. Right now the coal industry is mounting heavy pressure to revise and weaken the law in order to put even greater emphasis on production rather than protection. The Bureau of Mines has adopted a posture of complete neutrality, bending to the pressure for production instead of aggressively moving to enforce the law and protect the miners who have little voice.

In this crisis, it is my feeling that only the President of the United States can effectively step in and insist that the law be enforced for the protection of the coal miners of the nation. When you signed the Federal Coal Mine Health and Safety Act on December 30, 1969, you stated: It represents a crucially needed step forward in the protection of America's coal miners." Nearly 150,000 coal miners throughout the nation eagerly await your decision.

Sincerely,

KEN HECHLER.

THE WHITE HOUSE,
Washington, D.C., August 19, 1970.

HON. KEN HECHLER,
House of Representatives,
Washington, D.C.

DEAR MR. HECHLER: This is in further response to your letter pertaining to implementation of the Federal Coal Mine Health and Safety Act of 1969. In checking I have been informed that:

The number of coal mine fatalities did increase during the period April through June 1970, but the record for the first six months of 1970 shows an improvement over the same period for 1969.

The Act made new and drastically different demands on the inspection force of the Bureau of Mines since regular inspections were increased from one to four yearly, and about 10,000 spot inspections each year were required at mines considered hazard-

ous. This increased work demand placed on the Bureau was made without any allowance in time for recruiting and training personnel. If the workload of a group is quadrupled, it is generally necessary to increase the work force accordingly and this could not be done immediately.

Expansion of the Federal coal mine inspection force was started six months prior to enactment of the Act, and examination and training procedures have been streamlined to meet the urgent need for a full complement of inspectors and engineers at the earliest possible date. The Bureau of Mines has employed 89 coal mine inspectors and engineers since August 1969, making a total force of 360 as a July 17, 1970. The papers for 134 additional inspectors are now being processed, and 125 inspector candidates were selected from the Civil Service Register on July 28, 1970.

Spot inspections of the 200 hazardous mines are being made as often as the limited force of trained inspectors will permit, but the thousands of other mines that also need attention cannot be neglected.

The so-called more hazardous mines, which include the very gassy mines and those where ignitions have been experienced, make headlines when an explosion happens, but the roof, rib, and face-fall accidents are the persistent and continuous killers of miners and may occur in any mine.

We can certainly understand your interest and I trust that the foregoing will assure you that the Administration is doing everything possible to implement the Act.

Sincerely,

RICHARD K. COOK,
Special Assistant to the President.

COAL: THE HUMAN SIDE

(Statement of Representative KEN HECHLER)

To many of us, coal means the source of power which is in short supply, resulting in lights out in the Capitol corridors and air conditioning units powered down.

Some of us recall the human side of coal expressed in the disaster at Farmington, W. Va. on November 20, 1968, which took 78 lives.

How many people really know that since Farmington 360 coal miners have been killed on the job, more than 11,000 coal miners crippled or injured in mine accidents, and God knows how many thousands condemned to the coal dust disease known as pneumoconiosis, or "black lung"?

Today, the halls of Congress and the Executive Mansion reverberate with outcries about the energy crisis, yet how many voices are raised for those human beings who are still being crushed, burned, gassed, trapped, buried, crippled or sentenced to a breathless, wheezing living death? Where is the national leadership on behalf of human values, instead of what we hear from the White House to serve comfort, combines and commercialism? In all this talk about the energy crisis, including the frequent comments that the excellent Federal Coal Mine Health and Safety Act of 1969 may actually contribute to the crisis by slowing down production, has anybody answered the basic question: how much is a human being actually worth?

It's not easy to pass a law to protect coal miners. President Harry S. Truman found that out in 1952. When he reluctantly signed the rather weak 1952 Act, he zeroed in on the loopholes and exemptions and stated acidly: "I am advised that these exemptions were provided to avoid any economic impact on the coal mining industry." Numerous attempts to improve the 1952 Act were for the most part blocked, but on September 11, 1968, President Lyndon B. Johnson sent a strong message to Congress on behalf of a comprehensive new Federal Coal Mine Health and Safety Act. Unfortunately, the subject

did not have nationwide support and only three Congressmen introduced the President's mine safety bill—Reps. John H. Dent (D-Pa.), Daniel J. Flood (D-Pa.), and myself.

Following the Farmington disaster, nationwide attention was focused on the human problems of coal mining and there was a strong and insistent demand for protection of those who mine the coal. The Federal Coal Mine Health and Safety Act of 1969 was landmark legislation, constituting a monument to Congressional initiative. Behind the scenes, the Nixon Administration tried in vain to weaken the coal dust standards, to retain the coal operator-dominated Board of Review, and to water down tougher health and safety provisions up and down the line. But the Congressional leadership of men like Senator Harrison Williams of New Jersey, and Congressmen Carl Perkins of Kentucky and John Dent of Pennsylvania helped insure a bill which became stronger and stronger as it moved through the legislative process.

When Congress sent the bill to the White House on December 18, 1969, Republican leaders and White House aides grumbled that it was "inflationary," and interfered with states' rights. It appeared likely that President Nixon would veto the bill. As each day dragged on toward the ten-day limit, a spirit of revolt spread in the coal fields, directed against President Nixon's frosty attitude toward this landmark legislation. Shortly after Christmas, hundreds of miners began walking out in protest of the President's delay in signing this bill. A group of widows of the Farmington disaster made a pilgrimage to Washington and called at the White House to plead with President Nixon to sign the bill. The President refused to see the Farmington widows, but while they were waiting to see him, he sent out word that he would sign the bill.

This historic piece of legislation was then signed in secret, almost surreptitiously, and when airborne from Washington, D.C. to San Clemente, California, the President's press assistant announced that he had signed the bill before he left for sunny California. The expressions of joy and relief from thousands of coal miners were blunted by the shocking discovery of the murders of Joseph A. Yablonski, his wife and daughter, over New Year's Day. The coal miners have lost their greatest champion, a tireless and fearless fighter for human values, and a major force behind passage of effective mine health and safety legislation.

Angered by the failure of their traditional lobbying tactics which had failed to weaken the mine safety bill as it moved through Congress, the coal operators turned their attention to blocking or weakening its enforcement. The assault on enforcement of the law met a firm road block in the Director of the Bureau of Mines, John P. O'Leary, who had served admirably since his appointment by President Johnson exactly one month before the Farmington disaster. Director O'Leary had insisted on an even-handed enforcement of the law, had attempted to clean some of the dead wood out of the Bureau, and moved up those who were genuinely dedicated to enforcement. He also set up many reform procedures, enabling miners to report safety violations directly to him, and banning the time-honored practice of inspectors tipping off the coal operators prior to visiting their mines. When a successor was actually picked in a move to dump Director O'Leary in February, 1969, a storm of public protest and a well-timed visit to Secretary of Interior Hickel by a group of the Farmington widows helped save his job.

Scarcely a crusader, Director O'Leary simply raised protection to the same level as production, and got the axe for his efforts. On Saturday, February 28, 1970, he was hard at work at his desk drafting the new mine safety regulations which were to take effect April 1, 1970. A telephone call came from the

White House, asking if he would be at his office for a little while, since a special messenger was coming over. Opening the White House envelope, Mr. O'Leary found a peremptory note accepting the pro forma resignation he had submitted January 29, 1969. The Director of the Bureau of Mines was told to clear out by March 1, 1970—indecent haste on a Saturday morning when you consider that over six months have since elapsed and the Bureau of Mines is still without a Director.

Since March, the Bureau of Mines has been a leaderless shambles of chaos and confusion. The axe has fallen on many dedicated public servants who showed signs of being infected with human values, and party hacks with little experience have moved into positions of power. Responding to public pressure, President Nixon trotted out a coal industry consultant as his nominee for the critical position of Director of the Bureau of Mines. The nomination was withdrawn in the face of strong opposition from rank and file miners among others. Fifty days have now passed since officials of the Department of the Interior testified before Senator Williams' Senate Labor Subcommittee that a new Director of the Bureau of Mines would quickly be announced. And still there is no action.

Conscientious and dedicated mine inspectors and others in the Bureau of Mines, who are genuinely interested in protecting the safety of the men, have been disillusioned and their morale shattered by the insistence of "top management" that production is more important than protection. When a law suit was filed by 77 plaintiffs against the Federal Coal Mine Health and Safety Act, under Secretary of the Interior Fred J. Russell ordered that Department of the Interior legal and technical experts must not even attend the hearing on a preliminary injunction. Airplane reservations which had already been made had to be cancelled. The result was that the injunction was granted. Ten days later the injunction was made permanent. The administration waived its right to a hearing on that.

The Solicitor of the Department of the Interior generously decided that the injunction should be extended nationwide. Thus, coal operators who were not plaintiffs were given the fruits of the suit free-of-charge. The point of all this is that everything is being done to help the operators, and very little is being done to protect the health and safety of the miners.

There are many other examples of failure to enforce the letter and spirit of the Federal Coal Mine Health and Safety Act. Coal miners have gone to their deaths in many unsuspected mines. The record of injuries is mounting. Since the safety provisions of the new law became effective on April 1, 1970 the Bureau of Mines reports that 94 coal miners have been killed, as contrasted with 82 during the same five-month period in 1969. In the same period of 1970 there have been 920 miners suffering non-fatal accidents compared with 875 in 1969.

It is just as important to enforce the law to curb violence in the coal mines, as it is to enforce the law to prevent violence on the streets and on the campuses. When human lives are at stake, it is outrageous that there is a double standard for law and order.

"Benign neglect" has apparently gripped those charged with enforcing the mine safety law. The one agency charged with protecting the public interest has lost its backbone, its will to enforce the law, and even brushes aside its express authority granted by Congress to protect those human beings who labor in the coal pits of the nation. The lobbyists, encouraged by production-oriented officials in the Department of the Interior, claim that the new

mine health and safety law is too harsh. What about the harsh fact that men are being killed in the mines?

I hope that this Committee on the Human Environment will reiterate the policy so clearly expressed by the Congress in the preamble to the Federal Coal Mine Health and Safety Act of 1969. The very first words of that Act are these: "Congress declares that the first priority and concern of all in the coal mining industry must be the health and safety of its most precious resource—the miner." The marvels of crushing technology, the magic of new production machinery and the public debate over the energy crisis must not obscure the human problem of the men who are dying in increasing numbers in the coal mines. We have heard and read a vast amount of publicity about "blackouts" and "brown-outs" of electric power, but very little about the blackouts of human beings killed in the mines, or brownouts of men suffering from pneumoconiosis.

When are we going to start to place the priority where it belongs—on the value of a human life?

THE FUEL CRISIS: A NEW APPROACH

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, this Nation is faced with an increasingly severe shortage of power and fuel to meet our legitimate needs. We must quickly find ways to prevent future brownouts and blackouts. If we tarry longer, we will, I am afraid, suffer the consequences. Yet this must be done without sacrificing the health and safety of those who labor, and with full protection of consumers and customers.

This is not an easy problem to solve. America is heavily dependent on electric power. We need it, not only for our air conditioners, can openers, frying pans, toasters, clothes and hair dryers, and copying machines, but also for our hospitals and their intricate equipment, to start our furnaces, to aid our police, firemen, and rescue squads, to light our homes, schools, and businesses, to run the gasoline pumps, and for many other essentials.

A NEW TYPE OF COMMISSION

For this purpose, I have today introduced a bill to establish a 21-member Commission to study and report on this problem within 15 months. The composition and emphasis of this Commission differs somewhat from other proposals to study the fuel crisis.

Under my bill, the President would appoint 12 members from the Federal agencies to the new study Commission. This would include a representative from the Justice Department—antitrust problems and their avoidance should be a major concern of this study.—The Council on Environmental Quality, and the new Environmental Protective Agency, as well as from Defense, Interior, State, Commerce, HEW, FPC, AEC, and others.

Most importantly, the President would also appoint nine members from the public, five of which cannot be persons who have economic interests in the fuels, energy, and related industries. There are many dedicated, public-minded people from labor, consumer, environmental,

public health, and other groups who could and should contribute to this study.

I do not include on this Commission congressional representation, because we are already heavily burdened with a legislative load that requires our full attention. We cannot adequately and effectively participate in the proceedings of a Commission like this and give it the attention it deserves, and indeed needs. Further, I believe we should be able to look at the finished report as legislators who did not write it, and give it careful scrutiny so that the final results will truly benefit the public.

CHARTER OF THE COMMISSION

The study must evaluate all possible alternative methods of energy production and the relative merits of all energy sources, including fossil fuels, synthetic fuels derived from natural fossil fuels, nuclear, and any other practical sources. The Commission must then recommend those programs and policies which are most likely to insure, through maximum use, consistent with national policies to enhance the environment, control air, water, and noise pollution, and protect the health and safety of workers, of indigenous resources, that the Nation's rapidly expanding requirements for low-cost energy to the consumer will be met.

This study, I believe, must be conducted in full recognition that our national environmental, pollution control, public health, and worker health and safety policies are given the highest priority. Our fuel and energy needs must be provided in a manner compatible to those policies. It is not a study to find ways to show that we must turn our heads to some of those policies to meet these other needs.

If we are determined, I am sure it will be done. The belief that we can continue to utilize, often indiscriminately, our resources and promote greater use of our energy sources where we do not need them is, I believe, an illusion. We must make sacrifices, or be hobbled by our own efficiency.

ANTITRUST POLICIES OF JUSTICE DEPARTMENT

(Mr. TIERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. TIERNAN. Mr. Speaker, the current antitrust policies of the Justice Department, especially as they apply to so-called conglomerates, have raised some interesting and important questions among the business and legal fraternities. I recently read a very interesting and perceptive piece on the subject which I would like to call to the attention of my colleagues. I would like to insert in the RECORD a story on a speech by Lee Loevinger, former head of the Antitrust Division and former FCC Commissioner, to the Congress Club of the Minneapolis Chamber of Commerce. Judge Loevinger, now in private law practice, is a respected attorney and is considered a foremost authority on antitrust and communications law. The article appeared in the

September 22 edition of the Daily Report for Executives, published by the Bureau of National Affairs.

ANTITRUST: FORMER ANTITRUST DIVISION CHIEF ATTACKS CURRENT CONGLOMERATE MERGER POLICY

It used to be said that nothing succeeds like success, but there is at least one person, former Antitrust Division Chief Lee Loevinger, who believes the Department of Justice seeks to negate the statement. The present attack on conglomerate mergers and aggregate concentration, with its emphasis on "potential competition," is, Mr. Loevinger warned the Congress Club of the Minneapolis Chamber of Commerce, "not only illogical but dangerous."

Putting it bluntly, Mr. Loevinger insisted that the department's attack on business under the potentiality theory "carries a much more immediate threat of government tyranny than any threat of business monopoly against which this attack could be directed."

To begin with, Mr. Loevinger suggested, the government's trepidation over modern economic concentration is exaggerated, if not misplaced. The contention that the economy is becoming more concentrated, that a few large corporations are getting more control over our economic life, and that mergers and acquisitions are inexorably causing such "super-concentration" is not, Mr. Loevinger explained, a new theory, but was discovered in the early 1930s and has been proclaimed ever since.

Despite the longevity of this theory and the many serious and responsible efforts undertaken to test the hypothesis, he said, "reliable objective economic data" has yet to give this theory complete support. In fact, Mr. Loevinger pointed out, "one of the most recent, careful and scholarly reviews of this subject concluded that monopolistic control of manufacturing industry actually declined from 32 percent in 1899 to 29 percent in 1958."

Basic to any rational analysis of the subject, Mr. Loevinger explained, "is the fact that both practical significance and theoretical ability to measure require us to deal with markets rather than vague abstractions such as the whole economy. Both economics and law have traditionally recognized this, and have dealt with market power rather than with what is now called 'aggregate concentration.'"

However, he said, when defining markets and gathering statistical data, reasonable approximations are all that can be hoped for. Then, when dealing with great vague abstractions like the whole economy, or all manufacturing industry, he said, both definitions and data become so fuzzy and inexact that they are worthless for rigorous analysis.

"Thus sweeping generalizations about increase in aggregate concentration of manufacturing in this country indicate more about the emotional condition of their authors than they do about the economic position of the country," Mr. Loevinger stated.

Distortions exist, he said, because of reliance on percentages of business control by a small number that are only crude indications of actual market conditions, statistics gathered from census figures that attribute all shipments from a plant or business to the industry in which it is primarily engaged, exclusion of imports but inclusion of exports, and basing such concentration figures upon industry classifications established for census purposes by product differentiation that may or may not correspond to actual competitive markets.

Statistical trends are also, Mr. Loevinger pointed out, influenced by selection of the starting point and the kind of data gathered. Furthermore, the question of whether there has been an increase in concentration, even without regard to all defects in the data,

depends entirely upon the business group examined. "For example," he said, "taking the 10 largest industrial companies by asset size, in 1954 they had 27.4 percent of the assets of the largest 500, but by 1968 held only 24.3 percent of all such assets. Taking the largest 50 industrial corporations, in 1954 they held 54.6 percent of all the assets of the largest 500, while this percentage dropped to 52.2 percent by 1968."

Assuming the presence of "aggregate concentration," Mr. Loevinger continued, the legal basis of attack on such concentration is not only illogical but dangerous.

He added: "The purpose of the antitrust laws is to protect free enterprise by forbidding mergers, acquisitions, or other combinations that unduly restrain competition. But the Department of Justice has been unable to show that conglomerate mergers restrain competition. Instead, it has alleged that these mergers eliminate something termed 'potential competition' and involve potential abuse of economic power by reciprocity."

The basic fallacy in this new, admittedly extended theory, he said, "is that it disregards the difference between reasonable probability and remote possibility." If prosecutions are brought or cases are decided on the basis of potentiality—in the sense of mere possibility—"then there is no law or principle at all except the whim of the prosecutor or judge," Mr. Loevinger declared.

This "emotional attack on business size and diversification" ignores the many benefits to be derived from industrial expansion, he said. First, although not necessarily foremost, is the economic advantage.

He then said: "The most rapidly growing economy since World War II has been that of Japan. Analysis of the Japanese economy indicates that its growth is not based, as some think, on cheap labor or on exports, but on its own independent research and development effort. This, in turn, is the result of business firms with very large capital made available through government guarantees and highly diverse or conglomerate activities."

Japanese, as well as West German, industrial growth, he said, confronts American industry with "a very real and immediate challenge." Although some demand tariff protection and others seek non-tariff trade restrictions, "these measures are at best dubious," he asserted. "However, there should be agreement that before we institute trade barriers to protect American industry against foreign competition we should at least give American industry opportunity and freedom to compete without imposing arbitrary limitations and restrictions on its growth. . . . If American industry is to survive in the world market and compete equally even in the American market, it must have freedom to build size, diversity, and financial strength as a foundation for its activity."

Although the economic function of business is its obvious and primary role, the broader responsibility of business to society in general is rapidly gaining widespread recognition. One of its important social roles, too often overlooked, is "to act as a counterpoise or check" to the unlimited power of government, Mr. Loevinger said.

There are few forces in society capable of offering any effective check to unlimited expansion of governmental power, he stated. Historically, business has been the strongest and most effective of these. It is interesting, Mr. Loevinger noted, that historically monopoly has been the result of government action and that the earliest cases and law against monopoly were directed not against business, but against government power.

"We have now lived so long with the notion that business is limited in power and that we will not tolerate monopoly that we have almost forgotten the original source of economic abuse was in government power."

he said. The continued maintenance of the American democracy "depends upon our ability to sustain a delicate balance among the elements and forces within society. As the size and the power of government grows we must have other institutions similarly growing in size and power to insure that the balance within society is maintained."

This delicate social balance, Mr. Loevinger warned, is threatened by the current antitrust policy. The attack on conglomerates, he said, is not simply an effort to limit the size of a few large corporations but, whether intentionally or not, is a threat to subordinate all business, large and small, to arbitrary government control."

AMERICAN INVESTMENT ABROAD

(Mr. ADAIR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ADAIR. Mr. Speaker, I have followed with mounting alarm the increasingly critical threats to American investment abroad. According to the State Department there are now expropriation cases pending in 16 foreign countries affecting properties owned by American nationals. I have asked the Department to furnish complete information regarding each of these cases and I intend to study each of the individual cases in detail. However, pending receipt of the State Department's report I have concluded that the Algerian situation is so serious that action should be taken immediately.

As many Members of the House will recall Algeria terminated diplomatic relations with the United States upon the outbreak of the Arab-Israel war in June of 1967. It did so on the pretext that the United States had intervened in that war on the side of Israel. At the same time it took under protective custody all American-owned property in the country, which was largely oil and gas properties. Although some of the American owners have reached settlements regarding compensation for this property, substantial claims are still outstanding which apparently the Government of Algeria has no intention of honoring. Indeed, the Algerian Government has gone so far as to refuse to participate in the arbitration of certain of these claims. The Algerian seizures affect not only American-owned property but also oil and gas properties owned by nationals of other countries.

Recently the Algerian Government has stepped up its demands against the French-owned companies and at the request of Libya has placed an embargo on further supplies of natural gas to Esso, although such deliveries are required by its contract with Esso for servicing consumer demands in Spain and Italy. It seems clear to me, and I believe it should be clear to anyone who studies the matter objectively, that Algeria is prepared to use whatever leverage it can against American interests.

Despite this, however, applications are being made to the Federal Power Commission for authority to import liquefied natural gas from Algeria into the U.S. market. The initial applications were

for relatively small quantities and on this theory some elements of the administration have appeared disposed to authorize the importations. Now, however, the initial application has been amended so as to embrace a substantially larger quantity of gas and fresh applications have been filed which, if approved, would call for the importation of the equivalent of 1 billion cubic feet of natural gas per day for 25 years. It is idle to pretend that authorization of Algerian gas on this scale would not create an economic dependence by the United States on Algeria. I believe these applications should be denied until such time as there has been a convincing demonstration that the Algerian Government is prepared to assume responsibility for its numerous acts of expropriation and that it is a dependable trading partner for the United States.

It should not be assumed that Algeria does not have the funds with which to pay the compensation claims. Since the 1967 expropriations of foreign oil and gas properties enormous revenues have accrued to the Algerian treasury. Recently, the Ministry of Finance announced a 4-year \$900 million hydrocarbon investment program which is to be carried out before the end of 1973. While the Ministry of Finance acknowledged that foreign capital was being sought to help finance this program, it nevertheless stated that half the total required to finance this ambitious plan is "already in the Algerian treasury." As a minimum, this means that Algeria has on hand \$450 million, which is many times the amount required to pay its obligations to the expropriated owners as required by international law.

Furthermore, it cannot be said that the approval of the applications before the Commission will alleviate the fuel shortage which many expect this winter. The applications provide for long-term commitments of 20 to 25 years. Facilities involving a substantial investment must still be constructed to receive these shipments, and the gas to be delivered pursuant to these commitments would begin at the end of 1971 at the earliest.

In view of the foregoing, it is inconceivable to me that the proposed importations from Algeria could be found to be in the public interest. Nevertheless, since I regard the situation as critical, I am introducing a measure which if enacted would establish beyond any question of doubt the policy of the United States in this area. It would provide that in cases of wholesale expropriation of oil and gas properties the Federal Power Commission could not authorize further importations of similar products from the expropriating country so long as the seizures of American-owned property remained uncompensated. While the bill I now propose is limited to wholesale seizures of oil and gas properties, the same policy might reasonably be applied in other fields of enterprise. I am frank to say that I have not made up my mind whether the legislation should be broadened to other industries. Suffice it to say that the situation is sufficiently acute in the petroleum field to require an im-

mediate clarification of policy by the Congress on this subject. As further information becomes available from the State Department regarding other uncompensated expropriations it may become appropriate to propose additional legislation to cover these situations.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. In 1950, 26 percent of our citizens 18 through 21 years of age were in institutions of higher education compared to approximately 47 percent enrolled today.

FROM WAR TO PEACE: INCENTIVES FOR CONVERSION OF THE ECONOMY

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, I am today introducing, with my good friend and associate from Massachusetts (Mr. Morse), improved and expanded legislation to enable this Nation to move from war to peace with maximum protection for the financial security of both working people and industry. This new legislation, which has been developed by Senator McGovern with assistance from my own and Congressman Morse's staff, goes beyond the economic conversion legislation we introduced earlier in this Congress in a number of important respects.

Like our earlier legislation, this bill would create a National Economic Conversion Commission. It provides that Commission, however, with new operational authority. In general terms, this operational authority would enable the Commission to provide real incentives to industry and nonprofit enterprises, like universities, to develop and implement plans to convert from defense and space-oriented activities to other types of production and research. The bill would create a conversion fund, held in trust by the Commission, by requiring major defense and space contractors to deposit 12½ percent of before-tax profits from defense or space work, enabling the Commission to help industry with the conversion process and even to pay retraining and relocation benefits to displaced workers.

Contractors would be able to borrow against the "conversion trust fund" in order to move into nondefense activities in accord with their conversion plans, and would receive their full conversion deposit back with interest, tax free, upon successful completion of conversion plans—a very real incentive that should end the current hesitation by many industrial leaders to think seriously about conversion.

Similar arrangements are provided in this bill for nonprofit institutions, except that conversion reserves for them would be contributed by the Federal Government by appropriation, and no refund would be provided.

Mr. Speaker, prompt enactment by the Congress of legislation of this kind is essential for a number of compelling reasons. Employment in the defense and defense-related sectors of the economy has already declined by some 700,000. We hear and read every day of whole communities which have suddenly become unemployed where highly trained technical experts and unskilled laborers find themselves sharing the same soup kitchens. Manpower experts tell us we can expect reductions in defense and space employment approaching 5 million workers as we reorient our national priorities, as we surely must, from war and space adventurism to major efforts to solve our domestic problems.

We simply cannot afford to permit the burden of our reorientation of national priorities to fall upon the shoulders of working people. We must provide them with the means and the assurance that they will not suffer economically or psychologically should they be caught in the forces of economic change. We must provide them with effective assistance and direction to find new employment and income. Such is the intent and, I believe, the potential effect of this legislation should it be enacted.

Many who recognize the need for conversion planning and assistance feel that it should be entirely the responsibility of the defense and space industries themselves. As a practical matter, however, that is no solution. The simple fact is that most business leaders are not engaging in such planning, and are not about to do so. That impression was reinforced by the results of a survey of major businesses reported last week by the Senate Subcommittee on Executive Reorganization and Government Research, chaired by Senator ABRAHAM RIBICOFF. The subcommittee concluded:

In general, the responses indicated that private industry is not interested in initiating any major attempts at meeting critical public needs. Most industries have no plans or projects designed to apply their resources to civilian problems. Furthermore, they indicated an unwillingness to initiate such actions without a firm commitment from the government that their efforts will quickly reap the financial rewards to which they are accustomed. Otherwise, they appear eager to pursue greater defense contracts or stick to proven commercial products within the private sector.

Prompt and decisive intervention by the Federal Government to promote orderly economic conversion is clearly required to save the defense industries, and more importantly their employees, from this kind of myopia. Such action is necessary, in the broader context, to disprove what Marxist leaders around the world have been saying about our economy for decades—that it thrives upon war and will collapse without it.

Mr. Speaker, I commend Senator McGovern for his leadership on this legislation, and I hope that it will receive wide support and attention in the House.

THE NATIONAL ECONOMIC CONVERSION ACT

(Mr. MORSE asked and was given permission to extend his remarks at this point in the Record, and to include extraneous matter.)

Mr. MORSE. Mr. Speaker, I am introducing legislation today designed to facilitate our transition to a peacetime economy and to alleviate the problems which many of our industries and communities throughout the Nation are facing as a result of declining levels of defense and space spending. A companion bill is scheduled to be filed in the Senate tomorrow by Senator GEORGE MCGOVERN.

Since 1964, when I first proposed the establishment of a National Economic Conversion Commission to study and plan for an orderly and gradual move away from economic dependence on military procurement programs, I have continued to urge proper attention to concrete planning for our long-range economic health. Last year, as the effects of a winding down of the Vietnam war on our economy were becoming increasingly visible, I was gratified that some 48 Members of the House joined Congressman JONATHAN BINGHAM and myself in introducing that bill.

Today, in 1970, however, the problem of conversion is directly before us, and the kind of action envisaged by the legislation I first proposed in 1964 is no longer adequate. We need to do more than conduct studies of the Government's role in the conversion process. Concrete action is imperative.

I am, therefore, joining with Mr. BINGHAM today to offer new legislation, entitled "The National Economic Conversion Act", which supersedes earlier efforts and goes beyond my previous proposals. It incorporates the original provision for the creation of a National Economic Conversion Commission, but broadens its operational authority to aid in implementing conversion plans and to protect those workers who lose their jobs because of reduced levels of space and military expenditure. It seeks to provide compelling incentives for military contractors to start planning for conversion and implementing a shift of their capital and labor force to civilian needs as rapidly as possible. It establishes a trust fund to cover some of the costs of conversion.

There is a critical need for an orderly program since the predictable downward trend of military and space spending, combined with the effect of current anti-inflationary restrictions, could result in a loss of employment for millions of American workers. Effective action must be taken now to prevent these individuals, firms, and the communities in which they are located, from suffering extreme financial discomfort at best, and economic disaster in many instances.

Every single citizen will benefit enormously, furthermore, as the technology, the resources, and the management skills developed by so many of our defense and aerospace-related industries are increasingly channeled into areas urgently needing the Nation's attention—areas such as improving our transpor-

tation systems and facilities, developing ways to solve our urban decay and housing needs, expanding research efforts in health and medical technology, effectively controlling air and water pollution, and developing new sources of power, to name but a few.

The possibility of impending peace poses a vast potential for progress, and we must move now if we are to take full advantage of it. The national economic conversion bill, the text of which follows, will, I strongly believe, insure that we are heading in that direction:

H.R. 19557

A bill to facilitate and encourage cooperation between the United States and certain defense contractors engaged in the furnishing of defense material to the United States in providing for an orderly conversion from defense to civilian production, and to assure, through such cooperation, that the United States and such defense contractors will be able to meet the challenge arising out of the economic conversion and diversification required by reason of the changing defense needs of the United States to provide for such an orderly conversion in an effort to minimize, to the extent possible, the hardships and other disruptive factors likely to be encountered by defense workers and their families as a result thereof.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Economic Conversion Act."

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares that the United States has during the past two decades made heavy economic, scientific, and technical commitments for defense; that careful preparation and study are necessary if wise decisions on future allocations of such resources are to be possible; that the economic ability of the Nation and of management, labor, and capital to adjust to changing security needs is consistent with the general welfare of the United States; and that the economic conversion and diversification required by changing defense needs presents a great challenge and opportunity to the American people.

(b) It is the purpose of this Act to provide the means through which the United States can determine the public policies which will promote an economic conversion which will (1) assure an orderly transition from defense to civilian production with a minimum of dislocation to families and communities, and (2) encourage conversion of technologies and management and worker skills developed in defense production to the service of high-priority civilian purposes.

DEFINITIONS

SEC. 3. As used in this Act the term—

(1) "defense agency" means the Department of Defense, the Atomic Energy Commission, or the National Aeronautics and Space Administration.

(2) "defense contractor" means any person having not less than fifty workers engaged in the furnishing of defense material pursuant to the terms of a defense contract, or a subcontract entered into for the performance of any such contract or part thereof; except that the term "defense contractor" shall not include any person whose total number of workers so engaged in the furnishing of such material is less than 5 per centum of his total work force within a defense facility.

(3) "nonprofit contractor" means any nonprofit organization having not less than fifty workers engaged in the furnishing of defense material pursuant to the terms of a defense

contract, or a subcontract entered into for the performance of any such contract or part thereof; except that the term "nonprofit contractor" shall not include any nonprofit organization whose total number of workers so engaged in the furnishing of such material is less than 5 per centum of his total work force within a defense facility.

(4) "defense contract" means any contract entered into between a person or nonprofit organization and a defense agency to furnish defense material to such agency.

(5) "defense material" means any item of weaponry, munitions, equipment, supplies or services intended for use in the establishment, maintenance, training, or operation of any element of the armed forces of the United States or of any other country or in the conduct of the United States Space Program.

(6) "defense facility" means any plant or other establishment (or part thereof) engaged in the production, repair, modification, maintenance, storage, or handling of defense material.

(7) "person" means any corporation, firm, partnership, association, individual, or other entity, but shall not include a nonprofit organization.

(8) "nonprofit organization" means any corporation, firm, partnership, association, or other entity not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(9) "short workweek" means any workweek of less than 40 hours, or in the event a defense facility has a regular workweek payable at straight-time wage rates other than 40 hours, any workweek less than such regular workweek.

(10) "downgraded" or "downgrading" means any action taken by a defense contractor or nonprofit contractor with respect to a worker which results in such worker receiving a lower rate of pay, or less fringe benefits, or both.

(11) "displaced" or "displacement" means with respect to any worker of a defense facility or defense agency the separation, on a permanent or temporary basis, of such worker from his employment with such facility or agency.

(12) "State agency" means the agency of a State which administers its unemployment compensation law, approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

(13) "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

(14) "Fund" means the Defense Facility Conversion Reserve Trust Fund established by section 302(a) of this Act.

(15) "Nonprofit fund" means the fund established by section 302(c) of this Act.

TITLE I—ESTABLISHMENT OF THE COMMISSION

Sec. 101. (a) There is hereby established, in the Executive Office of the President, the National Economic Conversion Commission (hereafter referred to as the "Commission"), which shall be composed of—

- (1) The Secretary of Defense;
- (2) The Secretary of Agriculture;
- (3) The Secretary of the Interior;
- (4) The Secretary of Commerce, who shall be Chairman of the Commission (referred to hereinafter as the "Chairman");
- (5) The Secretary of Labor;
- (6) The Secretary of Health, Education, and Welfare;
- (7) The Secretary of Housing and Urban Development;
- (8) The Secretary of Transportation;
- (9) The Chairman of the Atomic Energy Commission;
- (10) The Administrator of the National Aeronautics and Space Administration;

(11) The Director of the United States Arms Control and Disarmament Agency;

(12) The Chairman of the Council of Economic Advisers;

(13) Three persons, appointed by the Chairman of the Commission, who are representative of labor; and

(14) Three persons, appointed by the Chairman of the Commission, who are representative of management.

(b) The Secretary of Commerce shall preside over meetings of the Commission; except that in his unavoidable absence he may designate a member of the Commission to preside in his place.

(c) The Commission may invite additional individuals to serve as members of the Commission, either on a temporary or permanent basis, except that the membership of the Commission shall not exceed twenty-three members at any time.

(d) (1) The Commission is authorized to appoint a staff in accordance with paragraph (2) of this subsection, and to establish one or more task forces to assist the Commission in carrying out its duties under this Act. The staff shall be headed by an Executive Secretary who shall be appointed by the President of the United States (after consultation with the Commission) and who shall be compensated at the rate provided for grade 18 of the General Schedule. The members of such staff and task forces shall include, among others, marketing specialists, production engineers, plant layout men, and manpower training experts. It shall be the duty of the staff and any task force established by the Commission, at the request of the Commission, to assist defense contractors and non-profit contractors with the development of conversion plans submitted by them pursuant to this Act, to review and evaluate such plans, to provide assistance in connection with their executive, and to carry out such other duties as the Commission may prescribe.

(2) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable in accordance with the applicable provisions of title 5, United States Code. The Commission may also procure temporary and intermittent services to the same extent as authorized for the departments by section 3109 of title 5, United States Code.

(3) The Commission shall take all reasonable steps to encourage, and give preference in assigning its staff and task forces to assist, defense contractors and non-profit contractors to convert their defense facilities to production useful for the attainment of national priority goals, such as housing and urban rehabilitation, educational and health facilities and equipment, and elimination of environmental pollution.

(4) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each department, bureau, agency, board, commission, office, independent establishment, or instrumentality, is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission upon request made by the Chairman.

(5) Members of the Commission who are officers or employees of the Federal Government shall receive no additional compensation by virtue of membership on the Commission. Other members of the Commission shall receive compensation at the rate of not to exceed \$100 per diem when engaged in the performance of duties of the Commission. Each member of the Commission shall be reimbursed, as authorized by law (5 U.S.C. 73b-2), for travel and subsistence and other

necessary expenses incurred by him in carrying out the duties of the Commission.

DUTIES OF THE COMMISSION

Sec. 102. It shall be the duty of the Commission to—

(1) define appropriate policies and programs to be carried out by departments and agencies of the Federal Government for economic conversion capability, which shall include with respect to various degrees of economic conversion schedules of civilian public and private investment and education and retraining for occupational conversion, and to report to the President and the Congress on such policies and programs within one year of the date of enactment of this Act;

(2) convene a National Conference on Industrial Conversion and Growth, within one year after the date of enactment of this Act, to consider the problems arising from appropriate planning and programing by all sectors of a conversion to a civilian economy, and to encourage action to facilitate the Nation's economic conversion capability;

(3) consult with the Governors of the States and the Commissioner of the District of Columbia to encourage appropriate studies and conferences at the State, local, and regional level, in support of a coordinated effort to improve the Nation's economic conversion capability, and make available to the Governors of the States and the Commissioner of the District of Columbia such funds, appropriated pursuant to title VI of this Act, as shall constitute not more than 50 per centum of the total costs associated with the preparation of such studies or the holding of such conferences;

(4) collect and disseminate to defense contractors and nonprofit contractors engaged in the furnishing of defense material to any defense agency information (other than information concerning proprietary trade secrets) useful to such contractors in preparation for conversion of their productive facilities to other uses consistent with policies and programs developed in accordance with the provisions of this Act;

(5) consult with trade and industry associations, labor unions, and professional societies, to encourage and enlist their support for a coordinated effort to improve the Nation's economic conversion capability;

(6) perform the duties imposed upon the Commission by this Act, and promulgate such regulations as may be necessary to carry out the provisions of this Act; and

(7) make such recommendations to the President and to the Congress as will further the purposes of this Act.

ADDITIONAL DUTIES OF THE COMMISSION AND STAFF

Sec. 103. (a) It shall be the duty of the Commission to review any conversion plan submitted to the Commission pursuant to section 201 of this Act with a view to (1) determining whether such plan conforms to the requirements of title II; (2) assessing the feasibility of such plan; (3) ascertaining whether the defense contractor or nonprofit contractor submitting such plan has made a reasonable effort to coordinate his plan with subcontractors and other firms in the same labor market area; and (4) determining whether such plan is generally consistent with plans submitted by other defense contractors and nonprofit contractors within such labor market area pursuant to title II of this Act. In reviewing any such plan, the Commission shall consult with the union representing the employees of the defense contractor or nonprofit contractor submitting such plan, and with representatives of the appropriate State and local governments.

(b) (1) Following the review of a conversion plan of a defense contractor or nonprofit contractor under this section, the Commis-

tion shall notify such contractor, in writing of the results of its review of his plan, including any weaknesses or deficiencies therein. The notice shall further contain, where appropriate, a statement directing his attention to opportunities which he may have overlooked to convert his defense facilities to civilian production useful for the attainment of national priority goals.

(2) If, on the basis of such review, the Commission determines that a conversion plan submitted by a defense contractor does not meet the requirements of title II of this Act, the Commission shall notify the appropriate defense agency of that fact, and such agency shall, upon receipt of that notification, withhold not to exceed 15 per centum of any payment owed to such contractor on account of any defense contract entered into on or after the date of the enactment of this Act between such contractor and agency until the agency has been further notified by the Commission that such plan has been modified by the contractor so as to bring it into conformity with the provisions of such title. If, on the basis of such review, the Commission determines that a conversion plan submitted by a nonprofit contractor does not meet such requirements, the Commission is authorized to withhold any further payments to such contractor from the Non-Profit Fund until the Commission has determined that such plan has been modified by the contractor so as to bring it into conformity with such requirements.

(c) The Commission shall, from time to time, publish, and make available to the public, a written report concerning its activities under this section. Such report shall contain information and other data sufficient to inform interested persons and nonprofit organizations as to production opportunities likely to result from the execution of conversion plans reviewed by it pursuant to this section, and the dangers of possible overproduction or underproduction of certain goods and services which might result from the execution of such plans.

TITLE II—ECONOMIC CONVERSION PLANS

Sec. 201. (a) No defense agency shall enter into any defense contract with any person or nonprofit organization involving the furnishing of defense material to such agency unless the contract contains a provision under which the defense contractor or nonprofit contractor is required, subject to the provisions of section 202 of this Act, to file with the Commission, and thereafter keep current, a plan (referred to in this Act as a "conversion plan") setting forth how he intends to convert his defense facility into a facility capable of providing employment for his workers engaged in the furnishing of defense material to a defense agency when such workers are no longer required for that purpose because the need for such material no longer exists or is substantially reduced.

(b) Each conversion plan filed pursuant to subsection (a) shall contain such information and other data as the Commission may prescribe, including the following:

(1) The type of product or service to be produced or provided.

(2) A statement setting forth the basis for such contractor's belief that a market for the proposed product or service is available, including details of any marketing studies or surveys made.

(3) A description of efforts undertaken and preparations made by the contractor to market the proposed product or service, including contacts established with market outlets and potential customers.

(4) A list of the machinery and equipment used, at the time of the filing of such plan, by such contractor in connection with the furnishing of defense materials which may be directly converted to the proposed

civilian production; a list of machinery and equipment so used at such time that would require modification for that purpose; a list of additional machinery and equipment which would have to be procured by any such contractor for that purpose; a description of the nature and extent of plant layout changes which would be required for such proposed civilian production; and a detailed description of the nature and amount of manpower retraining that would be necessary for conversion to such production.

(5) The estimated costs, at current prices, of the physical conversion and manpower retraining referred to in paragraph (4) of this subsection.

(6) An estimate of the time period required from the initiation of the conversion process to its completion, and of employment levels during each month of such period.

(7) In the case of prime defense contractors or prime nonprofit contractors, a detailed description of contacts and arrangements made with subcontractors to facilitate the maximum possible degree of coordination of their respective conversion plans.

(8) In the case of prime defense contractors and nonprofit contractors, and their subcontractors, a detailed description of contacts and arrangements made by them with other firms in the same labor market area designed to facilitate maintenance of employment levels in that area.

(9) A statement as to how the foregoing elements in the conversion plan would be affected, and to what extent they would have to be modified, in the event defense production is gradually reduced rather than totally eliminated at a single point in time.

(c) (1) Moneys deposited in the special reserve account of the Fund and earmarked to the credit of a defense contractor in accordance with section 302(a)(1) of this Act shall be available for use by such contractor in meeting expenses incurred by him in developing and carrying out his conversion plan submitted pursuant to section 201 of this Act.

(2) Moneys appropriated to the Non-Profit Fund pursuant to section 302(c) of this Act shall be available for use, in accordance with this Act, by any nonprofit contractor in meeting expenses incurred by him in developing and carrying out his conversion plan under this Act.

Sec. 202. (a) In any case in which a defense contractor or a nonprofit contractor determines that his defense facility cannot be converted to civilian production he shall notify the Commission, in writing, of that fact. Such notification shall set forth the basis on which that determination was made, together with such other information and data as the Commission may require. If the Commission determines that such defense facility cannot be so converted, it may authorize such contractor to file with the Commission, in lieu of the conversion plan required under section 201, copies of one or more contracts, approved by the Commission, entered into between such defense contractor or nonprofit contractor and any other person or nonprofit organization under which such person or nonprofit organization agrees to undertake to attempt to provide employment, including such retraining as may be necessary, for employees displaced from such defense facility. No such contract filed by a defense contractor under this section shall be approved by the Commission unless it contains a provision under which the moneys in the special reserve account in the Fund earmarked to the credit of such contractor in accordance with the provisions of section 302(a)(1) of this Act shall be available for

payment of employee conversion benefits under title V of this Act and of all costs incurred by such person or nonprofit organization arising out of the absorption (including retraining) by such person or organization of such displaced workers.

(b) In any case involving any such contractor entered into between a nonprofit contractor and any person or nonprofit organization under which such person or organization agrees to undertake to attempt to provide employment, including such retraining as may be necessary, for employees of such contractor so displaced, moneys appropriated to the Non-Profit Fund pursuant to section 302(c) of this Act shall be available for payment or reimbursement of all costs incurred by such person or nonprofit organization arising out of the absorption (including retraining) by such person or organization of such displaced workers.

Sec. 203. (a) In any case in which a defense contractor fails to execute the conversion plan (or any part thereof) submitted by him in accordance with section 201 of this Act with respect to his defense facility, the Commission is authorized to take over, convert, and operate such facility, or take over and arrange, by contract or otherwise, for the conversion and operation by another person of such facility, in accordance with the conversion plan submitted by such defense contractor or a conversion plan recommended by the Commission or, with its approval, by the Commission's staff and task forces. The Commission shall pay to the defense contractor whose facility is taken over pursuant to this section a reasonable rent out of any moneys in the special reserve account in the Fund earmarked to the credit of the defense contractor in accordance with the provisions of section 302(a)(1) of this Act. Employee conversion benefits under title V of this Act, and all costs arising out of the development and execution of any such conversion plan in accordance with this section by the Commission or such person, shall be paid out of such moneys in such account so earmarked.

Sec. 204. (a) With respect to any amounts authorized to be paid under this title out of moneys in the special reserve account of the Fund, the Commission shall, from time to time, certify to the Secretary of the Treasury (1) the name of the defense contractor or other person entitled to receive such payment, (2) the amount thereof, and (3) the name of the defense contractor whose earmarked moneys in such account is to be charged in connection with such payment. With respect to any amounts authorized to be paid to the Commission pursuant to section 203 of this title out of moneys in the special reserve account of the Fund, the Commission shall, from time to time, certify to the Secretary of the Treasury (1) the amount thereof, and (2) the name of the defense contractor whose earmarked moneys in such account is to be charged in connection with such payment. The Secretary of the Treasury shall make such payments from the special reserve account of the Fund to such contractor, person, or Commission in accordance with such certification.

(b) With respect to any amounts authorized to be paid under this title out of the Non-Profit Fund, the Commission shall, from time to time, certify to the Secretary of the Treasury (1) the name of the nonprofit contractor or other person or nonprofit organization entitled to receive such payment, and (2) the amount thereof. The Secretary of the Treasury shall make such payments, from the Non-Profit Fund, to such nonprofit contractor, person, or organization in accordance with such certification.

Sec. 205. (a) Each defense agency shall file with the Commission, and keep current on not less than an annual basis, a conversion plan with respect to each of its facilities in the United States (including agreements or arrangements entered into by such agency contemplating the operation of such facility by another Federal agency or pri-

vate organization) setting forth how that agency intends to convert such facility into a facility capable of providing employment for its workers when such workers are no longer needed for defense purposes. Such plan shall be filed at such time and contain such information as the Commission may prescribe.

(b) In any case in which a defense agency determines that any of its facilities cannot be converted to a nondefense use, such agency shall, with respect to any such facility, file with the Commission, on an annual basis, plans (including details of arrangements made with other Federal agencies) designed to facilitate the employment of workers of such facility displaced because they were no longer needed by such facility for defense purposes.

(c) In addition to the other requirements of this section, the Department of Defense shall report to the Commission, on an annual basis, with respect to action taken by such Department, including training for civilian employment, to facilitate the absorption into the civilian economy of individuals released from the armed forces of the United States.

Sec. 206. The Commission shall by such means as it determines appropriate, inform Federal and State governmental and private manpower training agencies with respect to the training and retraining needs which the Commission estimates may result on account of the execution of conversion plans pursuant to this Act.

Sec. 207. On and after the date of the enactment of this Act, each defense contract entered into between a defense agency and a defense contractor or nonprofit contractor shall contain a provision under which such contractor is required to notify the appropriate State employment service of all vacant jobs to be filled by new hires (as distinguished from vacant jobs to be filled by promotion, transfer or recall of laid off workers) by such contractor.

TITLE III—ECONOMIC CONVERSION RESERVES

Sec. 301. No defense agency shall enter into any defense contract with any person involving the furnishing of defense material to such agency unless the contract contains a provision under which the defense contractor is required to pay to the Commission an amount equal to 12½ per centum of all profits (determined prior to any exclusions for Federal or State taxes) resulting from such contract. Profits payable to the Commission pursuant to this section shall be computed in such manner, and paid at such time, as the Commission, after consultation with the Comptroller General, shall by regulation prescribe. In no case, however, shall payments required to be made by a defense contractor pursuant to this section be considered as a cost item in the negotiating or bidding of any defense contract, or in determining profit for purposes of this section or any provision of law relating to the renegotiation of defense contracts.

Sec. 302. (a) There is hereby established in the Treasury of the United States a trust fund to be known as the "Defense Facility Conversion Reserve Trust Fund" (referred to in this Act as the "Fund"). The Fund shall consist of two parts, one of which shall be known as the "special reserve account" and the other as the "general pool reserve account." Amounts paid by a defense contractor to the Commission pursuant to section 301 of this Act shall be deposited in the Fund as follows:

(1) 90 per centum of such amounts shall be deposited in the special reserve account and earmarked to the credit of the defense contractor making such payments; and

(2) 10 per centum of such amounts shall be deposited in the general pool reserve account.

(b) There is authorized to be appropriated

to the general pool reserve account in the Fund such amounts as may be necessary to enable the Secretary of the Treasury to make the payments and other disbursements authorized by sections 403 and 504 of this Act.

(c) There is hereby established in the Treasury of the United States a fund to be known as the "Nonprofit Fund." There is authorized to be appropriated to the Nonprofit Fund such amounts as may be necessary to enable the Secretary of the Treasury to make loans pursuant to section 402, and payments authorized to be made in accordance with sections 201(c) (2) and 202(b) of this Act.

Sec. 303. (a) It shall be the duty of the Secretary of the Treasury to invest such portion of the moneys in the Fund as is not, in the judgment of the Secretary, required to meet current withdrawal requirements. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(b) Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(c) Any interest earned by reason of the investment pursuant to this section of any moneys of a defense contractor in the fund shall be deposited in the account from which the moneys so invested were acquired and shall be available for disbursement in accordance with this Act.

Sec. 304. (a) (1) Upon written application of any defense contractor, the Commission is authorized, if such contractor has not engaged in the furnishing of defense material to a defense agency during any period of twenty-four consecutive calendar months following the date of the enactment of this Act, to provide for the return of all unexpended moneys (including interest credited thereon) of such contractor remaining to his credit in the special reserve account as of the date of such application, if all of his obligations under this Act have been satisfied.

(2) Upon written application of any defense contractor, the Commission is authorized, if the number of his workers engaged in the furnishing of defense material to a defense agency during the twenty-four calendar month period immediately preceding such application was continuously more than 20 per centum below the peak annual average number of his workers engaged in the furnishing of such materials during the period commencing on the date of the enactment of this Act and ending on the date immediately preceding the date of such ap-

plication, to provide for the return to such contractor of a portion of his unexpended moneys (including interest credited thereon) remaining to his credit in the special reserve account of the fund as of the date of such application. Such portion to be so returned to such contractor shall be an amount equal to the excess of his unexpended moneys (including interest credited thereon) so remaining to his credit in such account as of the date of such application over the same percentage of his total deposits therein (including interest credited thereon) as his average defense employment during such two-year period preceding his application as of his aforementioned peak annual average defense employment. No more than one such application under this paragraph shall be approved with respect to any one defense contractor within any twelve calendar month period.

(b) (1) Upon written application of any defense contractor, the Commission is authorized, if such contractor has not engaged in the furnishing of defense material to a defense agency during any period of twenty-four consecutive calendar months following the date of the enactment of this Act, to provide for the return to such contractor of a portion of the moneys (including interest credited thereon) in the general pool reserve account. Such portion to be so returned to such contractor shall be an amount equal to the percentage of such money (including interest credited thereon) so remaining in such account as of the date of such application, equal to the percentage which his total deposits therein (including interest credited thereon) formed of all moneys paid into or credited to the general pool reserve account.

(2) Upon written application of any defense contractor, the Commission is authorized, if the number of his workers engaged in the furnishing of defense material to a defense agency during the twenty-four calendar month period immediately preceding such application was continuously more than 20 per centum below the peak annual average number of his workers engaged in the furnishing of such material during the period commencing on the date of the enactment of this Act and ending on the date immediately preceding the date of such application, to provide for the return to such contractor of a portion of the moneys (including interest credited thereon) remaining in the general pool reserve account. Such portion to be so returned to such contractor shall be an amount equal to a percentage of his total deposits (including interest credited thereon) in such general pool reserve account equal to the percentage reduction in his defense employment, adjusted by the ratio of the total amount (including interest) remaining in such general pool reserve account at the date of such application to the total of all deposits (including interest credited thereon) made by defense contractors to such account pursuant to this Act.

(3) Notwithstanding any other provision of this subsection, no moneys shall be returned to any such defense contractor pursuant to this subsection if the total amount expended from such Fund in order to meet his obligations and other expenses under this Act equals or exceeds the total amount of his deposits to the Fund (including interest credited thereon).

(4) All amounts returned to a defense contractor pursuant to this section shall be exempt from the Federal income tax laws.

TITLE IV—DEFENSE CONTRACTOR BENEFITS

Sec. 401. (a) Any defense contractor requiring funds to carry on, expand, or initiate a civilian business or other civilian activity in the same labor market as his defense operations may be authorized by the Commission to borrow from funds in the special reserve account and earmarked

to his credit in accordance with section 302 (a) (1) of this Act, at a rate of interest equivalent to the current prevailing rate on long term Treasury bonds.

(b) No loan shall be made pursuant to subsection (a) of this section unless the defense contractor requesting such loan has—

(1) obtained or arranged to obtain, from a reputable private lending agency, a loan, equal to at least 10 per centum of the amount requested pursuant to subsection (a), for use for the same purpose as that for which a loan is requested under such subsection, and such lending agency has agreed to share proportionately in any losses which might be incurred on the combined loans; and

(2) included in this conversion plan submitted pursuant to section 201 of this Act provisions for employing workers, displaced from any defense facility operated by such defense contractor, in such civilian business or activity to the extent that employment opportunities are available for such workers under a seniority or other arrangement which is fair to workers in both such operations.

(c) Interest owing on such loan referred to in subsection (a) shall be paid by the defense contractor to the Commission for deposit by it in the special reserve account of the Fund. Such interest payments shall be earmarked to the credit of such contractor in accordance with section 302 (a) (1) of this Act and shall be available for disbursement in accordance with the provisions of this Act.

Sec. 402. (a) Any nonprofit contractor requiring funds to carry on, expand, or initiate a civilian business or other civilian activity in the same labor market as his defense operations may be authorized by the Commission to borrow from moneys in the Nonprofit Fund at a rate of interest equivalent to the current prevailing rate on long term Treasury bonds.

(b) No loan shall be made pursuant to subsection (a) of this section unless the nonprofit contractor requesting such loan has—

(1) obtained or arranged to obtain, from a reputable private lending agency, a loan, equal to at least 10 per centum of the amount requested pursuant to subsection (a), for use for the same purpose as that for which a loan is requested under such subsection, and such lending agency has agreed to share proportionately in any losses which might be incurred on the combined loans; and

(2) included in his conversion plan submitted pursuant to section 201 of this Act provisions for employing workers, displaced from any defense facility operated by such nonprofit contractor, in such civilian business or activity to the extent that employment opportunities are available for such workers under a seniority or other arrangement which is fair to workers in both operations.

(c) Interest owing on such loans referred to in subsection (a) of this section shall be paid by the nonprofit contractor to the Commission for deposit by it in the Nonprofit Fund and shall be available for disbursement in accordance with the provisions of this Act.

Sec. 403. In any case in which a defense contractor, after meeting costs of conversion benefits for his workers in accordance with title V of this Act, is unable to meet the costs involved in carrying out his conversion plan submitted pursuant to section 201 of this Act out of his earmarked funds in the special reserve account of the Fund, the Commission is authorized to direct the Secretary of the Treasury to guarantee up to 90 per centum of any loan obtained by such contractor from a reputable private lending agency for that purpose and to pay, out of moneys appropriated pursuant to section 302(b) of this Act, three-fourths of the interest charges on such loan in excess of 5

per centum per annum; except that the guarantee and interest subsidy shall be available only for a loan not in excess of an amount that the Commission determines might reasonably be required to provide employment for the number of such contractor's workers to be transferred, by reason of their displacement, from defense to civilian production in accordance with such conversion plans.

TITLE V—EMPLOYEE CONVERSION BENEFITS

Sec. 501. (a) Any defense contractor entered into between a defense contractor or a nonprofit contractor and a defense agency shall contain a provision under which such contractor is required to report to the Secretary of Labor, or, in the case of a State which has entered into a contract with the Commission pursuant to section 503 of this Act, with the appropriate State agency, all displacements, short workweeks, or downgrading affecting workers employed by such contractor in a defense facility in connection with the furnishing of defense materials to a defense agency pursuant to such contract, and to specify, with respect to each affected worker, whether or not his displacement, short workweek, or downgrading was attributable, in whole or in part, to a reduction of the volume of defense work in such facility. Any worker listed in any such report as having been affected by a reduction in the volume of defense work conducted by such facility, including any worker found upon appeal in accordance with subsection (b) of this section to have been so affected, shall be certified by the Secretary of Labor or State agency, as the case may be, as a worker eligible for conversion benefits in accordance with section 502 of this Act.

(b) Any worker (or union representing such worker) of a defense contractor or nonprofit contractor aggrieved by any matter contained in a report filed by such contractor pursuant to subsection (a) of this section (or by any matter relating to his certification, or failure to be so certified, or his eligibility for such conversion benefits, or the kind or amount thereof), shall be entitled to appeal such matter to the Secretary of Labor, or, if such worker is in a State which has entered into a contract with the Commission pursuant to section 503 of this Act, to the appropriate State agency.

Sec. 502. (a) Any worker certified pursuant to section 501 of this Act as eligible for conversion benefits by reason of his displacement from a defense facility shall be entitled, for the two-year period following his displacement, to whichever of the following benefits are applicable:

(1) Compensation, on a weekly basis, in an amount which, when added to any benefits which such worker receives or is entitled to receive for such weekly period under any Federal or State unemployment compensation program (or any plan of his employer providing for such benefits) by reason of his displacement, and any earnings during such weekly period from other employment, equals the amount of such worker's regular weekly wages (for a 40-hour workweek or, in the event a defense facility has a regular workweek payable at straight-time wage rates other than 40 hours, for such regular workweek) prior to his displacement.

(2) If such worker is otherwise employed during any such displacement period, compensation, in addition to that provided for in paragraph (1), in an amount equal to the difference between the costs incurred by him in connection with his meals, transportation, and other matters on account of such employment, and the cost which he would have incurred for such meals, transportation, and other matters on account of his prior employment if he had not been displaced.

(3) Vested pension credit under any applicable pension plan maintained by the de-

fense facility from which he was displaced, for the period of his employment with such facility, and the two-year period following his displacement; except that pension credits during such two-year period shall be reduced to the extent of vested pension credit earned with another employer during such two-year period.

(4) Maintenance of any hospital, surgical, medical, disability, life (and other survivor) insurance coverage which such individual (including members of his family) had by reason of his employment by such defense facility prior to such displacement; except that if such worker so displaced is otherwise employed during such two-year period, such worker shall be entitled to receive benefits under this paragraph to the extent necessary to provide such worker with the same aforementioned protection as he (including members of his family) would have had if he had not been displaced.

(5) Retraining for civilian work in the defense contractor's or nonprofit contractor's defense facility providing pay and status as comparable as possible to the employment from which he was displaced.

(6) Subject to the provisions of section 504(b) of this Act, retraining approved by the Secretary of Labor, or, in the case of a worker in a State which has entered into a contract with the Commission pursuant to section 503 of this Act, by the State agency, and reimbursement for all reasonable relocation expenses incurred by such worker in moving himself and his family to another location in order to take advantage of an employment opportunity to which he is referred, or which is determined to be suitable, by the Secretary of Labor or, in the case of a worker in a State which has entered into a contract with the Commission pursuant to section 503 of this Act, by the State agency.

(b) Any worker certified pursuant to section 501 of this Act as eligible for conversion benefits by reason of his having been placed on a short workweek by a defense facility shall be entitled, during the two year period following such certification, to compensation, on a weekly basis, in an amount which, when added to any earnings from his defense facility or other employment, during such weekly period, equals the amount of such worker's regular weekly wages (for a 40-hour workweek or, in the event a defense facility has a regular workweek payable at straight-time wage rates other than 40 hours, for such regular workweek) prior to his having been placed on a short workweek.

(c) Any worker certified pursuant to section 501 of this Act as eligible for conversion benefits by reason of his employment with a defense facility being downgraded shall be entitled, during the two year period following such certification, to compensation, on a weekly basis, in an amount which, when added to any other earnings, during such weekly period, from his employment, equals the amount of such worker's regular weekly wages (for a 40 hour workweek, or in the event a defense facility has a regular workweek payable at straight-time wage rates other than 40 hours, for such regular workweek) prior to such downgrading.

Sec. 503. (a) The Commission is authorized on behalf of the United States to enter into an agreement with a State, or with any agency administering the unemployment compensation law of any State approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954, which shall include the provisions described in paragraphs (1) and (2) of this subsection:

(1) Such State agency will, as agent of the Commission, make certifications and other determinations required in section 501 of this Act, make such payments and provide such benefits as are authorized by section 502 of this Act, on the basis provided for in this Act, and will otherwise cooperate

with the Commission and other State agencies in carrying out the provisions of sections 207, 501, and 502 of this Act; and

(2) Such State agency shall be reimbursed for all benefits paid pursuant to such agreement, and all administrative costs incurred in carrying out such agreement.

(b) (1) There shall be paid to each State agency which has an agreement under this section, either in advance or by way of reimbursement, as may be determined by the Commission, such sum as the Commission estimates the agency will be entitled to receive under such agreement for each calendar month, reduced or increased as the case may be, by any sum by which the Commission finds that its estimates for any prior calendar month were greater or less than amounts which should have been paid to the agency. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Commission and the State agency.

(2) The Commission shall from time to time certify to the Secretary of the Treasury for payment to each State agency which has an agreement under this section sums payable to such agency under paragraph (1) of this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the agency, in accordance with such certification, from the Fund or the Nonprofit Fund in such manner as is authorized by section 504 of this Act.

(3) All money paid a State agency under any such agreement shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in such agreement, to the Treasury. Monies paid from the Fund and so returned shall be redeposited in the Fund to the credit of the appropriate defense contractor. Monies paid from the Nonprofit Fund and so returned shall be redeposited in such Nonprofit Fund.

(c) In any case involving a worker entitled to benefits under section 502 who is in a State with respect to which there is no agreement pursuant to this section, the Secretary of Labor shall, under regulations prescribed by him, administer such benefits on behalf of such worker. The Secretary of Labor, in administering such benefits, shall, from time to time, certify to the Secretary of the Treasury for payment to such worker the amounts of such benefits to which he is entitled, and the Secretary of the Treasury shall make payments to such worker, in accordance with such certification, from the Fund or the Nonprofit Fund in such manner as is authorized by section 504 of this Act.

Sec. 504(a) (1). All conversion benefits payable or provided to a worker of a defense contractor in accordance with this title shall be chargeable against moneys of such contractor deposited in the special reserve account of the Fund and earmarked to his credit in accordance with section 302(a) (1) of this Act. In any case in which such moneys so earmarked are insufficient to pay or provide such benefits, moneys in the general pool reserve account of the Fund shall be available to the extent of such insufficiency for that purpose. To the extent that such moneys in the general pool reserve account are insufficient to pay or provide such benefits, moneys appropriated to the general pool reserve account pursuant to section 302(b) of this Act shall be available for that purpose.

(2) All conversion benefits payable or provided to worker of a nonprofit contractor in accordance with this title shall be paid from moneys available in the Nonprofit Fund.

(b) Notwithstanding the provisions of subsection (a) (1) of this section, conversion benefits payable or to be provided to any worker of a defense contractor pursuant to

section 502 (a) (6) on this Act shall not be charged against any moneys of such contractor in the special reserve account of the Fund as provided for in subsection (a) (1), unless the Commission has first determined that the worker is unlikely to be reemployed by such contractor within a period of one year following his displacement, and that retraining or relocation, or both, is required to enable such worker to obtain employment comparable in pay and status to that from which he was displaced. In the event no such determination is made, such benefits authorized under section 502 (a) (6) of this Act shall be payable or provided from moneys in the general pool reserve account of the Fund.

Sec. 505. In no case shall any displaced worker be eligible for benefits under section 502 (a) of this Act unless such worker agrees (1) to maintain, on a current basis, during the period of his displacement, an active registration with the Secretary of Labor or an appropriate State employment agency, as the case may be, and (2) to accept any employment, determined by the Secretary of Labor or agency, as the case may be, to be suitable, to which he is referred by the Secretary of Labor or such agency. No such benefits shall be paid under this Act to any worker who fails to maintain such registration or to accept such employment.

Sec. 506. In no case shall any conversion benefits paid pursuant to this Act be taken into consideration in determining eligibility for unemployment compensation under any Federal or State unemployment compensation law or in determining the amount of entitlement thereunder.

TITLE VI—APPROPRIATIONS

Sec. 601. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

LEGISLATIVE PROGRAM FOR WEEK OF OCTOBER 5

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader the contemplated schedule for next week.

Mr. ALBERT. Will the gentleman yield?

Mr. KYL. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the gentleman from Iowa, the acting minority leader, the program for next week is as follows:

Monday is Consent Calendar day. There are 16 suspensions:

House Joint Resolution 1388, making continuing appropriations, fiscal year 1971;

S. 3619, Disaster Relief Act of 1970; H.R. 18012, to amend the Foreign Service Buildings Act;

House Joint Resolution 1162, U.S. participation in South Pacific Commission; H.R. 12061, oleomargarine identification in public eating places;

H.R. 14301, to implement Convention on Offenses on Board Aircraft;

S. 1461, relating to representation of criminal defendants;

S. 4247, to amend the Bankruptcy Act; H.R. 15008, to establish the Plymouth-Provincetown Celebration Commission;

H.R. 17901, to provide for a judicial circuit executive;

H.R. 15770, Water Bank Act; S. 3822, to provide insurance for accounts in credit unions;

H.R. 19172, Lead-Based Paint Elimination Act of 1970;

H.R. 19342, Chesapeake & Ohio Canal Development Act;

H.R. 10482, to establish the Voyageurs National Park, Minn.; and

S. 368, Geothermal Steam Act of 1970. For Tuesday and the balance of the week the program is as follows:

Tuesday is Private Calendar day.

Also there is for the consideration of the House the bill, S. 30, the Organized Crime Control Act of 1970, subject to a rule being granted;

H.R. 11547, to increase the loan limitation on certain Farmers Home Administration Loans, under an open rule with 1 hour of debate; and

H.R. 15560, economic poison standards for imported agricultural commodities, under an open rule with 1 hour of general debate.

Of course, this announcement is made subject to the usual reservations that conference reports may be brought up at any time and that any further program may be announced later.

We do know, however, that the gentleman from New York (Mr. ROONEY) will call up the conference report on H.R. 17575, Departments of State, Justice, and Commerce, and the Judiciary, and related agencies appropriation bill, 1971, on Tuesday of next week.

Mr. KYL. I thank the distinguished majority leader.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

THE SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, I note that the trade bill is not among the bills that the distinguished majority leader announced for consideration next week.

Could the gentleman give us any idea as to when that bill will be programed?

Mr. ALBERT. Mr. Speaker, if the distinguished gentleman from Iowa will yield, I will advise him that I am not able to give him that information at this time.

We have several major bills to consider, most of them quite urgent, including the crime bill. We have the Defense Department appropriation bill. I do not know when the trade bill will be programed but I will advise the gentleman and the House as to the date of its consideration as soon as I am able to do so.

Mr. GROSS. Of course, the gentleman I am sure appreciates the fact that by indirection I was trying to find out whether we would adjourn sine die as of the end of next week or adjourn until—

Mr. ALBERT. Until a day certain?
Mr. GROSS. On November 9, after the election?

Can the gentleman enlighten those of us here today as to the future plans for the House of Representatives?

Mr. ALBERT. May I say to the gentleman that I think, without having spoken to the leadership on the other side, that he can be quite sure that we will not adjourn to a day certain or sine die at the end of next week.

Mr. GROSS. Does the gentleman mean, when he refers to the leadership on the other side, the other body or the minority leadership in the House of Representatives?

Mr. ALBERT. The leadership of the other body on the other side of the Capitol.

Mr. GROSS. We are in this position, that we do not know as of today when the House will adjourn or under what conditions it will adjourn. Some of us are trying to get some kind of a schedule worked out for appearances in our districts.

Mr. ALBERT. Mr. Speaker, if the gentleman will yield further, I should think, if I may say to the gentleman without making an announcement and without committing the leadership of the House, if the gentleman should make his plans for the week following next week to be home until after the election he would be safe.

Mr. GROSS. It would be almost futile to try to carry out any kind of an election campaign at the end of week after next. That would allow about 1 week or 10 days before the election. When one has to travel over 16 counties in the Midwest, mostly rural counties, it is almost impossible to do it.

Mr. ALBERT. What the gentleman is saying is true, but I imagine the gentleman is looking after his political interests in his district, and he has done so pretty successfully.

Mr. GROSS. Well, Mr. Speaker, the gentleman might have something there, but there have been occasions, you know, when that was not quite the case. I can remember a vote margin of 419 some years ago.

Mr. ALBERT. I am not talking about the outcome, I am talking about the diligence of the gentleman in looking after his own political interests. I cannot predict the outcome, I would not even undertake to do so, but I know the gentleman from Iowa well enough to know that he takes care of his political interests.

Mr. GROSS. I might wish I was in the situation of the gentleman from Oklahoma, and had no opposition at all.

Mr. ALBERT. The gentleman means he has no opponent in his campaign?

Mr. GROSS. Well, an opponent is opposition, and opposition is an opponent in this political game.

But I do wish that the leadership would find it in their hearts, including our distinguished Speaker, to put an end to House sessions at the end of next week if we are going to come back in session on or about November 9.

I think the gentleman from Oklahoma

would admit, if he were free to do so at this time, that the trade bill will not come up until after the election. So why prolong the agony on those of us who would like to put on some kind of a campaign, and meet our people? Why continue the agony of staying here if we are coming back on November 9?

Mr. ALBERT. The gentleman from Iowa realizes that we have not passed the Department of Defense appropriation bill. It will be ready, but it cannot be ready next week. It will be ready the following week. I would say that this is one of the major reasons why we cannot hope to adjourn to a day certain next weekend.

Mr. GROSS. Of course, it still must go through the other body to be finally enacted into law, and if we waited for the other body to operate on that bill, and many others, we would have no time at all in which to campaign before the election.

I would hope that the leadership would find it possible, if we are coming back on November 9, to end this business.

I was glad to note a few minutes ago that the other body had completed action on the jellyfish bill, and sent it back to the House. It can expedite legislation that went through the House only a short time ago.

Mr. ALBERT. Maybe they will do the same thing with the Department of Defense appropriation bill.

Mr. GROSS. I beg the gentleman's pardon?

Mr. ALBERT. Maybe they will do the same thing with the Department of Defense appropriation bill.

Mr. GROSS. Well, with the gentleman, I can hope, but with the gentleman I am sure they will not.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. ANDERSON of Illinois. Mr. Speaker, reserving the right to object, I have listened with a great deal of interest to the colloquy that has taken place between the distinguished majority leader and the gentleman from Iowa (Mr. GROSS).

Mr. Speaker, I have noted in the last day or two some press releases to the effect that the majority leader in the other body has now indicated a willingness to at least try to achieve a sine die adjournment by the 16th or the middle of October.

I wonder if the distinguished majority leader, the gentleman from Oklahoma, could tell us this much: whether there would be a disposition on the part of the Democrat leadership to cooperate in achieving this goal if, indeed, the Senate can hold up its end of the bargain?

I for one am not resigned to the idea of a postelection session of this Congress. It would be, as I understand, the first such session in more than a score of years, and I do not believe we can legislate very effectively in the atmosphere of a "lame duck" session of any Congress. I for one would want to go very firmly on the record as hoping—as hoping—

that we could make every conceivable effort, despite the difficulties outlined by the gentleman from Iowa, in a shortened campaign time, that we could make every effort to achieve a sine die adjournment by the middle of the month.

I wonder if the distinguished majority leader has anything he could tell us in that respect?

Mr. ALBERT. Of course, the majority leader like the gentleman from Illinois lives in constant hope—but I do not live in much anticipation of us finishing the program by the middle of October.

Mr. ANDERSON of Illinois. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma (Mr. ALBERT)?

There was no objection.

ADJOURNMENT OVER TO MONDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BACK TO THE BRINK

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

(Mr. GONZALEZ asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, for several months there have been persistent reports that the Soviet Union has planned and may in fact have under construction a submarine base located at Cienfuegos Harbor on the island of Cuba.

At first the reports came from refugees; and then were given to the House Foreign Affairs Committee in hearings last July. Now the White House itself has leaked the reports, coupled with a warning that "Soviet Union can be under no doubt that we would view the establishment of a strategic base in the Caribbean with utmost seriousness." The Soviets have made no response to this warning—despite the obvious seriousness of it.

Mr. Speaker, it is clear that if the Soviets do begin construction of a submarine base on Cuba we will be confronted with a new Cuban missile crisis. This can be the most dangerous threat to world peace in the last decade, and our Government cannot afford to ignore that threat or to equivocate in its treatment of the situation. Having let the cat out of the bag, the White House cannot retreat.

Let there be no mistake about the nature of this problem. The construction of a Soviet submarine base on Cuba would violate the spirit and the intention of the agreement reached between President Kennedy and Mr. Khrushchev just 8 years ago.

Even though a submarine base is not

in itself an offensive weapon, it is indispensable as support for the deployment of missile carrying submarines, which themselves are a far greater threat than any land based missile system could ever be. With a Cuban base, Soviet missile firing submarines could be deployed along the Atlantic and gulf coast in large numbers. They would be virtually undetectable, as invulnerable as our own Polaris submarines. And unlike our Polaris force, they would be too close to their targets to allow either early warning or effective defense.

We are confronted with the possibility that our entire defense network would be negated at one stroke, and at the same time our Polaris system checkmated.

A submarine force close to the Atlantic coast could destroy 18 percent of our population within the span of minutes. Moreover, its range could cover vast reaches of the Midwest and all of the Gulf Coastal regions. Certainly all these targets can be reached now by existing missiles—but the threat posed by submarine missiles which would be both invulnerable and impossible to defend against is incalculably greater.

The deployment of such a submarine force could conceivably take place without any base in Cuba. But the existence of such a base would make the deployment of that force far easier and far quicker—not to mention far more effective. And it would give the Soviets a threat that we could not conceivably match.

In view of persistent reports of this threat, both from in and out of Government, the White House a few days ago issued its somber, if veiled warning to the Soviet Union. But now there are conflicting stories coming from the White House and other sources, claiming that the threat is not substantiated. This clouds the issue, yet it does not conceal the fact that we have here a possibility that State Department and military planners apparently have never considered. Moreover, now that the possibility of the threat has been raised it is imperative to deal with it.

After all, the Soviets would not be violating the letter of their 1962 missile agreement by building a submarine base in Cuba. Yet by building such an installation they would create a situation that is far more intolerable than the one which led us to the very brink of nuclear war 8 years ago.

We cannot permit our own domestic distractions, our weariness with a frustrating war in Vietnam, our concern about mounting turmoil in the Middle East or anything else to distract us from our greatest concern, which is our own security. Direct threats to our security must be met with direct actions. It is impossible now for the President to say that he is unconcerned about the possibility of a strategic base in Cuba; he raised the issue and cannot now sweep it under the rug, or flee from it in Europe. A threat that we had not imagined now lies on the table, and it is impossible for our Government not to confront the Soviets with the issue and get a clear understanding as to their intentions.

Either they will respect the letter and spirit of their 1962 agreement or they will not. But that is a matter that the President alone can determine, and he must determine it now.

Certainly there are those who will call me an alarmist. But the potential threat of a submarine base in Cuba can hardly be exaggerated.

If I were to see a man planting dynamite under the foundations of my house, and then were to see him stringing out the fuse leading to that dynamite, I would be a fool not to stop him. That is the exact situation we have here.

We claim that we have seen a man laying plans and perhaps even building a submarine base; it is the equivalent of having a bomb placed under the North American continent. We would be fools not to confront that man and demand that he remove his bomb.

We should not be misled into thinking that Soviet intentions have changed any in the past 8 years. They are not reducing their military power, not by the stretch of anyone's imagination. Indeed, even as the United States is scaling down its commitments abroad and planning to reduce the size of its military forces, the Soviets are expanding their own commitments. It is no accident that the Soviets are in the Middle East and it is plain that they will expand their military power in the Mediterranean and the Caribbean and anywhere else that they can, if there is any gain to be had from it.

We cannot let our concern for the problems of others obscure our primary interest, which is our own well-being. It would do us no good to defuse the Middle East only to find bombs on our own doorsteps.

Yet, this seems to be a very real possibility.

I think that it is time for the President to come home, for his Vice President to get off the banquet circuit, and for all of us to demand some answers.

Is there a submarine base or is there not? Do we have an agreement with the Soviet Union or do we not? If there is a threat, what are we going to do about it? Is it time for some answers.

In the face of plain danger there can be nothing less than plain talk and plain action. Let there be no equivocation here, so that there can be no miscalculation. Plain words and plain actions might be unique to the diplomacy of this administration, but it is imperative here and now, lest we find ourselves in the hereafter.

I include the following article:
[From the New York Times, Sept. 30, 1970]
SOVIET SUB BASE IN CUBA?

It is curious that neither Moscow nor Havana has reacted publicly to the White House warning against construction of a Soviet strategic submarine base in Cuba. On occasion in the past the Soviet Government has been quick to deny much less serious accusations appearing even in obscure publications. But in this case, when a White House spokesman raised the possibility that the Kremlin had secretly begun work that would violate the spirit, if not the letter, of the 1962 Khrushchev-Kennedy agreement, there has not been a word of Soviet comment.

Pessimists will conclude that this silence

confirms Washington's worst fears. Optimists will argue that Soviet leaders are taking another look at whatever plans may be underway for the Cuban port of Cienfuegos and have not yet decided what to do in the light of the White House statement.

The world was probably closer to thermo-nuclear war during the Cuban missile crisis of October 1962 than at any time before or since. In reporting the agreement which had resolved the crisis, President Kennedy said that the Soviet leaders had promised to remove all "weapons systems capable of offensive use" and "to halt the further introduction of such systems into Cuba." In return the United States agreed to lift its naval quarantine and to "give assurances against an invasion of Cuba." President Kennedy was thinking of land-based missiles capable of delivering nuclear weapons, but submarines having similar missiles and nuclear weapons are also "weapons systems capable of offensive use."

Violations of this understanding, coming on top of the current Soviet violations of the cease-fire pact in the Suez Canal zone, would certainly undermine any confidence in agreements with the Soviet Union. In this situation any Soviet move to create a submarine base in Cuba would only intensify tension between the two superpowers and strengthen retrogressive forces in both countries that would intensify the arms race.

ACCOMPLISHMENTS AND ACHIEVEMENTS OF THE 91ST CONGRESS IN THE FOURTH CONGRESSIONAL DISTRICT OF TENNESSEE AND THE NATION

The SPEAKER pro tempore (Mr. ADAMS). Under a previous order of the House, the gentleman from Tennessee, (Mr. EVINS) is recognized for 45 minutes.

Mr. EVINS of Tennessee. Mr. Speaker, it has been my custom as Congress approaches adjournment, to take this means of reporting to the people of our district—the great Fourth Congressional District of Tennessee—on major actions of the Congress of interest to, and benefiting, our district.

My report this year is essentially a summary of the highlights of major projects and accomplishments in the Fourth Congressional District and for the State of Tennessee—as well as a summary of some of the highlights of legislation which I have sponsored and supported in the Nation's interest—the public interest.

The Fourth District—the heartland of Tennessee—is rich in history and tradition—rich in diversity—and rich in the dedication of its people to our American way of life.

This district remains large—8,261 square miles—with a population in excess of 425,000 in the 21 counties of the district.

Our great district is comprised of the following counties: Anderson, Campbell, Cannon, Clay, Coffee, Cumberland, DeKalb, Fentress, Grundy, Jackson, Morgan, Overton, Pickett, Putnam, Roane, Scott, Smith, Van Buren, Warren, White, and Wilson.

I have been both pleased and honored to represent all of the people of this great district—the largest in area in Tennessee.

Our district is a part of small town and rural America—the foundation of

our American values and American system. Our people are all American.

They believe in our Nation—in our democratic system of government—in our way of life. They are dedicated to preserving, promoting, and perpetuating our cherished American way of life. They believe in law and order, and justice, and true Americanism.

The Committee on Appropriations, on which I serve, considers the President's budget annually. The Congress last year cut the President's budget by \$7,043,833,080 after the President had submitted a \$200 billion budget. Congress is in the process of making cuts and reductions in the current Federal budget before the Congress.

And may I say that during my period of service in the Congress and on the Committee on Appropriations, Congress has cut every President's budget request, regardless of the President's party affiliation. Congress is exercising its judgment as it sets some priorities of its own and funding levels for various programs for the American people.

As a member of the Committee on Appropriations of the House and as chairman of the Subcommittee on Independent Offices and Cities and acting chairman of the Subcommittee on Public Works Appropriations, it has been my privilege to work in securing appropriations for many important and needed projects beneficial to the people of our district, the State of Tennessee, and the Nation.

I have favored—and have introduced legislation to accomplish—a system of vocational trade schools in every county in the Nation where such schools do not now exist, as an alternative to the proposed so-called guaranteed annual wage welfare program.

I have favored—and introduced legislation to implement—a system of tax credits for business and industry locating in or expanding in our smaller towns and rural areas.

I have favored—and have introduced legislation to accomplish—basic reforms in our income tax system. A number of the basic proposals contained in my bill were included in the final version of the income tax reform bill enacted by the Congress, eliminating loopholes for wealthy nontaxpayers, and providing for increased individual and family exemptions and other forms of tax relief.

I have favored reform of the Selective Service System to provide for a more equitable system of drafting our young men for military service.

As a Member of Congress concerned for the future of our country, I have fought in the public interest against power rate increases by Tennessee Valley Authority, against the takeover of the gaseous diffusion plants at Oak Ridge and other vital Atomic Energy Commission installations by private interests, against high interest rates and other inflation-creating policies and programs, and against efforts to destroy the independence of the Small Business Administration, among other legislation, proposals and policies which I have opposed in the public interest.

I have been a strong supporter of a strong national defense. America must maintain her military posture and military strength.

I have favored and supported an honorable settlement with strength in Vietnam keyed to the gradual withdrawal of American troops as South Vietnamese troops are trained to replace them. Certainly we all want to see this Vietnam conflict ended on honorable terms, at the earliest possible time so that our servicemen can return to their homes and families and resume normal civilian lives.

I have strongly supported legislation and appropriations to combat pollution of our environment. The Subcommittee on Public Works Appropriations, which I am honored to serve as acting chairman, has approved substantial appropriations for grants for waste treatment plants for our cities and communities. A total of \$800 million was appropriated for this purpose this year and a billion has been recommended for 1971.

The Tennessee Valley Authority and the U.S. Corps of Engineers are also concentrating greater energies and resources on the war on pollution in our State and Nation.

I have assisted in securing appropriations for a vastly expanded research program into environmental and pollution problems by the Oak Ridge National Laboratory and the Atomic Energy Commission.

A special research laboratory has been approved for location on Center Hill Lake for special environmental studies by Tennessee Technological University at Cookeville.

I have supported increased benefits for our veterans by the Veterans' Administration and for our elderly from the Social Security Administration. Our older people with fixed incomes are especially hard hit by inflation and deserve assistance and consideration.

My Subcommittee on Independent Offices Appropriations is concerned with funding the many and varied veterans benefits programs, and has recommended increased appropriations for many programs of the Veterans' Administration as new returning veterans from Vietnam avail themselves of educational, housing and homeownership, and other benefits provided by a gratified Congress and Nation.

Appropriations for these and other veterans benefit programs this year reached a total of \$9,065,528,000—with \$105 million added to the President's budget for hospital and medical care for veterans. Regrettably, this bill was vetoed by the President and is again pending in the Congress.

I have supported legislation to assist local law enforcement agencies in combating crime, lawlessness, and violence. I was cosponsor of legislation which makes it a Federal offense to cross State lines to foment and incite riots. I have also supported the Crime Control and Safe Streets Act of 1968, which provides for Federal assistance to State and local law enforcement agencies to strengthen their manpower for combating crime and violence.

I have been a strong supporter of programs of education for our youth and for generous appropriations for educational programs at all levels.

In addition, as a member of the Committee on Appropriations, I have continued to work for the growth and progress of our district, State, and Nation.

In this connection appropriations have been secured for these important projects of recent date:

CORDELL HULL DAM AND LOCK ON THE UPPER CUMBERLAND

This project in the storied Upper Cumberland-Cordell Hull country in our district is a \$50 million dam and lock—including a navigation lock costing \$9 million. This project will contribute greatly to commerce and to the future growth of our district—with great benefits to the Upper Cumberland area and to Tennessee. This year's appropriation alone to advance this project is \$9,500,000.

NORMANDY AND COLUMBIA DAMS ON THE UPPER DUCK RIVER

A total of \$4,603,000 was appropriated to initiate land acquisition and construction of these important dams for flood control, water supply, and economic development of the Upper Duck Basin area. Total project cost is \$73,500,000.

TIMS FORD DAM ON THE ELK RIVER

The first TVA Dam in Middle Tennessee is moving ahead in construction. A total of \$6,223,000 was appropriated this year for continued construction of this \$46 million facility on the Elk River.

TELlico DAM IN EAST TENNESSEE

Continued construction of Tellico Dam is assured with this year's \$4,897,000 appropriation for this \$47 million dam which will provide great benefit to the people of East Tennessee.

EDGAR EVINS STATE PARK ON CENTER HILL LAKE

I have secured appropriations for the new State park on Center Hill Reservoir, of benefit to citizens of DeKalb, Putnam, and Smith Counties. This is a joint project by the U.S. Corps of Engineers and Tennessee Department of Conservation. Federal appropriations to date total \$1,770,000 for work on this recreation complex and park. Senator Vernon Neal of Cookeville sponsored the resolution authorizing this park in the Tennessee General Assembly and Governor Ellington of Tennessee designated the park Edgar Evins State Park.

NEW AMERICAN MUSEUM OF ATOMIC ENERGY

An appropriation of \$600,000 approved this year will assure construction of a new American Museum of Atomic Energy as part of a \$10 million Nuclear Information and Museum Complex in Oak Ridge—a worldwide attraction and symbolic of the vital and crucial role which Oak Ridge played in the development of nuclear energy.

ATOMIC ENERGY COMMISSION ARNOLD ENGINEERING DEVELOPMENT CENTER

Appropriations are secured annually for the continued work and activities of the Atomic Energy Commission at Oak Ridge and the Arnold Engineering Development Center at Tullahoma in our district. These important scientific centers

are the anchors of technological progress cooperating with great State universities, including Tennessee Technological University at Cookeville, Tenn., Space Institute at Tullahoma, Cumberland University at Lebanon, Middle Tennessee State University at Murfreesboro, the University of the South at Sewanee, the University of Tennessee and other educational institutions. It is significant that both the AEC and the AEDC played vital roles in the space exploration program. The engines of the giant Apollo rockets were tested at the Arnold Center. Research and other scientific work benefiting the health of our citizens is underway at the Oak Ridge AEC facilities.

NORTH-SOUTH APPALACHIAN HIGHWAY

Congress has passed appropriations with my enthusiastic help and support to initiate and to continue construction on the vital North-South Appalachian Highway through our District, intersecting Interstate 40 near Cookeville, and providing important new access roads and opportunities for the people of our area.

APPALACHIAN DEVELOPMENT PROGRAM

The Appalachian Regional Development Commission, founded by my committee, has moved forward to construction of many new and needed public facilities in our district and Tennessee—including health centers, hospitals, airports, vocational trade schools, roads and highways, university buildings and equipment, sewage treatment facilities, libraries and water and sewer systems, among others.

FEDERAL BUILDINGS

In recent months I was pleased to participate in dedicating the new Federal office building in Oak Ridge, Anderson County, and the new post office and Federal building in Wartburg, Morgan County. Other new Federal buildings have been recently approved for Jacksboro, Campbell County; Kingston, Roane County; and Huntsville, Scott County. A GSA survey made at my request on behalf of the people has indicated the need for a new post office and Federal building in Clinton, also to be constructed. Virtually every county in our district now has a new or improved post office and Federal building—one of my primary goals and objectives while serving in the Congress.

DALE HOLLOW NATIONAL FEDERAL FISH HATCHERY

On my motion the Committee on Appropriations approved an appropriation for construction of the million-dollar Dale Hollow National Federal Fish Hatchery in Clay County, Celina, Tenn., for stocking our lakes and streams—benefiting our sportsmen.

Among many other important projects for which appropriations have been secured are loans and grants for watershed projects, REA electric and telephone loans, Appalachian roads, trade schools, airports, health centers, hospitals, parks, urban renewal projects housing for the poor and elderly, industrial development, as well as assistance to veterans, our elderly citizens, education, small business—and industries providing jobs and employment for our people.

Post offices and Federal buildings have recently been built in Byrdstown and Pickett County, Spencer and Van Buren County, Dixon Springs and Smith County, Rock Island and Smartt, Warren County, Lebanon and Wilson County, Wartburg and Morgan County.

While many needed new post office facilities have been built, others have been modernized, remodeled, renovated and expanded.

MANY CITIES ASSISTED

As chairman of the Subcommittee on Independent Offices and Cities Appropriations, I have secured appropriations for many projects to assist our cities and their excellent local leaders and officials in programs of growth and progress.

In some program areas, I am advised that our local leaders are participating in our district—the Fourth Congressional District of Tennessee—to a higher degree than many of the districts of the Nation.

Many local communities are demonstrating great initiative and great leadership in applying for Federal assistance because these grants and loans enable our cities and towns to build better communities and a better life for our people—better jobs, better opportunities, better highways, better schools, better housing, better hospitals, health centers, and nursing homes; greater economic benefits for our people and our communities.

Within the past 20 months alone, more than \$20,000,000 has been secured for various programs of housing and assistance to our cities, towns, and communities from the Department of Housing and Urban Development, as follows:

Urban renewal: \$6,790,972 for the 20-month period, pushing the total for urban renewal projects in the fourth district since this program was initiated to more than \$18,000,000.

Public housing: \$5,000,000 for more than 500 units of low-rent public housing, making a total of \$45,000,000 for 75 public housing developments in our district since the program was initiated, providing low-cost housing for thousands of needy families.

Model cities: \$7 million for the model cities programs in Cookeville and Smithville, providing new facilities on a comprehensive basis for these progressive communities through this innovative demonstration program of town uplift, growth and progress.

Water and sewer construction: More than \$5,000,000 for water, sewer and gas systems and industrial assistance through the Economic Development Administration, Farmers Home Administration loans, to provide needed water and other public facilities for our people has been provided. Since these programs were initiated, an estimated \$20,000,000 in Federal assistance has been allocated to our district.

Appalachian program: Millions of dollars have been allocated for the construction of the North-South Highway, other roads and highways, hospitals, health centers, nursing homes; facilities for schools, universities and colleges; li-

braries and vocational trade schools, through the Appalachian regional development program.

Health, education, assistance to children and the aged: In the last 20 months alone, more than \$81,000,000 has been allocated to our district by the Department of Health, Education, and Welfare for many programs of education, health, assistance to the very young, elderly, blind and disabled; and other programs.

ASSISTANCE TO RURAL AREAS

As your representative, I have continued to emphasize nationally and in our district and Tennessee the importance of strong programs to develop and strengthen our smaller cities, towns, and rural communities.

Certainly the heart of this continuing program of basic improvement is the expansion and improvement of rural electric and telephone service—electricity for power and telephones for communication, two basic elements of growth and progress.

Citizens in every county have benefited from low interest rate loans for rural electrification and telephone service. It has been my privilege to assist in providing appropriations that have made possible new or improved telephone and electric service for 175,000 families in our area—at a total cost of \$80,000,000.

Many loans and grants totaling millions of dollars have been approved for watershed flood control and conservation projects.

The people of our district have demonstrated a great ability and willingness to work together for growth and progress. In our east Tennessee counties, for example, the East Tennessee Economic Development District is working with local leaders in programs of growth and progress. In the Upper Cumberland area the Upper Cumberland Development District has been organized, with headquarters at Cookeville, and is moving ahead with important programs and projects for our people.

The Upper Duck River Development Association has provided constant leadership in the development of the Duck River Basin, and the first two dams on the Duck River—the Normandy and Columbia—are scheduled for early construction.

The Hull-York Lakeland resource, conservation, and development project—organized in 1966—has provided much assistance to the 11-county area it serves in increasing job opportunities, increasing family income and improving the environment of the area served.

All of these programs have helped to build a better life for our people, as they have provided many jobs and opportunities for our young people and advanced the progress of rural America.

There is a growing realization in Washington and throughout the country that employment and opportunities attractive to our people in rural and small town America are vital not only to areas like the fourth district—but to all America, including our larger cities.

Our Small Business Committee has continued to conduct hearings and investigations into the problems and prog-

ress of our smaller communities. Leading officials in government and industry have agreed on the need for progress in rural areas to reduce outmigration to our cities as well as improving the quality of life for our young people and all our citizens.

In addition, I am sponsoring legislation to encourage rural and small town development through tax incentives for business and industrial development and growth in our area.

These measures have drawn wide support throughout the Nation. The National Federation of Independent Business has reported overwhelming support for a principle of tax incentives to encourage industrial development in rural areas among small businessmen throughout the Nation.

EDUCATION ASSISTANCE

It is my strong belief that vocational education, as well as elementary, secondary and higher education, should be encouraged. There is no substitute for education and training. I believe strongly that every young person deserves the opportunity to develop his or her potential, whether an individual's aptitudes, talents, and abilities are in the area of trades and crafts, or whether an individual has the ability and potential in the professions of doctor, lawyer, or otherwise.

My bill to authorize a trade school in every county in the Nation received favorable response and comment from people throughout our State and Nation.

While great interest must continue in higher education—colleges, universities, and junior colleges—it has become increasingly apparent that vocational education must be greatly expanded to assist in training the 80 percent of our young people who do not attend college—to train adults who cannot find jobs—and retrain workers displaced by changes and advances in technology.

Many believe that rather than adopting some form of guaranteed annual wage, which would tend to dull individual initiative and incentive, the money would be better spent in vocational training to assure employment for many who might otherwise be on welfare rolls.

Chairman CARL D. PERKINS, of the House Committee on Education and Labor, has assured me of his cooperation in securing hearings and committee consideration of this bill.

In a recent letter Chairman PERKINS said:

May I take this opportunity to express my appreciation to you for your continued interest in expanding vocational education so as to reach all young people who are in need of such training. I want you to know I will cooperate with you in every way possible, looking forward to early hearings.

Certainly our excellent colleges and universities deserve our continued strong support and assistance. I have worked with officials of Tennessee Technological University at Cookeville and Cumberland College in Lebanon in our district, as well as the University of Tennessee and our other colleges, in their programs of improvement, assisting in securing Federal assistance totaling more than

\$15 million for building college dormitories and other needed facilities, strengthening of curriculum, as well as scholarship loans and grants for our young people who require financial assistance to attend the college of their choice.

INDUSTRIAL DEVELOPMENT

Coupled with the need and necessity for strong programs of education and training is the vital importance of expanding business and industrial development to provide jobs and opportunities for our people.

During a period when the national administration has as a matter of policy slowed economic expansion, I have worked to assist our communities in securing Federal support to finance industrial parks, water and sewer facilities to serve industry, develop new businesses, expand other industries, and to modernize existing industry.

SMALL BUSINESS AIDED

As chairman of the House Select Committee on Small Business, I have assisted many of our small businessmen in securing financial assistance, management assistance, and assistance in obtaining a fair share of Federal contracts and procurement.

Congress has charged our committee with the responsibility of protecting and safeguarding the interests of small businessmen in the face of growing giantism, concentration, big business and other threats to our free enterprise-competitive economy.

Our committee recently concluded a series of hearings on the programs and policies of the Small Business Administration. These hearings developed some disturbing testimony and evidence concerning national priorities in the administration of SBA programs.

For example, it is evident from testimony that SBA's direct loan program—long the mainstay of the SBA program of financial assistance to small business—has been virtually abandoned.

Emphasis has been shifted in other programs and the Bureau of the Budget has withheld funds appropriated by the Congress for the loan programs of small business. In addition, arbitrary ceilings on loan amounts have been established by administrative action. Regrettably, there exists a House partisan atmosphere and attitude at SBA which has not been present in recent years.

Our committee is making recommendations to the SBA which, if adopted, will assure improvements in the administration of small business programs enacted by the Congress.

In Tennessee the Nashville regional SBA office has done an outstanding job with resources available. The community development loan program offers great promise for the development and expansion of business and industry in smaller communities and rural areas.

In Tennessee a total of 102 loans have been made under this program since the present Director, J. C. Loring, took office—totaling \$20,500,000 and providing more than 7,000 new jobs in our district and in Tennessee.

This is an outstanding record and deserves commendation.

VETERANS PROGRAMS

As a veteran of 4 years service in World War II—2 years overseas—I pledged my support to be of every assistance possible to veterans when I was first elected to Congress.

It is my belief and philosophy that our veterans and their families deserve our gratitude and assistance for their patriotism and service to our country.

As a member of the House Committee on Veterans' Affairs in the early days of my service in the Congress, I helped to draft and support much of the postwar legislation in behalf of our veterans, including the Korean GI bill of rights.

In 1954 I was elected to membership on the Committee on Appropriations. At that time I asked for and received assignment to the Subcommittee on Independent Offices concerned with funding of all veterans programs of the Veterans' Administration.

In 1965 I became chairman of this subcommittee and I have continued to work for, encourage, and support legislation and appropriations for our vast programs of veterans benefits.

In this connection I must report that with the number of Vietnam veterans returning from service, the numbers of veterans eligible for compensation, pensions, education, rehabilitation, housing, and other benefits continue to increase and increased appropriations are being provided for the benefit of our veterans.

Appropriations approved by my committee and the Congress of \$9,065,528,000 for veterans benefit programs—including \$3 billion for hospital and medical care—regrettably were vetoed by the President. The increase in the budget for medical and hospital care was \$105,000,000 and the need for these funds for better quality medical care for the Nation's veterans was clearly demonstrated in hearings.

The Veterans' Administration has advised me that during fiscal year 1970—which ended June 30 last—assistance to veterans in our district alone totaled \$14,788,680, including:

For compensation and pensions, \$11,318,210.

For educational assistance and vocational rehabilitation, \$1,753,370.

For insurance and indemnity payments, \$1,436,250.

In direct home loans, \$280,850.

In my work for veterans, I assisted in securing improvements and expansion of veterans hospital facilities in Tennessee—the new veterans general medical hospital in Nashville and Memphis, expansion of the veterans hospital in Murfreesboro and improvements at the Mountain Home Veterans Center in east Tennessee serving our State's veterans.

I have sponsored and supported a number of bills for the benefit of our veterans, including legislation to increase compensation rates for veterans with service-connected disability; increasing the ceiling on home loans; increasing widows' dependency and indemnity compensation rates; increasing the rate of Federal payments for State hospital care for veterans; increasing educational training allowance, and in-

creasing the maximum of Servicemen's Group Life Insurance.

Other recent legislation which I have supported includes:

The Veterans Pension and Readjustment Assistance Act of 1967 which provides an average cost-of-living rate increase of 5.4 percent for all veterans, widows, and children receiving pensions.

Veterans' Readjustment Benefits Act—Vietnam GI bill of rights—providing a continuing program of educational assistance to veterans serving in the Vietnam conflict and other veterans discharged after January 31, 1965.

Increases in vocational rehabilitation allowances for service-connected veterans, increases in the educational allowance for orphans of servicemen and veterans, and the Korean GI bill of rights.

As a special service to a great veteran, World War I hero, Sgt. Alvin C. York, I served on a special committee with the late Speaker Sam Rayburn and conducted a campaign to raise funds to pay off the income tax indebtedness of the late Sergeant York. This campaign not only raised the \$25,000 necessary to pay off this indebtedness to the Government, but an additional sum of \$25,000 in donations was received, which was placed in a trust fund for the benefit of the family of Tennessee's great World War I hero—the late Sgt. Alvin C. York of Pentress County.

NECESSITY FOR LAW AND ORDER

The Congress and the country have been greatly concerned over violence and lawlessness in our Nation. The 91st Congress has strengthened legislation and provided appropriations to assist the Department of Justice and State, county, and city law enforcement organizations in combating crime and violence.

Believing strongly in law and order and fair and impartial justice, I have supported or sponsored such legislation.

In the 90th Congress I joined in supporting the Anti-Riot Act which provided for a 5-year Federal penitentiary sentence or a \$10,000 fine—or both—for conviction of crossing a State line with the intent to incite riots and insurrection.

Since passage of this act, certain types of violence involving incitement have appeared to decline.

I also strongly supported the Crime Control and Safe Streets Act of 1968 which provides assistance to local law enforcement agencies in Tennessee and throughout the Nation who have the major responsibility for preserving law and order. The act specifically directs that local law officers be trained and given support in riot control.

Certainly I subscribe to the constitutional doctrine of the right of dissent—but the right of dissent is not a license to bomb—to kill—to destroy—and to undermine our institutions and our system of government.

In this connection I strongly supported the measure passed by the House which makes it unlawful to desecrate the flag, and I deplore the fact that such a law is even needed in the public interest.

So my record is clear and my posi-

tion strong for the maintenance of law and order in our great country. Let us insure that freedom and liberty, under law, are maintained and our American way of life is preserved and perpetuated.

RIGHT TO VOTE FOR 18, 19, AND 20-YEAR-OLDS

One of the most significant pieces of legislation enacted by the 91st Congress was the Voting Rights Act extending voting rights to 18, 19, and 20-year-olds. This bill—if upheld as constitutional—will provide our young people with a means of participating directly in the democratic process.

This bill will add more than 10 million young people to the voting rolls of the Nation. Some Members debated this legislation as an improper vehicle to use in assuring the expanded franchise—they favored a constitutional amendment process.

However, the bill as adopted provides for a direct decision on the issue by the U.S. Supreme Court on the constitutionality of the act and the U.S. Attorney General is taking the necessary steps to assure an early decision on this act as to its constitutionality.

A STRONG DEFENSE

I have always favored and supported a strong defense for our Nation. Certainly we must eliminate any waste and extravagance in the Department of Defense and our Armed Forces. However, we must not sacrifice a strong defense posture for a penny-wise pound-foolish defense policy.

In the nuclear-nerfed world of today, to be a second in military capability could be disastrous.

I have supported—and will continue to support—the necessary appropriations to maintain our military strength and posture.

AGRICULTURE, THE BULWARK OF OUR ECONOMY

I have also consistently supported programs to assist our farmers in their important role in our economy. Although farmers, their families, and employees comprise only 5 percent of the Nation's population, the remaining 95 percent of Americans depend upon our farm economy for food, fiber, and shelter.

The Agriculture appropriations bill passed this year provides \$7,531,000,000 for various farm programs, including:

For the Consumer and Marketing Service, \$872,153,000, including the special milk program and the child nutrition program, among others.

For Soil Conservation Service, \$276,490,000.

For Agricultural Research Service, \$235,200,950.

For Agricultural Stabilization and Conservation Service, \$301,896,000.

For Rural Electrification Administration, \$460,423,000.

For direct loans, \$326,900,000, and \$113,775,000 for other programs of the Farmers Home Administration, including grants for water and sewer facilities.

The Department of Agriculture appropriations bill contribute to assuring that American farmers receive an equitable share of the Nation's income.

SOUND ECONOMY PRACTICED

While I have—as this report shows—supported measures for necessary and vital programs—I have opposed legislation which I considered was not in the national interest, and I have voted to cut and reduce appropriations which I considered wasteful, unnecessary, and not of the highest priority at this time of budgetary stringency.

In the Subcommittee on Independent Offices and Cities, we have cut and reduced the President's budgets by billions of dollars. In 1 year alone my committee cut and reduced the Federal budget by \$3.2 billion in low-priority and nonessential proposed program expenditures.

In hearings before our Committee on Appropriations, each budgetary item is carefully weighed as to its necessity. Officials of some 22 agencies and departments of Government testify before my committee each year. They are extensively questioned with respect to their requests for appropriations and funding needs.

Every effort is made to cut and reduce nonessential programs and to continue programs vital to the growth and progress of our communities and our people.

MY PHILOSOPHY OF GOVERNMENT

My philosophy is keyed to moderation and reason, and I subscribe to the philosophies of these three great Presidents:

Thomas Jefferson: "The care of human life and happiness is the first and only legitimate object of good government."

Woodrow Wilson: "I believe in democracy because it releases the energy of every human being for growth and progress."

Abraham Lincoln: "The legitimate object of government is to do for a community of people whatever needs to be done but which they cannot do or cannot do as well for themselves."

The philosophies of these great American Presidents are appropriate today.

I believe that local leadership and local initiative can and should provide the keys to progress for our people. The Federal Government can assist in many ways, but the planning and leadership must begin with the people at the city, county, and local level.

I have found over the years that our district has possessed and developed magnificent local leadership in many of our communities. This leadership works with the State and Federal Government in improving their communities and in bringing greater opportunities for our people.

I believe that every American is entitled to education, training, and an opportunity. I do not believe that Government is obligated to support those who are able-bodied and able to work and who refuse to work and accept responsibility. For those who are aged, infirm, ill, disabled, and incapacitated—I believe our Government has a proper and humanitarian role to play in supporting the needy.

As our forefathers believed in a balanced form of government—steering clear of the extremes—I am a believer in a balanced philosophy of government.

It has been my policy to avoid ex-

tremes and to adhere to a philosophy of reason and moderation. I believe in working with my colleagues in the Congress in achieving agreement and accord that represent the views of the great majority of Americans. I do not favor legislation that represents extremism.

I believe in sound fiscal economy and that taxpayers are entitled to a dollar's value for a dollar spent in the public interest. There are those who would give the Federal Government a blank check—there are others at the opposite extreme who would cut Government operations to the point that the functions of the Government would be stopped. I work to achieve a proper balance between the extremes in the mainstream of reason.

I believe like many conservatives that we must preserve our institutions, our freedoms, and basic values that form the foundation of our great democratic society. I also believe in progress and progressive government that is responsive to the needs of the people and the problems of our time—government that will work with local communities to solve problems and to build a better life for all Americans.

My record in the Congress, serving all our people, is cumulative with much accomplished and my constituents faithfully served in the public interest.

The 91st Congress has accomplished much. We have made substantial reductions in the budget and we have set some priorities and policies to achieve growth and progress for our people. Our district is sharing in this partnership of growth and progress.

INCREASE IN SOCIAL SECURITY PAYMENTS NEEDED IMMEDIATELY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, on the 21st of May this House passed one of the most important bills of this Congress, a raise in social security payments, with an escalator clause that would take into consideration inflation, as recorded in the Consumer Price Index. It was vital to pass this bill, because our senior citizens, living on this modest income, have been the greatest victims of inflation.

This House did its work thoroughly and with dispatch. Yet, on this last day of September, that social security bill still has not come to the floor of the other body for a vote. It still rests with the chairman of the Finance Committee in that other body.

This is unconscionable. The senior citizens of this Nation must be treated with the decency and consideration they deserve. They are not receiving this when a bill that concerns them so vitally is treated with such indifference. These people are the ones who have done so much to build America's greatness. Surely, the least we owe them is the prompt passage of this legislation which concerns them so much.

I urge, in the strongest manner possible, the chairman of the Finance Committee to release this bill immediately for action on the floor of the Senate, and I ask that the bill be effective immediately. It is needed, and it is needed today.

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANDERSON), is recognized for 15 minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, the Washington Star carried a most significant and timely editorial entitled "Action Needed on Nation's Health" in its Sunday edition of September 27. The editorial charged that in the provision of health care—

The United States is in a third-rate position among the industrial nations. It just muddles along, tolerating incredible disorganization, appalling inequities and financial ruin for people who get too sick for too long. For millions, adequate care simply is unavailable. Distribution of services is drastically uneven across the Nation.

Mr. Speaker, these are not the words of a newspaper known for its inflammatory rhetoric or congenial alarmism; indeed, its customary judiciousness leads one to doubt whether its editorial board is dominated by nay-saying radicals. So when it proclaims that a most serious and threatening health care breakdown is upon us we would do well to pay heed. The skyrocketing costs of physician and hospital services, the uneven, unbalanced, and gap-filled coverage of private health insurance, and the alarming shortage of primary health care physicians are painful facts of life for more and more Americans. The recent Gallup poll showing 54 percent of Americans endorsing national health insurance indicates the public patience with a health care "system" fast approaching a state of advanced entropy is reaching the breaking point. We cannot much longer avoid, therefore, a major redirection and overhaul of our health care arrangements.

Mr. Speaker, in light of the stinging indictment of the present nonsystem of health care in this country it is interesting to note that the editorial did not impulsively and uncritically endorse the proposal for compulsory national health insurance. Correctly perceiving that grand panaceas of the one-fell-swoop variety may do more harm than good the editorial warned:

To place (National Health Insurance) in effect now would be like installing a jumbo jet engine on a Ford tri-motor plane; it would pull the whole fragile health works to pieces.

I find myself in close sympathy with these sentiments. It is indeed true that we need major new initiatives on the health care front; but it is also a harsh fact that we have neither the budgetary leeway, the trained medical manpower or sufficient understanding of the subtleties of something so vast and complicated as our \$70 billion a year health care system to prudently undertake an intervention of the massive corporation contemplated

by the national health insurance proposals.

Mr. Speaker, the editorial did not hesitate to chide the Nixon administration for its halting and uneven performance on the health care problem. As one member of the House Republican leadership I have tried to keep in close touch with key administration officials responsible for policy planning in this critical area. I have been deeply impressed by the concern and the commitment of the President and his advisers for the development of more adequate means of providing health care services for all Americans. But in the complex and difficult affairs of National Government, the good intentions of a President are not always easily and quickly transformed into concrete actions. Frankly, I must express the feeling that the unwieldy bureaucrats giant just down the Hill, the Department of Health, Education, and Welfare, is not fully measuring up to its responsibilities on this score. Rather than mobilizing and concentrating its great resources, manpower and expertise on the development of intelligent, constructive, workable solutions to our varied health care problems, HEW has displayed a rather unfortunate tendency to rest content with picking and snipping from the periphery. This, it seems to me, was epitomized by Under Secretary Veneman's statement at the national health insurance hearings last week. I have studied the NHI bill carefully, and am convinced that there are sufficient hard, substantive inadequacies in the proposal to obviate any need for resort to red herrings. These inadequacies need to be laid squarely on the table before an impatient public is stampeded into enactment of an ill-timed and potentially hazard-fraught measure.

Mr. Speaker, rather than recklessly wielding the withering bludgeon of massive intervention, as the NHI advocates would have us do, we would do better to circumspectly employ the fine-honed surgical scalpel of limited and strategically targeted initiatives in seeking solution to the health care crisis. I believe the Star editorial wisely pointed to a number of these limited but nonetheless high priority fronts: First, we must substantially expand the output of our medical schools, especially of primary care physicians. Second, we need to secure a more appropriate regional and socioeconomic distribution of medical personnel through the employment of various incentives to encourage doctors to practice in physician shortage areas. Third, there must be increased efforts to improve the productivity of physicians through more effective and widespread use of paramedical personnel. Fourth, we must provide aid and encouragement to the development of group practice and other more efficient and effective forms of comprehensive health care delivery.

To these I would add two more of my own. First, we must bridge the lacunae in our private health insurance system, perhaps through a Government sponsored insurance to cover "catastrophic costs" and tax credits to individuals or

families for the purchase of comprehensive, full-coverage private health insurance. And second, we must speed efforts to achieve effective peer or utilization review panels at the local level in all areas of the country. In this regard the Bennett amendment to the social security bill is a most promising initiative.

Mr. Speaker, action on the health care front can no longer be delayed. This Star editorial has provided a valuable public service by alerting us to the urgency of the problem and pointing in the direction of viable solutions. I commend it to all of my colleagues and that the full text be inserted at this point in the RECORD:

ACTION NEEDED ON NATION'S HEALTH

Fourteen months after he said the country was facing a "massive crisis" and possible breakdown in health care, President Nixon has called for the drafting of a remedial program. And the word is out that he won't settle for just shoring up the present rickety health services system. He has ordered a blueprint for making Americans the healthiest people on earth, which they now decidedly are not.

If that is indeed his goal, he deserves every encouragement. This is a mission of necessity upon which the nation should have embarked many years ago. In this field, the United States is in a third-rate position among the industrial nations. It just muddies along, tolerating incredible disorganization, appalling inequities and financial ruin for people who get too sick for too long. For millions, adequate care simply is unavailable. Distribution of services is drastically uneven across the nation.

Officials of HEW are reported to be working nights and on weekends on Mr. Nixon's program, and a bundle of recommendations should shortly be on his desk. He will need to sit down when he reads the cost projections. If the formulators come up with a plan scaled to actual needs, the price will be jolting. It will make the welfare reform legislation he is now trying to push through Congress look like a penny's worth of peanuts. No doubt that is why he has delayed so long in acting on his own health-care crisis alarm, sounded in July of last year. A glimmer of what may be expected was given by Dr. Roger O. Egeberg, an assistant HEW secretary: "... as I see the problems, they are awful. Our needs for money are almost insatiable."

Before any hallelujahs are heard, it should be noted that no real movement is visible, except backward. All that is promised is a plan, and that has come not directly from the President but from a third-level administrator, Dr. Egeberg. The doctor has long been agonizing over the deteriorating health-care situation and trying to direct the President's attention to it. Now he vouches for Mr. Nixon's interest and we hope he is correct. We also hope that another year will not elapse before a comprehensive, sensible graduated program is laid before Congress and the people.

This is a cause to which the public would rally. Most people are gravely concerned about the cost and uncertainty of medical care, and most still have not been exposed to the more shocking evidence which the President could offer.

There is abundant evidence of that concern. For example, on Labor Day the AFL-CIO president delivered a most untypical speech. It wasn't about labor itself, but rather was a statement of labor's No. 1 goal for the Seventies. That, George Meany said, "is to upgrade America's standard of health, to establish a new and better system for delivering health care and health services

to the people who need them." He strongly endorsed the national health insurance program now before Congress.

Fifteen senators are sponsoring the insurance bill, which will not and should not be passed in this session. To place it in effect now would be like installing a jumbo jet engine on a Ford Tri-motor plane; it would pull the whole fragile health work to pieces. It is the only logical long-run objective, but preparations must be made. Crippling deficiencies of manpower, money and planning must be dealt with.

The administration, though, has shown no inclination to come to grips with the core problems, and its shotgun assault Wednesday on the health insurance bill bespoke too strong an attachment to the status quo. It revealed an affection for the private health insurance system that schemes out of all proportion to that system's achievement record. Indeed the health needs picture drawn by HEW Assistant Secretary John G. Veneman, who presumably was speaking for the administration, was depressing in its narrowness.

He said national health insurance would cost too much (which it probably would if it were immediately implemented), and that it would "radically restructure the health financing and health service industry" with untested new processes. Certainly the present processes have been tested, and in view of the sorry state of health services, some radical restructuring seems inevitable.

Most discouraging, however, was Veneman's conclusion that, over-all, "the best investments that we can make as a nation in improved health are those directed toward assuring sufficient food and an adequate income, and a healthy environment for all." That was a platitudinous evasion of the health-care issue—about on the level of prescribing an apple a day to keep the doctor away. But people more zealous to assure first-rate health services for everyone, regardless of income, are hamstrung until some expensive foundations are laid.

A major expansion and upgrading of services is out of the question until the medical personnel shortage is relieved. The Nixon administration has avoided confronting that primary obstacle which, as a result, is growing larger. New York hospitals now are so desperate for nurses that they are advertising in Europe, Canada and Australia. Probably a fourth of the nursing stations in the country are unfilled. The doctor shortage stands at more than 50,000 and is worsening daily, yet U.S. medical schools turned away 15,000 well-qualified applicants this year. Faced with this predicament, the administration has trimmed federal assistance to medical schools and many are staggering financially. Two of the three here in the District are threatened with closing if they do not receive emergency grants. Johns Hopkins at Baltimore is in serious difficulty.

The President's first concern in the health field should be the rescue of the medical schools, and then their enlargement. The government also should set up improved machinery for measuring their efficiency and for obtaining the largest possible output of new doctors and nurses for the dollars spent.

And some way must be found to improve the dispersal of physicians. More med school graduates must be gotten into practice out among the populace, in localities where they are desperately needed, instead of adding to the urban concentration of specialists. There has been no planning for distribution of medical manpower in relation to needs. Hence some whole counties have been without general-practice doctors, while more attractive areas and specialties have been over-loaded. Location incentives can be provided and the fadeout of the general practitioner can be reversed.

Another urgent need is for commitment by the profession to increased use of medical assistants—to the training of a new grade of personnel who in effect would be super-nurses. These aides—extensions of the doctor but at a level just below him—could contribute immeasurably to the creation of an efficient, full-service system. Professional obstinance has suppressed this concept, but there have been recent encouraging experiments.

Action is needed to extend prepaid group practice services to more Americans. About five million now are covered by group plans, which assure treatment at minimal cost. Again, there is resistance in the medical profession, but the AMA president recently voiced strong support for group practice and urged his organization and the federal government to promote it.

The President has been accused of giving health care a low priority rating, and we hope he will soon lay that charge to rest. If his administration can put together a program to create efficiency and sufficiency where there is now chaos and paucity, he will be long remembered. The pattern for advancement should be drawn to culminate with cradle-to-grave national health insurance, when the services structure can support it. Whether health services are a right or a privilege is an old argument, but Americans have settled it in their minds, and George Meany asserted that decision: "We must stop restricting the right to life and death to those who can pay, and denying it to those who cannot."

MAGNIFICENT VICTORY BY EWING TOWNSHIP BABE RUTH BASEBALL TEAM

THE SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON), is recognized for 30 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, it gives me great pleasure to call to the attention of my constituents, our colleagues and the whole world the magnificent victory won by the Ewing Township Babe Ruth baseball team in the 19th annual Babe Ruth League world series held in Brawley, Calif.

Like true champions, Ewing Township finished first in the tournament by recovering from its only loss to sweep five straight games. I am particularly pleased that the most valuable player award for the series went to Fritz Sickles who tied a series record by pitching three victories. He was joined in this feat by Frank Cipullo who also won three games. Frank also had the honor of pitching the team's final 7-to-2 victory over a very strong Mount Healthy, Ohio, team. It was this same Mount Healthy team that defeated Ewing Township 6 to 4 earlier in the tournament before Ewing Township began its victory streak.

I want to congratulate all of the youngsters who participated in the tournament and, especially, the young heroes from Ewing Township who brought great honor to themselves, their parents, their very capable manager, Joe Sgro, their community, and their home State of New Jersey.

Mr. Speaker, so that the players may have a complete record of their victory in the Babe Ruth world series, I set forth herewith the box scores of the eight games in which the team participated:

1970 BABE RUTH WORLD SERIES—Continued

GAME NO. 16										GAME NO. 17										
Mount Healthy					Ewing					Mount Healthy					Ewing					
AB	R	H	BI		AB	R	H	BI		AB	R	H	BI		AB	R	H	BI		
Daugherty, lb.	3	0	1	0	Camarrata, 2b.	3	0	1	0	Daugherty, p.	3	0	0	0	Camarrata, 2b.	3	0	0	0	
Herbert, 2b.	3	0	0	0	D. Henley, cf.	3	0	1	0	Herbert, 2b.	4	0	0	0	D. Henley, cf.	3	0	1	1	
Jacoby, p.	3	0	0	0	Krenchicki, ss.	2	0	0	0	Krenchicki, ss.	3	0	0	0	Sickels, lf.	2	0	0	0	
Scheidt, cf.	2	0	0	0	Sickels, p.	3	1	1	0	Scheidt, cf.	3	0	0	0	Holzhafer, lb.	2	0	1	0	
Bass, c.	3	0	1	0	Holzhammer, lb.	2	0	0	0	Bass, c.	2	1	1	0	Teinda, ss.	3	0	0	0	
Teinda, ss.	3	0	0	0	Cipullo, 3b.	2	0	0	0	Teinda, ss.	3	0	0	0	Schenke, lf.	2	0	0	0	
Schenke, lf.	3	0	0	0	Goese, 3b.	0	0	0	0	Schenke, lf.	2	0	0	0	Tippbauer, p.	1	0	2	0	
Heber, rf.	2	0	0	0	R. Henley, rf.	2	0	0	0	Heber, rf.	3	0	0	0	Goese, 3b.	2	1	2	0	
Gamble, 3b.	1	0	0	0	Festa, lf.	2	0	0	0	Gamble, 3b.	2	0	0	0	Rafalski, c.	3	1	0	0	
					Rafalski, c.	2	0	0	0	Green, pf.	1	0	0	0						
Totals.....	23	0	2	0	Totals.....	21	1	4	1	Totals.....	27	2	5	2	Totals.....	23	7	4	3	

Mt. Healthy..... 000 000 0— 0
Ewing..... 000 100 x— 1
E—Teinda 2, Cipullo, 2B—Camarrata, 3B—Sickels, WP—Sickels, LP—Jacoby.

Score by innings (2d game):
Mount Healthy..... 000 002 0— 2
Ewing..... 010 501 x— 7
E—Gamble, Herbert, Bass 2, Daugherty, Krenchicki, 2B—Holzhammer, 3B—R. Henley, WP—Cipullo, LP—Daugherty, Umpires—Johnson, Moore, Zielich, Katusz.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EVINS of Tennessee, for 45 minutes, today.

(The following Members (at the request of Mr. KYL) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. McDADE, for 5 minutes, today.

Mr. ANDERSON of Illinois, for 15 minutes, today.

Mr. THOMPSON of New Jersey (at the request of Mr. ROBERTS), for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PATMAN in five instances and to include extraneous matter.

Mr. ADAIR in five instances and to include extraneous matter.

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. RIEGLE.

Mr. McCLURE.

Mr. PELLY.

Mr. ADAIR.

Mr. ANDERSON of Illinois.

Mr. POFF.

Mr. BROWN of Ohio.

(The following Members (at the request of Mr. ROBERTS) and to include extraneous matter:)

Mr. CORMAN in five instances.

Mr. RODINO.

Mr. PIKE.

Mr. GRIFFIN in two instances.

Mrs. SULLIVAN in three instances.

Mr. BINGHAM.

Mr. PICKLE in two instances.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 14485. An act to amend sections 501 and 504 of title 18, United States Code, so as to strengthen the law relating to the counterfeiting of postage meter stamps or other improper uses of the metered mail system;

H.J. Res. 236. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the week of August 1 through August 7, 1971, as "National Clown Week"; and

H.J. Res. 1154. Joint resolution authorizing the President to proclaim National Volunteer Firemen's Week from October 24, 1970, to October 31, 1970.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The Speaker announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 3730. An act to extend for 1 year the act of September 30, 1965, as amended by the act of July 24, 1968, relating to high-speed ground transportation, and for other purposes; and

S.J. Res. 110. Joint resolution to amend the joint resolution entitled "Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week," approved August 11, 1945 (59 Stat. 530), so as to broaden the applicability of such resolution to all handicapped workers.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on September 30, 1970 present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 11953. An act to amend section 205 of the Act of September 21, 1944 (58 Stat. 736), as amended;

H.R. 14373. An act to authorize the Secretary of the Navy to convey to the city of Portsmouth, State of Virginia, certain lands situated within the Crawford urban renewal project (Va.-53) in the city of Portsmouth, in exchange for certain lands situated within the proposed Southside neighborhood development project;

H.R. 18127. An act making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Quality Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agen-

cies and commissions for the fiscal year ending June 30, 1971, and for other purposes;

H.J. Res. 589. A joint resolution expressing the support of the Congress, and urging the support of Federal departments and agencies as well as other persons and organizations, both public and private, for the international biological program;

H.J. Res. 1178. A joint resolution authorizing the President to proclaim the month of October 1970 as "Project Concern Month"; and

H.J. Res. 1366. A joint resolution to provide for the temporary extension of the Federal Housing Administration's insurance authority.

ADJOURNMENT

Mr. ROBERTS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p.m.) under its previous order, the House adjourned until Monday, October 5, 1970 at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2416. A letter from the Acting Director, U.S. Information Agency, transmitting the Agency's annual report for fiscal year 1970 on disposal of excess foreign property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

2417. A letter from the Acting Secretary of the Treasury, transmitting a semiannual report on U.S. purchases and sales of gold and the state of the U.S. gold stock, and on Internal Monetary Fund discussions on the evolution of the international monetary system; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of New York: Committee on the Judiciary. H.R. 611c. A bill for the relief of Elmer M. Grade; with amendments (Rept. No. 91-1550). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary.

H.R. 10233. A bill for the relief of Comdr. Albert G. Berry, with an amendment (Rept. No. 91-1551). Referred to the Committee of the Whole House.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 10482. A bill to authorize the establishment of the Voyageurs National Park in the State of Minnesota, and for other purposes; with an amendment (Rept. No. 91-1552). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 19342. A bill to establish and develop the Chesapeake and Ohio Canal National Historical Park, and for other purposes; with amendments (Rept. No. 91-1553). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR:

H.R. 19551. A bill to provide for the establishment of a council to be known as the National Advisory Council on Migratory Labor; to the Committee on Education and Labor.

H.R. 19552. A bill to amend the Natural Gas Act of 1938; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK:

H.R. 19553. A bill to authorize the Secretary of Commerce to provide subsidy for the construction of a river passenger vessel; to the Committee on Merchant Marine and Fisheries.

By Mr. GRIFFIN:

H.R. 19554. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption with respect to certain children; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 19555. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure that U.S. requirements for low-cost energy will be met, consistent with national environmental quality policy requirements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MCCLELLRE:

H.R. 19556. A bill to encourage States to establish motor vehicle disposal programs and to provide for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment; to the Committee on Ways and Means.

By Mr. MORSE (for himself and Mr. BINGHAM):

H.R. 19557. A bill to facilitate and encourage cooperation between the United States and certain defense contractors engaged in the furnishing of defense material to the United States in providing for an orderly conversion from defense to civilian production, and to assure, through such cooperation, that the United States and such defense contractors will be able to meet the challenge arising out of the economic conversion and diversification required by reason of the changing defense needs of the United States to provide for such an orderly conversion in an effort to minimize, to the extent possible, the hardships and other disruptive factors likely to be encountered by defense workers and their families as a result thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBISON:

H.R. 19558. A bill to deter aircraft piracy by invoking a commercial air traffic quarantine against countries abetting aircraft piracy or offering sanctuary to air pirates; to the Committee on Interstate and Foreign Commerce.

By Mr. SHIPLEY:

H.R. 19559. A bill National Public Employee Relations Act; to the Committee on Education and Labor.

By Mr. MAHON:

H.J. Res. 1388. Joint resolution making further continuing appropriations for the fiscal year 1971, and for other purposes; to the Committee on Appropriations.

By Mr. FULTON of Pennsylvania:

H. Con. Res. 762. Concurrent resolution expressing the sense of Congress with respect to sanctions against Rhodesia; to the Committee on Foreign Affairs.

H. Con. Res. 763. Concurrent resolution to express the sense of Congress on international measures to discourage hijacking; to the Committee on Foreign Affairs.

H. Con. Res. 764. Concurrent resolution urging the President to determine and undertake appropriate actions with respect to stopping armed attacks on aircraft and passengers engaged in international travel; to the Committee on Foreign Affairs.

By Mr. ROBISON:

H. Con. Res. 765. Concurrent resolution urging the President to determine and undertake appropriate actions with respect to stopping armed attacks on aircraft and passengers engaged in international travel; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. McFALL introduced a bill (H.R. 19560) for the relief of Kwong Kam Choland Kwong Ka-Hop; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

609. By the SPEAKER: Petition of Anthony Matoska, chairman, Lithuanian-American Community of the U.S.A., Inc., Dorchester, Mass., relative to the liberation of Lithuania; to the Committee on Foreign Affairs.

610. Also, petition of H. S. Swartz, Lexington, Mass., et al., relative to the highway trust fund; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

THE DOUBLE STANDARD OF THE NIXON ADMINISTRATION

HON. CHARLES H. GRIFFIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1970

Mr. GRIFFIN. Mr. Speaker, I would like to call to the attention of the House some rather strange administrative actions recently taken by the Commissioner of Internal Revenue.

Without authority under the law, in my opinion, the tax-exempt status of private schools recently organized in Mississippi and other Southern States was revoked unless certain IRS-imposed admission policies were advertised.

Yet, the IRS has granted tax exemption to the Social Education Foundation of New York through which are channeled royalties received by the revolutionist Jerry Rubin.

According to information made available to me, 350,000 white children attend private schools in New York City. The IRS has made no effort to deny tax advantages to those schools.

All of this is more evidence of the

double standard of this administration which imposes certain conditions on the people of the South which are not imposed in the rest of the Nation.

On this subject, I include an editorial by James M. Ward which recently appeared in the Jackson Daily News. It follows:

QUESTIONS RAISED ON TAX STATUS FOR PRIVATE SCHOOLS

Here is a disclosure that will probably make Mississippians who give money to private schools without tax exempt privileges—as indicated by the Internal Revenue Service in light of white private schools springing up across the nation—more than passing alarm. It is found in an article in the Aug. 12 issue of The Review of the News magazine.

Starting off with comment on the current fad (if that is the proper word) by big publishing houses to give full support and promotion to radical leftists and criminals who write books, the magazine says, "Bookstore shelves all over the country have been weighed down, this year, by an enormous crop of works described by one reviewer as 'devoted to the destruction of the existing order, well-packaged handbooks on how to annihilate the Establishment,' distributed by at least a dozen supposed 'responsible' publishers in the United States."

Among those, Review of the News cites

"Soul On Ice" by the criminal Communist terrorist Eldridge Cleaver, who is living in Red Algeria. The article quotes Newsweek as saying publisher McGraw-Hill has offered the fugitive Cleaver a \$350,000 advance for a Sequel. Zap!

Other books being peddled are by Black Panther Bobby Seale on trial for murder in Connecticut; Abbie Hoffman's "For the Hell of It" and Jerry Rubin's "Do It!" All three of these, as most literate Americans know, put on that disgraceful performance in the Chicago conspiracy trial that produced a threat to this nation's Judicial Foundation.

Now to the tax-exempt subject.

The Review of the News article points out that Jerry Rubin is a Walking Tax-Free Foundation and is spared the pain of paying income taxes on his book royalties through the creation of a mysterious thing known as the Social Education Foundation in New York. "Royalties are paid by Simon & Schuster to Jerry's agent, Carl Brandt, who, of course, funnels them to the entity which holds all existing property rights in the book, the aforementioned foundation," the article says.

Author Susan L. M. Huck tracked down the foundation, she being directed to the Exempt Organization Master File at the Mid-Atlantic Service Center in Philadelphia. Master File told her there was no record as such an organization. However, she reported, IRS publication No. 78, Supplement 1969-6