

**TRANSMITTAL SLIP**

DATE

**25 Aug. 1959**

TO:

STAT

ROOM NO.

**225**

BUILDING

**East**

REMARKS:

FROM:

**OGC/LC**

STAT <sup>NO</sup>**221**

BUILDING

**East**

EXTENSION

consideration of the bill or bills and roll-calls will be postponed until Wednesday of next week.

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

There was no objection.

#### CORRECTION OF ROLLCALL

Mr. FOUNTAIN. Mr. Speaker, on rollcall No. 137 I was recorded as being absent. I was present and answered to my name, and I ask unanimous consent that the RECORD be corrected accordingly.

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

There was no objection.

#### ANNOUNCEMENT

Mr. FOUNTAIN. Mr. Speaker, on rollcall No. 117 on July 27 on the passage of the bill (H.R. 7072), to provide for the participation of the United States in the Inter-American Development Bank, I was on official leave of absence. Had I been present and voting I would have voted "yea."

#### CLARIFYING TYPES OF ARRESTMENT PROHIBITED WITH RESPECT TO WAGES OF U.S. SEAMEN

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1958) to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen, with House amendment thereto, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BONNER, GEORGE P. MILLER, ZELENKO, TOLLEFSON, and RAY.

#### EXTENSION AND AMENDMENT OF PUBLIC LAW 480

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8609) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, by extending the authorities of titles I and II, strengthening the program of disposals through barter, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8609, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending the amendment offered by the gentleman from New York [Mr. KEOGH].

Without objection, the Clerk will re-

port the amendment offered by the gentleman from New York.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. KEOGH: On page 8, following line 23, insert a new section 14 reading as follows, and renumber succeeding sections to conform:

"Sec. 14. Such Act is further amended by adding at the end of title III the following new section:

"Sec. 306. Shipments of surplus agricultural commodities destined to foreign countries, exported under titles I, II, or III of this Act, shall be delivered directly to the export vessel at a United States port. For the purpose of this section "export vessel" shall mean the ocean vessel transporting the surplus agricultural commodities from the United States port of landing to foreign port of discharge."

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my hope to make it plain that this amendment is not a committee amendment. This amendment is not directly a part of the legislation that is before you. The legislation before you does involve however the shipment of substantial quantities of agricultural commodities.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. KEOGH. Your opening remarks, I trust, were not predicated on any representation by me or anyone else that this was a committee amendment?

Mr. POAGE. No. And I want to make it plain that I am for the amendment. I want the gentleman from New York to understand that I am for the amendment, not as a member of the Committee on Agriculture, but as a Member of the Congress charged with the responsibility of trying to do substantial justice to all sections of our country. This amendment simply seeks to see that all sections of the country are treated equitably.

Mr. Chairman, I want to make it clear that my reason for rising is to try to explain that this is not being done to help any agricultural product. It has no bearing upon agricultural products as such except as to the cost that is involved on the part of the United States of America. The taxpayers pay the bill.

We want to see every section treated fairly. There were those yesterday who said, "Why, you don't want the Great Lakes to carry their share of the shipping." I want the Great Lakes to ship anything in the world they can. I want the Great Lakes, I want the Pacific coast, I want the gulf coast and the Atlantic coast to ship anything in the world they can. I want these commodities to move just as cheaply as they can, because by doing so we save the taxpayers of America extra cost. But, I want the cost to be equitably spread between each section of this country.

Now, we have on the books, and our committee is not seeking to take it off, what is known as the 50-50 shipping clause. Fifty percent of all the commodities that are bought by the Government must be shipped in American bottoms.

The Congress passed that law some years ago. It adds tremendously to the cost, but we did it with the idea that we were benefiting an American industry, one which America needed. We did it to subsidize American shipping, because we think we need American shipping. But, it costs the taxpayers that much more money, there is no getting around that. It cost two to three times as much to ship in American bottoms as it cost to ship in some foreign tramp ship. Some of those ships are now going into the Great Lakes. There are no American ships going into the Great Lakes to load out with wheat or other agricultural products, moving them to destination at a European port. It is the foreign ships that are moving that grain.

It is also insisted that we should not only allow the foreign ships to move out of the Great Lakes, but that we should ship down to Montreal, either by rail or by lake steamer or by oxcart or any way you want, to Montreal; and then reload the grain on a ship which may or may not have ever been in the Great Lakes. This ship would probably be a foreign ship. There is no substantial American shipping in Montreal. Practically all of the ships going into Montreal are of foreign registry. If this grain, which is the primary thing that is involved, is all shipped out of Montreal or from the lake ports, it is practically all going to be shipped in foreign bottoms. About one-half of the grain of the United States might be expected to move through the Great Lakes. I have not any objection at all to its so moving. I want it to move through the Great Lakes if that is the cheapest way of moving it and complying with the 50-50 Shipping Act. But, if they are going to move half of the grain moving from the United States in foreign bottoms through the Great Lakes, that means that every other bushel that moves from an Atlantic port, a gulf port or a Pacific port has got to move in American bottoms.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

(Mr. POAGE asked and was given permission to proceed for 2 additional minutes.)

Mr. POAGE. Let me repeat. If half of the grain of the United States moves through the Great Lakes in foreign bottoms, every other bushel that moves from an Atlantic port, a gulf port, or a Pacific port has got to move in American bottoms. That is the only way you can apply the 50-50 clause. That means that shipping through Atlantic ports, through Pacific ports and gulf ports is going to cost 2½ to 3 times what it is going to cost through the Great Lakes. This is true because the shipment through the Great Lakes will be in foreign ships while that through the other ports will of necessity all be in American ships.

Are you willing to put the burden of this extra cost on the Atlantic, Pacific, and gulf ports, and give to the Great Lakes ports the right to ship at a greatly subsidized rate, at a rate merely a fraction of what those of us who are shipping

der the American flag will have to say? And yet, unless you vote for this amendment, unless you require American inspection in American ports and not in foreign ports, you are going to establish a foreign merchant marine controlling the Great Lakes and to establish a foreign port that will actually be the terminal of Great Lakes shipping. Your Great Lakes shipping is going to be 100 percent foreign shipping unless you adopt the Keogh amendment.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. ANFUSO. Mr. Chairman, the gentleman from Texas is making a great deal of sense in what he is saying. Is it not a fact that American taxpayers are paying for this program and, if so, why shouldn't these shipments be made through American ports?

Mr. POAGE. I think the people of the Great Lakes are fair enough that they should be willing, and I think they will be willing, to agree that at least half of all the lake shipping should be in American bottoms. But if you do not adopt this amendment it is all going to be foreign shipping.

Mr. Chairman, I ask the Representatives of the Great Lakes ports, Are you willing to agree to an amendment which would require 50 percent of all of this shipping through the lake ports to move on American ships?

Mr. McGOVERN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman who just spoke [Mr. POAGE] is a great American but what he proposes is not in the interest of a greater America. The pending amendment, offered by the gentleman from New York [Mr. KEOGH], in spite of all the protestations we have just heard, is nothing more nor less than a thinly veiled effort to reopen the battle of the St. Lawrence Seaway, a battle that we thought had been won several years ago.

The gentleman proposing this amendment, while cloaking their efforts in Fourth of July oratory, are actually trying to prevent grains grown by midwestern farmers from moving over the most economical routes.

It is common knowledge that large oceangoing vessels cannot move in the St. Lawrence Seaway when fully loaded with grain. This means that any restriction on the shipment of grains to Montreal to be used for topping off partially loaded ships before they cross the ocean is the same as closing off the seaway to the movement of midwestern grains.

This is analogous to a proposal by horse-and-buggy advocates that no one be allowed to ride in an automobile unless it is pulled by a horse—in this case a horse draped with the Stars and Stripes.

At House hearings on this matter before the distinguished Committee on Merchant Marine and Fisheries it was made perfectly clear that sectional economic forces are at work to hamstring the use of the St. Lawrence Seaway as a natural commercial waterway for grain and other midwestern commodities in

order to force use of southern and eastern port facilities regardless of the cost to the American people.

Last week the Nation was treated to the spectacle of a smooth-working political coalition that cut across party lines on the fundamental issue of labor-management relations.

Today we have a new kind of coalition, a marriage of convenience between the port of New York and the port of New Orleans.

A rate study by the Department of Agriculture completed in April of this year shows that grain moving over the St. Lawrence Seaway from 17 States to Rotterdam is shipped at an average of 17 cents per bushel less than by other shipping routes.

Surely the gentleman from eastern and southern ports do not want the people of the United States paying them a toll of 17 cents a bushel merely to fatten the bank accounts of a few shipping corporations.

And this after the American taxpayers have paid out half a billion dollars to build the seaway so that we could avoid these needless shipping charges.

Mr. Chairman, there is another important aspect of this matter that should not be overlooked. We are engaged in an intense trade competition with the grain producers of Canada. They have a number of advantages in any such trade competition, some of which have been made possible by aggressive assistance to Canadian producers on the part of their government.

Why should we hand Canadian producers an additional competitive advantage by permitting them to use the St. Lawrence Seaway with the resulting savings to their shippers and deny the same advantage to our own businessmen and farmers?

When we lose the opportunity to move grain into foreign markets at 17 cents per bushel less than it would cost us through other shipping routes, we yield a price advantage to Canadian producers and shippers that will be of tremendous consequence. I cannot believe that our friends from New York and other shipping points would really want to place the American farmer and the American shipper at such a severe competitive disadvantage with Canadian exporters.

I urge the defeat of this amendment because it is antiagriculture, antibusiness and antifree enterprise.

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

(Mr. SHORT asked and was given permission to revise and extend his remarks.)

Mr. SHORT. Mr. Chairman, before emotions become too aroused on this bill, I would like to take a few minutes of your time to try to clarify as well as I am able to the mechanics of this St. Lawrence Seaway grain transportation operation so that you will understand a little better what the problems are that are involved here. I want to say also as a Representative from the State of North Dakota, as my colleague, the gentleman from South Dakota pointed out, that this seaway can provide a savings of as much as 17 cents on every bushel

of wheat transported through that facility.

Now that the St. Lawrence Seaway has begun operation and been dedicated to the benefits of the United States as well as Canada, it would be folly to try to erode away the benefits to our country by not permitting shipments of surplus agricultural commodities under U.S. Government programs to fully utilize its facilities.

A brief examination of some of the problems in initiating use of these new facilities for our farm products will be helpful in understanding the problem.

Shipment of our farm products out of other U.S. areas and ports, particularly those moving under Government programs, are often subject to controls over quality through inspection regulations. This entails certain problems when the shipments are through the St. Lawrence Seaway.

The route from the head of the Great Lakes through the new seaway cannot handle full loads on oceangoing vessels. If it could, the inspection problems would not be great. A full cargo could be loaded at a lake port, inspection made, and a certification of grade issued without any change in the content of the load through the seaway and on to the foreign port of final destination where the grain is unloaded.

It is not so simple as that, however, because full ocean cargo loads cannot move through the entire route. The 27-foot channel does not permit a full load. Instead of a full ocean cargo of, say, 10,000 tons, the loading at lake ports for seaway shipping is limited to smaller cargoes, possibly around 6,000 tons. Of course, it would not be practical to run vessels as a rule to foreign ports of destination with only 60 percent of normal loads. Under present conditions an oceangoing vessel can take advantage of as much of a load as the lake route will permit and, further along the seaway, beyond where there are no channel limitations fill the remaining capacity with U.S. grain stored at another point. At that part of the seaway, however, the port is a Canadian port.

This practice of completing a load or "topping off" is made possible by putting the U.S. grain in storage at the Canadian port after hauling it through the part of the seaway route where fully loaded oceangoing vessels cannot be handled. The Canadian officials cooperate in preserving the identity of the U.S. grain when it is unloaded and stored in the Canadian port.

At the time the grain is moved out of the U.S. port in the Great Lakes, the grain is inspected and graded and U.S. inspection certificates are issued on it. It is not practical to obtain separate space for each such inspected shipment to preserve its identity. Furthermore, all the steps in the transshipment and storage operation could result in a material change in quality. In that event, the original certificate of inspection would not actually represent the quality finally loaded for ocean shipment.

The Canadian Government, of course, does not want the responsibility for designating or controlling quality of U.S.

grain. On the other hand, the United States feels that preservation of the integrity of quality certification on grain exported is most necessary in maintaining our competitive position in the foreign grain markets of the world. With the world competition so keen, buyers for foreign areas will obtain their requirements from other exporting countries, including Canada, if they are unable to obtain U.S. grain with assurance as to quality through inspection certificates. On cash sales, therefore, the United States has no choice but to meet the competition by requiring and furnishing inspection of U.S. grain that will be stored in Canadian ports along the seaway and will be used to top off outgoing vessels.

The shipments under the barter program of the Commodity Credit Corporation obviously have to be kept on a competitive basis, and those sales made for foreign currencies under title I of Public Law 480 move all the way through the commercial stream and, therefore, must be competitive or change the entire program. There is no good reason why any other Government programs should be required to pay an additional penalty or subsidy for failing to make use of more efficient transportation facilities. Shipments financed with foreign aid funds by the International Cooperation Administration should not be separated out and treated preferentially like cash dollar sales. The commercial movements through barter and foreign currency sales should not be penalized with increased costs by refusing their use of the new beneficial St. Lawrence Seaway facilities.

Mr. Chairman, my State of North Dakota has a great potential benefit from the St. Lawrence Seaway. We have been told that our wheatgrowers will receive a benefit of as much as 10 to 12 cents per bushel on wheat exported from our State to foreign countries. I do not think we should be denied this benefit from a facility that has been built and is now in operation.

I certainly hope that this amendment will be defeated.

Mr. MACHROWICZ. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MACHROWICZ to the amendment offered by Mr. KEOGH: Add the following: "Provided, however, That the provisions of this section shall not apply to shipments of surplus agricultural commodities originating in American ports and shipped through the St. Lawrence Waterway."

Mr. MACHROWICZ. Mr. Chairman, I offer this amendment in all sincerity, particularly after the very persuasive argument of my very genial friend from New York [Mr. KEOGH], who assured us yesterday that the last thing he desires is to do anything to injure the ports of the Great Lakes, and particularly also after the argument of the gentleman from Texas, a member of the committee [Mr. POAGE], today, who said it was his desire that all ports throughout all sections of the country have equal access

to the transportation of these agricultural commodities.

Mr. Chairman, as it has already been said several times, several years ago we completed the Thirty Years' War on the St. Lawrence Seaway; many, many years before that we completed the War Between the States. I thought both those wars were over and forgotten, but evidently they are to be resurrected again today.

I have followed the leadership of my friend from New York for the 10 years of my service here with one notable exception, the Great Lakes-St. Lawrence Seaway. I would like to follow him again today. If he is sincere in his statement that he has no desire to injure the ports of the Great Lakes, and if the member of the Agriculture Committee, the gentleman from Texas [Mr. POAGE], is sincere in his desire that the ports of the Great Lakes be not injured, then certainly they will rise hastily to accept my amendment, and I will be very glad then to support the Keogh amendment.

Seriously, Mr. Chairman, all of us know that if the Keogh amendment as it now stands were to be adopted it would be to the advantage of the other ports and add 17 cents per bushel to the cost of transportation of these surplus grains. I do not think anyone wants that. I think the gentleman from Texas was right, that this amendment has nothing to do with the bill we are discussing. I agree with him 100 percent. It is an issue which has been brought to bear which has nothing to do with the original matter we had before us and was intended only to start another sectional battle between the States. I might say in passing that I deplore statements made by anyone that one side is pro-American and the other anti-American; this is strictly an interstate battle.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. SHORT. Would the gentleman's amendment permit ships to be topped off by grain hauled to Montreal by truck or train?

Mr. MACHROWICZ. No; it refers only to shipments made through the St. Lawrence waterway by ship.

Mr. SHORT. So all the grain would have to originate in American ports?

Mr. MACHROWICZ. Yes.

Mr. Chairman, if all these proponents of the Keogh amendment are sincere, and if they really mean they do not wish to do any harm to the Great Lakes ports, I sincerely hope they will support my amendment.

Mr. BREEDING. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to voice my opposition to the proposed amendment.

It is my belief that adoption of the amendment would seriously injure efforts now being made to increase the exports of wheat. The effect of the amendment would be to force the exporter to forego use of the St. Lawrence Seaway and ship

wheat grown in Kansas and other Midwestern States to ports on the Atlantic or Gulf coasts for loading onto ocean-going vessels.

There is no doubt that if the amendment prevails the cost of shipping wheat from my area will be increased substantially. The St. Lawrence Seaway is the natural outlet for this wheat. The artificial barriers which this amendment proposes to erect will force the wheat to travel long distances before it can be shipped by water.

The amendment would completely disrupt normal shipping procedures on the St. Lawrence Seaway. For example, a vessel is now loaded at an American Great Lakes port. It proceeds through the seaway to a point on the St. Lawrence River where a deep sea channel is available. Then the vessel is topped off by loading more wheat, enabling the vessel to carry its full cargo.

Under the amendment, this topping off process—which, incidentally, uses American-produced wheat—would be stopped. Great Lakes vessels could not carry a full load. They would have to increase their rates for carrying wheat.

This amendment poses a threat to the future of the St. Lawrence Seaway. It seeks to stop the natural flow of traffic to the seaway. Members of this House who worked so long for the development of the seaway should be alert to this danger. If artificial barriers to the free movement of traffic to the seaway are approved in this one instance, then similar steps can be taken on other commodities. The real danger is that the St. Lawrence Seaway will be legislated out of enjoying full benefit of greatly increased traffic which was envisioned at the time of its approval.

The adoption of the amendment would not result in the increased use of American ships to export wheat under the Public Law 480 program. U.S. vessels use the St. Lawrence Seaway and they would be affected the same as foreign flag ships. The law already requires that at least 50 percent of all shipments be made in U.S. vessels.

The net effect of the amendment would be to make the use of the St. Lawrence Seaway for shipping wheat uneconomical. We would force shippers to use long hauls, thereby adding to the cost of wheat shipped overseas.

We would be hurting the efforts of the Kansas Wheat Commission, the growers and other producer-supported groups, who have been working long and hard to increase the export of wheat.

We would be erecting artificial barriers to penalize the St. Lawrence Seaway ports and to help ports in other areas.

The amendment is not needed. I hope it is defeated.

Mr. REUSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose the Keogh amendment, because in effect it tells the people of the Great Lakes region now that the St. Lawrence Seaway has been built, you cannot use it.

minds me of an old nursery  
s, with some additions:

Mother, may I go in to swim?  
Yes, my darling daughter;  
Hang your clothes on a hickory limb  
But don't go near the water.

Mother, may I have a boat?  
Yes, my darling daughter;  
You may have a seaway, too,  
But don't go near the water.

Mother, may I ship some wheat?  
Yes, my darling daughter;  
Let the farmers fill your bins,  
But don't go near the water.

Mother, can't I use my boat?  
No, my darling daughter;  
You're not from the South or East  
And so you hadn't oughter.

Mr. LEVERING. Mr. Chairman, I rise in opposition to the pending amendments.

(Mr. LEVERING asked and was given permission to revise and extend his remarks.)

Mr. LEVERING. Mr. Chairman, with the advent of the St. Lawrence Seaway we saw the creation of the eighth sea of the world and our fourth seacoast, giving to the farmers, manufacturers, workers, and everyone living in this great area of the Middle West the golden opportunities for which enlightened citizens of America and our loyal and trusted friends of Canada have prayed and planned for, hundreds of years. Through many decades, the advisability of U.S. participation in the construction and operation of the St. Lawrence Seaway was debated on the floor of the House, and in the U.S. Senate. During all the years of that debate, certain shipping interests in this country strove with might and main to prevent U.S. participation in this great undertaking.

Yet, as the country grew and as the mighty industries west of the Allegheny Mountains expanded, it became more and more evident that the St. Lawrence Seaway was absolutely necessary to the full economic development of our country. It probably was not fatal to our economic development that it was delayed, but it would have been fatal to have delayed the St. Lawrence Seaway much longer. In any case, the Congress finally voted full participation in the St. Lawrence Seaway, and, indeed, only a few weeks ago, President Eisenhower and Queen Elizabeth II of the British Commonwealth of Nations, in impressive ceremonies, dedicated the seaway to the cause of mankind. At that time it was believed this inaugurated a new economic era in the history of America.

Today, in a backdoor approach, or something similar to the Trojan horse techniques of another era, the remnants of the opposition to the St. Lawrence Seaway are rallying around this amendment to the Public Law 480, which makes possible our "food-for-peace" program, so vital to our farmers and so vital to the cause of peace. This amendment, if adopted, would strike a crippling blow at the use of the St. Lawrence Seaway. Of course, it wouldn't be a fatal blow. The seaway is well accepted and its usefulness is too apparent for anyone to think that he

ever could destroy it now. It is there, and it is being used. It ought to be utilized to the fullest.

If this amendment were adopted, it would restrict the movement of surplus agricultural products over the seaway, by making it impossible for them to go through ports on the seaway itself. Thus it would be a hampering factor—and, in my judgment, a wholly unnecessary move. Certainly, it would cause greater expense to the taxpayer, who already is burdened with costs involved in Government procurement and transport due to antiquated methods of shipping in some instances and restrictive laws in others.

This is not the time to add more expense to transporting of these vital agricultural products. This amendment, if adopted, certainly would add such costs to the already-harassed taxpayer.

But Mr. Speaker, there is another vital factor involved in our consideration of this amendment. It is the friendship of our great neighbor to the north, the Dominion of Canada. There is no question in my mind but that, in spite of more than 100 years of close and peaceful relations with Canada, our Canada-United States relations have deteriorated in the past several years. This is due to economic factors over which none of us have control, perhaps, but some of it is due to diplomatic factors, in my judgment, and to trade policies. Rather than straining our relations further with our northern neighbor, I deeply believe that in this time of tension, we should build toward greater solidarity with this wonderful country.

We should learn, as a Government and as a people, that everything we do, in relation to shipping and to our activities which impinge upon other countries, is important in building friendship, and, of course, is a factor in a just and lasting peace, or survival itself in case peace is not possible with some of our enemies in the world. Certainly, it is no time for us to offend one of our most loyal friends and our closest neighbor.

Who would be helped by adoption of this amendment? A few shipping interests involved in shipping into and out of the gulf, coast and east coast ports. They may be numbered in the hundreds, at the most. But who would be hurt by the adoption of this amendment?

First, the taxpayer would be hurt, because the Government would find it more costly to ship these commodities in abiding by the terms of this amendment.

Second, the farmer would be hurt. Anything that increases the cost of shipping these commodities can jeopardize the program itself, which is so vital to our farmers these days.

Third, the people of the lands across the seas, who need this food, would be hurt.

Fourth, the Canadian ports through which this foodstuff is shipped, would be hurt.

Fifth, the St. Lawrence Seaway would be hurt. It is a self-liquidating project and if it does not obtain enough business, it will be more costly to all concerned in its financing in the long run.

Sixth, our relations with our great, friendly ally to the north would be damaged.

I believe, Mr. Chairman, that these six reasons are valid and sound reasons why I must vote against the amendment and why I can, in good justice and honesty, urge my colleagues to reject it overwhelmingly in the interests of not only the people of the middle United States but of the whole Nation.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. LEVERING. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I want to join with my neighbor from Ohio, having the great port of Erie in my district, and tell him I support him most heartily in his position with reference to this amendment.

Mr. BOGGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to direct an inquiry to the chairman of the committee. We have written into the law over a period of time the so-called 50-50 rule whereby at least 50 percent of these cargoes must move in American bottoms. The justification for that rule has been that it is the policy of our Government—and I think a sound policy—to encourage an American merchant marine. These are public cargoes owned by the taxpayers of the United States.

Now, would the effect of failure to adopt the Keogh amendment be that the non-50-50 cargoes would move through the Great Lakes and the others would move through the other ports?

Mr. COOLEY. I think, as was pointed out by the gentleman from Texas [Mr. POAGE], the natural result would be that the foreign ships would operate in the Great Lakes and the American ships would operate in the other ports of the country, the west coast, the east coast, and the gulf coast. In other words, if you ship a bushel of wheat out of Galveston or New Orleans, it is 50-50.

Mr. BOGGS. But that movement on the Great Lakes would be practically all on tramp ships.

Mr. COOLEY. That is what I understand.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Illinois.

Mr. YATES. The St. Lawrence Seaway was just opened up to ships, so how can you make a statement like that?

Mr. COOLEY. We had information that foreign ships were loading 45,000 tons with American ships standing by wanting cargo which was not available.

Mr. YATES. Do you not think it would be well to let the seaway operate for a while before you make a statement like that?

Mr. BOGGS. I can well understand where any of us would be reluctant to adopt any language which would be discriminatory against any section of our country. And, I agree with the gentleman from Illinois that since we have built the St. Lawrence Seaway, we should give it a chance to succeed. But, I do not think we should discriminate against the American ports in favor of the Ca-

nadian ports. If the bill as now drawn, without the Keogh amendment, is to mean that Baltimore and New York and Philadelphia and Galveston and Houston and New Orleans and the other ports in that area get all of the high-priced shipping and the Great Lakes get all of the cheap shipping, that is discriminatory against us.

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. BOGGS. I yield.

Mr. YATES. May I point out to the gentleman from Louisiana that in our subcommittee of the Committee on Appropriations we have just authorized certain subsidized voyages for the St. Lawrence Seaway, for oceangoing vessels—1960 will be the first year—for regular trade routes of oceangoing vessels to the seacoast ports, but it is unfair to use the statistics we have been using and to draw the conclusion that you have been drawing before we give the seaway a chance to operate.

Mr. KEOGH. Mr. Chairman, will the gentleman yield further?

Mr. BOGGS. I yield.

Mr. KEOGH. Let me read this following quotation from the New York Times of July 25:

American-owned vessels are being squeezed out of Great Lakes grain market, the Lake Cargo Carriers Association said today. The total grain shipments in June climbed to 16 from 15, but only 29 of 247 cargoes were hauled by U.S. vessels. A total of 165 cargoes were moved by vessels of Canadian registry and 53 by foreign ships.

This, Mr. Chairman, is the Lake Cargo Carriers Association.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Ohio.

Mr. ASHLEY. I would like to answer the gentleman from New York by saying that of course this was the report of the Lake Cargo Carriers Association, American lake carriers. However, the grain that was referred to there was privately owned grain. This had nothing to do with shipments under titles I, II, and III, which the gentleman's amendment refers to.

Mr. KEOGH. I do not agree with that statement.

Mr. BOGGS. I cannot yield any further.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BOGGS. Mr. Chairman, I ask unanimous consent to proceed for 1 minute additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. KLUCZYNSKI. Mr. Chairman, I object.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was greatly surprised on yesterday listening to the debate to hear the gentleman from the State of Iowa [Mr. HOEVEN] say that this was an anti-American proposal, when he was referring to the Keogh amendment. I understand from the gentleman today that he has decided to remove that from the permanent Record. I was also great-

ly surprised listening to the debate later in the evening to hear the distinguished gentleman from Illinois [Mr. YATES] say that the Keogh amendment would be like tossing an atomic bomb into the St. Lawrence Seaway. And then, too, this morning the gentleman from South Dakota [Mr. MCGOVERN] said that the proposal was wrapped up in an American flag, which is just more of this idea that when you are against something, you try to tag it as un-American instead of offering reasons why you are against it.

I would suggest to the gentleman from South Dakota [Mr. MCGOVERN] that he might well give consideration to removing that kind of remark from his speech.

Mr. MCGOVERN. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. MCGOVERN. I want to make it clear, Mr. Chairman, that there was nothing in my remarks that questioned the Americanism of anyone. I think the gentleman would agree that it is entirely possible to say that a proposal is against the best interests of America without accusing the person advocating it of being an un-American individual.

Mr. BAILEY. But that is exactly what the gentleman is doing; he is implying that.

Mr. MCGOVERN. Everything we discuss on this floor is evaluated in terms of the national interest, whether it is for the best interests of America or against the best interests of America. I do not doubt the Americanism of any Member of the Congress, but I do submit that the amendment before us is not in the best interest of America.

Mr. BAILEY. I think he should have a better argument than to tag it as un-American.

Mr. Chairman, let us remember, if you will, that I am the man who led the fight against the seaway some few years ago. At that time one of the major arguments against it was that it would be to the benefit of a group of foreign-owned tramp steamships. At that time I was offering as one of my reasons why the seaway should not be constructed, what it would do to ports like Boston, New York, Baltimore and other Atlantic and Gulf ports. I was not aware that as it appears today things would be in reverse in reference to shipments moving out of those ports. I was interested in trying to save those ports, save the business that was coming into this country through those ports, that we were diverting away from American shipping to tramp ships that come into the Great Lakes.

Mr. Chairman, let me remind you that the first ship that came through the Great Lakes was a Dutch tramp steamer and 40 percent of the cargo carried by that steamer was plate glass made in the city of Antwerp, Belgium.

What about American manufacturers of plate glass? What about the Pittsburgh Plate Glass Co. which has 16 plants from western Pennsylvania to Oklahoma? What is going to happen to them? Half of those plants will be closed within the next 3 years because they will not be able to meet the competition from Belgium, whose companies do not have to transship their shipments

of glass through the port of Baltimore or New York or Boston.

Mr. Chairman, we have lost our markets as a result of the seaway. Canada battled to get the lowest possible rate they could on shipments because of their heavy shipments of grain. They cut down the toll in the seaway.

One gentleman here acknowledged that the American Government had already invested half a billion dollars in the construction of the seaway. I was told when I opposed the seaway that the \$110 million that we voted, or authorized the issuance of bonds for, would be the total cost of American participation. Right now there is pending before the Army engineers a proposition to deepen the seaports of the Great Lakes, costing over half a billion dollars.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. BAILEY] has expired.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to direct a couple of questions, if I may, to the gentleman from New York [Mr. KEOGH] and the gentleman from Michigan [Mr. MACHROWICZ].

First, Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SPRINGER. Under the rules of the House, may the gentleman from New York [Mr. KEOGH] accept the amendment of the gentleman from Michigan [Mr. MACHROWICZ].

The CHAIRMAN (Mr. BOLLING). The amendment would have to be voted on.

Mr. SPRINGER. Let me ask this question, then, will the gentleman from New York state whether or not he would accept the amendment?

Mr. KEOGH. No; it is not possible in the form that the amendment has been offered to my amendment to accept it. I personally think the objective of the amendment is fine and is in consonance with the objective of the main amendment. But they are seeking here a specific exclusion of the waterway. We do not want it excluded. We do not want it debarred. We just want the natural, regular order to prevail and when the seaway is completed and when it is as good as the proponents have for 30 years been saying it would be, this amendment would actually protect the lake ports just as much as all the other ports of the country.

Mr. SPRINGER. May I ask the gentleman this question? In the meantime though, while the full implications have not been realized of the seaway as yet, will it not be the effect of your amendment standing alone as a practical matter to exclude lake ports from the benefits of this particular Public Law 480. That is, in fact, what it would do. It seems to me, now is the time, to accept the amendment offered by the gentleman from Michigan while the waterway is not able to achieve its full prospects of shipping from a port on the Great Lakes to any port in the world.

Mr. KEOGH. The gentleman is, in effect, asking me whether it is all right to move into a house before it is com-

pleted. I think it would depend entirely upon the situation. The St. Lawrence Seaway will be completed. Ocean-going vessels will reach Chicago and Duluth. Then they will be qualified to be protected by the objective of this amendment. This device that has been engaged in, under serious questionable legality, is a device which, in my opinion, will delay the completion of the seaway and will add the expense to the American taxpayers who are now paying the freight and would be a further subsidy not only to foreign-flag ships but to our fine, gracious, lovable, amiable and somewhat solvent neighbors to the north.

Mr. SPRINGER. May I say in reply, Mr. Chairman, that the Machrowicz amendment could have been a solution to this problem, giving the Great Lakes ports their chance now while they are not able to receive the deep draft ocean-going vessels and they would have the advantage of going ahead with this program without any roadblock. As it looks now, with the gentleman from New York not being willing to accept this amendment, his purpose seems to me to be clear to exclude at this time the chances of the cities on the Great Lakes to take advantage of shipping under the provisions of this act.

Mr. MACHROWICZ. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. MACHROWICZ. That is exactly the point I want to pinpoint through my amendment. The gentleman from New York says my amendment to the amendment seeks to exclude the Great Lakes from his amendment. Actually, what I am trying to do is to avoid exclusion of the Great Lakes ports from the benefits which should be available to all ports of the United States. To make clear what my amendment provides, it provides merely this. That the provisions of the Keogh amendment will not apply to any shipments originating in any American port and, of course, I have in mind the Great Lakes ports, and proceeding through the St. Lawrence waterway even though they have to re-load at Montreal or elsewhere.

Mr. KLUCZYNSKI. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. KLUCZYNSKI moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. KLUCZYNSKI. Mr. Chairman, I am sorry I had to object to the extension of time of the gentleman from Louisiana. It hurt me to do that, and I know the gentleman understands my position. But it is necessary because of the limited time that the Members who are waiting to address the House be given the opportunity to do so. The motion will be made in a few minutes, to shut off debate. I am sorry I have to oppose my very good friend Mr. KEOGH of New York on this amendment.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. KLUCZYNSKI. No; I cannot yield.

Mr. KEOGH. I just want the gentleman to know there is nothing personal.

Mr. KLUCZYNSKI. Mr. Chairman, I decline to yield.

Mr. Chairman, it was only yesterday that this gentleman had given me 3 minutes of his valuable time. I have served in Congress 9 years. I, the son of a Polish immigrant sent to Congress, am proud of the honor to talk 3 minutes to the gentleman, a talented legislator from New York, EUGENE KEOGH. I appreciate his kindnesses to me. I hope this debate in opposition of his amendment will not be the cause of a loss of our friendship, but I hope to regain our mutual feelings in a month or so when I invite him as my guest, to the World Series in Chicago.

This amendment is aimed at the cities on the Great Lakes. The effect of this amendment would be to eliminate transshipment of export surplus agricultural commodities under this act in Canadian ports such as Montreal and Baie Comeau. It means, in effect, the United States and Canadian lake carriers could not take grain to eastern Canadian ports as a return cargo for iron ore brought back into the lakes.

As this is the most economical means of transportation for both grain and iron ore it will impose a penalty on the Great Lakes transportation system. It will have the additional effect of confining exports of surpluses under the act from Great Lakes ports to foreign-flag vessels and tramps.

I have supported Public Law 480 in the past, and I would like to support it now. But I am sorry to say that if the Keogh amendment which would harm lake carriers is adopted I will vote against H.R. 8609.

The amendment now being considered, Mr. Chairman, should be defeated.

Mr. THOMPSON of Texas. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is tragic that we have come to the frame of mind where every issue, large or small, is apt to stir up emotionalism and unnecessary heat. There is nothing whatever in the subject matter before us that should not be calmly considered and decided.

To say that anyone is trying to put the St. Lawrence Seaway out of business is, of course, perfectly absurd. That waterway is established and is on its way to becoming one of our important arteries of ocean traffic, and nothing that any of us in this Congress could do would affect it in the least.

The question before us in the Keogh amendment is simply whether American-owned surplus grain shall be handled at our expense through a foreign port. It is just as simple as that.

The Department of Agriculture proposes to transship surplus wheat through a foreign port at what is, in effect, a subsidy of that port. Involved in the subsidy is also the construction and the operation of grain handling facilities, some of which—possibly all of which—are American owned. In any event they would be built and developed and from the time they start operation, they will be in competition with American ports.

The question before you is whether you want to subsidize a foreign operation in that manner. If it is necessary to do so,

it has no business being made a part of the cost of handling American surpluses, which will ultimately be blamed one way or another on the American farmers.

I urge that the amendment be agreed to.

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Texas. I yield to the gentleman.

Mr. BOGGS. Mr. Chairman, will the gentleman yield for one observation?

Mr. CASEY. Yes; if the gentleman will make it short.

Mr. THOMPSON of Texas. I yield.

Mr. BOGGS. The point I tried to make but was not able to—incidentally, it was because of my yielding to opponents of the amendment that most of my time was taken up; unless we support the Keogh amendment the other ports will be discriminated against.

Mr. CASEY. That is right. I am a minor leaguer. I have not been here 9 years as has the gentleman from Chicago; I have been here only 9 months, but I will say to the gentleman that while I was one of the Members who wanted to introduce this amendment, yet knowing, as you do, the rules of seniority around here, I bowed to seniority, and the gentleman from New York took the ball.

I am glad the gentleman from Ohio pointed out a while ago about the amount of private grain that was carried in the month of June.

What are we talking about? We are talking about grain that every taxpayer of this country has money in. Some of it we are going to give away and even load it on the boats at Government expense.

What city is going to be the pearl of the St. Lawrence seaway? Is it going to be Chicago? I was up in Chicago in May and I took a boat and rode around your fine waterways, and I saw a model of your ambitious plans. They are fine and I think you are going to make a great success of them. Is it going to be Milwaukee? Is it going to be Duluth? Is it going to be Detroit? Is it going to be Cleveland? The fact is that Montreal is working very diligently to assume this role of leadership and control shipping on the waterway, and unless you vote for the Keogh amendment you are aiding Montreal in her ambitious plans.

It has been pointed out to you that the foreign-flag ships are taking the business away from the American-flag Great Lakes ships. I am sure that each of you is interested in the prosperity of the shipping companies that operate from your home ports on the Great Lakes. The foreign-flag ships and the foreign-grain operators have taken your shirt and your pants, and now you are fixing to give them your underwear.

I urge support of the amendment.

Mr. JOHNSON of Maryland. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Texas. I yield.

Mr. JOHNSON of Maryland. Mr. Chairman, the Department of Agriculture has recently announced that beginning on September 1 of this year it will modify its long-established policy with respect to the shipment of surplus commodities under Public Law 480 and in-

icated that it would permit the exportation through Canadian ports of grain moving under this law.

It is quite obvious that the recent decision by the Department of Agriculture to honor subsidies on grain, under Public Law 480, moving through Canadian ports, and to provide an inspection service in Canadian ports to perform necessary inspection of such grain is detrimental to all the ports of the United States. I endorse the proposal to amend Public Law 480, to restrict movement of subsidized grain exclusively through U.S. ports. I believe it is not to the interest of the U.S. economy to use taxpayers' dollars to subsidize any grain movement through a foreign port when all the facilities required for such movement, such as transportation, labor, elevators, together with experienced personnel are now in existence and have been for many years, to handle such movement through U.S. ports.

The port of Baltimore and the railroads serving this port have witnessed over the years several actions, sponsored by our Government, that have diverted grain export business away from Baltimore. Now, the Department of Agriculture wants the subsidization of grain movement through Canada.

There is yet another ominous feature in the recent Department of Agriculture decision.

All initial grain inspections are now provided by federally licensed inspectors who are in the employ of individual State agencies or quasi-public trade organizations such as the Baltimore Chamber of Commerce. The Department of Agriculture examines, licenses, and provides overall supervision of these inspectors in the interest of maintaining a uniform inspection system throughout the country. The Department also provides a service wherein an inspector's grade may be appealed, should anyone feel his grain has been graded improperly. The Department has not been able to perform the function of maintenance of grain uniformity satisfactorily, due simply to the lack of qualified personnel within the Department. Yet, in a hasty decision, the Department has taken on the additional task of operating a full-fledged Canadian service, breaking all precedents, and this in the face of an offer by the Buffalo Corn Exchange to provide the service of initial inspections from their more than ample present staff.

I unequivocally support the amendment offered by the gentleman from New York [Mr. KEOGH].

(Mr. THOMPSON of Texas asked and was given permission to revise and extend his remarks.)

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. WEAVER. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. Briefly. I have been waiting for recognition yesterday and today. Of course I will yield to the gentleman.

(Mr. WEAVER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WEAVER. Mr. Chairman, I rise in opposition to the amendment offered by the distinguished gentleman from New York [Mr. KEOGH]. Frankly, Mr. Chairman, I was not surprised to see this amendment offered. I had known for more than a week that it was coming; indeed, I have known for several years that this type of discriminatory legislation was in the works.

Ever since the St. Lawrence Seaway started to emerge as a fact, some on the eastern and gulf seaboard of our great country have been trying to devise means to scuttle this worthy project. For a generation they have fought successfully to prevent it from becoming a reality. When that failed, they turned their attention to efforts to make the accomplished fact a useless thing.

I am not speaking today against the amendment only because I represent a farm area or a Midwest district. I am speaking, too, in behalf of the consumers of this country who will suffer and in behalf of the taxpayers of this nation who will suffer, too, if this amendment is adopted.

This amendment is being offered purely and simply as a sectional amendment to increase the prosperity of the great seaports of the eastern and gulf coasts. I do not oppose their prosperity, indeed, I am pleased that they are prospering. But I do not like to see the American taxpayer shell out from his pocket the increased transportation costs that this amendment would impose just to add to their prosperity. I do not like to see, in the future, higher transport costs to American consumers for goods raised or manufactured in the Middle West, because of the selfish attitude of some on the east coast. These results are inevitable if the amendment is passed.

Looking around me, Mr. Chairman, I see many Members of this House who have voted consistently—and for this I thank them—to improve the rivers and waterways of the middle continent. They have time and again supported such legislation on public works. In this they have shown a remarkable foresightedness. Now I see some of these same fine gentlemen who are ready to support the proposed amendment by the gentleman from New York, and I wonder to myself what has changed their position. Why do these same gentlemen support the proposals to build waterways feeding into the Great Lakes region, and then at the first opportunity support a measure that will make those same waterways useless and a series of white elephants which the American taxpayer can ill afford.

Also, Mr. Chairman, and this I do not mean to be critical, I find many who are supporting this amendment who, in the past have consistently and vigorously opposed farm legislation which contains any form of a subsidy to American agriculture. It is my hope that this present stand by some of my eastern and southern friends means a change of heart because, Mr. Chairman, this amendment is nothing more nor less than a subsidy for the ports of Galves-

ton, Mobile, Baltimore, New York, and Boston, and to the ports in between.

The amount of added costs hidden in the amendment may not strike the Members of this House as great in itself. But I would caution them to think of the future when the same practice could be adopted in the form of amendments to every bill that comes before the House. If this amendment carries, then, I believe, efforts will be made to attach similar language to every possible bill. The costs will mount and mount. The ultimate loser will be the taxpayers and consumers of America.

In closing, I might point out one or two very important facts. One is that the St. Lawrence Seaway is an accomplished fact. It was built by the people of Canada and the United States as an expression of the will of the people. This amendment is an effort to thwart the will of the people and to destroy through a process of nibbling away a great structure in which they have invested many millions of dollars, valuable time, and much effort. To me an amendment such as this is somewhat like building a gigantic superhighway, and then saying that nothing can be carried except by oxcart. The St. Lawrence Seaway was a great and progressive step forward in our Nation. It is my hope that no action we take here today will help to destroy that progress.

The CHAIRMAN. The gentlewoman from Illinois is recognized.

Mrs. CHURCH. Mr. Chairman, It is not difficult to recognize this amendment for what it is, an amendment discriminatory and insidious, and certainly damaging to Great Lakes ports.

Mr. Chairman, I am one of those who helped fight the long battle for the St. Lawrence Seaway. This amendment is a vital blow to its progress. Anyone who attended the recent festivities at the opening of the seaway realized that what had been accomplished was the realization of a long dream, but a dream based on sound economic reasoning and on sound hope for the major development of the most productive section of this country.

The question of 50-50 shipments does not really enter as an essential part of this debate. I have supported that principle and I will vote for it as long as I am a Member of Congress. But there is no ground to argue that that principle would or could be violated if this amendment fails. What I protest is the introduction of an amendment which would militate against the success of the St. Lawrence Seaway. To me it is ridiculous to argue that that great section of our country, the wheat and other grainland section, should be penalized into accepting less economical methods of shipping its products, nor am I willing to admit that a seaway can be judged in its initial steps.

Mr. Chairman, I expect to see the day when we will have oceangoing American boats calling at every port in the Great Lakes area.

I hope that the House will reject this amendment. I will, of course, support the amendment offered by the gentle-

man from Michigan, but I would rather see the Keogh amendment defeated in order to keep the issues clear.

Mr. YATES. Mr. Chairman, will the gentlewoman yield?

Mrs. CHURCH. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentlewoman from Illinois. She is making an excellent statement, and I think the point she has made should be expanded to make clear that the financial stability of the St. Lawrence Seaway depends on the tolls that are taken from the ships that traverse the seaway. This amendment may very well result in a drastic curtailment of the seaway's income.

Mrs. CHURCH. I thank the gentleman for pointing that out, and I would make one further point: It is being made to appear that only those interested in the Great Lakes are opposing the amendment. I would like to remind you that it is not the Great Lakes area only which is paying for the seaway. The investment in the St. Lawrence Seaway comes from all of America, and certainly any attempt to penalize the seaway, any attempt to reduce its revenues, any attempt to set a precedent which would further destroy its usefulness, should be defeated.

Mrs. KELLY. Mr. Chairman, I move to strike the requisite number of words.

(Mrs. KELLY asked and was given permission to revise and extend her remarks.)

Mrs. KELLY. Mr. Chairman, I feel that the sponsor of this amendment is not interested in starting any war, between the States nor is anyone interested in a war between the east coast ports and the great urban communities on the Great Lakes.

What is the problem involved in this situation? To me it is a replacement, Mr. Chairman, of the responsibility in one agency for traffic management, supervision of rates and distribution. Congress expressed itself on this very point in the Federal Property Administration Act of 1949—Public Law 152—which gave this authority to the General Services Administration but under that act, in section 201(a) the Secretary of Defense was given the right to exempt agencies of Government for distribution and transportation of anything that would affect the Department of Defense.

Under 205 of that same law the President of the United States had the right to issue certain Army regulations.

How do I become involved in this? I have endeavored to change section 413 of the Mutual Security Act. Under section 413 of the Mutual Security Act it is stated:

ENCOURAGEMENT OF FREE ENTERPRISE AND PRIVATE PARTICIPATION.—(a) The Congress recognizes the vital role of free enterprise in achieving rising levels of production and standards of living essential to the economic progress and defensive strength of the free world. Accordingly, it is declared to be the policy of the United States to encourage the efforts of other free nations to increase the flow of international trade, to foster private initiative and competition, to discourage monopolistic practices, to improve the technical efficiency of their industry, agriculture and commerce, and to strengthen free labor

unions; and to encourage the contribution of U.S. enterprise toward economic strength of other free nations, through private trade and investment abroad, private participation in the programs carried out under this act (including the use of private trade channels to the maximum extent practicable in carrying out such programs), and exchange of ideas and technical information on the matters covered by this section.

Private trade channels need to be defined and regulations established.

What is happening is that control of 5 percent of that which is sent abroad, and this includes agricultural products, is involved in our discussion today, but 95 percent of the total of anything shipped abroad, whether it is agricultural products or for defense, is excluded by our action here today.

I have discussed this problem with many agencies of Government but I feel the enclosed letter from General Floete explains the problem better than any other explanation I received, and I insert at this point in the RECORD the following letter:

GENERAL SERVICES ADMINISTRATION,  
Washington, D. C., July 16, 1957

HON. EDNA KELLY,  
House of Representatives,  
Washington, D. C.

DEAR MRS. KELLY: Reference is invited to your recent telephone request for the comments of GSA on a portion of a letter forwarded to you by Dr. E. A. FitzGerald, deputy director of the International Cooperation Administration, discussing a proposed statement to be made in the report of the Committee on Foreign Affairs.

The statements in Dr. FitzGerald's letter with respect to GSA's role in ICA transportation matters are substantially correct. Due to section 602(d)(2) of the Federal Property and Administrative Services Act of 1949, as amended, GSA does not supply policies and procedures to ICA with respect to transportation and traffic matters as it does in connection with the majority of the agencies which it serves. With respect to ICA transportation and traffic matters, GSA serves only as an agent and policy and operational controls are retained in ICA.

During the past fiscal year, ICA reimbursed GSA in the amount of \$285,000 for the traffic management services it received and this represented about 35 employees on GSA's staff. The savings in transportation costs which resulted from that work amounted to approximately \$1 million.

As noted in Dr. FitzGerald's letter, approximately 95 percent of ICA's programs in this field are handled through nongovernmental channels and only approximately 5 percent of the services are performed by Government agencies. This 5 percent at present is divided between the Department of Agriculture, Bureau of Public Roads, CAA and GSA. Having several such agencies in a field requiring negotiation among fiercely competitive elements substantially minimizes opportunities for obtaining sizable reductions in the costs of transportation. This division produces possibilities of the Government bidding against itself, precludes consolidation of shipments, efficient use of carrier equipment, prevents use of the large tonnage in negotiation for the benefit of the Government, and otherwise increases the costs of transportation.

Moreover, our experience has clearly indicated that with respect to the 5 percent which is now dispersed among the four agencies, a consolidation into a central agency would result in economies. This has been demonstrated by our experiences with approximately 140 other agencies which we now serve. Further, in the event policy and

operational decisions were made by GSA with respect to transportation of the 5 percent, additional economies could be effected. In any event, funds are required by ICA in order to reimburse GSA for the services it performs.

With respect to the 95 percent of ICA's traffic handled in nongovernmental channels, problems have arisen with respect to administration of the Cargo Preference Act or so-called 50-50 law. It would seem probable that centralization of control into a single agency would produce more effective coordination and compliance with that Act.

We believe that the continuation of the Office of Transportation of ICA would be needed to serve as liaison in behalf of the programs of that agency even if substantial responsibility for transportation and traffic management were to be assumed by GSA. That office would undoubtedly also be required to supervise the transportation activities of ICA consultants dealing in airfield and highway construction and kindred construction projects in cooperating countries.

GSA has undertaken, as you may know, a comprehensive survey of traffic activities of the executive agencies and one is now being performed in connection with ICA. GSA's traffic survey could well form the basis for ICA to reexamine its traffic management program both with respect to GSA and as to the delegation to recipient countries of the 95 percent of traffic activities involved in ICA procurement. This would permit an executive agreement to be reached between our respective agencies to produce more efficient and economical operations.

In any event, GSA would not have budgeted funds available to permit the fulfillment of the transportation functions related to ICA's mission, or the development of a coordinated program with ICA.

Sincerely yours,

FRANKLIN G. FLOETE,  
Administrator.

They admit they do not have any control over 95 percent of the distribution of products.

How does this work? When the United States notifies a government that to give them X number of dollars in commodities, we give to that country, the importing country, the right to decide who their importer is going to be. The importer thus completes and carries out the contract. It is up to him to make all agreements on the commodity or material to be shipped. In other words, foreign ships are used and thus there is no control over the 50-50 law called the Cargo Preference Act. Thus, your problem involved today, in my estimation, and that which we are seeking to do, should be a request that the President of the United States issue a directive or Executive order to establish a central agency to control, supervise rates and distribution of all these commodities. The President could direct that the General Services Administration have the right to regulate, supervise, and administer anything and every item shipped out of the United States, whether it is that involved in the Defense Act, the Mutual Security Act, or Public Law 480.

Mr. CURTIS of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from Massachusetts, because he and I endeavored in the Mutual Security Act this year to revise and change section 413 of that law.

Mr. CURTIS of Massachusetts. I desire to commend the gentlewoman for

bringing up these matters, because the Committee on Foreign Affairs has a direct interest here, owing to the provision in the mutual security law requiring that \$175 million of surplus agricultural commodities shall be financed under the provisions of that act. So, it is the duty of that committee to see that these supplies are shipped with due regard to economy, because otherwise the cost to the taxpaying public, who pays for mutual security, would be increased.

Mr. GALLAGHER. Mr. Chairman, I rise in support of the Keogh amendment.

The Department of Agriculture has announced that effective September 1, 1959, it will permit the exportation of grain moving under Government programs—Public Law 480—through Canadian ports on the St. Lawrence, providing it passes U.S. Government inspection. To accomplish this, U.S. inspection stations will be established at such Canadian ports.

Heretofore, the Department of Agriculture has specified that grain and other surplus U.S. farm products for overseas delivery had to be handled through U.S. ports and it was only in U.S. ports that grain inspection service, which is essential for export grain, was provided.

This means that U.S. ports will lose much of this traffic to Canadian ports. It also means that American business will lose because ships purchased their stores, oil, coal, and so forth, at the last port of loading which will be in this case a Canadian port. It means that American stevedores will lose their jobs and that American railroads will lose vitally needed freight traffic.

This grain is Government owned—Public Law 480—grain subsidized from start to finish by the U.S. taxpayers. If any possible benefit can be derived from the freight which is paid for shipping of this grain, the wages paid to labor for handling of these surplus commodities it should be made to benefit American labor and American industry.

The movement of U.S. Government grain will have the effect of building up Canadian ports while U.S. ports and the huge investments therein will not be sufficiently utilized and will lie idle.

If the Department of Agriculture is permitted to ship American grain through foreign ports soon all other surplus agricultural commodities will also be permitted through foreign ports. Among these surplus agricultural commodities would be dried milk, cheese, butter, rice, tobacco, and so forth.

It is interesting to note that the Canadian Government does not permit one single bushel of Canadian grain to be shipped through U.S. ports. Some thought must be given to whatever benefit might be derived from these programs to American labor, American industry, and established ports which normally handled and are equipped to handle this traffic.

Mr. COOLEY. Mr. Chairman, I would like to see if we cannot agree on time to close debate. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. ASHLEY. I object, Mr. Chairman.

Mr. COOLEY. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 40 minutes.

The motion was agreed to.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Illinois [Mr. YATES].

Mr. RHODES of Arizona. I object, Mr. Chairman.

Mr. SPRINGER. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Iowa [Mr. HOEVEN].

Mr. RHODES of Arizona. I object, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, I rise in opposition to the proposed amendment to Public Law 480 which, in effect, would practically prohibit exports of our surplus agricultural commodities from other than U.S. ports.

On the surface this effect does not appear important. But beneath the surface this bill would be a disservice to the American farmer and the American taxpayer. For one thing, the proposed amendment would prevent the St. Lawrence Seaway from being used for the export of U.S. surplus farm products to the extent contemplated when the Congress approved the project. The question of exports of our surplus agricultural products through the St. Lawrence Seaway should not be controversial. The Seaway is now in operation and we should not refuse to let it be utilized to whatever extent is possible in carrying out our export program.

The St. Lawrence Seaway promises great things for American agriculture. But this proposed amendment would nullify much of the good that it promises. This is because much of our surplus agricultural commodities, including such products as wheat, corn, barley, rye, soybeans, and flaxseed, move from our producing areas to our ports on the Great Lakes and then to Canadian seaway ports in the sequence of getting together cargoes of oceangoing size. The entire lakes-seaway route will not, of course, take a full ocean cargo vessel and therefore it is necessary to limit the loading at lake ports to a smaller cargo. Therefore, in practice the smaller vessels take cargoes of surplus farm products through the limiting part of the Seaway to a Canadian seaway port. From there large oceangoing vessels can be loaded and go on their way to other world ports.

This proposed amendment would prevent our surplus farm production from going to those Canadian ports, as is customary now.

The proposed amendment would mean more business for certain railroads and

certain export facilities in our Atlantic coast ports, but it would be at the expense of the American farmer or the taxpayer. The amendment in preventing surplus farm commodities destined to foreign countries from going to a Canadian port on the seaway and then being transhipped would mean higher shipping costs and therefore lower returns to our farmers or higher costs to taxpayers in the disposal of surplus farm products.

There is no reason why the U.S. Government should go to the expense and difficulty of assisting in building the St. Lawrence Seaway and then take such action as is proposed by this amendment. It would be the height of inconsistency to adopt legislation limiting use of the Seaway for U.S. Government export programs. It does not make sense to increase the burden of the U.S. taxpayer in order to build the Seaway and then increase his taxes further to pay a subsidy not to use it.

I cannot believe that the American farmer or the general public would condone such a proposal once its full implications were understood.

I earnestly urge that the proposed amendment not be adopted.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. QUIE] has expired.

The Chair recognizes the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I asked for this time in order to direct a question to the gentleman from New York [Mr. KEOGH]. But I do not see him on the floor at the moment and I shall put my question in the way of an observation. It is my understanding in connection with the full use of the seaway that it is the purpose of the Department of Agriculture on September 1 to establish inspection service available at Montreal or Baie Comeau in order that there may be grain shipped from Great Lakes ports under United States grades and standards. It is my interpretation of this amendment that it would not direct itself to any prohibition of the establishment of inspection service at Canadian ports points for the establishment of grades and standards on grains shipped under regular commercial transactions, but is restricted specifically to the transactions under titles I, II, and III of this act.

May I yield to the gentleman from North Carolina [Mr. COOLEY] if he will comment on that?

Mr. COOLEY. I think the gentleman's statement is accurate. The order that goes into effect September 1 provides for the inspection and it is pursuant to publication in the Federal Register as of July 28, 1959.

The CHAIRMAN. The time of the gentleman from Maine [Mr. MCINTIRE] has expired.

The Chair recognizes the gentleman from California [Mr. GEORGE P. MILLER].

(Mr. GEORGE P. MILLER asked and was given permission to revise and extend his remarks.)

Mr. GEORGE P. MILLER. Mr. Chairman, I rise in support of the amend-

ment offered by Mr. KEOGH, of New York. I have a wire from the manager of the Northern California Ports and Terminals Association which consists of the ports of San Francisco, Oakland, Sacramento-Yolo Port District, Encinal Terminals, Howard Terminal, which reads in part as follows:

Request your strong support H.R. 8609, to amend Agricultural Trade Development and Assistance Act of 1954, requiring exportation of agricultural products through U.S. ports. Under current law possible for western cotton to be exported through Ensenada, Mexico, and grain through Vancouver, Canada, thereby depriving local ports of cargo.

J. H. McJUNKIN,  
General Manager, Northern California  
Ports and Terminals Bureau.

Members are Port of San Francisco, Port of Oakland, Sacramento-Yolo Port, District Encinal Terminals, Howard Terminal.

Reference has been made to the 50-50 law. Under its provision 50 percent of federally owned products must be carried in American owned ships.

This law was put on the statute books to protect the American merchant marine against the cutthroat competition of foreign shipping. The substandard wages and inferior accommodations on many foreign-flag vessels allow them to make rates that we cannot meet. It is cutthroat competition under which we cannot maintain the high standard that has been adopted for American seamen.

Ever since this law has been on the statute books the State Department and the Department of Agriculture have done everything in their power to circumvent it. They do not like the law and they accepted it grudgingly.

Our merchant marine is the fourth arm of our defense. It is essential that we maintain a merchant marine, not only for defense purposes but in order to be assured the markets of the world are not closed to the American products.

The merchant marine includes more than just the ships that go to sea. The ports, terminals and tugboats and other facilities all go to make up the integrated system of transportation that we refer to as the merchant marine.

Again, may I say with emphasis, all we are asking is that one-half of these publicly owned cargoes are carried in American ships. If you have followed the recent history of the merchant marine you will know we cannot compete without this law.

West coast ports are interested in the amendment offered by the gentleman from New York because of more favorable rail freight rates in effect to the port of Vancouver in British Columbia and because of the cheaper rates by which our cotton can be taken to Ensenada, Mexico. Labor conditions being different, these ports can handle commodities cheaper than our own ports. Yet we cannot allow our ports to deteriorate if we are to maintain an American merchant marine.

What we are now doing is creating an atmosphere that will make the port of Montreal the biggest port on the American Continent. We will destroy our own and build up a Canadian port. I have no prejudice against Canada but I

believe that charity begins at home and we should take care of our own ports before contributing to the development of a foreign port.

I have always voted for the St. Lawrence Seaway since I have been in Congress and I worked for its passage. I want to see ports on the Great Lakes developed that can handle products of America's heartland.

I encouraged my friends from the Great Lakes region to introduce legislation that will allow deepening of the canal so that large, fully loaded ships can pass out into the Atlantic. If such legislation is introduced, I shall vote for it and work for its passage.

I earnestly request that the amendment by the gentleman from New York be adopted in the interest of the American merchant marine.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I voiced my opposition to the Keogh amendment on yesterday. This amendment would practically prohibit exports of our surplus agricultural commodities from other than U.S. ports. On the surface this effect does not appear important, but beneath the surface of this it would be a disservice to the American farmer and the American taxpayer.

I am quite intrigued by the Machrowicz amendment to the Keogh amendment. Everything else being equal, I would be inclined to accept it. But I note with interest that the gentleman from New York [Mr. KEOGH] was reluctant, in fact refused to accept the amendment, which makes me a little bit suspicious. I think what we should do in this case is to vote against the Keogh amendment even as amended, and erase it entirely from the bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The Chair recognizes the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Maryland [Mr. GARMATZ].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. RHODES of Arizona. Mr. Chairman, I object.

Mr. ABBITT. Mr. Chairman, I yield to the gentleman from Maryland, Mr. GARMATZ.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. GARMATZ. I yield.

Mr. FALLON. Is it not true that what has been said on the floor of the floor of the House during this debate is the same thing that was said time and time again when we were considering the construction of the St. Lawrence Seaway? That Montreal would be the greatest terminal port in the world and that the Seaway would have many times the amount of foreign ships than American ships when completed.

Mr. GARMATZ. That is correct. When the foreign flagships come from foreign ports, they will stop at Montreal and save 5 days transportation to Chicago and 5 days coming back, which means probably a saving of \$15,000 or \$20,000. So you can see that they are not going to go to Chicago.

Mr. Chairman, to retain for the U.S. economy its proper share in the commerce and business generated by transactions authorized under Public Law 480, there is only one thing that I suggest we do, and that is to adopt the Keogh amendment.

In this instance, I believe, Mr. Chairman, we are not only justified but we are morally obligated to put the interests of our own economy first.

Secondly, it is very important that we maintain the American Merchant Marine which is our fourth arm of defense. You know what it means in time of an emergency. The foreign ships are not at our command, but the American ships which are manned by American seamen are at our command in time of an emergency. Anyone who has been in the service knows how important it is that we have a good American Merchant Marine ready at all times.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I would simply call the attention of the membership once more to the fact that the Keogh amendment in no wise takes anything away from anybody. It does not take a thing away from the lake ports that they have today. It simply prevents the lake area from taking away from the rest of the Nation. It simply prevents the going into effect of a discriminatory regulation that they do not have today. They are asking an unfair advantage. Of course, everybody, I suppose, likes to get an advantage, but are we going to take American commodities from American ports? We passed the 50-50 amendment on the theory that we were interested in maintaining American shipping. If we turn down the Keogh amendment, you are going to have a situation where you will have 100 percent foreign-flag ships in the lake ports. Everybody knows that. You are going to develop a foreign trade in Montreal instead of the American ports on the lakes. It is true that there are those who stick their heads in the sand, but they do not thereby escape the logic of the facts, and the facts are that lake shipping is at present almost 100-percent foreign shipping. If you build up Montreal, then you are not building up American ports. And of what value is it to build up an American merchant fleet if we build up no American ports? Are these American ships to serve foreign ports? Or are we to build up American ports on the lakes. The Keogh amendment will build up American lake ports.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. DORN].

(Mr. DORN of New York asked and was given permission to revise and extend his remarks.)

Mr. DORN of New York. Mr. Chairman, the amendment of the gentleman from New York seeks to retain the historic attitude of the Congress with reference to the use of Canadian ports. We have always been against diverting our commerce to Canada. Twenty years ago the House passed unanimously a resolution asking the Secretary of State, the Secretary of Agriculture, the U.S. Shipping Board and the Interstate Commerce Commission to investigate in cooperation with each other the factors which were contributing to the diversion of commerce from the ports of the United States to Canadian ports. The Department of Agriculture now is diverting commerce from the United States to Montreal contrary to the spirit of that resolution. As the gentleman from California pointed out a moment ago, this is just a start. If the Department of Agriculture can send U.S. grain through Montreal, they can just as quickly send grain from the west coast using the port of Vancouver instead of our U.S. west coast ports on the ground of economy.

I urge you to vote for the Keogh amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, I think it is well to remember that the prevailing depth of most of our Great Lakes ports is 25 feet. If the Keogh amendment is adopted, it will require that surplus commodities loaded at those ports be transported directly to their foreign destinations. In other words, it will limit the shipment of surplus agricultural commodities via the Great Lakes to ships having a draft of 25 feet or less. Now what about the gulf and Atlantic coast ports? Will there be any such prohibition on vessels transporting surplus commodities for those ports? Why, certainly not. As to the draft vessels plying the Atlantic and gulf ports, they are vessels having a draft of 35 feet and 30 feet. This is the economic advantage that is being sought through the Keogh amendment. There is no question about that.

Mr. Chairman, the generous nature of the gentleman from New York and the universal esteem in which he is held suggest almost to a certainty that he did not mean by the introduction of his amendment to scuttle, to strangle, to throttle, and to otherwise block the Great Lakes ports and the St. Lawrence Seaway; but bear in mind that that is the effect of his amendment.

Mr. Chairman, let us look into the background of the Keogh amendment.

On July 23, 1959, the Department of Agriculture announced that, effective September 1, 1959, it would be permissible for U.S. grain to be exported under Public Law 480, title I, via the St. Lawrence Seaway, either direct from U.S. ports or with transshipment from Canadian ports. In the case of transshipment, U.S. inspection at such Canadian ports, according to the directive, would be mandatory, pursuant to existing program requirements.

This announcement has caused a storm of protest from Members of Con-

gress representing Atlantic coast and Gulf shipping ports, and from certain railroads, steamship companies, port authorities and other economic interests. At House hearings on Thursday, August 6, considerable pressure was put upon a Department of Agriculture official to postpone effective date of the directive pending thorough inquiry. This effort was not successful but a further hearing on the matter is scheduled for 2 p.m., Monday, August 10, before the House Committee on Merchant Marine and Fisheries.

The nature of last Thursday's hearing strongly suggests that sectional economic forces are at work to curtail the use of the St. Lawrence Seaway as a natural commercial waterway for grain and other midwestern products in order to force utilization of southern and eastern port facilities regardless of cost.

In light of this fact, it is essential for those interested in the legitimate development of the Seaway to understand the basis and background of the Department of Agriculture directive as well as the arguments of those who oppose it.

In recent years the USDA has administered four principal subsidy programs involving the export of grain and other commodities. These programs include, first, the sale of CCC owned grain on credit at export price; second, the barter of CCC owned grain at export price for materials produced abroad; third, the payment to exporters of subsidy in kind of the difference between the U.S. domestic price and the export price on sales made by exporters from free stocks of grain; and, fourth, the title I, Public Law 480 program under which free stocks of grain are sold for foreign currencies with the United States providing the dollar exchange and taking back the foreign currency equivalent for use in military and economic assistance programs and other U.S. Government operations abroad. The payment in kind subsidy also applies under this program, thus reducing the amount of dollars required to finance the program and allowing the sales to be made at prevailing export prices.

Of the four subsidy programs just enumerated, transshipment via Canadian ports has been possible in all except Public Law 480, title I which is governed by a separate USDA regulation. The purpose of the directive, according to agriculture officials, is simply to bring Public Law 480 into line with the other programs and to conform with the congressional directive that the program utilize normal trade channels and practices.

Prior to completion of the St. Lawrence Seaway, it was impossible for any except small, shallow-draft vessels to navigate into the Great Lakes. Because as a general rule it was not economically feasible for these vessels to take on grain at a Great Lakes port for delivery abroad, it became customary for the small amount of U.S. grain shipped via the Great Lakes to be stored at a Canadian port for shipment abroad by larger vessels. This practice simply followed our policy of allowing the normal,

free flow of commerce without governmental interference.

U.S. grain for export under our barter, cash, and credit programs has thus been moved via the Great Lakes for transshipment from Canadian ports for a number of years pursuant to U.S. policy and pursuant to the letter and spirit of the statutory language governing CCC operations.

However, no U.S. grain has yet been shipped via the Great Lakes under Public Law 480, title I. But with completion of the seaway and with deeper draft shipping now possible, there has been a natural interest on the part of exporters to utilize this avenue of commerce to the extent that it is economically advantageous to do so.

With respect to the export of U.S. grain under Public Law 480, title I, via the Great Lakes and with transshipment from a Canadian port, there is nothing in the statutory language of the act requiring shipment of the grain from a U.S. port direct to the foreign country purchasing such grain. Some of those who have registered opposition to the Department's directive reply on the language of section 102(a) of the act which states that "the CCC shall make available for sale hereunder at such points in the United States as the President may direct surplus agriculture commodities heretofore or hereinafter acquired by the Corporation in the administration of its price support operations."

This provision obviously relates to the sale by CCC of grain owned by it and not to the sale by a private exporter of grain owned by him. Any grain transshipped through the seaway would be owned by the private exporter from the time of movement from Great Lakes ports until he sells it to a foreign buyer. The USDA has never proposed the moving of CCC grain through the seaway to Canadian ports and holding it there for sale under the program.

It is noteworthy that the sale of consigned stocks of cotton owned by a U.S. exporter and shipped abroad by him, either from free stocks or after purchase from the CCC, has been authorized under the program since 1954. This has been with full knowledge and without objection by those now complaining about use of the seaway. Obviously there is a purpose behind the attempt to so distort the language of section 102(a) as to now prohibit for grain what has been done for 5 years for cotton. The purpose, clearly, is to curtail or choke off the use of the St. Lawrence Seaway for midwestern commodities to the advantage of other areas of the country and the economic-financial groups which have a vested interest in these areas.

Not only is there considerable precedent for transshipment dating back many years but there is also precedent for official inspection of U.S. commodities at foreign ports in accordance with law.

Opponents have also contended that the Department's directive will add to the cost of administering Public Law 480, title I, because of the greater distances from United States and Canadian ports to other world ports. This reflects a mis-

1959

CONGRESSIONAL RECORD — HOUSE

15195

understanding of the operation of the law and a sketchy concept of geography.

The important point is that the statute provides specifically that the President shall "take appropriate steps to assure that private trade channels are used to the maximum extent practical both with respect to sales from privately owned stocks and from stocks owned by the CCC."—Public Law 480, title I, section 101(b).

The Department in all of its export subsidy programs has provided for sale and exportation of the commodities through the private trade. It is these private exporters and their foreign buyers that determine the routing of the surplus commodities for export and it goes without saying that such decisions are based entirely on free market competition.

Finally, opponents of the directive contend that transshipment via Canadian ports may involve violation of the cargo preference provisions of Public Law 664, 83d Congress, which provides in substance that at least 50 percent of the gross tonnage of commodities shipped under such programs as Public Law 480, title I, shall be transported on privately owned U.S.-flag commercial vessels.

To answer this point it is necessary to consider the three following situations:

First. Where U.S. grain sold for export under Public Law 480 is loaded at a Great Lakes port for shipment direct to a foreign port. In this situation it is clear that the 50-50 act can be applied without difficulty and that at least half of such grain must be transported on American vessels.

Second. Where U.S. grain sold for export under Public Law 480, is at the time of sale, stored at a Canadian port. In this situation it is also clear that the 50-50 act can easily be applied to shipment from such Canadian port to the foreign country of destination.

Third. Where U.S. grain is shipped from a Great Lakes port to a Canadian port to await transshipment and then is sold under title I, as in the second situation above.

In this situation a question arises as to whether the 50-50 law must apply retroactively to the initial shipment from the Great Lakes port. In this connection, a further question might arise as to whether the Great Lakes ships used for transshipment are ocean vessels, within the meaning of the 50-50 act. Even if answers to these queries are accorded the strictest possible construction, there is no reason why there should be any violation of the cargo preference requirement. If the exporter knows in advance that grain held at Canadian ports can be sold under Public Law 480, title I, only if the 50-50 act is complied with from the point of loading at Great Lakes ports, he is in a position to assure that at least 50 percent of any quantity he might want to sell under the program moves from lakes ports on U.S.-flag vessels. If he did not do so, he simply could not sell the grain under Public Law 480.

The fallacy of the argument that there would be violation of 50-50 is clearly shown by the fact that consigned cot-

ton located in foreign countries is sold under this same program and that the USDA applies the 50-50 requirement to the shipment when made from the United States. In short, such cotton is eligible under the program only if at least 50 percent had been shipped from the United States on American vessels. This same rule would apply to grain if it is determined that the 50-50 act applies to shipment on the lakes.

In light of the above the conclusion is inescapable that (a) the USDA directive of July 23, 1959, is not only proper but in strictest keeping with both congressional intent and the letter and spirit of the statutory language governing CCC operations and the Cargo Preference Act, and that (b) opposition to this directive is actually motivated by sectional and economic interests which stand to gain in direct proportion to the extent to which the St. Lawrence Seaway can be curtailed as a commercial waterway.

It is therefore well for Members of Congress and others interested in the legitimate utilization of the seaway to understand that continuous vigilance and a readiness to defend the proper interest of the area served by the seaway are essential if the aspirations for this great new commercial waterway are to be realized.

(Mr. ASHLEY asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Gross].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, several times in this debate I have heard it stated that hearings were held by the Merchant Marine and Fisheries Committee on this subject.

I am a member of the Merchant Marine and Fisheries Committee, and to my certain knowledge no invitation was ever extended to me to attend a hearing on this subject. By way of the grapevine I understand that a meeting was held a few days ago in the Merchant Marine and Fisheries Committee room in connection with this matter, attended by certain members and representatives of private interests. That is perfectly proper, but I do not want the House to get the idea that any formal hearing was held at any time to which all members of the Merchant Marine and Fisheries Committee were notified to be in attendance.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. GEORGE P. MILLER. I know of no immediate meeting that was held on this subject or to which I was invited. About 4 years ago we held exhaustive hearings on the use of American ships in connection with the 50-50 law. A foreign government sent its agent to the meeting who recommended not only repeal of that law but abandonment of the American merchant marine in favor of letting what he termed the maritime nations handle all of the world shipping.

Mr. GROSS. I am speaking of the recent past.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ASHLEY. The gentleman is quite correct, there were no regular hearings. Meetings were held in some secrecy and at those meetings the only interests represented were the gulf and Atlantic ports and the railroads.

Mr. GROSS. It is perfectly proper as far as I am concerned to hold meetings in the committee room; I have no objection to that, but I do not want anyone to get the idea that formal hearings were held on this subject by the Merchant Marine and Fisheries Committee.

Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Pucinski].

(Mr. PUCINSKI asked and was given permission to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to the Keogh amendment because it would: First, make the St. Lawrence Seaway totally ineffective in one respect; second, it would impose additional costs on this country for helping feed the hungry people of the world.

I submit, Mr. Chairman, that the statement made here earlier today that only foreign tramp steamers are serving Great Lakes ports tortures the truth. I am advised by Mr. Maxim Cohen, general manager of the Chicago Regional Port District, that the following American lines are now in operation: The Isbrandtsen Lines, and the Waterman Steamship Lines, both serving North Europe; the Grace Lines, serving the Caribbean; and the American Export Lines, serving the Mediterranean, out of Chicago and other Great Lakes ports.

Mr. Chairman, I submit that if this amendment is adopted we are going to impair the effectiveness of the St. Lawrence Seaway in the very beginning of its operation. It will kill this newborn baby before it gets out of its swaddling clothes.

There is no question in my mind that within the next few years, American ships will be operating from every port along the Great Lakes to all parts of the world. This restrictive amendment offered by the gentleman from New York would, in effect, start a precedent which eventually would place every large city on the Great Lakes in a straitjacket regarding further development of its port facilities.

I hope the House will reject the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. Poff].

Mr. POFF. Mr. Chairman, I vigorously support the Keogh amendment. In order to understand its purpose, effect, and justification, it is necessary to review the actions which precipitated the problem.

On July 28, 1959, the U.S. Department of Agriculture published an announcement in the Federal Register that official grain inspection services were being

established on Canadian soil. While the announcement referred to statutory authorization, it is doubtful that any authorization exists in law. Indeed, such action violates the spirit if not the letter of the U.S. Grains Standard Act and is in discord with the stated objectives of the Agricultural Marketing Act of 1946.

The Grain Inspection Service came into existence under an authorization in the Grains Standard Act which does not and could not have any foreign or extra-territorial effect. As a matter of fact, the Grains Standard Act is a criminal statute, the jurisdiction of which is confined to the geographical limits of the United States and to nationals of the United States. It has been argued that Canada can consent to jurisdiction. However, it is well established that such consent by a foreign sovereign does not confer upon a Federal agency jurisdiction or powers not conferred by statutory enactment.

Notwithstanding the lack of statutory authorization and the jurisdictional deficiency, the Department of Agriculture proposes to permit the exportation of Public Law 480 commodities through Canadian ports on the St. Lawrence effective September 1, 1959. The purpose and effect of the pending amendment is to countermand that proposal and require shipments of such commodities to be delivered to the export vessel at a port of the United States where the inspection officers will have both the jurisdiction and the responsibility to discharge their duties under the Grains Standard Act.

The justification for the amendment should be obvious to those who are concerned with the legitimate protection of domestic U.S. industry and U.S. labor. Ships which currently load cargoes of surplus agricultural commodities at U.S. ports will begin to load at Canadian ports. Inescapably, this will mean a substantial loss of business to port terminal interests in the United States, to U.S. ships, to overland carriers in the United States and to U.S. merchants who supply fuel, ships' stores and ships' services. In turn, this will mean a loss of wages if not a loss of jobs to those who work for such concerns.

The argument that the proposal of the Department of Agriculture will result in a saving is ill considered. Any saving which might temporarily result will be more than offset by the loss of tax revenue from U.S. corporations and wage earners.

Mr. Chairman, I urge the adoption of the Keogh amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. KEOGH]. I think it is not in the best interest of the American taxpayer or farmer. I have an announcement in my files from the Canadian Government that it will be its policy to rebate savings to their farmers which will amount to about 15 cents a bushel which accrue from the use of the St. Lawrence Seaway. So we can see what this is going to

amount to to the American taxpayers if this amendment is adopted. I believe it was universally felt that the Seaway would result in savings to our people but if this kind of amendment is adopted it will set a pattern for the future and we can see that American taxpayers and shippers are going to suffer continuously.

(Mr. COAD asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I do not desire to be selfish in this matter, but I can say in view of the fact that I export more corn out of my district than any other Congressional district in America, as well as soy beans, that we are hurt by this amendment. Right at the very moment that the Seaway is getting underway we are put under the greatest handicap we could be, especially to the farmers of my own particular area. In addition, we have spent over \$500 million getting the seaway route to serve the farmers and the producers of the Middle West. We are now penalized with an amendment which would in effect make it almost mandatory that all of those goods be shipped out of ports along the ocean, and that would be too much for us to bear.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. YATES. Will this amendment not add to the cost of the program by requiring increased rail shipments which would add to the transportation cost?

Mr. SPRINGER. There is no doubt about that, there would be a substantial added cost if we had to ship that produce out of my Congressional district in the way this amendment provides.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, the seaway has been open for only 2 months; yet the proponents of this amendment glibly attempt to convince the House by quoting figures and statistics which are not pertinent at all. There can be no valid comparison for any purpose at this time between the shipping that serves the gulf and east ports and the shipping on the Great Lakes as comparable. The seaway has not been open long enough. I say to the gentlemen, give the seaway a chance to operate for a reasonable period before you make such comparison. As a matter of fact, the Subcommittee on Appropriations, of which I am a member, has just completed its appropriation bill for the Department of Commerce which authorizes 75 voyages from Great Lakes ports, the first time in the history of the wartime subsidy legislation to authorize oceangoing vessels to come under the subsidy from Great Lakes ports.

The effort to make the comparison of the proponents of this amendment is an attempt to pull wool over the eyes of the Members of this House. The day will come when such a comparison will

be proper. More and more American ships will come regularly to the Great Lakes ports through the St. Lawrence Seaway. The day will come, and the opponents of the seaway must realize it, when ports on the Great Lakes will grow with the Nation and take their place as important world communities. This will mean taking shipping away from the seacoast ports but this is progress. The world moves forward and that is what they are trying to stop—a gesture like that of King Canute in attempting to halt the rising tide by commanding it to stop.

This amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. VAN ZANDT].

(Mr. VAN ZANDT asked and was given permission to revise and extend his remarks.)

Mr. VAN ZANDT. Mr. Chairman, I would like to direct a question to the gentleman from Texas [Mr. POAGE]. Will he tell me if my understanding of this bill is correct; that is, unless the Keogh amendment is adopted, wheat traffic will be diverted from American ships and American railroads?

Mr. POAGE. I think there will unquestionably be some movement diverted from the American railroads and there might be some from American ships.

Mr. VAN ZANDT. Unless the Keogh amendment is adopted, the American railroads will lose their wheat cargo?

Mr. POAGE. I do not think there is any doubt about that. The wheat will move to Montreal, a foreign port, probably by foreign ships rather than over American railroads to American ports.

Mr. VAN ZANDT. My position, then, of course, is in support of the Keogh amendment. I represent a railroad community on the main line of the Pennsylvania Railroad. During a certain period of the year thousands upon thousands of tons of wheat in freight cars use this main line. These freight cars make up trains and provide jobs for engineers, firemen, trainmen, maintenance-of-way men, and so forth. Therefore, my position is in support of the Keogh amendment because it protects the jobs of American workmen.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. WOLF].

(Mr. WOLF asked and was given permission to revise and extend his remarks.)

Mr. WOLF. Mr. Chairman, I would like to go back to this question asked the gentleman from Texas [Mr. POAGE], and see if he can state the actual amount of money that is involved; for instance, the amount of loss to the railroads.

Mr. POAGE. It would be impossible to estimate the actual amount of loss. As has been stated, the seaway is just getting underway, and there is no answer—definite answer—at this time.

Mr. WOLF. That is a good answer.

Mr. POAGE. The gentleman must recognize the fact that from the standpoint of the American railroads, the total diversion, whatever it may be, is a loss to foreign shipping.

1959

## CONGRESSIONAL RECORD — HOUSE

15197

Mr. WOLF. The record is clear, the gentleman says there is no answer.

I would like to say that I am presenting a different reason than some Members for opposing the Keogh amendment. I am going to be sectional about this. My district has about 450,000 people. The majority voted to send me to Congress, and I am going to represent those folks from Iowa here. They want us to use the Great Lakes, and I am going to support that position. Of those Members who are waving the American flag are not kidding me, who may live along the seacoast. You are doing it for your folks back home, too. We have eight Members from Iowa, four Democrats and four Republicans, all agreed on this thing because we want to see the Great Lakes and its ports used to transport the production of Iowa.

In Iowa we have a great many industries that are just beginning to develop. Many of these are manufacturing products for oversea distribution. These industries will be giving more and more business to the railroads. As our whole national economy expands they are going to get more and more business. In Cedar Rapids alone more than 1 out of 10 people work at the manufacture of products for foreign sales. Is there anything wrong with having an active Great Lakes seaway? I cannot see anything wrong with that. I do not see how this weakens the Atlantic ports. I cannot see how we weaken one part of America by the sheer act of strengthening the Middle West. We have a great but growing country. We have recognized that need by the opening of this tremendously vital St. Lawrence Seaway. Now we must not become involved in a controversy over what will be shipped through this important water leg of inland America.

I hope this amendment is defeated:

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. PORTER].

(Mr. PORTER asked and was given permission to revise and extend his remarks.)

Mr. PORTER. Mr. Chairman, I would like to know where the Pacific coast stands in this war between the States, and, therefore, I would like to ask a question of anyone who has the facts. I would like to ask anyone who will answer this question affirmatively to give me some facts. Will the Keogh amendment have any important effect on Public Law 480 shipments through west coast ports? Can anyone answer that affirmatively and then give me some facts?

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. Only the other day I received a telegram from the Northern—

Mr. PORTER. Is your answer "Yes"; that it will?

Mr. GEORGE P. MILLER. Yes; it will?

Mr. PORTER. On shipments through west coast ports?

Mr. GEORGE P. MILLER. They can divert cotton to Ensenada, Mexico. They can divert wheat to Vancouver.

Mr. PORTER. Who says this, if I may inquire?

Mr. GEORGE P. MILLER. This is a study by the manager of the Northern California Ports Association. I know it of my own knowledge from hearings that we have had, and from my own investigation. This is one of the reasons that the Pacific coast is interested.

Mr. PORTER. Has anyone else any facts on this subject? I would be glad to hear if there would be any effect on the ports of Oregon or Washington, having to do with the number of bushels shipped through those ports.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, I rise in support of the Keogh amendment. I feel it is fair, just, and equitable. Does anyone presume that the best interests of all sections and areas of the country are not of major interest to every Member of Congress? Let it be pointed out that whoever would object to the amendment of H.R. 3609 offered by the gentleman from New York [Mr. KEOGH] is lacking in the basic realization that the St. Lawrence Seaway was built not by any particular section of the country but cost over a half billion dollars of the money of the taxpayers of all America. The greatest burden of this cost was borne not by the taxpayers of the area within the benefits of the seaway but by those Americans who stand to profit little if anything in the nature of regional or direct benefit. Yet, the expenditure was not begrudged. It behooves us all to be concerned over the prosperity and welfare of every corner and section of this country and therefore, the St. Lawrence Seaway was built. But, it behooves us not at all, to turn the United States into a dumping ground for the surpluses of other nations in the guise of stockpiling.

The amendment is designed to protect the economy of this country and if the opponents of the amendment are alert to the times they will know that the amendment protects the ports of the Great Lakes. Do the opponents know that in anticipation of their shortsighted eagerness of a seeming advantage, those who have no concern or are not charged with the duty of safeguarding the economic welfare and security of this country are preparing to fatten on America's gullibility and generosity?

I refer you to page A5535 of the Appendix in the CONGRESSIONAL RECORD of June 26, 1959, and direct you to read for yourself the proposal made by Senator Pratt of Newfoundland during debate in the Canadian Senate for the establishment of a seaway transfer point on the south coast of Newfoundland for warehousing American agricultural products. I refer you to the construction of a 10-million-bushel grain storage elevator northeast of Quebec by the Cargill Corp. for the storage of wheat and other American grains for shipment when the St. Lawrence is frozen over. I further say that there is no savings in allowing American grains to be transhipped over foreign ports. In fact the Federal Government stands to lose and

when the Government loses everyone loses.

Mr. Chairman, the Keogh amendment is only for the best interest of the entire United States. I charge rabid sectionalism to those who would not support the amendment. I fervently maintain that the welfare of our own American institutions is of paramount importance and if foreign nations need our assistance they have only to ask for it and no foreign nation is asking for it in this form. The amendment is of material assistance to all the country, including the ports of the Great Lakes.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. OLIVER].

(Mr. OLIVER asked and was given permission to revise and extend his remarks.)

Mr. OLIVER. Mr. Chairman, I rise in support of the Keogh amendment.

Mr. Chairman, there has been much concern expressed here today over the adverse effects of the adoption of the Keogh amendment on our relationships with Canada. Perhaps some understanding of the detrimental effects of Canadian discrimination against the port of Portland over the past 30 or more years may be pertinent in the present debates.

For years the port of Portland in my congressional district served as the winter outlet for foreign shipping from Montreal, Canada. There was an active and healthy exchange of traffic both export and import. The Grand Trunk Railroad, which was later nationalized and organized as an important operation under the governmental owned and operated Canadian National Railway system, constructed railroad terminals, grain storage elevators, and dockside facilities for handling this healthy and economic operation.

But, some 30 or more years ago political pressure of the maritime Provinces was brought to bear on the Dominion Government and as a result the port of St. John was expanded and modernized to such a degree that all Canadian traffic through the port of Portland dried up as a victim of governmental subsidized railroad and port operations.

Today, here, in this House we have a somewhat comparable situation. Public Law 480, which is being considered for renewal and extension, is a U.S. governmental subsidized program to help dispose of our huge surpluses of basic commodities to the hungry people of the world. This is a publicly supported program and should be operated in the best interests of our own people. Our good friends and neighbors of Canada should not complain or feel discriminated against if this House, Mr. Chairman, should adopt the Keogh amendment.

The purpose of the amendment is to protect the ports of the United States. Our taxpayers have paid for these commodities which Public Law 480 seeks to give away to hungry people over the world. In so doing, our ports and our workers should derive all possible bene-

fits from this public operation. Surely, we in Maine objected strenuously when Canada served its own interests by taking its traffic away from us. But there was no attention paid to our complaints.

Today, Canada cannot expect us to subordinate our shipping and port interests to Montreal and St. John or any other Canadian port.

When the St. Lawrence Seaway was authorized, our port-conscious citizens in Portland and in Maine generally, suspected that we would suffer as a result. The resistance which my good friends from the Middle West and particularly those from the Great Lakes area are staging against the Keogh amendment will, if effective, discriminate against American ports in favor of Montreal and other Canadian ports. Consequently, our attitude of opposition to this alliance of our colleagues with the interests of the port of Montreal can be well understood. We only ask for the favorable considerations of our Middle West friends that the seaway, which is destined to make a great shipping area for your States, should not be used as a further "stab in the back" of the Atlantic, Gulf and Pacific ports which mean economic setbacks of major proportions for us.

Certainly, taxpayers' dollars which provide the subsidies for surplus basic commodities would get some small break from the use of American ports for the shipment of these commodities to foreign lands.

Mr. Chairman, I plead with my colleagues to treat us fairly and equitably. Do not give away this earning factor to the ports of Canada, the earning factor, which is wrapped up in the Keogh amendment and to which American ports are entitled. This is a public program with public funds and American public interests should be served. Let private traffic go where it will but let us use American taxpayers' dollars where they will best serve American taxpayers' interests and in this matter that interest can only be found in the use of American ports.

I urge adoption of the Keogh amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. BURDICK].

(Mr. BURDICK asked and was given permission to revise and extend his remarks.)

Mr. BURDICK. Mr. Chairman, I rise in opposition to the Keogh amendment.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, a great deal has been said here today about favoritism to foreign shippers if the Keogh amendment is not adopted. I want to point out the fact that ocean freight rates have been offered from foreign-flag vessels direct from Duluth to Rotterdam at \$9.25 per ton of wheat. Montreal to Rotterdam, on the other hand, have had rates as low as \$3.25 per ton. This means that ocean-going vessels have been charging \$6 per ton for the

Duluth-Montreal portion of the through transportation. This comes to 17 cents per bushel for this leg of the trip.

American lakes shippers, on the other hand, have been charging 13.5 cents per bushel, 3.5 cents per bushel less than the foreign carriers for this transport. This comes to almost \$1.20 a ton saving if the Great Lakes seaway is used. The fact is, Mr. Chairman, that no foreign shipper can effectively compete with the huge Great Lakes carriers on the Duluth-Montreal portion of the shipment. They can move with grain to Montreal and return with Labrador ore.

If you want to help American shipping and American Great Lakes shippers, you must defeat the Keogh amendment. This is the only way in which the Great Lakes shippers can provide shipping at lower cost to the taxpayer and to the benefit of everyone else who is the beneficiary of Public Law 480.

Mr. GARMATZ. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield.

Mr. GARMATZ. Does it cost the farmer himself one penny more?

Mr. VANIK. No. Great Lakes shipping would save \$1.20 a ton in shipping charges.

Mr. GARMATZ. It would be less under the Keogh amendment.

The CHAIRMAN. The time of the gentleman from North Dakota [Mr. BURDICK] has expired.

The Chair recognizes the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, at this time I yield to my colleague from Cleveland, Mr. FEIGHAN, of Ohio.

Mr. FEIGHAN. Mr. Chairman, I am opposed to the Keogh amendment because it is designed to lessen the effectiveness of the St. Lawrence Seaway and also to deprive American flagships plying their trade from the Great Lakes to points in Canada under the provisions of Public Law 480, at a saving to the taxpayers. I urge defeat of the Keogh amendment.

Mr. VANIK. I thank my distinguished colleague.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield.

Mr. YATES. The gentleman from Texas declared that lake shipping is foreign shipping. Is the gentleman aware of any law passed by the Congress or any change in the Constitution which has read the lake cities out of the Union?

Mr. VANIK. I do not know of any.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY] to close the debate.

Mr. COOLEY. Mr. Chairman, I am not speaking now, on this proposition, as Chairman of the Committee on Agriculture but as a Member of the House. It occurs to me that the Keogh amendment is a good amendment and should be adopted. I think the matter has been thoroughly covered by those who preceded me. I have no further observation to make other than I shall support the amendment.

Mr. GARMATZ. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GARMATZ. I should like to ask the Chairman of the Committee on Agriculture will the Keogh amendment cost the American farmer 1 penny more?

Mr. YATES. Of course it will.

Mr. COOLEY. I do not think it will, because I think what we are doing here is saving some money for the taxpayers on freight rates.

Mr. YATES. What about the question of transportation costs?

Mr. COOLEY. The farmer does not pay that.

Mr. YATES. Who pays it?

Mr. COOLEY. The shipper pays it. The American taxpayer pays it. I do not see why the American taxpayer should ship in foreign ships.

Mr. YATES. Even if it costs more money?

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. MACHROWICZ] to the amendment offered by the gentleman from New York [Mr. KEOGH].

The question was taken; and on a division (demanded by Mr. SPRINGER) there were—ayes 71, noes 108.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEOGH].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COOLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEOGH and Mr. HOEVEN.

The Committee divided, and the tellers reported that there were—ayes 134, noes 142.

So the amendment was rejected.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE: On page 8, lines 16 and 17, after the word "stocks", strike out "disposed of" and insert in lieu thereof "donated abroad."

Mr. McINTIRE. Mr. Chairman, this amendment is to a section of the bill that was proposed by the gentleman from Tennessee [Mr. BASS] and relates itself to the labeling of commodities which are donated. In order that it be clear that the language of this bill and this section is intended to apply to the labeling of commodities donated abroad, I have proposed this amendment to clarify the language in the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I am happy to yield to my chairman.

Mr. COOLEY. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

1959

## CONGRESSIONAL RECORD — HOUSE

15199

Mr. LATTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LATTA: Page 6 line 19, insert the following:

"Sec. 12. Section 303 of such Act is amended by striking out the fourth sentence of such section and inserting in lieu thereof the following: 'The Secretary shall permit and encourage barter for materials processed in the United States providing the agricultural commodities to be bartered for such materials be exported to friendly foreign countries.'"

Mr. LATTA. Mr. Chairman, section 303 was stricken out of the bill yesterday. This amendment which I propose was adopted unanimously in the Committee on Agriculture, and I think, it should be adopted unanimously here today.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield.

Mr. COOLEY. Mr. Chairman, I have no objection to the amendment. The gentleman has accurately stated the situation. I accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mrs. SULLIVAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: On page 8, after line 23, insert the following new section 14 and renumber succeeding sections to conform:

"Sec. 14. Title III of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended by adding at the end thereof the following new section:

"Sec. 306. (a) In order to promote the general welfare, raise the levels of health and of nourishment for persons whose incomes prevent them from enjoying adequate diets, and dispose in a beneficial manner of food commodities acquired by the Commodity Credit Corporation or the Department of Agriculture in carrying out price support operations or diverted from the normal channels of trade and commerce under section 32 of the Act of August 24, 1935, as amended, the Secretary of Agriculture (in this section referred to as the "Secretary") is hereby authorized to promulgate and put into operation as quickly as possible, a program to distribute to needy persons in the United States through a food stamp system such surplus food commodities.

"(b) In carrying out such program, the Secretary shall—

"(1) distribute surplus food made available by the Secretary for distribution under this program only when requested to do so by a State or political subdivision thereof;

"(2) issue, or cause to be issued, pursuant to subsection (c), food stamps redeemable by eligible needy persons for such types and quantities of surplus food as the Secretary shall determine;

"(3) distribute surplus food in commercially packaged form, preferably through normal channels of trade;

"(4) establish standards under which, pursuant to subsection (c), the welfare authorities of any State or political subdivision thereof may participate in the food stamp plan for the distribution of surplus foods to the needy;

"(5) consult the Secretary of Health, Education, and Welfare, and the Secretary of Labor, in establishing standards for eligibility for surplus foods and in the conduct of the program generally to assure achieve-

ment of the goals outlined in subsection (a) of this section; and

"(6) make such other rules and regulations as he may deem necessary to carry out the purpose of this section.

"(c) The Secretary shall issue, to each welfare department or equivalent agency of a State or political subdivision requesting the distribution of surplus food under subsection (b) (1), food stamps for each kind of surplus food to be distributed, in amounts based on the total amount of surplus food to be distributed and on the total number of needy persons in the various States and political subdivisions eligible to receive such food. The food stamps shall be issued by each such welfare department or equivalent agency to needy persons receiving welfare assistance, or in need of welfare assistance but ineligible because of State or local law, and shall be redeemable by such needy persons at local distribution points to be determined by the Secretary under subsection (b) (3).

"(d) Surplus food distributed under this section shall be in addition to, and not in place of, any welfare assistance (financial or otherwise) granted needy persons by a State or any political subdivision thereof.

"(e) In any one calendar year the Secretary is authorized to distribute surplus food under this section to a value of up to \$1,000,000,000, based on the cost to the Federal Government of acquiring, storing, and handling such food.

"(f) For the purposes of this section, a needy person is anyone receiving welfare assistance (financial or otherwise) from the welfare department or equivalent agency of any State or political subdivision thereof, or who is, in the opinion of such agency or agencies, in need of welfare assistance but is ineligible to receive it because of State or local law.

"(g) The Secretary of Agriculture, in consultation with the Secretary of Health, Education, and Welfare and the Secretary of Labor, shall make a study of, and shall report to Congress within six months after the date of enactment of this section, on the feasibility of, the costs of, and the problems involved in, extending the scope of the food stamp plan established by this section to include persons receiving unemployment compensation, receiving old-age and survivors insurance (social security) pensions, and other low-income groups not eligible to receive food stamps under this section.

"(h) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this section."

Mrs. SULLIVAN (interrupting the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOEVEN. Mr. Chairman, I make the point of order that the amendment is not germane to the extension of Public Law 480, as incorporated in the bill H.R. 8609.

The amendment proposes to establish a new distribution system within the United States. H.R. 8609 contains no such provision to which this proposed amendment is germane.

In addition, the proposed amendment would suspend the operation of section 416 of the Agricultural Act of 1949, as amended, which is not before us.

The bill, H.R. 8609, contains only one reference to section 416, but this provision deals only with the labeling of surplus foods, not with the system of distributing these commodities.

This is an amendment which is entirely foreign to the legislation now under discussion and as presented is not germane to the bill.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mrs. SULLIVAN. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, Public Law 480, title III, under "General Provisions," states:

In order to prevent the waste of commodities acquired through price support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary may deem in the public interest: To donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school lunch programs, in nonprofit summer camps for children, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served.

I further state, Mr. Chairman, that H.R. 8609 is a bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, extending certain authorities provided for in that law, and for other purposes. The Agricultural Trade Development and Assistance Act of 1954, as amended, known as Public Law 480, contains provisions not only for the foreign sale, barter and donation of surplus food, but it also contains the relevant provisions of law authorizing domestic donations of surplus food to our own needy. This is contained in titles II and III of the law.

The bill before us amends titles II and III in several respects. The bill before us furthermore contains language clearly applicable to the domestic distribution of surplus foods. For instance, on page 8, beginning at line 14, it states that Commodity Credit Corporation stocks disposed of under title II of Public Law 480 and under section 416 of the Agricultural Act of 1949, as amended, shall be marked and identified in a way that the recipients would recognize these as gifts of the people of the United States.

In conclusion, Mr. Chairman, I know that the chairman of the Committee on Agriculture agrees with me, not only on the germaneness of this amendment to H.R. 8609 but on the merits of it as an amendment to Public Law 480.

I make one further point in contesting the point of order. "Cannon's Precedents," volume VIII, section 2941, states:

An act continuing and reenacting an existing law is subject to amendment modifying the provisions of the law carried in the act.

Mr. Chairman, we are enacting Public Law 480 programs. This amendment is germane in that it would modify the terms of Public Law 480 dealing with the distribution of surplus food to our own needy, establishing an additional and effective means of distributing such food to our needy.

The CHAIRMAN (Mr. BOLLING). The Chair is prepared to rule.

The bill presently before the Committee provides in two sections for amendments to title III, the general provisions title of Public Law 480. The recently adopted Latta amendment is to the second section involved, and the section cited by the gentlewoman from Missouri, page 8, section 13, is the first one.

The language cited by the gentlewoman from Missouri of section 302 of the basic law, Public Law 480, is very much to the point, and the Chair will repeat it for the purpose of the RECORD:

SEC. 302. Section 416 of the Agricultural Act of 1949 is amended to read as follows: "Sec. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs, in nonprofit summer camps for children, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served."

Furthermore, on June 20, 1957, a comparable amendment was offered by the gentleman from Louisiana [Mr. THOMPSON], and in making his ruling the Chairman of the Committee of the Whole House on the State of the Union, Mr. Hays of Arkansas, said as follows:

The act which the bill proposes to amend and extend contains a provision relating to the subject matter and, as pointed out, is sufficiently broad and does cover the material offered in this amendment. The language is specific that notwithstanding the foregoing the Corporation on such terms and conditions as the Secretary may deem in the public interest shall make available any farm commodity or product thereof owned or controlled by it in relieving distress.

The Chairman then held the amendment germane and overruled the point of order. The present occupant of the chair, for the reasons stated, holds the amendment germane and overrules the point of order.

A MORE INTELLIGENT SYSTEM OF DISTRIBUTION OF SURPLUS FOOD TO OUR OWN NEEDY

Mrs. SULLIVAN. Mr. Chairman, this amendment consists of the food stamp bill, H.R. 1359, which has been approved

by the Committee on Agriculture as a separate bill.

It belongs on this bill, however, as part of the overall program of surplus food disposal here and overseas. If you want to see a food stamp plan in operation in this country, with all of our own needy getting regular allotments of good, nourishing food, including the perishables—fruits, vegetables, fresh eggs instead of powdered eggs, fresh milk instead of milk powder—if you want to see such a program in effect—operating out of the neighborhood grocery stores—then this amendment to this bill represents your best hopes of achieving that.

Standing by itself, my bill might be vetoed. The Republican members of the Committee on Agriculture solidly oppose it—every one. Mr. Benson says he does not want it.

SECRETARY WON'T ACT UNLESS LAW IS ENACTED

He already has the authority to institute a food stamp plan such as called for in this amendment, but he won't initiate it on his own authority. He has told Congress—he told us in a formal report on this matter 2 years ago—that if the Congress wants him to run a food stamp program, it must enact legislation calling for such a program. Placing such legislation on this bill is the best way to comply with that demand, and establish a more intelligent system of distributing surplus food to our needy.

ISSUE FULLY CONSIDERED AND APPROVED BY AGRICULTURE COMMITTEE

We argued this issue out here on the House floor on June 20, 1957, and again on August 18 last year, when a majority of the Members supported my bill. As I said, the House Agriculture Committee has approved this proposal. I would rather see the food stamp program become law as part of Public Law 480, however, than have my own bill, H.R. 1359, passed only to be vetoed. The chairman of the Committee on Agriculture, I am happy to say, agrees with me, and tried to tack this bill on to H.R. 8609 in committee.

GETTING SURPLUS FOOD TO THOSE WHO NEED IT IN UNITED STATES

Mr. Chairman, what would this amendment do? It would use our surpluses—more of them—to help our own needy. We are sending billions of dollars worth of food overseas in gifts to the needy of other countries. In comparison, we are doing very little for our own needy. In many cities, we give them some cornmeal, some flour, some dried skim milk, some rice, once a month—in big packages these poor people have to drag home clear across town—many of the recipients old people who have a difficult time getting the stuff home. When they eat it, they have a completely unbalanced diet. Yet farmers are in trouble financially because of surpluses.

How good and how bad is the present food distribution system? Read the Committee on Agriculture's report on H.R. 1359—House Report No. 907. Copies are at the pages' desk. You will see how the program operates in your State, if you are not already aware of the short-

comings of food distribution to our own needy. Ask any Member who comes from an area where they are giving out this food at the present time.

FRESH FOODS INSTEAD OF POWDERED AND DEHYDRATED ONES

Every little bit of additional food helps the hungry. But can we not use these mountains of surplus in a more humane manner? Can we not include fruits and vegetables and meats and poultry and eggs when they are in surplus? Under a food stamp plan we can—and should.

REACHING ALL OF OUR CERTIFIABLY NEEDY

This would be done mostly through section 32 funds. Why not distribute some pork to the needy, if we are going to spend \$150 million to help the hog raisers? Are we going to ship that pork to the poor of every other country in the world, and pay the ocean freight besides? Or distribute it to our own needy?

Operating through the stores, a food stamp plan could cover and include all of our certifiably needy—all on public assistance, all of the cases we know need this help. Get House Report No. 907, on H.R. 1359, and see the extent of need in your State. I am sure that all of the Members on the Democratic side, certainly, and even some of the Republicans will support this amendment if they only look over the committee report on my bill, look at the tabulations and facts it contains, and see the solution presented.

In a limited time here I cannot detail all of the provisions of the bill. The committee report on H.R. 1359 spells it out in detail. Please read it. And you will see that even in the hardest hit recession areas of this country—the depressed areas—many counties cannot now participate in food distribution. It is tragic that in helping to feed the whole world, we let many of our own go hungry. In county after county with from 6 to 12 percent unemployment—or worse—very little food is given out, or none at all. Just see the report on that on pages 9 to 16 of House Report No. 907, the report by the Agriculture Committee on H.R. 1359. The information referred to comes from the Department of Agriculture itself.

Mr. Chairman, under normal circumstances, we would have several hours of general debate and a separate debate on the rule if we were taking up H.R. 1359 under the regular order. There would be full opportunity to explain every feature of the bill. Since that opportunity will not be available today, in considering the bill as an amendment to H.R. 8609, I am including as part of my remarks the opening pages of the report by the Committee on Agriculture, which outline in detail the purposes of this proposal, how it would operate, what it would or might cost, and why it is needed, as follows:

EXCERPTS FROM REPORT OF COMMITTEE ON AGRICULTURE ON H.R. 1359 PURPOSES AND OBJECTIVES

The purposes of the bill are to provide clear-cut legislative authority to the Secretary of Agriculture to institute a nationwide food stamp plan for the distribution of surplus food to the needy, preferably through

1959

CONGRESSIONAL RECORD — HOUSE

15201

the normal channels of trade; to include in such a food distribution program not only storable commodities in CCC stocks but other foods, including perishables, which are or which should be diverted from the market under various price-support operations of the Department of Agriculture; and to authorize any necessary additional appropriations not already authorized by law to carry out such a program.

The objectives of the bill are as follows:

1. To enable all Americans at the lowest income level, not now able to purchase even a minimum diet for proper nutrition, to obtain on a regular basis a wider variety of foods from among the food commodities produced in such abundance on the Nation's farms.

2. To replace, wherever practical the present system of direct distribution to the needy with a more flexible plan better geared to the needs of the recipients for additional foods.

3. To utilize in a practical manner the food distribution skills and know-how of the American food industry in the distribution of surplus food to the needy, preferably utilizing neighborhood stores in which the recipients of surplus food customarily make their normal food purchases.

4. To aid the Nation's farms by providing a substantially expanded outlet for food commodities regularly, periodically, or seasonally produced in such surplus as to depress market conditions and lower the price received by the farmer to less than a fair and reasonable return.

NEED FOR LEGISLATION AT THIS TIME

It is the conviction of many members of the Committee on Agriculture that the Secretary of Agriculture at present has all of the legislative authority he requires to institute a food-stamp program such as called for in H.R. 1359, and that with a will and a desire to establish a broader and more beneficial system of surplus food distribution to the needy, the Secretary and his aids could place such a program into effect at any time.

Previous Secretaries of Agriculture have used the authority of section 32 of the Agriculture Adjustment Act of 1935 as the basis for various programs of surplus food distribution, including, in the period 1939-43, a much more elaborate food-stamp plan than is envisioned in H.R. 1359.

Thus, while conceding the fact that a very elaborate food-stamp plan was instituted in 1939 under the broad language of section 32, and while conceding that such language still remains part of the basic law applying to his Department, the Secretary has consistently maintained that if Congress wants a food-stamp plan placed in operation, it must enact legislation specifically directed to such a program, defining objectives and scope of operations, and providing administrative guidance and safeguards.

This committee would prefer to see the Secretary utilize with much more imagination and sympathy the authority he already possesses to help the small farmer and the needy consumer, by instituting a more effective method of surplus food distribution. However, in view of his insistence that Congress must first enact legislation specifically directed to this type of program, the Committee on Agriculture wants to remove any possible doubt in the mind of the Secretary of Agriculture as to his full authority to establish an effective food-stamp program. It also wants to make clear the congressional intent as to the scope and objectives of such a program.

SCOPE OF AID INTENDED

An effective food-stamp distribution system should assure that as broad a variety of surplus foods as is practical is distributed to needy Americans in preference to having such foods spoil in warehouses, or rot in the fields for want of harvest. Thus, such a pro-

gram should be concerned with disposing not only of surplus storable food commodities but also of perishables in temporary surplus, including fresh fruits and vegetables, fresh milk, fresh eggs, poultry, etc. In this way, a food-stamp plan can be of substantial benefit to the Nation's farmers by providing an expanded outlet for the products of our farms.

An effective food-stamp distribution system, furthermore, should include as beneficiaries needy people in all parts of the United States. At present, surplus food distribution is concentrated in areas of high unemployment, because political subdivisions in such areas, faced with a desperate situation of mass distress, have been willing to appropriate emergency funds to cover the high costs of distributing food in their localities. But a person on old-age assistance or a family surplus in want in any other area of the country—rural or urban—is just as much in need of the assistance which could be provided by surplus food distribution as a person or family in similar financial circumstances but living in a depressed labor area.

Under H.R. 1359, all persons on any form of public assistance, thus all of those not on public assistance but certified by State or local welfare authorities as being in need of assistance but ineligible by reason of State or local law, would automatically be eligible for participation in the food-stamp program.

An estimated 7 million Americans at present are receiving public assistance help. Depending upon local economic conditions, millions of additional Americans are periodically in need of assistance but unable to obtain it because of residence requirements, age of the people involved ("too old to get another job, too young for social security or old-age assistance" is a common protest), absence of a general assistance program in their State, or State prohibitions against the granting of public assistance to any family in which there is an employable person. All such needy persons would be eligible for participation in a food-stamp plan under H.R. 1359.

Some of the bill submitted to the Committee on Agriculture dealing with expanded food distribution proposed including in any food-stamp plan all persons on unemployment compensation or old age and survivors insurance (social security). While many, if not most such persons no doubt could benefit from the help provided by a food-stamp plan, the fact that they receive unemployment compensation or OASI benefits does not in itself prove they are needy.

Nevertheless, because most recipients of such benefits are undoubtedly experiencing great difficulty in making ends meet at today's high prices of necessities, H.R. 1359 provides that the Secretary of Agriculture, the Secretary of Labor, and the Secretary of Health, Education, and Welfare shall make a joint study and report to Congress within 6 months after the enactment of this bill on the feasibility of, the costs of, and the problems involved in extending the scope of the food-stamp plan to include those on unemployment compensation and social security, and other low-income groups.

LIMITATION ON COSTS SET AT \$1 BILLION ANNUALLY INCLUDING VALUE OF FOOD USED FROM GOVERNMENT STOCKS AND COSTS OF FOOD DISTRIBUTED THROUGH REGULAR STORES

The bill establishes a maximum authorization of \$1 billion a year for all costs associated with the distribution of surplus food under a food-stamp plan, including the cost to the Federal Government in acquiring, storing, handling, and processing food commodities distributed from Government storage and all other costs under the bill.

While H.R. 1359 provides for distribution of up to \$1 billion worth of food annually, it does not, of course, entail additional Fed-

eral expenditures of \$1 billion or of an amount even roughly approximating \$1 billion. Most of the food distributed would be food purchased by the United States through the operation of the price support activities of the Department of Agriculture. Funds for this purpose are already budgeted, including CCC acquisitions, plus \$238 million of section 32 funds for the current fiscal year, plus the \$300 million carryover in section 32 funds available from customs receipts in previous years.

Operation of a food-stamp program under H.R. 1359 undoubtedly would mean greater book-value donations of foods from Government-owned stocks, and in that sense would represent an apparent increase in Government costs. But much of this food must be disposed of in one way or another in any event.

There would, of course, also be additional Federal expenditures under the food-stamp program. There would undoubtedly be additional use of section 32 funds already budgeted. Also—and these would have to come from new appropriations—there would be some additional administrative expenses for the Department for distribution activities and any expenditures made to the food industry in connection with use of the regular stores for distributed foods, including redemption of the stamps either through an exchange of food stocks or in currency, or both.

The committee has made repeated efforts over the past several years to obtain from the Department of Agriculture reasonably accurate estimates of the added costs which would be involved in a food-stamp program such as called for under H.R. 1359, but the Department has failed to provide such figures. Instead, it has used a rule-of-thumb yardstick based on this assumption: If a food-stamp program is to be effective in helping to alleviate surpluses, it would have to provide at least \$100 worth of additional food a year to each person participating in the distribution. Using as a minimum 6 million people who would be immediately eligible (based on the estimated number of public assistance recipients in 1956) such a program, the Department states, would cost \$600 million. But this is a figure pulled out of thin air and is in no sense a breakdown of the actual additional cost of H.R. 1359, particularly since as noted, most of the food the Department contemplated distributing in connection with that \$600 million estimate was food already owned and paid for by the Federal Government.

The only other relevant figures submitted to the committee concerned the experience of the city of Detroit in arranging for the distribution of surplus food to the needy through a number of participating stores. These stores charge the city 15 cents per person for making the distribution of food provided to the city by the Department of Agriculture.

If H.R. 1359 is enacted, it would be up to the Department of Agriculture to justify to Congress whatever appropriations would be necessary to arrange for food distribution by the regular stores participating in a food stamp program. These might include the costs of exchanging food stocks or redeeming food stamps in currency, depending upon the methods agreed to by the Department and the food industry. It is the opinion of the committee that the Nation's food industry would welcome the opportunity to participate in a meaningful program of helping to provide supplementary food to the Nation's needy and would be glad to sit down with representatives of the Department of Agriculture to work out such an arrangement at reasonable cost to the taxpayers. Spokesmen for various segments of the food industry have, from time to time, informed the committee of their interest in such a plan, particularly if it would mean better

diets for the lowest income families and the elimination of present disposal practices which in effect compete with the regular food stores in areas now distributing surplus foods.

**PRESENT SURPLUS FOOD DISTRIBUTION SYSTEM**

The present system of surplus food distribution to the needy grew in the wake of the serious recessions of 1953-54 and 1957-59. Members of Congress from coal mining areas were primarily responsible for persuading the Department of Agriculture to begin distributing to States and localities some of the storable commodities to be repackaged for distribution to needy families. Subsequently, legislation was reported out of this committee and enacted by Congress to provide for processing by CCC of some surplus corn into cornmeal, and of some wheat into flour, for such distribution. Later, the Congress authorized the Department to package many of the surplus items into family-sized containers for more convenient local distribution.

Throughout the period since the program started, however, all of the responsibility for local distribution of the surplus commodities has rested upon the States and communities participating. The Federal Government ships the commodities into the States in carload lots to central receiving points. It is then transported at State or local expense to distribution depots.

Because of the extent of unemployment, particularly in the chronically depressed labor market areas, the costs of food distribution have been undertaken gladly by many localities in appreciation for even the limited help these few free commodities could provide to families in dire need in their communities. But one after another of the communities which now participate have voiced strong criticisms of the program in operation—the lack of variety in the kinds of food made available; the high costs to localities of warehousing (and refrigeration for butter and cheese when available) as carloads of food arrived on such an erratic schedule that distribution dates had to be planned on a monthly basis in order to accumulate enough foods to warrant summoning needy eligibles to a central depot.

Despite such criticisms from the very start of the direct distribution system in the 1953-54 recession, the Department of Agriculture has maintained from the beginning that its program is adequate, efficient and "of least cost" of any of the various programs of surplus food distribution which has been suggested, including a food stamp plan. And the Department has opposed all legislation submitted to this committee to improve the direct distribution system, citing inevitably the matter of "cost."

This committee is acutely conscious of the costs of legislation it recommends. It is determined to scotch the myth which has grown up over the years that legislation to help the farmer is extravagantly costly. It has opposed lumping in under so-called farm subsidies programs operated by the Department of Agriculture which are not part of any specialized farm program but are of benefit to all Americans, and programs operated by the Department overseas as part of our foreign policy responsibilities.

Nevertheless, we cannot condone the failure of the Department to utilize effectively in behalf of the Nation's many needy persons the abundance of food already in Government possession, and other foodstuffs in surplus, merely because of the alleged cost of an effective distribution system.

This committee wants our surplus food used to help feed the hungry. The present distribution system is not meeting that requirement.

**ONLY A THIRD OF COUNTIES, AND A THIRD OF PERSONS ON PUBLIC ASSISTANCE ARE NOW COVERED IN THE SURPLUS DISTRIBUTION PROGRAM**

While it is true that many Americans are receiving gifts of surplus food in areas of high unemployment, facts presented to this committee show that the program is not operating in about two-thirds of the Nation's counties, and that about two-thirds of the people on various forms of public welfare in the United States are not receiving any of this food—largely by accident of geography.

The deficiencies of the present distribution program in terms of reaching the majority of our neediest Americans are clearly demonstrated in the following State-by-State breakdown submitted to this committee by Representative SULLIVAN:

**TABULATION PREPARED BY REPRESENTATIVE SULLIVAN SHOWING STATE-BY-STATE PARTICIPATION IN PRESENT FOOD DISTRIBUTION PROGRAM BY PERSONS ON PUBLIC ASSISTANCE**

The following figures and percentages are rough approximations based on monthly estimates from the Department of Health, Education, and Welfare and on periodic reports from Department of Agriculture. There may be some variation from month to month:

State	Number on assistance	Number on assistance receiving food	Approximate percentage welfare class receiving
Alabama.....	207,000	46,000	22.0
Alaska.....	6,410	0	0
Arizona.....	46,000	21,000	45.0
Arkansas.....	98,000	89,000	90.0
California.....	622,000	20,000	3.0
Colorado.....	93,000	20,000	22.0
Connecticut.....	58,000	800	1.5
Delaware.....	13,000	0	0
District of Columbia.....	20,000	20,000	100.0
Florida.....	185,000	0	0
Georgia.....	182,000	13,000	7.0
Hawaii.....	16,000	0	0
Idaho.....	16,000	0	0
Illinois.....	114,000	58,000	50.0
Indiana.....	91,000	49,000	55.0
Iowa.....	80,000	45,000	55.0
Kansas.....	62,000	12,000	20.0
Kentucky.....	150,000	75,000	50.0
Louisiana.....	251,000	0	0
Maine.....	44,000	26,000	58.0
Maryland.....	50,000	22,000	49.0
Massachusetts.....	168,000	4,000	2.0
Michigan.....	316,000	220,000	70.0
Minnesota.....	109,000	27,000	25.0
Mississippi.....	175,000	150,000	86.0
Missouri.....	245,000	35,000	14.0
Montana.....	24,000	235	1.0
Nebraska.....	35,000	0	0
Nevada.....	8,000	853	10.0
New Hampshire.....	15,000	4,600	30.0
New Jersey.....	96,000	14,000	15.0
New Mexico.....	39,000	29,000	75.0
New York.....	509,000	262,000	50.0
North Carolina.....	179,000	0	0
North Dakota.....	18,000	769	4.0
Ohio.....	345,000	61,000	18.0
Oklahoma.....	181,000	113,000	62.0
Oregon.....	58,000	0	0
Pennsylvania.....	362,000	271,000	75.0
Puerto Rico.....	239,000	400,000	165.0
Rhode Island.....	36,000	8,600	24.0
South Carolina.....	85,000	0	0
South Dakota.....	24,000	13,500	57.0
Tennessee.....	147,000	36,000	25.0
Texas.....	368,000	47,000	13.0
Utah.....	28,000	18,000	65.0
Vermont.....	15,000	4,700	31.0
Virgin Islands.....	1,700	0	0
Virginia.....	66,000	6,900	10.0
Washington.....	139,000	5,000	4.0
West Virginia.....	109,000	85,000	78.0
Wisconsin.....	107,000	17,000	16.0
Wyoming.....	8,800	5,000	57.0

<sup>1</sup> Estimates of persons on public assistance from HEW; estimates of persons on public assistance receiving surplus food from Department of Agriculture.

In conclusion, Mr. Chairman, I submit now as part of my remarks, the statement I delivered on this bill before the

**House Committee on Agriculture, as follows:**

**aiding the farmer by providing millions of new customers for nutritious foods through a food stamp plan**

(Testimony of Congresswoman LEONOR K. SULLIVAN, Democrat, of Missouri, before House Committee on Agriculture at opening of hearings on H.R. 1359, by Mrs. SULLIVAN, and related bills, for establishing a food stamp plan for distribution of surplus food to the needy, Thursday, July 30, 1959)

Chairman COOLEY and members of the committee, I am grateful to the chairman for scheduling full committee hearings on this legislation. In the three previous Congresses in which I have introduced this bill—or one very much like it—the hearings were usually conducted by subcommittee and I found afterward that the committee members who opposed the plan most vigorously in committee or on the House floor were almost always those who had not participated in the subcommittee hearings and thus, perhaps, were not fully aware of the opportunities provided in this legislation not only to help our needy but to help the farmer, too.

H.R. 1359, by the way, is the same bill which a majority of the members of this committee voted for last year and which a majority of the Members of the House of Representatives also supported in a rollcall vote on August 18, on which the tally was 196 to 187. As you know, the bill was considered under suspension of the rules requiring a two-thirds majority, so the bill did not pass despite majority support.

**MILLIONS OF AMERICANS HAVE INADEQUATE DIETS**

This year, I trust we can finally see it enacted. Many of those on the Republican side of the House who opposed the bill last August are no longer in Congress and their successors, I trust, will support this kind of bill to assure a better diet for the 7 million or more Americans not now able to afford minimum levels of nutrition.

We are now sending frozen chickens to the United Arab Republic, and other foods of all kinds to Yugoslavia, Poland, India, and other countries all over the world—yet for our neediest here, we can provide only some cornmeal or wheat flour, some powdered milk, and that's about all. We should be ashamed of ourselves for permitting this situation to exist, in the midst of such abundance of food—a blessing from God. The surplus is such that we are desperately trying to give it away and dump it all over the world and are in effect paying some countries to take it away. We even subsidize the shipping in some cases—pay the ocean transportation costs.

**INCLUDE BILL IN PUBLIC LAW 480**

This committee has just completed extensive hearings on Public Law 480, the basic legislation for foreign distribution of surplus American food. We have spent many billions in giving food away overseas in these past 5 years. I am not against aiding the people of other nations, sharing our abundance with them, promoting peace by helping to feed the hungry. I merely want to point out that we also have hungry people here. And we are not doing, in proportion, nearly as much for them as we are for the underprivileged and undernourished of other lands. The figures prove it. More surplus food is sent as a giveaway overseas than is donated to the needy in the United States—even including the gifts of food to the school lunch program.

**FIRST PRIORITY ON SURPLUS FOR OUR OWN NEEDY**

Since Public Law 480 includes in Title III, authority for domestic distribution of sur-

1959

## CONGRESSIONAL RECORD — HOUSE

15203

plus food to our needy, and since Public Law 480 will shortly have to come before the House for renewal and extension, I would like to suggest now that H.R. 1359 be written into Public Law 480 as an additional program. The language for accomplishing that could be worked out easily and quickly, and we would thereby achieve two important purposes: one, we would assure that the first priority on distribution of foods in surplus go to our own needy rather than to the needy of other countries—under present law, the Department of Agriculture apparently contends it is not permitted to give away some surplus items here if any foreign country wants to arrange to obtain those same items under Public Law 480; and secondly, we would assure prompt House consideration of this plan as a logical provision of legislation dealing with the whole question of surplus distribution. We saw last year how H.R. 13067 was locked up in the Rules Committee so that it could come up for a vote only under the suspension of the rules procedure which led to its demise.

I believe Chairman COOLEY agrees with me that this bill now belongs as part of Public Law 480, and I earnestly urge that it be so included.

**HARD CORE OF 7 MILLION NEEDY**

Now, Mr. Chairman and colleagues, let me tell you why I think this legislation is so vital not only to our own needy but to the American farmer as well. We have, as I said, more than 7 million Americans not now able to buy even the barest minimum diet. These are the people on various forms of public assistance. They are—most of them—in dire need in either good times or bad. They form a hard core of the needy aged, the needy disabled, the blind, the families without income except what comes from public agencies or private charities. Their monthly checks do not cover minimum needs. In addition, in bad times—in recession—the ranks of the needy are swelled by millions more temporarily without jobs who may have used up their unemployment benefits—or who were not eligible for unemployment compensation. Many of them cannot get on public assistance regardless of need, in certain States, if they are employable. Nevertheless, they still have to eat.

Here in Washington, in the Nation's Capital, Eve Edstrom of the Washington Post did a heartrending series of articles a year or so ago about hungry children rooting in garbage cans for something to eat. Out of this came a surplus distribution program here and a movement to provide more school lunches. But the problem Eve Edstrom wrote about in Washington was not an isolated one—it can be duplicated in cities all over America.

**PRESENT DISTRIBUTION PROGRAM A FAILURE**

We have the food. We have, as I said, such an abundance of food, it is now considered by Mr. Benson to be a great calamity. It could be a great blessing if properly used. It is not now properly used to help our own needy—that is clear and undeniable.

True, we have a surplus distribution program in operation in this country. But it is a very inadequate program. Only one-third of our counties participate in it because of its cost. And the figures show, too, that only one-third of our public assistance recipients throughout the country receive any of the food—2½ million out of 7 million. If you take into account another fact, the statistics are even more discouraging—of the 2½ million relief recipients receiving surplus food, 400,000 are in Puerto Rico, one-quarter million each are in New York and Pennsylvania and Michigan. Another 175,000 are concentrated in Mississippi. For the rest of the States, therefore, in most cases anyway, far fewer than one-third of the relief recipients receive any sur-

plus food. For instance, in the chairman's State of North Carolina, there are nearly 180,000 people on various forms of public assistance, but none of them receive any surplus food. In South Carolina there are 85,000 on public assistance, but none of them receive surplus food. It is not distributed to the public assistance people in Oregon, Nebraska, Louisiana, Idaho, Florida, or Delaware, to name a few. In my State, Missouri, only about 15 percent of the people on public assistance receive surplus food; in Texas and Wisconsin it is about the same; in California it is about 3 percent; in Georgia about 8 percent; in Massachusetts about 2 percent; in North Dakota about 4 percent; the same in Washington State, and so on. Of course, some of the States do much better than that, but on the whole it is a very spotty program as to coverage, and a completely unsatisfactory program in operation. I can give you these figures for your own States following my statement, or I can put it in the record. It is a cruel hoax—a fraud—an illusion.

Any member of this committee who would disagree with me on that has just not bothered to go down to the distribution centers in the cities of our country and see this program in operation—not just in the distressed mining areas, but in any large city participating. People—old people, crippled, undernourished people—stand in long lines once a month or so to obtain big bags of flour or corn meal and some dried skim milk they cannot carry. There used to be some cheese and butter—but not now. Once, years ago, there was some canned beef. That was disposed of in one vast splurge—and then it was gone and there was never any more.

**NO VARIETY OF FOODS**

When you investigate this present distribution system in places like Kentucky, West Virginia, the mining areas of Pennsylvania and Ohio and elsewhere, or talk to Members of Congress from those areas, you find it is a scandal—a crime against humanity. The costs of distribution far outweigh the value of the food. There is no variety.

These are strong words, and I mean every one of them. I don't care how fine—how pious and decent—Mr. Benson and his aids may be in their personal lives—in this program they are participating in a cruel and inhumane thing when you stop to consider how much good—how much real good—could be accomplished with this surplus food. Even the Chairman of the Republican National Committee concedes it is woefully inadequate. Of course, he blames the law for that; I blame the administration of the law.

Let me point out something that every one of you knows better than I—that the farmers of this country—most of them—are in real difficulty. You have struggled to devise legislation which can help the farmer, and you have received precious little help from the administration. And now you find that the House Members from city districts like mine are looking more and more askance at your proposals for aiding agriculture.

**CITY FOLKS SEE NO RELATION TO FARM PROGRAMS**

Why? Not because we are against the farmer. We know the farmer must be prosperous if the goods we make in the cities are to be sold. A prosperous farmer is a good customer for city industry.

But if I may say so, I would point out that most—nearly all—legislation you bring forward to aid the farmer neglects completely to tie your objective of reasonable farm prices into the companion problem of helping us to assure an adequate diet for all of our citizens. A food stamp program would establish that bond. It would provide at least 7 million new customers—regular cus-

tomers—for the output of the average farm. Can you devise any better legislative device for increasing the consumption of farm commodities than by bringing in more customers—regular customers—for food items those people are not now buying?

**FOOD STAMPS WOULD COVER ALL FOODS IN SURPLUS SUPPLY**

As I have set up the program under H.R. 1359, the food stamp plan would provide for distribution through the stores of not just the storable surpluses but of the kind of foods, too, which can be acquired under section 32. We all know the Department has not used section 32 authority as Congress intended it to be used to help the farmer. We have had to force its greater use in the school lunch program, for instance.

There is no reason—no good reason—why fresh fruits and vegetables, and meats, when they are in such surplus as to cause marketing difficulties and depressed farm prices, cannot be utilized in season in a good stamp plan. There are hundreds of millions of dollars set aside each year from customs receipts—30 percent of customs receipts—for use in removing farm surpluses from the market. We have the maximum permissible annual carryover of \$300 million in this fund, plus the additional \$200 million or more made available each year—much of which is never used.

**IS SECTION 32 WORTH CONSIDERING?**

This raises the question: If section 32 funds are not to be used both to help the farmer and the needy, then why continue section 32? By what right should this money be made available each year just to help the farmer, if no one else gets any benefit from it? If we cannot use it both to help the farmer and the needy in our cities, by providing more variety in the diets of our 7 million at the bottom of the economic ladder—people who go without the kind of food they need—then it seems to me that the usefulness of the section 32 program is over as far as the average citizen and taxpayer is concerned.

We all pay tariffs on imported goods, and the farmer no more so than anyone else. This fund has in it \$500 million right now which could be used to reduce the national debt, if it is not going to be used to help those who need help. A food stamp plan, on the other hand, would provide a real incentive to the full use of the section 32 funds and authority.

**DIRECT FARM PAYMENTS EXCEED \$1 BILLION YEARLY**

One last point and then I will try to answer your questions:

It has been suggested by some of the members of this committee that relief—public welfare—is not the job of the Department of Agriculture. That is true. But it seems to me that in first accumulating billions upon billions of dollars worth of food, then in dumping billions of dollars worth of food overseas for currencies we will probably never use to any significant extent except to give it back to the countries involved, and now in paying out more than \$1 billion a year in direct cash payments to farmers, and another billion a year just to store our surplus food—there should also be room—there must be room—in such a program to aid the farmer by getting him more customers—7 or 8 million more regular customers each week for fresh eggs and fresh milk and fresh bread and an occasional half pound of bacon, or some fresh fruits and vegetables in season, or some chickens—all items at present well under parity.

**WHY POWDER EGGS AND MILK?**

We now buy up milk and eggs and powder them and give the powdered milk and

powdered eggs away. Why not give out fresh milk and fresh eggs? Eggs are only at 53 percent of parity. We seem to be able to send chickens to Egypt but we can't provide them to our poorest here even though the price to the farmer is at 56 percent of parity. Apples here are at 53 percent of parity. Citrus fruits go up and down—they're up now—but often they are way down. Why not distribute some surplus oranges or grapefruit in season to our provable needy? A food stamp plan provides the machinery for using our surplus—not storing it or dumping it.

I do not agree with some Members who believe the surplus distribution program should be switched over to the Department of Health, Education, and Labor. It would mean complete duplication in two separate departments of surplus food distribution systems—one for the needy, another for the school lunch and other programs. The responsibility for using this food properly—effectively—lies in the Department of Agriculture, although my bill also includes consultation with Health, Education, and Welfare, and also Labor. The Agriculture Department has failed to use its authority to institute any effective food distribution program. Congress must force it to be done.

FOOD STAMP PLAN SAFER FROM VETO IN PUBLIC  
LAW 480

The only effective way of accomplishing that now would appear to be through the inclusion of a food stamp plan as part of Public Law 480. I am not unmindful of the fact that a veto could stop my food stamp bill much more effectively standing by itself than as part of Public Law 480, which the administration wants and needs. I ask your help, therefore, in working it out in this fashion.

And I sincerely believe that such a step would be one of the most effective things you could do at this point to help the hard-pressed small farmer—who raises the variety of foods needed for an adequate diet. Adding 7 or 8 million Americans to the number of his customers able to obtain a decent diet would be a tremendous help in boosting farm sales and farmers' income.

Thank you.

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

Mr. COOLEY. Mr. Chairman, I certainly do not want to minimize the importance of the pending amendment, but I appreciate the fact that most of the Members of the House are entirely familiar with the subject matter.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 15 minutes after the gentleman from Iowa [Mr. HOEVEN], has been recognized and has finished his remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. MCINTIRE. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, I move that all debate on the pending amendment close in 25 minutes after the gentleman from Iowa [Mr. HOEVEN] has been recognized and has completed his remarks.

The CHAIRMAN. The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, in general debate on yesterday I advised members of the committee that the extension of Public Law 480 was considered must legislation, and that it would have to be extended before this session of Congress adjourned. I want to speak to you as seriously as I can and voice a one-man opinion that if this amendment is incorporated in the bill it will not be enacted into law.

This amendment has an interesting history. It was offered last year under suspension of the rules and was defeated. A separate bill was reported out of the Committee on Agriculture a few days ago, the bill being authored by the gentlewoman from Missouri, and known as H.R. 1359. It had the unanimous opposition of all the minority members of the committee and our minority report speaks for itself.

That bill was presented to the Committee on Rules and on August 19 the Committee on Rules, a majority of the members of which are members of the gentlewoman's political party, adopted a motion to lay the bill on the table. So we are only doing some more shadow-boxing here today.

This amendment would not make any more needy people eligible for surplus food. It would impose a system of distribution which has proved inefficient and wasteful.

The Secretary of Agriculture has the authority to put a food stamp plan into operation. It was only done once on a national basis and that was during the time of a depression when we had some 22 million people unemployed. Today we have about 2½ million, perhaps 3 million, unemployed and the situation is entirely different from what it was then.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman stated that the Secretary of Agriculture had the power to put this into effect. Has not that been true for a number of years, other Secretaries have had the same power?

Mr. HOEVEN. The gentleman is correct.

The Secretary already has the authority to establish a food-stamp plan under clause 2 of section 32 of the act of August 24, 1935. The original stamp plan was set up under this authority by Secretary Wallace during an extreme depression. It was discontinued under Secretary Wickard. Neither Secretary Anderson, nor Secretary Brannan, nor Secretary Benson chose to operate another food-stamp plan. There is no depression today and no justification for this legislation.

This bill would put the Department of Agriculture squarely into the welfare business. This is a proper function of HEW. The Department has neither the facilities nor the personnel for such an activity.

It is the "foot in the door" toward more complex and broad stamp plans which

would run anywhere from \$600 million to \$2½ billion per year. While it is very difficult to estimate the cost of this bill, the stated purpose is to have the Federal Government pay all the costs of distributing surplus foods. The city of Detroit spends over \$4.6 million a year. You can imagine what the cost would be if Uncle Sam paid the cost for every city in the United States.

"Backdoor spending" is the heart of this bill. The appropriations would not come through the regular process. The money would come from impairing the capital stock of the Commodity Credit Corporation and by using section 32 funds which are derived from tariffs on agricultural imports. The entire cost would be assessed against the farm program and would be very great, especially in view of the fact that there would be a duplication of operations by the Department of Agriculture and the Department of Health, Education, and Welfare.

This bill stands as an unwarranted invasion into State and local rights and responsibilities. We thoroughly endorse the principle that welfare programs should be a State and local responsibility. This bill would make the Federal Government solely responsible for a large portion of welfare activity. It would not be long before the program was operated from Washington rather than from the county courthouse.

The needy would not benefit from this bill. If enacted, States and local communities would inevitably be tempted to reduce or hold steady already low and sometimes inadequate public assistance because the Federal Government was assuming all the cost of food distribution.

In conclusion, Mr. Chairman, let me say that I would be the last to say our present system is perfect. It can be improved; we all know it; but three very important points should be borne in mind concerning the present arrangement of food distribution:

First. Any State can now get all the surplus food it wants and needs for its welfare activities simply by asking for it.

Second. Any State or community can now set up a stamp plan if it so desires. The fact is that no State has chosen to do so. There is only one city, Detroit, which has a stamp plan, as far as I know. Philadelphia tried it, but rejected it as impractical and too costly.

Third. We have been steadily increasing the number of needy people receiving food. In fiscal 1953 only 100,000 needy people in family units received surplus food. In the first half of fiscal 1959 over 5.2 million received this food. The latest figures show over 5.7 million. Counting school lunch and needy people in institutions, we are contributing food to over 20 million people in this country, as compared with 10.7 million people in fiscal 1953. In addition, we distributed over 2.2 billion half pints of milk last year under the school milk program.

The amendment should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. SANTANGELO].

(Mr. SANTANGELO asked and was given permission to revise and extend his remarks.)

Mr. SANTANGELO. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN]. I commend the gentlewoman for her gallant fight to reduce the bulging bins in our food warehouses by feeding the needy people of our country. As a member of the subcommittee on appropriations for agriculture, I can state that we have more than sufficient food to take care of the needy. We have warehouses piled high with butter and eggs. We have poultry in surplus. We have milk in surplus. What do we do with these products? We let them go to waste and we spend millions for their storage. We refuse to take care of the people of our country while we are seeking to spend \$1,800 million for the needy people all over the world? Let us take care of our own first; let us realize that charity begins at home. The food provided for in this amendment is in addition to the small amount of help that people on relief now get. This surplus food will provide a balanced diet to those receiving public assistance. I trust that this amendment will pass.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. McINTIRE].

(Mr. McINTIRE asked and was given permission to revise and extend his remarks.)

Mr. McINTIRE. Mr. Chairman, I appreciate that a strong appeal is being made on the humanitarian interest involved in this issue. I am equally interested to call for the needy but we ought to be frank and realistic. The purpose of this amendment is to begin on a program which is very broad in purpose. Let us be responsible enough to put the administration of this program, into the hands of the Department of Health, Education, and Welfare. Let that Department come to the Committee on Appropriations for the necessary funds so that the people of this country can know exactly the costs involved. This cost should not be loaded on to the Department of Agriculture then in the minds of the people be charged to the farmers.

Food acquired by price stabilizing programs of USDA can be transferred and cost covered out of appropriations to Department of Health, Education, and Welfare.

While we are caring for our needy let us be honest with ourselves and those we represent and do the job forthrightly and not by backdoor financial operations.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, I simply want to express my congratulations and my regard for the gentlewoman from Missouri and commend her for the devotion and hard work that she has put in on this amendment and on the bill which incorporates the same subject matter. I want her to know that the director of relief in Lucas County, Ohio, has spoken to me on this subject on many occasions

and urgently supports the food stamp plan. I must tell the gentlewoman from Missouri that she is, indeed, a heroine in his eyes and I am sure in the eyes of many who are in want of bread in our country.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. I believe the issue involved in this amendment is simply this: Shall we make the Department of Agriculture responsible for the Nation's welfare programs?

As far as food assistance for the needy is concerned, the Department of Agriculture is now doing all it should properly do in this field. It makes available to every State and Territory the surplus foods it has for donation to schools and needy persons. Its staff is available to help the State get started and its rules and regulations are no more than are needed to protect the Federal investment. Because of its sensible approach and its reasonable requirements, more than 5 million needy people in family units are now certified as eligible to receive available surplus foods.

In the past 6½ years, over 4 billion pounds of surplus food, valued at \$1.2 billion, has been made available to schools and needy persons in this country. I think that is a tremendous record of moving surpluses into constructive use. The entire cost of this program has been charged against agriculture, even though our children and needy people are a welfare problem rather than one of agriculture.

This amendment is an effort to make the Department of Agriculture responsible for the welfare of every needy person in this country. Of course, the foods available do not make up a complete diet. They are not intended to. The basic food requirements of the needy should be met under State or local welfare assistance program. The Federal surplus foods are supposed to be a desirable and valuable supplement—when, how, and if they are available.

The Department of Agriculture has its hands full right now dealing with agricultural problems. Let's not make it take on welfare responsibilities by passage of this amendment.

(Mr. SHORT asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. PIRNIE].

(Mr. PIRNIE asked and was given permission to revise and extend his remarks.)

Mr. PIRNIE. Mr. Chairman, in June of this year, a total of 43 States, the District of Columbia, Puerto Rico, American Samoa, and the trust territories were distributing surplus foods to needy people in family units. A total of 5.7 million people were certified to receive the Federal foods and distribution actually was made to 4.7 million people.

This distribution is being accomplished under a plan whereby the Department and the States share program responsibility and costs. This, I feel, is a very sound basis of operating.

The Department finances necessary processing and packaging costs and ships the commodities—on a freight-paid basis—to central receiving points within the various States. States are responsible for developing a method of certifying applicant families and for making arrangements with their counties and communities for the storage and handling of the donated food and for the operation of a distribution center where recipients receive the food. In a few instances, chiefly metropolitan areas, local arrangements have been worked out to distribute surplus foods through retail stores. This is the system that the amendment contemplates would be used on a nationwide basis, with the Federal Government picking up the bill for all the costs.

I believe the present system has several important advantages and we should oppose a system that would shift to the Department of Agriculture the full cost and responsibility for direct distribution. By requiring an agency of the State government to assume overall responsibility for the program, the Department of Agriculture can be assured that the food donation program will be operated in a manner that is consistent with the policies the State follows in the administration of its basic welfare assistance programs. Under the present arrangement, delivery costs within a State can be held to a practical minimum through the use of State, county, or municipal food storage and handling facilities and—in some cases—with the use of volunteer labor. In addition, such a system maintains sufficient flexibility to permit the scope of the program to be adjusted to changes in the need for such a program or in the volume of surplus food available for donation.

The present program is working effectively in those cases where the State and localities will do their fair share. I do not feel we should ask the Federal Government to assume responsibilities and costs that are more properly placed within the States.

In 1953, only 100,000 needy people were benefiting from Federal surplus foods. Now, the figure is close to 5 million. In March of this year, a Department of Agriculture tabulation showed that surplus foods were being distributed in 72 of the 74 major labor surplus areas and in 100 of the 193 smaller areas with substantial labor surpluses. This shows that the present program can work—if States and localities want it to work.

I urge that we reject this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. McGOVERN].

(Mr. McGOVERN asked and was given permission to revise and extend his remarks.)

Mr. McGOVERN. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri.

I think one of the most disturbing paradoxes in American life today is the presence of enormous quantities of surplus food in a country where there are still 17 million Americans who do not have an adequate diet.

This is a proposal that goes a long way in the direction of resolving that embarrassing paradox.

I would like to take this opportunity to inform the House that in conjunction with the distinguished gentleman from Massachusetts in the other body, Senator KENNEDY, I have introduced legislation to transfer the administration of all food distribution programs to the Department of Health, Education, and Welfare where it properly belongs.

I intend to push for approval of this legislation early next year. It is I believe vastly superior to the present food distribution plan. I support the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] as a most worthwhile step in the direction of a truly practical and humanitarian use of our farm abundance.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

(Mr. QUIE asked was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, the administration has really been doing an effective job of distributing surplus commodities, as the gentleman from New York [Mr. PIRNIE] stated. At the present time approximately 5,700,000 people in family units are receiving surplus food at the present time. Added to that are those in institutions and children in school. That means that something like 20-million people are already receiving surplus food.

Any State or local welfare agency in the country can receive all of the surplus food it needs right now. If they think it is best to have a food stamp plan to distribute it they can set up a food stamp plan, since they have not to any extent, it proves such a plan should not be instituted on the Federal level, administered by the Secretary of Agriculture. Secretaries of Agriculture Wickard, Anderson, Brannan, and the present Secretary of Agriculture, Benson, have all seen fit not to initiate such a program.

Section 32 funds would be used to administer this welfare program. This is wrong. Section 32 funds are for the purpose of taking surplus stocks out of the market to increase the price to farmers. Health, Education, and Welfare is the place where this type of a program belongs, not the Department of Agriculture.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LEVERING].

Mr. LEVERING. Mr. Chairman, I am shocked by the fact that under existing law foreign peoples have priority over hungry Americans when it comes to sharing our overabundance of food.

Mr. Chairman, I listened with great interest to the statement of the gentlewoman from Missouri [Mrs. SULLIVAN] when she testified before our Committee on Agriculture and pointed out that in my State of Ohio there are some 345,000 persons on public assistance roles and that of this number only 18 percent are receiving surplus foods.

I applaud the manner in which this amendment would make it possible for thousands of American citizens to get

fresh fruits and vegetables through the regular retail outlets of the country. This would serve to provide an adequate diet to those, who through no fault of their own, cannot afford to buy foods other than those that just keep them alive.

I am also pleased by the way it saves many, many thousands of dollars of the taxpayers' money in the handling of surplus commodities.

I hope the amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DIXON].

(Mr. DIXON asked and was given permission to revise and extend his remarks.)

Mr. DIXON. Mr. Chairman, I oppose this amendment because the plan has a history of failure.

I sat in the subcommittee meeting after meeting and heard the abuses to which this plan was subjected. It is no wonder that former Secretaries of Agriculture have discarded it.

People are entitled to all the surplus foods they can use. If they do not receive it, it is the fault of the State.

If they had more food than they are getting many States would simply take away just that much cash from those people or reduce the State effort.

It would take an army of people to operate a food stamp plan. Secretary Wallace had people who were on relief do the work. Now we would have to pay from \$600 million to \$1,800 million to operate it.

Our Rules Committee tabled the food stamp bill day before yesterday. Here it comes out as a surprise amendment to a good bill Public Law 480 which I must support. I do not like legislative procedures of that type.

Mr. Chairman, the present food distribution system through which the Department sends foods by the car loads to the States has been found to be far superior to the food stamp plan.

Take the case, for example, of poultry or pork, which has been raised by the proponents. The Secretary of Agriculture under Public Law 32 could buy these commodities in bulk, send them to distressed areas and meet the need far quicker and more effectively than he could administer it through a complicated food stamp plan.

Again this bill robs States of their right to take care of their own welfare people. They can do it far more cheaply and far more effectively than can the Federal Government.

Why, I ask you, Mr. Chairman, should the Government pay the retail grocery stores retail prices for food and place possibly \$1.8 billion extra load on the taxpayer, when under the present wholesale system we deliver it in bulk and the States distribute it?

How in the name of heaven is the Secretary of Agriculture going to replace on the shelves of the thousands of our grocery stores what could be millions of articles of food? It is no wonder Secretary Wickard abandoned the plan and Secretaries Anderson, Brannan, and Benson have refused to operate it.

Mr. Chairman, the Rules Committee tabled this bill the day before yesterday. There is actually no need for it. The States have the authority to institute it if they want to. The Federal Government has the authority to institute the program, so the amendment is completely redundant. Of course our public might be confused into thinking that those who are against this bill are against the poor and those who are for this bill are for the poor, but I have enough confidence in the intelligence of the public to feel that they will frown upon political demagoguery and actually criticize those who advocate spending \$1.8 billion for a method of distributing foods that is inferior to the method that is now in use.

I urge the defeat of the food stamp amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. RANDALL].

(Mr. RANDALL asked and was given permission to revise and extend his remarks.)

Mr. RANDALL. Mr. Chairman, I rise in support of H.R. 1359 for the establishment of a food stamp plan.

The objectives are most clearly and fully explained in the report which has been filed to accompany this bill. I shall not take any time to dwell on those things, rather I shall try to make two or three points in the brief time allotted to me. First, there certainly is a problem. There must be a problem so far as the CCC and its huge surpluses are concerned, or else we would not be here today considering the extension of Public Law 480. Now this bill, 1359, as I see it, simply constitutes an amendment to Public Law 480, be it be extended.

I do not see how any Member can sit through this last spring and early summer as we considered the appropriations for the Department of Agriculture and hear about the huge storage costs which we are now paying and say there is no problem. The figure has become so sizable and so much a principal component in our overall cost of the agricultural program that the fixed costs of carrying these surpluses in storage was even an important item of debate during discussion to raise the debt ceiling limitation. I definitely do believe in our agricultural price support program—but the problem of these surpluses is here and also there is the other everexisting problem of providing the bare level of subsistence for hundreds of thousands of old people. I mean those fine old people drawing old-age assistance.

But today we are presented with a concrete proposal to start to do something about the solution of our surplus problem and too, at the same time, as a by-product, give much sorely needed additional food materials to these old undernourished people who are trying to get along on \$50 to \$60 a month old-age assistance.

This would not simply benefit the old, but those receiving aid to dependent children. Now let us consider these children. We talk a lot about juvenile delinquency and what we are going to do about it. Well, maybe this bill will not solve all the phases and facets of the juvenile delinquency problem, but cer-

tainly where there is a large family who has been abandoned by a father, there is going to be a much larger chance—much larger reason, for these young juveniles to become delinquents, simply by taking or stealing something to eat—and thereby taking their first step to being marked, labeled, or tagged as a “juvenile delinquent.”

I think instead of commenting generally on what all this bill will or can accomplish, I should like to turn back to the minority report from page 29 on of the report and not so much to engage in a rebuttal for the arguments against this plan, but to use this minority report as a guide for my very brief further discussion. The minority report states how the present plan operates and then devotes a full paragraph to invasion of local rights and responsibilities. I want to digress a little for a moment and say I have had some personal experience in this matter as late as January or February of this year, and during the summer and fall of 1958. Our metropolitan area was very definitely described in the labor statistics in the unpleasant terms of having a “surplus of labor.” What they meant to say was that the recession had hit us pretty hard out there. Now this minority report speaks of the local subdivision assuming the responsibility. I want to say there are other States like the State of Missouri, that because of a peculiarity of their State constitutions, find their taxable levy and general fund purposes at a fixed limitation. Ours is 35 cents per \$100 valuation. The local government cannot change that; even the legislature cannot change that. That can be changed only by a two-thirds affirmative vote of all citizens of the State. I suspect that our local government was no different from some of yours. We received a few carloads of these surpluses which were shipped in. They were entirely inadequate. We had no money, no regular personnel to handle even these. What we did was to set up a sort of duty-roster. We picked two from the auditor's office, two from the county clerk's, two from the recorder's office, two from the collector's office, two from the engineer's office, and so on, around the departments of the county government, taking men from their regular duties to make sure there would be someone there to distribute this surplus food. I repeat, I mention this local circumstance, only for the reason that I suspect this spectacle was repeated over and over again in many cities, in many States. It just should not be necessary that a situation of this kind should have to obtain.

Then the minority report speaks, “No help to the farmers, taxpayers, or needy.” Well, of course, the entire paragraph is simple doubletalk because if we can reduce these surpluses we do help the farmer. If we can provide food to these poorly fed people, it does help the taxpayers; because everyone of us in this Chamber today knows how hard pressed the local community chest or united fund organizations are when you try to raise your quota each fall. There is no place for these needy people to get this help—over and above their old-age

assistance or funds received for dependent children—except from such voluntary community contributions. Yes, this does aid the taxpayers, and there is little doubt about it. To those who signed this minority report, I think they know it does.

Then at the end of that paragraph, the minority says something like this: “If H.R. 1359 were passed, it would be an inevitable temptation for State and local governments to reduce public assistance.” Now my colleagues, that is about the most ridiculous argument I have ever found in any of the reports I have read this session. These needy people are wards of the State and local subdivisions that are going to have to be provided for somehow—somehow; from some fund—somewhere.

Now let us just look at this temptation. To say that a local subdivision of government would be foolish enough to reduce their contributions to these needy people merely because better machinery and just a little more efficient working system is provided to distribute these surpluses, would then turn around and reduce the payments to these needy people is just about as ridiculous as to say it is a temptation to walk by the Sergeant at Arms bank; it is just about as ridiculous as to say that when we leave this Chamber today we are going down the west stairs and clear around to some devious route just because we cannot stand the temptation of walking by that bank for fear we might go in and draw out some money that belongs to us. The analogy is a little clearer than it may seem at first because we as Congressmen are going to have to provide for ourselves and resist the temptation to be extravagant. If we do not have the funds in the Sergeant at Arms bank, we are going to have to get means from some other source. The same is true of the local governments. These people must be provided for. Certainly, there can be no temptation to reduce the already submarginal level of subsistence payments, because if they do, the difference is going to have to be made up from some other fund, whether the community chest, united fund, or these poor people going to their neighbors asking and begging for enough to supplement their assistance should this suggested temptation to reduce payments actually be carried out by State and local communities.

One of the most shallow arguments is interposed at the end of the minority report when they speak of the unfeasibility of this legislation just because it puts the Department of Agriculture in the welfare field. Well, is not that just too bad. Right now they are doing the very same thing by shipping surplus goods into these various States. Maybe they call this an invasion of the States. But why should not the Department of Agriculture carry on and see that these foods are properly processed, made edible, preserved by adequate refrigeration to where they will have value and be usable to the ultimate recipients for which shipments were originally intended. If I am not completely in error, we have already heard on the floor not so long ago that the Department of Agriculture was engaged in a lot of opera-

tions overseas. Then surely there is no reason why this same Department should worry about engaging in just a little activity that might constitute a possible overlapping of the Department of Health, Education, and Welfare, to help undernourished needy.

The President has recently said a lot about calling a conference for the study of the aged. I think this is a fine worthwhile objective, but I think long before this, and right now, he should call a conference with his Secretary of Agriculture in order to do something concrete and substantial instead of theoretical and philosophical for these old people drawing old-age assistance at the average of \$64.80 a month. Let us think of it a moment. That is not a week—it is a month—and that is all they get. You and I know that on a monetary subsistence of that amount, many of these old people do not ever have the means for regular transportation to one central city distribution point, and what do they do? They go hungry, or else continue to exist on these filler diets. The mechanics for this plan may not be perfect, it may need a change after it is given a trial. No one can predict in advance how well it will work. But it has been wisely provided that the Secretary of Agriculture and the Secretary of Health, Education, and Welfare, and the Secretary of Labor shall make a joint study and report to the Congress in 6 months the problems involved, the cost, and the feasibility of this program. There, if you please, is the built-in safety valve, or to make it even stronger, a built-in governor within this bill.

We are considering today two problems that are going to be with us a long while, and this one bill is a valiant effort at solution of both of these. Neither of these problems will just evaporate in the foreseeable future. First, it is unlikely that surpluses will cease to exist; and second, it is not unlikely that the number of recipients of old-age assistance will diminish, and of course, it is impossible for the need to completely cease to exist. Certainly this problem of caring for the aged will always be with us. All of us will get old. Many of us will be feeble. Some may have to look for outside help someday. I cannot say why there are so many needy people. It just must be that the good Lord loves poor people because he made so many of them.

Finally, I say that the details of this plan may not be perfect, but it provides in the bill that after a 6 months' study there will be a report to the Secretary of Agriculture, the Secretary of Labor, and the Secretary of Health, Education, and Welfare.

It attempts to solve two problems involving our surpluses, and to provide a better diet for these undernourished people. This bill tries to meet these needs. Let us give it a try.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LATTA].

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Chairman, I think we should examine this amendment

from a practical standpoint to see how it is going to work. A person would get these stamps and go down to the grocer and pay the retail price for agricultural products which are then in surplus. Proponents of this amendment point out that such a plan would save us millions of dollars in storage, handling, and transportation charges in addition to reducing our agricultural surpluses. For some reason unknown to me they have completely overlooked that fact that the retail price to be paid to the grocer will include all of these costs plus the additional profits of the middlemen and the retail merchant. In other words, proponents of this amendment would place these additional costs on to the backs of our already overburdened American taxpayers. Yes, and without ever touching or reducing the present stocks of the Commodity Credit Corporation as these purchases would be made through regular commercial channels. Furthermore, the idea suggested here that you are going to get fresh eggs and fresh vegetables all the time is not quite correct. The only time you are going to be able to purchase fresh vegetables and eggs with stamps is when those items are in surplus. If they are not in surplus, you will not be able to purchase them.

Mr. Chairman, I am opposed to this amendment as it is too costly, would be too difficult to police and would not reduce our CCC stocks. The present program would work, however, if the redtape involved in the present program was reduced to encourage participation by the local welfare agencies.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROOSEVELT].

(Mr. ROOSEVELT asked and was given permission to revise and extend his remarks.)

Mr. ROOSEVELT. Mr. Chairman, I heartily support the amendment offered by the gentlewoman from Missouri. I think it is well to reiterate that those who want to say this should not be adopted because it ought to go to a different department fail to emphasize the fact that the Secretary of Agriculture himself has said that "The experience of the Department in the operation of that program indicates that, if a stamp plan were to be authorized, legislation specifically directed to such a program should be enacted, which would define the objectives and scope of operation and provide safeguards for the administration and enforcement of the program." This the bill clearly accomplishes.

I have no farms in my district. But I cannot help believing that while of course it is a proper thing to help the wheat farmers, the cotton farmers, and other farmers, it would be of tremendous assistance to those who raise vegetables, livestock, and dairy cattle to do something to enable the Secretary under section 32 of the Agriculture Act of 1935 to help those growers also.

This proposal would limit its benefits to those on public assistance. But it also envisions that, if successful, the program may later be extended to those receiving social security and in need of

this assistance. If charity begins at home, certainly our first responsibility is to our own citizens. I hope the amendment will be adopted and become law.

The CHAIRMAN. The Chair recognizes the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN], and this is not easy for me to do because she is a highly respected colleague and I share her concern over the needy citizens of our Nation. But I would point out that this amendment will not benefit our needy citizens. It is based on an assumed availability of Government-owned surplus foods that simply does not exist. The Secretary of Agriculture is authorized to distribute "food commodities acquired by the Commodity Credit Corporation or the Department of Agriculture in carrying out price-support operations or diverted from the normal channels of trade and commerce under section 32 of the act of August 24, 1935, as amended." That is what he is now doing.

This amendment adds not a single additional commodity to those already being distributed. As Secretary Benson said in his testimony before the House Agriculture Committee:

The Commodity Credit Corporation is not a supermarket bulging with a fabulous variety of foods. I have seen articles and speeches citing the fruits and vegetables, the meats and fresh eggs we presumably have on hand. You know and I know that we have none of these items in our inventory. \* \* \* Better than 85 percent of our surplus inventory consists of the so-called basics—corn, cotton, wheat, rice, peanuts, and tobacco.

You cannot distribute what you do not have. It is possible that, from time to time, supplies of certain foods may require a surplus removal operation with section 32 funds. When this happens, as is the case with dried eggs right now, the present system moves these foods to school lunch programs and the needy.

All the proposed amendment does is to relieve States and local governments of any costs in the physical delivery of these surplus foods. Right now under present law the Federal Government offers these foods free to States, packages them, ships them to receiving points the States designate. That seems like a pretty generous offer to me.

But, the sponsors of this amendment say that this is not enough. The Federal Government should also plan and finance the delivery right down to the individual needy family. Ladies and gentlemen, that is asking too much of Uncle Sam. I urge the defeat of this amendment.

(Mrs. MAY asked and was given permission to revise and extend her remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, did you ever feel when you were walking up a gangplank that there was no ship there? That is the way many hungry people in America feel. We take care of thousands

of people overseas and neglect our people back home. It is high time, in my opinion, that we pay a little attention to our own hungry people. I have thousands of people in my district receiving Government surplus food. Let us stop and analyze the situation. Many are coal miners, people who are forced on welfare rolls not of their choosing but because there are not job opportunities in the community in which they live.

Let us stop going down the road of destitution and make an effort to march up the road of hope and happiness so far as these people are concerned. Let us support the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] and give the hungry people of our own land some encouragement.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. ANDERSEN].

Mr. ANDERSEN of Minnesota. Mr. Chairman, it is my understanding that the gentleman from Wisconsin [Mr. LAIRD] will shortly offer an amendment providing for periodic review of this proposed food stamp program by the Committee on Appropriations, and if that amendment is approved I intend to support the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] to authorize the food stamp program.

I have a few things to say in behalf of the principles of the food stamp amendment, but first I would like to say a word or two in behalf of the amendment to be offered by the gentleman from Wisconsin [Mr. LAIRD]. There are several reasons, and very important ones, why this amendment should be approved. In the first place, Mr. Chairman, I am fundamentally opposed to any and all blank check programs. There is neither a floor nor a ceiling on this food stamp amendment. In my judgment, we need both and the way to arrive at that is by annual review on the part of the Committee on Appropriations.

I say that with plenty of experience to back me up. All of us know that the Secretary of Agriculture is a man of strong viewpoint. Sometimes we agree with him and other times we do not. Perhaps all of us are in error when we fail to properly appraise his accomplishments, but very few of us fail to criticize him when we disagree with what he does or does not do. In the final analysis, the responsibility rests right here in the Congress and we should in the enactment of any far-reaching legislation such as the food stamp plan before us provide, as a minimum, an effective means of congressional review. The Committee on Appropriations is, in my judgment, best equipped to conduct such review and make its recommendations to the Secretary and to the Congress.

From more than 20 years of experience in this greatest legislative body on earth, I would be the last person in the Nation to contend that Congress has the wisdom and the foresight to anticipate and provide for all eventualities. If we had such capacities, our work would be quickly done and those following in our paths could take it easy. On the contrary, we find in virtually all new pro-

grams that mistakes are made; that abuses creep in where loopholes exist; that language in the authorizations needs to be reinterpreted; and that constant review is required on the part of Congress if our legislative intent is to be fully and properly reflected in administrative action.

I hope, Mr. Chairman, that the Laird amendment will be approved and that after we have shown our responsibility in that respect we proceed to the favorable consideration of this proposed food stamp plan which has much to commend it.

Mention has been made today of the fact that we are already sharing our blessings of abundance with less fortunate people all over the world through the workings of the Public Law 480 program. Within reasonable and proper limits and subject to periodic review by the Congress, I fully subscribe to the basic principles of Public Law 480.

For many years I have campaigned for programs which would make our surplus agricultural commodities a vital instrument of our foreign policy. Since I first saw hunger written indelibly on the faces of less fortunate people in lands beyond the seas, I have been dedicated to the principle that surely a merciful providence must have intended that we share our abundance with those suffering human beings.

Although I do not favor the wholesale distribution of American tax dollars all over the world in the name of foreign aid, I most wholeheartedly favor the sharing of our surplus food with hungry people both at home and abroad.

As has been said, we are doing a good job abroad. But I personally believe that charity begins at home and much as I like to see our surpluses made available to others, I must say that we should take care of our own first.

With billions of dollars worth of surplus agricultural commodities bulging warehouses all over the Nation, we should not rest until every deserving American is assured of an adequate diet. There are today, and unless we do something about it there probably always will be, deserving children and physically handicapped and aged people in this land who do not have enough of the right kind of food to eat. Although we may not all believe that the amendment before us is perfect in every respect, at least let us do what we can to perfect it and then give this food stamp plan a chance to show what good it can do.

If the Laird amendment is adopted to provide for what I consider an absolutely essential review of the program, I intend to support the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN].

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. BROWN].

(Mr. BROWN of Missouri asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Missouri. Mr. Chairman, I am very much in favor of the pending amendment. We have surplus milk, cheese, and butter in this inventory. We also have some corn, we have

some rice, and we have some people to eat these products.

We have some 530 counties in America where unemployment exceeds 5 percent of the population, yet in less than 50 percent of those counties are they getting any of our surplus foods at this time. Get this report, the establishment of a food-stamp plan and read it.

There is one county in my district that has not had a penny's worth of these surplus foods. We bogged down. This food-stamp plan will give us a better way to test it. It is high time we acted on it. In Detroit they administered a program for less than 10 percent of the total cost. There is \$400,000 worth of administrative cost to get rid of \$4 billion worth of surplus food. Let us vote for this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAIRD to the amendment offered by Mrs. SULLIVAN: On page 2, line 7, strike out the period and insert, "in such amounts as may be specified from time to time in appropriation acts."

Mr. LAIRD. Mr. Chairman, I would like to remind the House that under the terms of the Sullivan amendment \$1 billion is authorized to be expended on a nationally administered food distribution program. This authorization does not include the cost of administering, processing, or policing this program which would add many more millions to the cost of the new Federal program.

This is a blank check authorization. The Committee on Appropriations is required to reimburse the Commodity Credit Corporation for the cost of the program in each yearly agricultural appropriation bill. This program needs and deserves to be reviewed on an annual basis before funds are expended. It would be better to start this program on a pilot operation as recommended by the National Milk Producers Association. I cannot support this amendment without the assurance that the Federal distribution will be reviewed on a yearly basis by the Congress through its Committee on Appropriations.

I do not believe the House should approve this blank check authorization for back-door financing, opening up a very costly operation at the very time every effort must be made to balance the Federal budget.

It does not assure a new and better program with more benefits for needy people. It may just mean a more costly way of distributing surplus foods and a way of shifting all of this bigger cost to the Federal Government. This is the reason for my amendment requiring annual review.

What are the costs involved in a stamp plan? The title of the bill upon which this amendment is based talks about \$1 billion. The Department of Agriculture has estimated the lowest annual cost of a stamp plan at \$600 million and that a full scale program could run to \$2½ billion a year.

We already have developed a method of distributing surplus foods that is efficient and economical.

Over 20 million schoolchildren and needy people are benefiting from Federal surplus foods. And more people could, if State or local governments felt there was a need for such a program in their area.

The Department of Agriculture does not insist that every county participate in this program. It is the purpose of this bill to impose this program on States and counties, whether they want to participate or not. Before we completely reject present methods of distribution let us insist that the new stamp plan be subjected to annual review by this Congress. I hope my amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, I rise in support of the amendment.

We in the House today have an invaluable opportunity to strike a blow against malnutrition among millions of our fellow Americans. At the same time we would be paving the way to dispose of mountains of surplus food commodities in a constructive manner.

I refer, of course, to the food stamp amendment which has been offered to Public Law 480 dealing with the disposal of our food surpluses abroad in exchange for foreign currencies.

Under this food stamp plan, the Secretary of Agriculture would issue food stamps to State and local welfare departments desiring to participate in the program. The stamps then would be given by the welfare departments to those receiving public assistance, as well as to other needy persons. They, in turn would exchange the stamps for surplus food commodities at designated outlets, preferably through normal trade channels. The bill provides that the details are to be worked out by the Secretary of Agriculture. The Department already has the manpower and the know-how. The details cannot be spelled out in a law, but is an administrative matter.

It is important to note that the surplus food would be in addition to, and not a substitute for, any welfare assistance, financial or otherwise, now received by the needy.

The plan is simple and workable and would be put into operation as early as possible. In addition, the Secretary of Agriculture, together with the Secretary of Health, Education and Welfare, and the Secretary of Labor, is directed under this amendment to make a study and report back to the Congress on the feasibility of extending the food stamp plan to include persons receiving unemployment compensation, social security pensions, and other low-income groups.

It has been said that a healthy people make a strong country. And physical fitness has always been one of this Nation's prime objects and boasts. Yet there are nearly 6 million men, women, and children whose inadequate public assistance payments prevent them from

enjoying the basic minimum diet essential to good health.

We pride ourselves on our abundant economy which has filled our granaries and storehouses to overflowing with wheat, rice, cheese, butter, beans, nonfat dry milk, and other foodstuffs. But millions of our citizens are struggling to survive on a bare subsistence level.

Surely, the spectacle of want and hunger in the midst of plenty should give us pause. How can we justify spending more than \$1 million daily—nearly half a billion a year—just to store food while permitting our own fellow Americans to go hungry?

America is synonymous with generosity throughout the world. Wherever there has been fire, flood, and famine, there has been prompt and speedy assistance by an openhearted American people.

But what greater disaster is there than Americans lacking sufficient food while surpluses are locked up in warehouses? When snowstorms and floods isolate large sections of the Nation, our Government comes to the aid of stranded cattle by parachuting food to the starving animals. Are we going to continue to refuse to extend the same assistance to our fellow human beings who are stranded by age, or physical disability, or unemployment and thus are prevented from sharing in this abundance of which we boast?

Let me give you the average incomes on which these people are trying to exist. These are figures which I have obtained from the Department of Health, Education, and Welfare as of May 1959.

In the old-age assistance category, only \$64 per month average went to about 2½ million people 65 years of age and over.

Aid to dependent children averaged only \$28.80 per child. Seven hundred and eighty thousand families fell into this category covering 2.2 million persons.

Next, we have 109,000 blind receiving an average of \$69.19 per month. Then, there are the 337,000 totally disabled receiving an average of \$64.10 a month, and finally, the 413,000 receiving general assistance with an average of \$67.21 a month.

In these days of inflated prices it is obvious that such payments are entirely inadequate to buy nourishing, wholesome food for these Americans.

Now, let us look at what we have in storage. According to the Agriculture Department, as of May 31, this year, we had \$6.1 billion worth of surplus food commodities stored away. Included were 1.1 billion bushels of wheat; 5.3 million pounds of beans; 900 million pounds of rice; 53 million pounds of butter; 13 million pounds of cheese, and 125 million pounds of nonfat dry milk.

This is incredible. Mountains of food on the one hand, and undernourished American citizens on the other. This is something we cannot and must not tolerate longer.

A food stamp plan would not only overcome this paradox of poverty in the midst of plenty; it would also be a major step forward in disposing of our surpluses.

Secondly, a food stamp plan would be tremendously useful and helpful in

guiding food consumption along lines that will improve diets. And third, a food stamp plan would make it possible to extend assistance to those who are in need but who are ineligible because of technical provisions of laws governing the granting of such aid.

I urge the House, therefore, to approve the amendment before us so we can meet the food needs of people in distress, while developing simultaneously a program that will bring security and dignity to all our citizens at home.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. WOLF].

(Mr. WOLF asked and was given permission to revise and extend his remarks.)

Mr. WOLF. Mr. Chairman, I, too, introduced a food stamp bill, and I am happy to join the gentlewoman from Missouri [Mrs. SULLIVAN] today in support of her amendment.

I would like to quote no less a personage than the Secretary of Agriculture being in favor of this program when he appeared on behalf of such legislation in 1944 in hearings before the Senate Agriculture Committee. At that time he endorsed and recommended to the committee the views of the National Council of Farmer Cooperatives:

We commend the U.S. Department of Agriculture on its food-stamp plan which provides an effective mechanism for moving agricultural surpluses into consumption among groups of low purchasing power in a manner that is highly beneficial to the recipient, and we think effectively utilizes the normal channels of distribution. We urge national extension of the plan as early as possible.

That was the Secretary of Agriculture, Mr. Benson, speaking. Let us give the Secretary the program that he has previously favored. By so doing we prove that charity begins at home.

I sincerely hope for the sake of hungry Americans the food stamp plan wins.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I strongly favor this proposal and I hope the House will approve the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN].

I have sponsored legislation for several years on this subject and I am happy that once again we have an opportunity to indicate the House membership's support of a stamp plan for the distribution of surplus commodities for our own needy persons.

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. VANIK. Mr. Chairman, I am in hearty support of the amendment of the gentlewoman from Missouri [Mrs. SULLIVAN] to provide for the institution of a nationwide food stamp plan for the distribution of surplus food to the needy from surplus stocks.

If we can afford to spend billions of dollars to provide essential food commodities to the needy people of foreign countries, we certainly should make some effort to provide for the needy people of our own country.

I was astonished to learn that of the 345,000 Ohioans receiving public assistance, only 61,000 or 18 percent are receiving surplus commodities in some form. It is regrettable that my State of Ohio has not been able to effectively use the surplus food program on the present basis.

I think that the food stamp plan should be attempted in an effort to increase the domestic use of surplus commodities in order to maintain the nutritional standards of needy American people. It is my hope that the food stamp plan will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, the tragic situation that exists in West Virginia and some 13 other of our States, because of the unemployment situation, is the best answer for the adoption of this amendment.

Let me say to you that our situation has been considerably worsened by the steel strike in that 35 percent of our West Virginia coal goes into the manufacture of steel. Consequently, since the strike is on, and 35 percent of our coal production is down, it results in unemployment of several thousand additional laboring men in our State. They have furloughed over 1,100 railroad men, because there is no coal to haul. So, we are faced with the situation where, if this amendment is adopted, it could very well be useful in West Virginia.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, it has been my pleasure to be associated with this program for some time. I want to pay tribute to the gentlewoman from Missouri [Mrs. SULLIVAN] for this amendment.

Mrs. GRIFFITHS. Mr. Chairman, will the gentleman yield?

Mr. WIER. I yield.

Mrs. GRIFFITHS. Mr. Chairman, I would like to correct the figures given by the gentleman from Iowa concerning the city of Detroit. It cost the city of Detroit \$392,000 to give away more than \$4 million worth of food. I would like also to point out that the city of Detroit has more than 146 distribution points; because of the generosity and the cooperation of their grocers they have one of the best systems in the country, but it is not a stamp plan program.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. WIER] has expired.

(Mr. WIER asked and was given permission to revise and extend his remarks.)

[Mrs. GRIFFITHS addressed the Committee. Her remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEORGE P. MILLER].

Mr. GEORGE P. MILLER. Mr. Chairman, I am in full support of the amendment by Mrs. SULLIVAN and I yield to the gentlelady from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, I appreciate the courtesy of the gentleman from California in yielding to me under the time limitation in effect so that I can say that I cannot accept the amendment offered by the gentleman from Wisconsin. There will, of course, be some expenses to the Department of Agriculture in this program, such as in printing up stamps, and making arrangements with the food industry on distribution, and all of those costs are, of course, subject to the review of the Appropriations Committee. But I point out that the stamps will be issued for food already owned by the Government under the CCC program, as well as food purchased under section 32 of the Agriculture Act of 1935. This is food owned by the Government, and which must be disposed of. The discretion for distribution would be entirely in the hands of the Secretary of Agriculture. He says we must give him a bill, if we want him to establish a food stamp plan, and this is the bill to make him act. The amendment to my amendment is innocent sounding but the program as proposed already has any necessary safeguards built in.

(Mr. GEORGE P. MILLER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] and to commend her for the consistent and effective work she is doing. While sharing our abundance with people throughout the world, I believe we should develop a more effective method of sharing our surpluses with the needy among our own people. Our food surpluses are mounting with every harvest. Also costs of storage and the overall problems in connection with handling our surpluses are growing. A food stamp plan as proposed by the pending amendment is needed. I urge support of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, we have heard a great deal of talk about section 32 under which this program was carried out previously. Under the distinguished Secretary Benson, section 32 money has been permitted either to return to the Treasury or has been used for the purchase of horse food for distressed cattle and animals during periods of drought and blizzard and natural disaster throughout the West. I favor feeding hungry animals, it is humane, but only after we feed people who are hungry and in need. These section 32 funds were used by a previous Democratic administration to feed hungry people through a food stamp program. This benefited the farmers, too.

Let me tell the gentlemen on the Republican side of the aisle there is plenty

of food being shipped overseas under Public Law 480 that is being denied to our hungry at home right now. Vast quantities of lard, milk, cheese, butter, butter oil, other dairy products, beef, pork products, poultry, fruits, dried and frozen, dried edible beans, potatoes, and other food substances which are denied to our hungry at home are given away abroad for worthless currencies. If you do not believe it, look at the report of the committee on page 37 where the amounts are chronicled. The only thing the hungry of America get for this is a large shipping bill, costing millions each year, and stacks of worthless, blocked, soft frozen currencies at best earmarked for waste, dissipation, and ultimate forgiveness to the countries in which they originate.

Charity is fine, on a global level it is splendid, but charity begins at home. Let us feed our own hungry first.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. SLACK].

(Mr. SLACK asked and was given permission to revise and extend his remarks.)

Mr. SLACK. Mr. Chairman, I rise in support of the amendment and at this time I yield to the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, I just want to give the latest figures from the State of Pennsylvania which arrived this morning. There are 900,000 citizens of the State of Pennsylvania now receiving surplus food. The State has ordered extras and in the month of October, due to the strike and other situations, we expect to feed 1,350,000 worthy citizens of the Commonwealth of Pennsylvania from surplus food.

I should like to be allied with the gentlewoman from Missouri in support of her amendment.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, in keeping with this subject and the bill before us, Public Law 480, I would like to call to the attention of the membership the peculiar situation we find ourselves in. At this point I want to present a press release from my office on this subject:

Congressmen JOHN H. DENT and ELMER J. HOLLAND today introduced legislation that, if passed, would assist the more than 6 million now unemployed and on our relief rolls to get more adequate food.

Their bill would require the Government, through the Commodity Credit Corporation, to set aside and process and package for human consumption, peanuts, red beans, and oats.

Congressmen DENT and HOLLAND pointed out that we do not hesitate to support programs that will feed and nurture the underprivileged children throughout the world, a program with which they are in accord. But they feel that we should also take care of our own people as well.

"Out of every 10 pounds of peanuts, we can have 9 pounds of peanut butter, a good nourishing food. Out of every 2 pounds of oats, 1 pound of rolled-oats can be processed. The red beans need only to be packaged.

"We feel the time is certainly here when we should care for our own people and add these items to those now on the surplus food lists," said both Congressmen.

This bill is the result of a series of conferences held by the two western Pennsylvania Congressmen with various groups including representatives of unemployed steelworkers, Paul Hilbert, director of district 15, United Steelworkers of America, and John Connelly, staff representative.

Although most of us have both the political and Christian solicitude for our needy foreign neighbors, it seems a rarity to find in our midst any outspoken friends for the needy of our own country.

Later on I will introduce an article on the subject of migratory labor camps and another one on the surplus food needs of the out-of-work steel strikers.

In the article on migratory farmworkers lies buried one of America's long-standing eyesores.

How can any nation talk about the underprivileged in other nations.

How can any nation talk about giving away millions of tons of farm commodities to needy people without restrictions and yet drawn tight and narrow lines around the need of our own Nation?

These questions bring up other queries. How many Americans know that actually the foods given under Public Law 480 to foreign nations is paid for by loans made to these nations by our Treasury and not paid back to the United States except under the strangest set of loan arrangements ever conceived.

As an example, let us take a follow through on a shipment of foodstuffs.

There are three methods for giving food to foreign countries.

Title 1 authorizes the sale of surplus farm commodities into export for the local currency of the purchasing company and stipulates the uses such local currencies can be used for. The United States cannot take the money owed to us out of the foreign country except by purchases of certain items. The foreign nation owing the United States money can use this money for cultural advancements, schools, and so forth, it can use the money for financing industrial expansion, building public utilities and facilities or it can loan this money with our consent to other needy countries, or for advancement of agriculture.

This is not all bad nor is it all good. Some of the countries actually do repay the money in goods and services but the important thing is that it can be used to build up competitive enterprises which in turn compete against us in the world market. Since 1954 this has amounted to \$6¼ billion.

Title 2 authorizes donations of surplus commodities for relief of famine or other relief requirements. This has amounted to \$800 million.

Title 3 authorizes the barter of surplus commodities for strategic and other materials of value to the United States. This has amounted to \$1½ billion.

My point in calling your attention to this is to bring home the fact that although we subsidize the surplus production of these commodities out of general taxation, much of it never gets back to the very people who help pay the bills.

If we are so mindful of the needs of peoples, let us look in our own backyards

for some place to put some of the food-stuffs we have in surplus.

It is of small matter as to why a person is hungry. The important thing is that if we can feed the hungry we should do it both domestic as well as foreign.

Not passing Public Law 480 is not the answer at this time. The answer is to make certain that we are doing what is right, right for our own Nation primarily. With the need as shown by all the figures available being what it is I believe the following articles are of utmost importance to a well-meaning Congress.

Migratory workers seem to be the forgotten peoples of our Nation. It seems to me that we could provide better living conditions and better health conditions for these millions of workers who are an important cog in the wheel of food production.

The following timely article on the surplus food situation, and especially in my State of Pennsylvania, gives even more logic to my plea for the passage of H.R. 8609 dealing with the processing of certain surplus commodities.

[From the Wall Street Journal, Aug. 19, 1959]

**STEEL STRIKERS DIG DEEPER INTO FEDERAL FOOD SURPLUS HOARD—PENNSYLVANIA LEADS LIST BUT DULL MENU LIMITS DEMANDS—HOW STATES HANDLE HANDOUT**

WASHINGTON.—Memo from Ezra Taft Benson to David J. McDonald: "Dave, keep your steelworkers on strike for another 5 or 10 years and our farm surplus problem is solved."

This playfully forged message is the last thing in the world Mr. Benson would ever send. But Mr. McDonald's idle steelworkers are becoming a big new outlet for Uncle Sam's surplus food. The strikers, of course, would have to stay on the grocery dole a long, long time to eat Mr. Benson out of official house and home.

With the steel strike in its 5th week, Agriculture Department officials in charge of passing out food from the enormous Federal pantry report there's now a pickup in the normal summer volume of applications. "We're beginning to feel the additional load," says Howard Davis, deputy director of the Department's food distribution division.

**FLOUR, RICE AND EGGS**

The strikers are signing up for gifts of flour, cornmeal, rice, powdered milk, and powdered eggs. This is not exactly a mouth-watering array, and the dull menu is undoubtedly holding down the applications. "Everyone wants to know if they can get butter, cheese and meat," says Marvin Sandstrom, another distribution deputy. Mr. Sandstrom tells inquirers that no donations of these items are planned. "Maybe our stuff will look better to them after they've been on strike a little longer," observes another busy official down the hall. Under the distribution setup, the Agriculture Department parcels out foods to the State relief agencies. State officials decide which citizens are eligible according to State definitions of "need." Technically, the steelworkers must meet the same standards of destitution as anyone else, and can't get food just because they're on strike.

Expecting a strike-swelled "caseload," Pennsylvania welfare officials already have asked Washington for a sizable boost in food shipments. Already dispatched or on the way are 25 extra carloads of flour, 10 carloads of powdered milk, 9 carloads of cornmeal and 9 carloads of rice. These ship-

ments are over and above Pennsylvania's earlier estimates of August needs.

Officials think the strike potentially could boost Pennsylvania's food applicants by as much as 450,000, depending on how long the walkout lasts. This would be a 50-percent increase from the prestrike number of Pennsylvanians receiving food in June, although it's doubtful that all the new applicants actually would be certified as "needy."

No increased food orders have been received here from other States yet, but some strikers are known to be signing applications in Ohio, Indiana, Michigan, Colorado, Washington, and New York.

At last count in June, there were 4.7 million needy persons on State relief rosters receiving Federal food. Normally, the number of recipients declines during the heavy summer employment season. Last year's recession, however, erased this seasonal dip, and officials think this summer's strike might do the same.

**NUMBER IS BOUND TO GROW**

No one will predict at this point how many strikers eventually will become certified by their States as needy, but the number is bound to grow as financial distress increases. All of the 43 States dispensing Federal food (not participating: Alaska, Florida, Idaho, North Carolina, South Carolina, Oregon) require that an applicant's income must have fallen below a certain level.

In Ohio and Indiana, professional social workers investigate and judge the poverty of applicants. But other States use a fairly mechanical formula. In New York, for example, a breadwinner for a wife and two children must make less than \$245 a month to meet the first eligibility test.

By themselves, these rules would make strikers eligible as soon as their paychecks stop. But most States also require a person's liquid assets—bank accounts, savings bonds, common stocks—to fall below a stipulated sum. A New York family of four must have less than \$735 in liquid assets to qualify as needy; in Michigan, the maximum is \$795.

"Most States don't require you to exhaust your life's savings just to get something to eat," says a Federal official. This is not true everywhere, however. In Alabama, food recipients must be almost completely broke. The Oklahoma regulations count pigs and chickens as liquid assets; these must be sold or eaten before a rural applicant can turn to Uncle Sam.

I would of course like to see the addition of substantive foods such as butter, cheese, and meats, but the Commodity Credit Corporation states that there are no surpluses available.

I have asked for and hope to receive a report on the shipment of these items under Public Law 480 to check on whether some of these products can be made available for domestic use.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, I rise in support of the amendment and would like to say to the gentleman from Iowa who is concerned that the Secretary of Agriculture would have to do some welfare work for the American people, that that is all right; he does not do anything for the welfare of the American farmer anyhow. This would give him an opportunity.

Mr. Chairman, they raise the flag of veto on the other side of the aisle. I say on this side of the aisle, let us raise the flag of humanitarianism, com-

monsense and proper use of our surplus agricultural products.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, on the farms of Iowa in this day and age, we would not think of raising pigs without giving them a balanced diet. Yet, we have thousands and even millions of children who do not have either a balanced diet or an adequate diet in this country. I think, perhaps, there are better ways of accomplishing the objective of this amendment, but they are not before us in legislative form. I say now is the time to do something to help distribute surpluses to hungry and low-income people by adopting this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. COHELAN].

(Mr. COHELAN asked and was given permission to revise and extend his remarks.)

Mr. COHELAN. Mr. Chairman, I would like to ask the gentlewoman from Missouri if she would comment on the possibility of abuses such as have been suggested by Members opposed to the amendment.

Mrs. SULLIVAN. The only thing I can say to the gentleman is that every law that is enacted is abused in some way or other. But, for the few people who might misuse these stamps, I do not think we should deprive the great numbers of hungry and needy people who are on public assistance from receiving the benefit of the food stamp plan.

Mr. COHELAN. I thank the gentlewoman and I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY] to close debate.

Mr. COOLEY. Mr. Chairman, I realize I cannot make a very convincing speech in 50 seconds. Therefore, I shall not attempt to do so.

Mr. Chairman, I do want to say I am sincerely in favor of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN]. I hope it will be adopted. I congratulate and commend her on the splendid manner in which she has presented this entire proposition to our committee from time to time. It is a strange thing to me, when we are dealing with poverty-stricken people and surplus commodities, that we must see this split along party lines. Every Republican member of our committee signed this minority report, and it is all, it seems to me, prompted by the theory that Mr. Benson can do no harm and should be supported.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LAIRD] to the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN].

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be reread by the Clerk.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The amendment was again read by the Clerk.

The question was taken; and on a division (demanded by Mr. ANDERSEN of Minnesota), there were—ayes 70, noes 104.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mrs. SULLIVAN].

Mr. HOEVEN. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. SULLIVAN and Mr. HOEVEN.

The Committee divided and the tellers reported that there were—ayes 156, noes 96.

So the amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 2, line 25, after the word "use" insert the following: "In such amounts as may be specified from time to time in appropriation acts."

Mr. WHITTEN. Mr. Chairman, I have a second amendment of a similar nature. I ask unanimous consent that it be reported and that the two be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 3, line 18, before the word "strategic" insert: "In such amount as may be specified from time to time in appropriation acts."

Mr. WHITTEN. Mr. Chairman, the purpose of the amendment is to give to the Appropriations Committee an annual review of foreign currencies in these particular fields. Certainly since these foreign currencies will be in excess of that required for good use, there would be no attitude on the part of our committee to in any way restrict it. If there is to be an annual planning and an annual reporting, it will lead to better planning, better handling, and to more results.

I am in hopes that the gentlemen on the committee might be able to accept the amendment.

Mr. COOLEY. Mr. Chairman, while I have no authority to accept this proposition on behalf of the Committee on Agriculture, I have examined the amendments and I personally have no objection to the amendments and hope they will be adopted.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. HOEVEN. The gentleman from Mississippi was kind enough to show me these two amendments and there is no objection as far as I am concerned.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendments were agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 2, line 2, strike out the figure "\$1,500,000,000" and substitute "\$1,250,000,000."

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, as I have pointed out many times, the basic law provides for the acquisition of CCC commodities, and under existing law the Secretary of Agriculture has to obtain those commodities. Once they are obtained, there are several things that can be done with them, but the first and foremost is that the law authorizes and contemplates that they sell them for dollars in the normal way in a competitive market.

I have voted for Public Law 480 with misgivings from the start. Largely because of 480 sale for foreign currency for many years our Government got by with refusing to use its authority to sell in world trade competitively for dollars. After supplies on hand had reached \$6 billion we finally got started on competitive sales, which after all is the way to regain markets. This year we find that the Department once again is not fully utilizing its authority to sell for dollars. Certainly, in offering this amendment I agree that we must move commodities to the full extent that is provided in this bill. I do believe, however, that Public Law 480 has to a great degree retarded action by the Department in selling for dollars. Whatever the merits and benefits of this Public Law 480 program may be to foreign countries or to people in foreign countries, it shows up as a dead dollar loss to the Commodity Credit Corporation. Though the Secretary recommends this bill, he will use the cost, as will the press, to attack all agriculture programs. On the other hand, if the Secretary were to sell these commodities in world trade for dollars, as he is authorized to do, and as he should do, we would get a substantial recovery in dollars which would lessen greatly the amount of capital restoration that you make to the Commodity Credit Corporation. If this amendment is adopted, we should direct by law that the Secretary sell that much more through normal channels for dollars.

Like opium, we got stuck with "disposals" instead of sales. We will have to taper off. We must, however, dry up this means of outlet for Commodity Credit Corporation stocks and put more and more emphasis on sales through normal channels, because, after all, that is the only place where you are going to really regain markets.

Really, we will help foreign people or Governments far more by making our production available, year in and year out, at competitive prices. This would help them, the American farmer, and the taxpayer. We refer to needy people in foreign countries, both in this bill and in mutual security. However, in actuality and almost without exception, through the main provisions of mutual security and under this bill the commodities are

practically given to foreign governments which, in turn, sell such commodities to their people. The Department of Agriculture this year was unable to tell us after a 6 months' check, just what price foreign governments were charging their own people for these commodities in various countries. Our own investigating staff discovered the fact that in one country they were adding 70 percent markup to the price they pay "in their currency" when they sell these commodities to their own people. It is hard to believe this increases use in foreign countries.

May I say again, if this amendment is adopted, we must direct the Department of Agriculture not only to maintain our exports at present levels but to increase them by giving extra emphasis on sales for dollars through regular channels at competitive prices.

This program was started to get rid of surpluses. Instead of that it has led to them.

It was started on the basis that it would help needy people. The people have to pay through the nose to their own government.

Mr. Chairman, our trouble is that we are overproducing, though I may say we are refusing to regain and hold our normal markets through competitive sales for dollars. We must strengthen our efforts to force real sales.

This sale for foreign currencies has grown like "Topsy." It is destroying us in the long run, necessary perhaps at the start, necessary perhaps now on a reduced basis, yet I know it leads us in the wrong directions. I know that periodically we should reduce this approach and, in turn, push the Department further and further into regaining our markets through normal channels. My amendment is along that line.

Mr. Chairman, it would be so much better here today for the farmer, the taxpayer, and yes, people in foreign countries, if this were a bill requiring the Secretary to increase his sales for dollars by 20 percent. Remember, he has the authority.

One nation cannot support world prices. Our country has tried. This bill is the result. One billion five hundred million more dollars will be used by the Secretary and the press to attack our farm programs.

We must quit trying to sweep the surplus under the rug. We must quit this drug. My amendment is a step in the right direction.

Mr. Chairman, having served as chairman of the Appropriations Subcommittee for Agriculture for a number of years reviewing actual operations of the program, I would like to give my analysis of the farm situation, with suggested cures. Certainly this effort to "dispose of", by sweeping under the rug—with everybody looking on, fooling no one—is no solution.

#### CAUSES OF FAILURE OF PRESENT LAWS

Existing price support laws were for the purposes of providing a fair price at the market place. We have had some trouble in the past, but during the last 6 years the situation has become really bad, primarily for the following reasons:

First. Notwithstanding authority to sell competitively, our Government held U.S. production off world markets in 1953, 1954, and 1955. Cotton was held off the world market again this year. Thus, Government investment in price-supported commodities was built up from \$2.5 billion on January 1, 1953 to more than \$8.7 billion on January 1, 1959. The result was to hold an umbrella over foreign production. At the same time, 743 American agricultural representatives were paid to teach foreign people how to increase their agricultural output.

Second. The law which provided for controls on domestic production by limiting acreage has failed. The law worked reasonably well in the horse and mule days, but with mechanization, hybrid seed, and the more extensive use of improved fertilizer, acreage limits not only have not worked, but actually have served as an incentive to increase production.

Third. With a control program that no longer works, efforts to force reduced production by lowering support prices have had the opposite effect. Farmers simply have grown more units in order to make up for the reduction in prices.

Fourth. With perishable commodities, instead of moving in promptly to stabilize prices as soon as a surplus likely to depress prices became apparent, the Department consistently has waited until after prices broke, thereby greatly increasing costs to the Government and minimizing benefits to producers.

#### WHAT CONGRESS SHOULD DO

Present laws need to be changed to set up a more workable program and to guarantee that the program will be administered in accordance with the intent of Congress. Here are some suggested actions:

##### A. BASIC OR STORAGE COMMODITIES

First. Provide price protection on the farmer's share of the domestic market tied to costs of what the farmer must buy so as to keep a balance with labor and industry.

Second. Make price protection on storable commodities contingent upon the farmer holding his production in line with domestic and foreign markets. To accomplish this, we must require that the farmer agree to limit his production—not acreage—to his share of the domestic and foreign market in order to be eligible for price protection. He might be permitted to apply any overproduction against his next year's allotment.

Third. Require the Department of Agriculture to use its authority to sell competitively in world markets in order to insure that this country maintains its share of such markets. Thus, by limiting each farmer's production to his share of domestic and foreign markets, he will be in a position to get a fair price for his share of the domestic market in the marketplace.

Contrary to claims, selling agricultural commodities competitively in world markets need not jeopardize domestic industry. Existing law authorizes American processors to purchase at world prices such quantities of U.S. commodi-

ties as are needed to maintain exports of finished goods. Moreover, present law authorizes the President to protect domestic processors from foreign competition, either by tax or flat prohibition.

Fourth. Require the Government to completely isolate from the market such reserves of storable commodities as are considered essential for national defense and are needed for protection against possible shortages in bad years. This is necessary to prevent needed reserves from depressing prices in domestic and foreign markets.

Fifth. Make available part of any remaining surplus to farmers who hold their production below their share of domestic and foreign markets. This should help to dispose of costly surpluses already built up.

##### B. PERISHABLE COMMODITIES

Excess production of a perishable commodity in any given year usually will not have a significant effect on markets in the following year. However, even a small surplus during any given year may depress prices disastrously for all of that year's production. Generally, sufficient authority is available under present law to handle such situations if it is used properly. The following actions are suggested:

First. Require that the Department of Agriculture announce price-stabilization programs as soon as the likelihood of surplus becomes apparent. Require that Government purchases be made promptly and in sufficient quantity, and that the commodities so acquired be diverted to school lunch and other deserving programs.

Second. Provide the funds needed for such purchases and the costs of diversion.

If these suggestions are followed, markets for perishables will be stabilized and the producer will be able to get a fair price in the marketplace. Moreover, costs to the Government actually will be greatly reduced.

The key, however, is to require that purchases be made before the market breaks. This cannot be emphasized too much. To wait until after the market breaks simply will not work. After a break occurs, "all the king's horses and all the king's men can't put Humpty-Dumpty back together again." Past history has corroborated this again and again.

Farm income should come from the marketplace. In the long run, it must. Do not be misled by those who want to grab part of the farmer's share of the consumer dollar and force him to look annually to the Treasury for a remedy.

I hope, for the long-range benefit of the American farmer, the American taxpayer, our customers abroad, including foreign people who need our commodities, that my amendment will be adopted.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems to me that the officials of the executive branch of the Government, charged with the responsibility of administering this program, are in a far better position to fix the

volume of the program than we are here on the floor of the House.

Now, this surplus disposal program is gigantic, and our surplus problem is becoming more complex and more aggravated every harvest season.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Was not the matter of a limitation to this extent or any other extent explored in the long hearings that our committee held on this subject?

Mr. COOLEY. The gentleman is exactly right. Our committee, after having long hearings and investigations, concluded that we should follow the recommendation of the Department and fix the authorization at \$1,500 million, and that is what I hope this House will do.

Mr. ALBERT. Mr. Chairman, if the gentleman will yield further, everyone hope to see dollar sales, but this matter has been worked out by the Department and by the committee, and it seems to me we should go slow about making a change of this magnitude on the floor of the House.

Mr. COOLEY. It seems to me that the gentleman from Mississippi could very well have appeared before our committee and presented the amendment at that time, where we could have discussed it with the Secretary of Agriculture and his assistants. I know that the gentleman from Mississippi is sincere in his desire to have the surplus disposed of, and I agree with him that we should sell for dollars wherever possible to sell for dollars, and the Secretary has no moral or legal right to sell for foreign currencies where he can sell for dollars.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Yes, I yield.

Mr. WHITTEN. I like very much and always enjoy visiting with the gentleman's committee. I am busy, too, and had no knowledge that the hearings were going to be had at the time they were. But, may I say this, it is hard for me to conceive, as the chairman has said and as my friend from Oklahoma has said, that you have placed in this bill a figure of \$1,500 million without even exploring whether it could have been reduced, where it is deadweight on the Treasury.

Mr. COOLEY. It is not deadweight on the Treasury. It is a direction for him to use up \$1,500 million worth of these commodities.

Mr. WHITTEN. Does not the gentleman realize that next year our committee will have to come in and ask for dollars for restoration of these dollars, \$1,500 million?

Mr. COOLEY. On all impaired capital of CCC, that is true. But I say it is necessary for us to exert every effort to dispose of this surplus. Just a few years ago we had a \$2,500 million surplus. Now it has reached a figure of about \$9 billion, and in the meantime we have lost about \$5 billion.

1959

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. Was there any evidence before our committee that any part of this program replaced dollar sales in any country in the world?

Mr. COOLEY. Only one suggestion was made, and we explored that suggestion and destroyed it and dissipated it, and we have no evidence that any transaction under this bill has displaced dollar transactions anywhere on this earth, and we do have information as to transactions which have taken place all over the world.

I want to repeat again, that the program has been remarkably free from criticism, and so far as I know, absolutely free from corruption and fraud. I hope that this amendment will be defeated and that this bill will be passed by this House and sent on to the White House.

I want to conclude by saying with reference to the food stamp amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] and which was adopted, that there is nothing mandatory in it.

By my own amendment the committee struck out the word "directed" and put in the word "authorized." So the Secretary of Agriculture is not directed to put into effect any food stamp program. He is merely authorized to put it in. And I take that to mean that the President would not veto a bill merely because we authorized one of his Cabinet officers to do or not to do a certain thing, leaving it in his discretion whether to do it or not.

Mr. Chairman, I hope that the bill will be passed here and go on to the other body and finally to the White House and be enacted during this session, although it might very well be delayed until the next session.

Mr. HOEVEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. HOEVEN. I yield.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes, at the conclusion of the remarks of the gentleman from Iowa.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOEVEN. Mr. Chairman, I join my chairman in opposition to the Whitten amendment. As he has so correctly pointed out we have about a \$9 billion investment in surplus agricultural commodities. Throughout the years we have been trying to do a good job in getting rid of it. As I said in the general debate we are doing a magnificent job in that regard.

This program that we are talking about started with an original authorization of some \$700 million and we are now operating at about \$1.5 billion per year. Throughout our hearings there was ample justification for the \$1.5 billion.

There was no evidence whatsoever that the authorization should be cut one dollar. I think it would be a mistake in view of the surplus situation that we should deny the Department whatever is justified.

So I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

Mr. GUBSER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of addressing the question to the distinguished chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY]. It is a brief question.

The gentleman, through his long experience with Public Law 480 is well acquainted with the list of commodities which are disposed of under the terms of Public Law 480 either by being named specifically in the statute or by administrative interpretation. Can the gentleman assure me that there is no language in the bill before us at the present time which would eliminate any commodity presently disposed of under the terms of Public Law 480 or is there any intention on the part of the committee to eliminate any commodity presently sold or disposed of in that way?

Mr. COOLEY. I am afraid I do not understand clearly what the gentleman has in mind.

Mr. GUBSER. May I restate the question?

Mr. COOLEY. I wish the gentleman would.

Mr. GUBSER. Is there any language in this bill or is it intended by the committee that any commodity which is presently sold or disposed of under the terms of Public Law 480 would be no longer disposed of under the bill we have before us, if passed?

Mr. COOLEY. You mean whether or not any commodity or producers of commodities are being discriminated against in any way in this bill, I assume?

Mr. GUBSER. Simply if this bill were passed would we still be able to dispose of every commodity which we are disposing of today in the same way we always have?

Mr. COOLEY. I am certain that is true.

Mr. GUBSER. I thank the gentleman very much.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the purpose of my rising today is to put on the RECORD, so we shall have it in the future, both for the conference on this bill as well as for future action by the House in relation to the St. Lawrence Seaway, the following.

I want to comment particularly on the agreements between the United States of America and Canada effected by the exchange of notes signed at Ottawa on August 17, 1954, entered into force August 17, 1954, as well as an exchange of notes signed at Washington June 30, 1952, and entered into force June 30, 1952. They supplement previous treat-

ties between Canada and the United States affecting shipping\* on the St. Lawrence River and canals, particularly article I of the Boundary Waters Treaty of 1909.

I would call attention particularly to the fact that on anything that might limit the shipping of agricultural commodities over the St. Lawrence Seaway we are bound by an agreement on the exchange of notes between L. B. Pearson, Secretary of State for External Affairs of Canada and Don C. Bliss, Chargé d'Affaires, ad interim, for the United States at the Embassy of the United States of America at Ottawa. That says specifically:

6. (a) It is recognized that it is of great importance to Canada and the United States that the St. Lawrence Seaway be used to the maximum extent required by the needs of commerce. It is understood therefore that both Governments will use their best endeavours to avoid placing unreasonable restrictions on the transit of passengers, shipping or trade in the international section of the St. Lawrence Seaway.

(b) It is further agreed that each Government will consult the other before it enacts any new law or promulgates any new regulations, applicable in the respective national parts of the international section of the St. Lawrence River, which might affect Canadian or United States shipping, or shipping of third-country registry proceeding to or from Canada or the United States respectively.

(c) Similarly, with respect to any laws or regulations now in force in either country which affect the shipping interests of the other country in the international section of the St. Lawrence River, the government affected may request consultation concerning such laws or regulations and the other government shall accede to requests for consultation.

(d) The foregoing undertakings are in addition to the treaty obligations now in force between Canada and the United States affecting shipping in the St. Lawrence River and canals, particularly article I of the Boundary Waters Treaty of 1909.

Don C. Bliss in his note in the third from the last paragraph says:

The U.S. Government agrees with the requirement of consultation between the two governments set forth in paragraph 4(b) and 6 and agrees to relieve Canada of its obligation.

So we have specifically in the United States entered into an agreement that before we restrict in any way the operation of shipping in the St. Lawrence Seaway by either regulation or statute that we will first have consultation between the Government of the United States and the Government of Canada. I hope in the future we will not in this Congress, without prior notice to our good friends north of the border try to put on by amendment actions that limit this seaway. I must say to you, I voted against it, but once it was put into effect and the seaway is put into operation, I want it used in full under the agreement. So I want to point out, any future amendments are subject, because this is the superior law of the land being a U.S. treaty and an executive international agreement, subject to a point of order and could have been subject to a point of order. But I wanted to hear the Keogh amendment discussed.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. COOLEY. The gentleman is aware of the fact that the amendment he is talking about was defeated; is he not?

Mr. FULTON. I do and that is why I did not put this in as a point of order. I wanted it decided on its merits and I am glad to see the Keogh amendment was defeated.

Mr. COOLEY. I do not think the Keogh amendment would have imposed any restrictions on the St. Lawrence Seaway.

Mr. FULTON. I thought it would, and I wanted this in the RECORD in case the question comes up. May I close on this point. I feel when we have part of the canal and the St. Lawrence Seaway in our country, and part exclusively in Canada, if we turn the back of our hand to our good Canadian neighbors, that is one thing we had better watch because Canada can shut off her part of the canal or her part of the St. Lawrence Seaway and effectively close that waterway to us in the United States. I hope we cooperate further.

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: on page 1, line 8, after the words "December 31" strike out "1960" and insert "1961".

On page 2, line 2, after the figure "1,500,000,000" insert "annually".

On page 2, line 18, strike out "1960" and insert "1961".

On page 6, line 12, strike out "\$1,100,000,000" and insert "\$1,400,000,000".

On page 6, line 18, strike out "1960" and insert "1961".

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, this will not be too difficult to explain because this provides for a 2-year extension of title I and title II of Public Law 480. Title I and title II are the only titles that expire. Title III never expires. So the reason I am offering this amendment is to enable us next year to go through this process of working on agricultural legislation without bringing up Public Law 480. We seem to get into a hassle on Public Law 480 each year. So at least we can go by 1 year without bringing it up.

The amendment so far as the funds are concerned does not change the authorization. Presently, there is a \$1,500 million authorization for title I for next year. With a 2-year extension, it would provide the same amount of money for the year after.

The same thing would apply to title II. The request here is for an additional \$300 million, bringing it from the old law of \$800 million to \$1,100 million. This would then make the same amount of money available for the year after that.

I think this is an excellent thing to do in order that the people who are looking to us for food, when we have plenty of surplus food, and when we have on hand \$9 billion worth in storage at the present time, can be plan-

ning not on the \$1,500 million available for next year only, but also for the year after that.

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. McGOVERN. I think there is a great deal of good sense in the proposal that the gentleman from Minnesota is making. Would this 2-year extension enable the people both on our side and the people in the receiving countries to do a little more planning and to bring about a little more order in the program? I think it has that advantage as well as to save our time here in the Congress in renewing a program that may be renewed automatically, but which always raises a period of doubt and insecurity each year in the minds of people that are participating in the program.

Mr. QUIE. The gentleman is absolutely correct. This would be not only a benefit to our taxpayers but also to the people overseas, especially in the matter of their planning.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. HOEVEN. I think the gentleman's amendment is excellent and I expect to support it.

Mr. QUIE. I thank the gentleman for his support.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. SHORT. I desire to associate myself with the gentleman's amendment and urge its support.

Mr. QUIE. I thank the gentleman from North Dakota for supporting my amendment. I think it is unreasonable to have to go through this long process of extending Public Law 480 each year.

Mr. HAGEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. HAGEN. I would like to point out that we adopted this amendment once in the Committee on Agriculture. This program was designed to get rid of surpluses. We are going to have surpluses for at least 5 years in the future. If the extension of the program for 1 year is justified, then it is equally justified to extend it 2 years. The other body adopted a 3-year extension. Is not that correct?

Mr. QUIE. From what I hear the gentleman certainly is correct.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. HOEVEN. The gentleman from California stated it correctly. The bill as passed in the other body provides for a 3-year extension, so it is reasonable to assume that a 2-year extension would be supported in conference.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield.

Mr. COAD. I desire to associate myself with the gentleman's remarks and urge support of his amendment.

Mr. QUIE. I had originally introduced a bill for a 5-year extension of Public Law 480 because for at least 5 years we will have surpluses that must

be distributed overseas because we cannot keep them in storage and pay high storage costs here. To get this program on a little longer basis than 1 year I am offering this amendment for a 2-year extension. I think it will be of great benefit, not only to the taxpayers of this country, but also it has been pointed out to the people of foreign countries as well.

I urge you to support this amendment.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

I wonder if the Republican Members of the House realize that their Secretary of Agriculture, Mr. Benson, asked for only a 1-year extension? Are they now going to repudiate their own Secretary's recommendation?

Furthermore, the committee upon which the gentleman serves with great ability and distinction has rejected this amendment.

We feel that this program is important enough to justify and warrant a review annually. Moreover, if the gentleman's amendment is adopted it will go out to the country that you have doubled the size of this program. The bill we have before us is for a little more than a billion and a half. If the amendment is adopted it will be a \$3,600 million bill. That is a thing we discussed in committee. I do not want this adopted. I hope the amendment will be rejected.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. QUIE. I have not worried about what the Secretary of Agriculture said.

Mr. COOLEY. I know, but I worry about it all the time.

Mr. QUIE. It seems that the gentleman usually does not care what the Secretary says, but if the Secretary of Agriculture is in favor of and supports a 1-year extension there is nothing to prevent our extending it for two years. We look at all these laws each year.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HAGEN. Mr. Chairman, I rise in support of the amendment.

(Mr. HAGEN asked and was given permission to revise and extend his remarks.)

Mr. HAGEN. Mr. Chairman, I would like to speak in favor of this amendment. It was presented in the committee and adopted. We then voted to reconsider on a subsequent day and reversed our position, because, I am satisfied, certain people want to play politics with a program that everyone who deals directly with it supports.

The simple fact is that this program exists to get rid of surpluses, and no one is so foolish as to say we will not have surpluses for 4, 5, or possibly 6 years. If a program is good for 1 year, it is far better for 2 years, because then better planning and programming can be done with the disposal of these surpluses.

There is a new program in this bill on a 10-year basis yet we are asked to be-

lieve that a 2-year extension of established programs is somehow unwise. How can anyone object to a 2-year extension of title I which provides for sales for soft currency and title II of the bill?

Title III of the act already is on an indeterminate basis. I think this is a justified amendment, as indicated by the judgment of the other body. They have already acted in committee to extend titles I and II for a 3-year period.

I hope that those of you who are interested in disposing of these mountains of wheat and bales of cotton and corn we will have at the end of this crop season will vote to establish a logically long range program for disposing of these surpluses. Let me conclude by saying that the motives of those who would oppose a 2-year extension, or, perhaps I should say the motives of some of those who oppose such extension, are not related to the merits of the question. Their purpose is solely to use the 480 program as a pawn in next year's political agricultural game. They are willing to risk the continuation of a program beneficial to all agriculture in pursuit of parochial commodity gains. This, of course, poses danger to the beneficiaries of 480 on the farm and also to those city Congressman who will again be asked next year for a record vote on a program, which although necessary, under current programs of price support, carries a big price tag on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and on a division (demanded by Mr. QUIE), there were—ayes 69, noes 109.

So the amendment was rejected.

Mr. BOLAND. Mr. Chairman, in yesterday's debate on the amendments offered by the gentleman from Iowa [Mr. HOEVEN], I supported his position that Public Law 480 ought to be extended and the barter program continued. But I agreed with him that this program should not be expanded to the point of ridiculousness. And that is precisely where we would arrive if this bill were passed without the amendments of Mr. HOEVEN striking out paragraphs in the bill which tended to increase the folly that now surrounds the national stockpile and its objectives.

I repeat that the stockpile of strategic and critical materials totals some \$8 billion and that this is \$4 billion in excess of the needs. As of March 31, 1959, the acquisition cost of the supplemental stockpile was \$361,776,700 and the excess cost to the objective totaled \$346,224,600. In addition acquisition cost of Commodity Credit Corporation barter came to \$269,994,000 with the excess to the objective being \$255,286,500. Both the supplemental stockpile and CCC barter are the direct result of operations under Public Law 480.

Several minerals and metals were procured under this program that are not even on the national stockpile list as essential to our needs. Some 32 metals and minerals were procured under this program where the percent in excess of the stockpile needs ran from the low of 125 percent to a high of 400 percent.

With these facts in mind, the committee yesterday acted wisely in supporting the amendments which will at least assist in giving some semblance of commonsense to the national stockpile program.

Mr. ULLMAN. Mr. Chairman, I rise in support of the legislation now before the Committee. I know of few programs of greater importance than that authorized by Public Law 480 and I urge its continuation through the adoption of H.R. 8609.

The 480 program affords one of those rare opportunities whereby accumulated farm surpluses can be disposed of abroad and, at the same time, U.S. foreign policy objectives strengthened. Since its inception in 1954, the program has done much to substantially increase U.S. agriculture exports. Title I sales alone have amounted to 843 million bushels of wheat, 210 million bushels of feed grains, 4 million bales of cotton, 3.6 billion pounds of fats and oils, and substantial quantities of several other farm products. The implementation of titles II and III have also been of importance.

One reason for the success of title I activities has been the work of organizations such as the Oregon Wheat League. Far Eastern sales have been generated by the league's activities and new types of wheat products geared to the traditional oriental diet have been developed. The success of this development program can best be illustrated by statistics showing a 20-percent increase in Japanese wheat consumption.

The 480 program has done much to alleviate hunger both here and abroad. Drought and flood stricken peoples throughout the world have received aid essential to their continued existence. Foodstuffs donated pursuant to the provisions of title III have permitted nonprofit voluntary relief agencies to carry on their feeding programs abroad. Similar work of equal importance has been carried on in this country.

Much more remains to be done, however. I am convinced that even greater use of our abundant food supplies can be effectively utilized to insure a proper nutritious diet for the needy. I strongly support the Sullivan amendment for a food-stamp plan for our own needy people. How better can we use our surplus commodities? The 480 program provides the framework for this humanitarian work and so I am pleased to vote for its continuation.

Mr. BREEDING. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from Missouri [Mrs. SULLIVAN] to establish a food stamp plan.

First, I wish to commend the gentlewoman for the fine job she had done in presenting this matter to the House. She appeared before the House Agriculture Committee and her presentation was most convincing.

I favor a food stamp plan for distributing surplus foods to needy persons. Such a plan would result in a more orderly distribution of foods. It also would protect the processors of wheat and other foods on the surplus list and it would protect the neighborhood retailers.

There is no doubt that when surplus foods are shipped into a depressed area for distribution normal trade channels are disrupted.

The amendment offered by the gentlewoman would, in my opinion, restore orderly distribution of the products and result in a better, more efficient system.

I am happy to support the amendment.

Mr. COHELAN. Mr. Chairman, I commend the gentlewoman from Missouri [Mrs. SULLIVAN] for her long-time concern and consistent work on behalf of a program to supplement the food supply of needy Americans, including senior citizens and families in want in both rural and urban areas and particularly those not on public assistance but certified by State or local welfare authorities as being in need of assistance, though ineligible under local statutes to supplement their food supply by using surplus crops which otherwise spoil in warehouses or rot in the fields for want of harvest.

Mr. YATES. Mr. Chairman, I am casting my vote for this bill after much thought and with many misgivings. I would not want my vote interpreted as continued support for this program and I reserve the right to vote against it the next time it is presented for consideration. I have consistently voted against high fixed price farm support programs and I was very much persuaded to vote against this bill for the reason that it is part of the total fixed price farm support program which is so unrealistic at the present time. Persuading me to the contrary, however, is the knowledge that even if this bill were not passed—and it is obvious that it is going to be passed the House—the surpluses would continue to mount because the law requires the Secretary of Agriculture to continue to purchase farm products through the CCC. Furthermore, this bill is useful in small measure at least for moving some of our surplus commodities and in feeding the needy people of the world.

The answer, of course, lies in changing the basic farm legislation and certainly the Congress ought to act on that with all dispatch.

Mr. BURDICK. Mr. Chairman, I rise to oppose the amendment offered by the gentleman from New York. The Great Lakes seaway brought the seven seas to the doorstep of North Dakota. The advantages which will flow from this new artery of transportation to the great wheat State of North Dakota are manifold. This great project has been opposed for many years by voices similar to those raised here today. If this amendment were adopted, curtailment of Great Lakes shipping would follow, and costs to the Government under the Public Law 480 program would increase. I urge my colleagues to defeat this amendment.

Mr. Chairman, there is, however, an amendment which will be offered by the gentlewoman from Missouri to establish a food stamp plan in connection with this law, which merits your support. This would authorize the Secretary of Agriculture to make our abundance available to undernourished Americans

and, at the same time, dispose of more of our agricultural surplus. I urge your consideration and approval of that amendment.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8609) to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, by extending the authorities of titles I and II, strengthening the program of disposals through barter, and for other purposes, pursuant to House Resolution 346, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. HOEVEN. Mr. Speaker, I demand a separate vote on the Sullivan amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros. The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment upon which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: On page 8, after line 23, insert the following new section 14 and renumber succeeding sections to conform:

"Sec. 14. Title III of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended by adding at the end thereof the following new section:

"Sec. 306. (a) In order to promote the general welfare, raise the levels of health and of nourishment for persons whose incomes prevent them from enjoying adequate diets, and dispose in a beneficial manner of food commodities acquired by the Commodity Credit Corporation or the Department of Agriculture in carrying out price support operations or diverted from the normal channels of trade and commerce under section 32 of the Act of August 24, 1935, as amended, the Secretary of Agriculture (in this section referred to as the "Secretary") is hereby authorized to promulgate and put into operation as quickly as possible, a program to distribute to needy persons in the United States through a food stamp system such surplus food commodities.

"(b) In carrying out such program, the Secretary shall—

"(1) distribute surplus food made available by the Secretary for distribution under this program only when requested to do so by a State or political subdivision thereof;

"(2) issue, or cause to be issued, pursuant to subsection (c), food stamps redeemable by eligible needy persons for such types and quantities of surplus food as the Secretary shall determine;

"(3) distribute surplus food in commercially packaged form, preferably through normal channels of trade;

"(4) establish standards under which, pursuant to subsection (c), the welfare authorities of any State or political subdivision thereof may participate in the food stamp plan for the distribution of surplus foods to the needy;

"(5) consult the Secretary of Health, Education, and Welfare, and the Secretary

of Labor, in establishing standards for eligibility for surplus foods and in the conduct of the program generally to assure achievement of the goals outlined in subsection (a) of this section; and

"(6) make such other rules and regulations as he may deem necessary to carry out the purpose of this section.

"(c) The Secretary shall issue, to each welfare department or equivalent agency of a State or political subdivision requesting the distribution of surplus food under subsection (b) (1), food stamps for each kind of surplus food to be distributed, in amounts based on the total amount of surplus food to be distributed and on the total number of needy persons in the various States and political subdivisions eligible to receive such food. The food stamps shall be issued by each such welfare department or equivalent agency to needy persons receiving welfare assistance, or in need of welfare assistance but ineligible because of State or local law, and shall be redeemable by such needy persons at local distribution points to be determined by the Secretary under subsection (b) (3).

"(d) Surplus food distributed under this section shall be in addition to, and not in place of, any welfare assistance (financial or otherwise) granted needy persons by a State or any political subdivision thereof.

"(e) In any one calendar year the Secretary is authorized to distribute surplus food under this section to a value of up to \$1,000,000,000, based on the cost to the Federal Government of acquiring, storing, and handling such food.

"(f) For the purposes of this section, a needy person is anyone receiving welfare assistance (financial or otherwise) from the welfare department or equivalent agency of any State or political subdivision thereof, or who is, in the opinion of such agency or agencies, in need of welfare assistance but is ineligible to receive it because of State or local law.

"(g) The Secretary of Agriculture, in consultation with the Secretary of Health, Education, and Welfare and the Secretary of Labor, shall make a study of, and shall report to Congress within six months after the date of enactment of this section, on the feasibility of, the costs of, and the problems involved in, extending the scope of the food stamp plan established by this section to include persons receiving unemployment compensation, receiving old-age and survivors insurance (social security) pensions, and other low-income groups not eligible to receive food stamps under this section.

"(h) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this section."

The SPEAKER. The question is on the amendment.

Mr. HOEVEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 232, nays 127, answered "present" 2, not voting 76, as follows:

[Roll No. 141]

YEAS—232

Adair	Barrett	Bray
Addonizio	Bass, Tenn.	Breeding
Albert	Beckworth	Brewster
Alexander	Bennett, Fla.	Brock
Anderson,	Bennett, Mich.	Brooks, La.
Mont.	Blatnik	Brooks, Tex.
Andrews	Blicht	Broomfield
Ashley	Boggs	Brown, Mo.
Aspnall	Boland	Buckley
Balley	Bolling	Burdick
Baker	Bonner	Burke, Mass.
Baring	Boyle	Byrne, Pa.
Barr	Brademas	Carnahan

Carter	Jennings	Pfost
Casey	Johnson, Calif.	Philbin
Celler	Johnson, Md.	Poage
Chelf	Johnson, Wis.	Porter
Church	Jones, Ala.	Price
Clark	Jones, Mo.	Prokop
Coad	Judd	Pucinski
Cohelan	Karsten	Quigley
Conte	Karth	Rabaut
Cook	Kasem	Rains
Cooley	Kastenmeier	Randall
Corbett	Kee	Reuss
Daddario	Kelly	Rhodes, Pa.
Daniels	King, Calif.	Rivers, Alaska
Delaney	Kirwan	Roberts
Dent	Kluczynski	Rodino
Denton	Kowalski	Rogers, Colo.
Diggs	Lane	Rogers, Fla.
Dingell	Lankford	Rogers, Mass.
Donohue	Lennon	Rogers, Tex.
Dorn, N. Y.	Lesinski	Roosevelt
Dowdy	Levering	Roush
Doyle	Libonati	Rutherford
Dulski	Loser	Santangelo
Durham	McCormack	Saund
Edmondson	McDowell	Saylor
Fallon	McFall	Sott
Feighan	McGinley	Selden
Flood	McGovern	Shelley
Flynn	McMillan	Sheppard
Foley	Macdonald	Sikes
Forand	Macrowicz	Siler
Fountain	Mack, Ill.	Sisk
Frazier	Madden	Slack
Friedel	Mahon	Smith, Iowa
Fulton	Matthews	Smith, Miss.
Gallagher	Metcalf	Spence
Garmatz	Meyer	Staggars
Gathings	Miller, Clem	Stratton
George	Miller,	Stubblefield
Giaino	George P.	Sullivan
Granahan	Mills	Teague, Tex.
Gray	Mitchell	Thomas
Green, Oreg.	Moeller	Thompson, N.J.
Green, Pa.	Montoya	Thompson, Tex.
Griffin	Moore	Thornberry
Griffiths	Moorhead	Toll
Halpern	Morris, N. Mex.	Trimble
Hardy	Morris, Okla.	Ullman
Hargis	Moss	Vanik
Harmon	Moulder	Van Zandt
Harris	Multer	Vinson
Healey	Murphy	Walter
Hébert	Natcher	Watts
Hechler	Nix	Whitener
Hemphill	Norblad	Whitten
Hogan	Norrell	Wier
Holifield	O'Brien, Ill.	Willis
Holland	O'Hara, Ill.	Withrow
Holtzman	O'Hara, Mich.	Wolf
Huddleston	O'Konski	Wright
Hull	O'Neill	Yates
Ikard	Oliver	Young
Jarman	Patman	Zablocki
	Perkins	Zelenko

NAYS—127

Abbitt	Derwinski	Kitchin
Allen	Devine	Lafore
Andersen,	Dixon	Laird
Minn.	Dorn, S.C.	Landrum
Arends	Downing	Langen
Ashmore	Everett	Latta
Auchincloss	Fascell	Lindsay
Avery	Fenton	McCulloch
Ayres	Ford	McDonough
Baldwin	Forrester	McIntire
Barden	Frelinghuysen	Mack, Wash.
Barry	Gary	Mailliard
Bass, N.H.	Gavin	Marshall
Bates	Glenn	May
Baumhart	Goodell	Meador
Belcher	Grant	Michel
Berry	Gross	Milliken
Betts	Gubser	Mumma
Bosch	Hagen	Murray
Brown, Ga.	Haley	Nelsen
Brown, Ohio	Harrison	Ostertag
Broyhill	Henderson	Pelly
Budge	Herlong	Pirnie
Burleson	Hess	Poff
Bush	Hiestand	Quile
Byrnes, Wis.	Hoeven	Ray
Cahill	Hoffman, Ill.	Reece, Tenn.
Chamberlain	Hoffman, Mich.	Reese, Kans.
Chenoweth	Holt	Rhodes, Ariz.
Chiperfield	Hosmer	Riehlman
Coffin	Irwin	Riley
Cramer	Jensen	Robison
Cunningham	Johansen	St. George
Curtin	Jonas	Schenck
Curtis, Mass.	Kearns	Scherer
Curtis, Mo.	Keith	Schwengel
Davis, Ga.	Kilgore	Short
Derounian	King, Utah	Simpson, Ill.

1959

## CONGRESSIONAL RECORD — HOUSE

15219

Smith, Kans.	Tuck	Westland
Smith, Va.	Utt	Widnall
Springer	Wallhauser	Wilson
Thomson, Wyo.	Weaver	Younger
Tollefson	Weiss	

## ANSWERED "PRESENT"—2

Bentley	Knox
---------	------

## NOT VOTING—76

Abernethy	Flynt	Pilcher
Alford	Fogarty	Pillion
Alger	Hall	Powell
Anfuso	Halleck	Preston
Becker	Hays	Rivers, S.C.
Bolton	Horan	Rooney
Bow	Jackson	Rostenkowski
Bowles	Johnson, Colo.	Shipley
Boykin	Keogh	Simpson, Pa.
Burke, Ky.	Kilburn	Smith, Calif.
Canfield	Kilday	Steed
Cannon	Liscomb	Taber
Cederberg	McSween	Taylor
Collier	Magnuson	Teague, Calif.
Colmer	Martin	Teller
Dague	Mason	Thompson, La.
Davis, Tenn.	Morrow	Udall
Dawson	Miller, N.Y.	Van Pelt
Dollinger	Minshall	Wainwright
Dooley	Monagan	Wampler
Elliott	Morgan	Wharton
Evins	Morrison	Williams
Farbstein	O'Brien, N.Y.	Winstead
Fino	Osmers	
Fisher	Passman	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Bentley for, with Mr. Wainwright against.

Mr. Keogh for, with Mr. Simpson of Pennsylvania against.

Mr. Anfuso for, with Mr. Taber against.

Mr. Farbstein for, with Mr. Kilburn against.

Mr. Thompson of Louisiana for, with Mr. Lipscomb against.

Mr. Morrison for, with Mr. Van Pelt against.

Mr. Hays for, with Mr. Pilcher against.

Mr. Knox for, with Mr. Cederberg against.

Mr. Collier for, with Mr. Preston against.

Mr. Fino for, with Mr. Minshall against.

Mr. Morgan for, with Mrs. Bolton against.

Mr. Teller for, with Mr. Bow against.

Mr. Rooney for, with Mr. Smith of California against.

Mr. Dollinger for, with Mr. Alger against.

Mr. Powell for, with Mrs. Osmers against.

Mr. O'Brien of New York for, with Mr. Taylor against.

Mr. Passman for, with Mr. Teague of California against.

Mr. Burke of Kentucky for, with Mr. Becker against.

Mr. Fogarty for, with Mr. Flynt against.

Mr. Steed for, with Mr. McSween against.

Mr. Wampler for, with Mr. Williams against.

Mr. Evins for, with Mr. Winstead against.

Until further notice:

Mr. Johnson of Colorado with Mr. Halleck.

Mr. Rivers of South Carolina with Mr. Pillion.

Mr. Davis of Tennessee with Mr. Miller of New York.

Mr. Colmer with Mr. Morrow.

Mr. Elliott with Mr. Jackson.

Mr. Monagan with Mr. Horan.

Mr. Bowles with Mr. Dague.

Mr. Alford with Mr. Dooley.

Mr. Abernethy with Mr. Wharton.

Mr. Boykin with Mr. Martin.

Mr. Rostenkowski with Mr. Mason.

Mr. Magnuson with Mr. Canfield.

Mr. HARDY changed his vote from "nay" to "yea."

Mr. SHELLEY changed his vote from "nay" to "yea."

Mr. GOODELL changed his vote from "yea" to "nay."

Mr. BENTLEY. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. WAINWRIGHT]. I voted "yea." If he were present, he would vote "nay." Therefore, I withdraw my "yea" vote and vote "present."

Mr. KNOX. Mr. Speaker, I have a live pair with the gentleman from Michigan [Mr. CEDERBERG]. If he were present, he would vote "nay." I voted "yea." Therefore, I withdraw my "yea" vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SHORT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SHORT. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. SHORT moves to recommit the bill H.R. 8609 to the Committee on Agriculture.

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. COOLEY. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 305, nays 53, answered "present" 1, not voting 76, as follows:

[Roll No. 142]

## YEAS—305

Abbt	Bolling	Cook
Adair	Bonner	Cooley
Addonizio	Boyle	Corbett
Albert	Brademas	Curtin
Alexander	Bray	Daddario
Andersen,	Breeding	Daniels
Minn.	Brewster	Davis, Ga.
Anderson,	Brook	Delaney
Mont.	Brooks, La.	Dent
Andrews	Brooks, Tex.	Denton
Ashmore	Broomfield	Derwinski
Aspinall	Brown, Ga.	Devine
Auchincloss	Brown, Mo.	Diggs
Avery	Brown, Ohio	Dixon
Ayres	Broyhill	Donohue
Bailey	Buckley	Dowdy
Baker	Budge	Downing
Baldwin	Burdick	Doyle
Barden	Burke, Mass.	Duiski
Barr	Burleson	Durham
Barrett	Bush	Dwyer
Barry	Byrne, Pa.	Edmondson
Bass, N.H.	Cahill	Everett
Bass, Tenn.	Carnahan	Fallon
Baumhart	Carter	Fascell
Beckworth	Casey	Feighan
Belcher	Celler	Fenton
Bennett, Fla.	Chamberlain	Flood
Bennett, Mich.	Cheif	Flynn
Bentley	Chenoweth	Foley
Berry	Church	Forand
Betts	Clark	Forrester
Blatnik	Coad	Fountain
Blitch	Coffin	Frazier
Boggs	Cohelan	Friedel
Boland	Conte	Fulton

Gallagher	Lesinski
Garmatz	Levering
Gathings	Libonati
Gavin	Lindsay
George	Loser
Glaimo	McCormack
Glenn	McCulloch
Goodell	McDowell
Granahan	McFall
Grant	McGinley
Gray	McGovern
Green, Oreg.	McMillan
Green, Pa.	Macdonald
Griffin	Machrowicz
Griffiths	Mack, Ill.
Gross	Mack, Wash.
Hagen	Madden
Halpern	Mahon
Hardy	Mailliard
Hargis	Marshall
Harmon	Matthews
Harris	May
Healey	Metcalf
Hébert	Meyer
Hechler	Miller, Clem
Hemphill	Miller,
Henderson	George P.
Hoffman, Ill.	Milliken
Hoffman, Mich.	Mills
Hogan	Mitchell
Holifield	Moeller
Holland	Montoya
Holtzman	Moorhead
Huddleston	Morris, N. Mex.
Hull	Morris, Okla.
Ikard	Moss
Irwin	Moulder
Jarman	Multer
Jennings	Mumma
Jensen	Murphy
Johnson, Calif.	Natcher
Johnson, Md.	Nelsen
Johnson, Wis.	Nix
Jonas	Norblad
Jones, Ala.	Norrell
Jones, Mo.	O'Brien, Ill.
Judd	O'Hara, Ill.
Karsten	O'Hara, Mich.
Karth	O'Konski
Kasem	O'Neill
Kastenmeier	Oliver
Kearns	Ostertag
Kee	Patman
Kilgore	Perkins
King, Calif.	Post
King, Utah	Philbin
Kirwan	Poage
Kitchin	Poff
Kluczynski	Porter
Knox	Price
Kowalski	Prokop
Landrum	Pucinski
Lane	Quile
Langen	Quigley
Lankford	Rabaut
Latta	Rains
Lennon	Randall

## NAYS—53

Allen	Haley	Pelly
Arends	Harrison	Pirnie
Baring	Herlong	Ray
Bates	Hess	Reece, Tenn.
Bosch	Hiestand	Rees, Kans.
Byrnes, Wis.	Hoeven	Robison
Chiperfield	Holt	St. George
Cramer	Hosmer	Saylor
Cunningham	Johansen	Scherer
Curtis, Mass.	Keith	Short
Curtis, Mo.	Kelly	Smith, Kans.
Derounian	Lafore	Smith, Va.
Dorn, N.Y.	Laird	Utt
Dorn, S.C.	McDonough	Weiss
Ford	McIntire	Widnall
Freilinghuysen	Meador	Wilson
Gary	Michel	Younger
Gubser	Murray	

## ANSWERED "PRESENT"—1

Dingell

## NOT VOTING—76

Abernethy	Canfield	Evins
Alford	Cannon	Farbstein
Alger	Cederberg	Fino
Anfuso	Collier	Fisher
Ashley	Colmer	Flynt
Becker	Dague	Fogarty
Bolton	Davis, Tenn.	Hall
Bow	Dawson	Halleck
Bowles	Dollinger	Hays
Boykin	Dooley	Horan
Burke, Ky.	Elliott	Jackson

No. 143—18

Johnson, Colo.	Morgan	Smith, Calif.
Keogh	Morrison	Steed
Kilburn	O'Brien, N.Y.	Taber
Kilday	Osmers	Taylor
Lipscomb	Passman	Teague, Calif.
McSween	Pilcher	Teller
Magnuson	Pillion	Thompson, La.
Martin	Powell	Udall
Mason	Preston	Van Pelt
Merrow	Rivers, S.C.	Wainwright
Miller, N.Y.	Rooney	Wampler
Minshall	Rostenkowski	Wharton
Monagan	Shipley	Williams
Moore	Simpson, Pa.	Winstead

Speaker's desk the bill (S. 2424) to amend the Communications Act of 1934 in order to provide that the equal-time provisions with respect to candidates for public office shall not apply to news and other similar programs, and agree to the conference asked by the Senate.

The Clerk read the title of the bill. The SPEAKER. Is there objection to the request of the gentleman from Arkansas. [After a pause.] The Chair hears none and appoints the following conferees: Messrs. HARRIS, ROGERS of Texas, FLYNT, MOSS, BENNETT of Michigan, YOUNGER, and AVERY.

calling the first a "secondary consumer boycott" and the second, a "secondary boycott" without qualification.

In all cases of secondary boycotts two employers are involved. The union brings pressure upon the employer with whom it has a dispute (called the "primary" employer) by inducing the employees of another employer (called the "secondary" employer) to go on strike—or the customers not to patronize—until the secondary employer stops dealing with the primary employer. Or the union may simply induce the employees of the secondary employer to refuse to handle or work on goods—or the customers not to buy—coming from the primary employer as a way of putting pressure upon him.

So the bill was passed. The Clerk announced the following pairs:

On this vote:

Mr. Wampler for, with Mr. Dingell against.  
Mr. Preston for, with Mr. Lipscomb against.  
Mr. Horan for, with Mr. Taylor against.  
Mr. Cederberg for, with Mr. Osmers against.  
Mr. Collier for, with Mr. Teague of California against.  
Mr. Wainwright for, with Mr. Simpson of Pennsylvania against.  
Mr. Keogh for, with Mr. Taber against.  
Mr. Dollinger for, with Mr. Kilburn against.  
Mr. Anfuso for, with Mr. Van Pelt against.  
Mr. Farbstein for, with Mr. Minshall against.  
Mr. Teller for, with Mrs. Bolton against.  
Mr. Williams for, with Mr. Bow against.  
Mr. Winstead for, with Mr. Smith of California against.

Until further notice:  
Mr. Davis of Tennessee with Mr. Alger.  
Mr. Morrison with Mr. Wharton.  
Mr. Thompson of Louisiana with Mr. Pillion.

Mr. Abernethy with Mr. Martin.  
Mr. Hays with Mr. Halleck.  
Mr. Johnson of Colorado with Mr. Fino.  
Mr. McSween with Mr. Dague.  
Mr. Monagan with Mr. Merrow.  
Mr. Bowles with Mr. Moore.  
Mr. Morgan with Mr. Miller of New York.  
Mr. Pilcher with Mr. Mason.  
Mr. Flynt with Mr. Dooley.  
Mr. Evins with Mr. Canfield.

Mr. DINGELL. Mr. Speaker, I have a live pair with the gentleman from Indiana [Mr. WAMPLER]. I voted "no." If Mr. WAMPLER were present, he would vote "yea." Therefore, I withdraw my "no" vote and vote "present."

Mr. AYRES changed his vote from "nay" to "yea."

Mr. THOMSON of Wyoming changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at such point as they may wish in the RECORD.

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

There was no objection.

AMENDING COMMUNICATIONS ACT OF 1934

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the

ADJOURNMENT OVER

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

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

There was no objection.

LABOR-MANAGEMENT REFORM LEGISLATION

(Mr. THOMPSON of New Jersey (at the request of Mr. McCORMACK) was granted permission to extend his remarks at this point in the RECORD.)

Mr. THOMPSON of New Jersey. Mr. Speaker, because of many requests from Members of the House and Senate for information as to the effects of the Landrum-Griffin bill, Senator KENNEDY and I have prepared the following analysis of that bill's secondary boycott and hot cargo provisions. The following analysis sets forth the differences between the bills passed by the House and Senate:

SECONDARY BOYCOTTS AND HOT CARGO CONTRACTS

The House and Senate bills contain radically different provisions dealing with activities often brought under the misleading slogan "secondary boycotts." The phrase "secondary boycott" has no exact meaning today. The nature of the differences between the House and Senate bills can only be understood by agreeing upon more exact terminology and talking about specific kinds of activities or contracts.

Historically a "primary boycott" is a refusal to have dealings with an offending person. To induce customers not to buy from an offending grocery store would be a primary boycott. To persuade grocery stores not to buy Swift products would still be a primary boycott. For plumbing contractors not to buy the products of United States Pipe Co. would be a primary boycott. In each case the only economic pressure is leveled at the offending person—in terms of labor cases at the employer involved in the labor dispute.

The element of "secondary activity" is introduced when there is a refusal to have dealings with one who has dealings with the offending person. If housewives refuse to deal with any grocery store which deals with Swift & Co., there is a secondary boycott. It is also a secondary boycott for members of the Plumbers Union to refuse to work for any contractor who buys pipe from United States Pipe Co. Strictly speaking only the grocery store case is a boycott; the plumbers case should be called a secondary strike. But both are called secondary boycotts so that we can distinguish only by

The present law unequivocally forbids secondary boycotts in which a union induces the employees of a secondary employer to strike or refuse to perform their normal duties as a way of putting economic pressure on a primary employer. Section 8(b) (4) (A) provides:

"(b) It shall be an unfair labor practice for a labor organization or its agents—

(4) to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services, where an object thereof is: (A) forcing or requiring any employer or self-employed person to join any labor or employer organization or any employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of any other producer, processor, or manufacturer, or to cease doing business with any other person."

There is no dispute, therefore, about the prohibition of "secondary boycotts" in the sense in which the term was used by Senator Taft in 1947 and is used in this memorandum. As Senator Taft said, section 8(b) (4) (A) forbids all these secondary boycotts.

There is ground for controversy, however, about three separate issues:

(1) Whether there are "loopholes" in section 8(b) (4) (A) which can and should be closed without interfering with legitimate labor activities;

(2) Whether certain other activities and agreements which are outside the term "secondary boycotts" are so similar in their effect that they should be prohibited; and

(3) Whether secondary consumer boycotts should be prohibited.

The Senate bill takes a step in this direction by prohibiting hot cargo agreements by common carriers. It is subject to the criticism that it does nothing about true loopholes in the present law.

The House bill takes many long steps in these directions. It is subject to the criticism that it curtails essential labor activities which cannot be fairly classed with secondary boycotts.

It now becomes necessary to deal in detail with specific activities.

1. RAILROAD AIRLINE, AND PUBLIC EMPLOYEES

The NLRA definitions of "employer" and "employee" exclude various special categories of employees among them agricultural workers, Government employees and employees of railroads and airlines who are subject to the Railway Labor Act. Since section 8(b) (4) presently speaks of inducing "the employees of any employer," it does not apply to these groups.

The House bill extends the prohibition to secondary boycotts by agricultural workers, Government employees and employees of railroads and airlines. Apparently the theory is that the omission was simply a mistake in the original draftsmanship.