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Mr. DOUGLAS. Will the Chair please state the motion of the Senator from Illinois?

The VICE PRESIDENT. The motion of the Senator from Illinois is to recommit the bill to the committee with instructions to immediately report the bill without the amendment.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Texas. The motion is debatable, is it not?

The VICE PRESIDENT. The motion is debatable.

Mr. MORTON. Mr. President, has the motion been tabled?

The VICE PRESIDENT. The motion has not been tabled.

Mr. MORTON. Mr. President, I move to reconsider the vote.

Mr. RUSSELL. Mr. President, that motion is not in order.

Mr. KERR. A point of order, Mr. President.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The motion of the Senator from Kentucky is not in order.

Mr. JOHNSON of Texas. May we have order in the Chamber, Mr. President?

The VICE PRESIDENT. The Senate will be in order.

Mr. DOUGLAS. Mr. President—

The VICE PRESIDENT. The Senator from Illinois.

Mr. DOUGLAS. I think this is the quickest way to settle the matter. Let us recommit the bill to the committee with instructions immediately to report, striking out the amendment of the Senator from Michigan; bring the bill back before the Senate; vote the bill up or down; and go home.

Mr. McNAMARA. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNAMARA. Does it not require unanimous consent to consider the bill; otherwise, the bill would have to lay over for 1 day?

The VICE PRESIDENT. If the bill is reported from the committee, the bill must lie over 1 day unless unanimous consent is granted to proceed to the consideration of the bill.

Mr. DOUGLAS. Mr. President—

Mr. McNAMARA. Mr. President, if I correctly understand the parliamentary situation, if the bill were reported to the Senate, it would require unanimous consent for immediate consideration; otherwise, the bill would have to lay over 1 day.

The VICE PRESIDENT. The Senator is correct.

Mr. JOHNSON of Texas. But all we would have to do, Mr. President, is to make a motion to adjourn 10 minutes, if agreed to, and the Senate could then act on the bill. It would then be another legislative day, would it not, Mr. President?

Mr. DOUGLAS. Mr. President—

The VICE PRESIDENT. The Senator from Illinois.

Mr. DOUGLAS. I should like to defer my inquiry until there is a reply to the inquiry of the Senator from Texas.

The VICE PRESIDENT. The statement of the Senator from Texas is correct, since the Senate is in the legislative day of August 23.

Mr. DOUGLAS. A further parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. If the motion to recommit to the Committee on Public Works with instructions to immediately report the bill to the Senate, in 5 or 10 minutes, with the amendment of the Senator from Michigan omitted, were agreed to, would it then be in order to move that the Senate adjourn for 10 minutes; and, if the Senate adjourned, when the Senate reconvened, would there be a new legislative day?

The VICE PRESIDENT. The Senator is correct; it would be a new legislative day.

Mr. PROXMIRE. Mr. President—

The VICE PRESIDENT. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I deeply appreciate the position taken by the Senator from Illinois. I do not blame him one bit. However, I mean what I say—and I never meant anything more sincerely—when I say we have a big case to make tonight. I mean we have a big case to make. I have 756 pages of the RECORD to read, much of which still has to be read. Several pages of the RECORD have been read.

I have the floor now and I am ready to read. I want all Senators to know, if they wish to stay and listen, there is a lot of very good information to be presented. If Senators do not wish to stay, if they come back tomorrow night at this time I will still be here reading.

Mr. KNOWLAND. Mr. President, will the Senator yield so that I may propound a unanimous consent request, with the understanding that the Senator will not lose his right to the floor?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the distinguished minority leader without losing my right to the floor.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

PRINTING AS A PUBLIC DOCUMENT.

A STATEMENT ON THE RECORD OF CONGRESS AND ACHIEVEMENTS OF THE REPUBLICAN ADMINISTRATION SINCE 1953

Mr. KNOWLAND. Mr. President, as has been customary for a number of years, both majority and minority leaders of the Senate, at the close of a Congress, put into the CONGRESSIONAL RECORD and have printed as Senate documents their respective statements on the record of Congress.

At this time, I ask unanimous consent to have printed such a statement for the minority side in the CONGRESSIONAL RECORD, together with a review of the achievements of the Republican admin-

istration since 1953. I also request that, with the consent of the Senate, this statement and the review of achievements be printed, with any necessary revisions and corrections after the adjournment of the Congress, as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

REPUBLICAN REPORT ON THE 85TH CONGRESS, TOGETHER WITH ACHIEVEMENTS OF THE REPUBLICAN ADMINISTRATION, JANUARY 1953 TO AUGUST 1958

(By Senator WILLIAM F. KNOWLAND, of California, minority leader)

REPUBLICAN REVIEW OF THE 85TH CONGRESS (JANUARY 3, 1957-AUGUST 24, 1958)

The 85th Congress

In our constitutional system of government, our two major political parties—Republican and Democrat—are dominant throughout the Nation. They provide the main machinery for the election of Senators and Members of the House of Representatives to serve in each Congress.

The political party which elects the greater number of Senators gains the power to organize the Senate; the party electing the greater number of Members in the House has the power to organize the House of Representatives. In the national election of 1956, the Democratic Party elected more Senators and more Representatives than did Republicans, although the same election returned President Eisenhower, a Republican, to the White House for a second term.

The success of the Democrats in the 1956 congressional elections gave them the power to organize the 85th Congress in January 1957. They gained the status of the "majority" in both Houses of Congress. Thus, they organized the 85th Congress. In this Congress, Republican Members are called the "minority."

History will judge the 85th Congress not by the quantity but the quality of its legislative productivity.

In its two sessions beginning January 3, 1957, and ending August 24, 1958, the 85th Congress accomplished a substantial volume of legislative business.

The present report deals only with the highlights, or matters of significant public business, selected from the major public laws and resolutions enacted by the Congress.

Powers Stemming From Control of Congress

The power to control a Congress is very important. It means that the Democrats elect the chairman and the majority membership of all the powerful committees in the Senate and House. All bills and resolutions introduced in either House of Congress are referred to their respective committees. These committees investigate and study the subject matter of such of these bills as they select; they hold hearings upon them; they shape up the language and provisions of the legislation; and finally they may pigeonhole bills or report them to their respective Houses with or without recommendations. Only then does the whole Senate or House take action on the proposed legislation. It can be seen from this that control over the committees of Congress carries with it substantial power to shape the laws which govern the Nation's citizens and their interests.

Control of Congress also includes the power to control the legislative business on the floors of both Houses. Such control determines what measures will be called up for consideration and the order of the priority, subject to the rules of each House.

For example the decision to motion up Alaska statehood but to allow Hawaii statehood to remain on the Senate Calendar was

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a decision of the policy committee of the Democrats.

Legislation Is Generally a Compromise

This does not mean that the majority party can impose its absolute will on the whole Congress. Legislation in Congress is more often the result of compromise. The compromise is rarely between two tightly organized political parties. Members of both Houses are men of conviction and they vote according to what they believe is best for the national interest as they see it. They may be influenced by political party principles and other interests, all of which enter into the compromise and determine the resulting legislation. On numerous occasions there are what can be termed "party line" votes, where the majority of Democrats vote on one side and the majority of Republicans oppose them; but even here there will be some "crossing of party lines" by individual Members. Moreover, there are some great questions of public policy, like civil rights, labor-management relations, and foreign aid, which cut deeply into each political party and produce party splits or divisions. This is typical of almost every Congress no matter which party controls it.

85th Congress Reflects Political Party Principles

But control of the machinery of Congress does give the majority more power and opportunity to impress legislation with its party philosophy and principles. This was evident in the performance of the 85th Congress. In general, Democrats pressed for greater Federal spending, for the continued expansion of Federal Government powers and activities, for inflationary policies, for further expansion of Federal electric power and other public projects, for Federal subsidies and benefits of all kinds to individuals, States, and localities, regardless of the dangers of inflation, or the encroachment by the Federal Government on the functions of States and local governments, private business, and individuals. In the 85th Congress, too, Democrats were reluctant to remedy abuses by legislation in cases where the legislation might meet with disfavor among certain groups from which the Democratic Party hopes to draw political strength, as in the opposition of New Deal Democrats to effective labor legislation.

Republicans in the 85th Congress, on the other hand, generally voted on lines to curb Federal spending; to restrain the expansion of Federal Government activities except where there was a clear necessity for it; to avoid inflation by maintaining the value of the dollar and by keeping the expansion of money and credit within moderate bounds; to permit the State and local governments to share with the Federal Government in power and other public projects on a partnership basis rather than have the Federal Government do the whole job; and to discourage as much as possible Federal Government interference in the lives of individuals or with the activities of private enterprise. These attitudes stem from the philosophy and historic principles of the Republican Party.

In general too, Republicans in Congress sought to support the Republican administration of President Eisenhower while Democrats, with an eye to the capture of the White House in 1960, recognized no such obligation, except in foreign affairs. While the official Democratic leadership cooperated in many foreign policy issues, there was much carping criticism by Democrats from the sidelines.

It is only against this background of our Republican form of Government, our political party system, and the significance of control over the machinery of Congress that the performance of our two major parties in the 85th Congress can be fairly evaluated.

Highlights in the record of the 85th Congress

The 85th Congress began in January 1957 on a note of economy. It closed its second session on August 24, 1958, with an upward revision of the Federal debt limit to \$285 billion.

This change from economy to heavy spending resulted in part from the Russian launching of Sputnik I which led to great concern over the state of American technology, scientific education, and national defense. This concern was translated into larger expenditures in many fields, including the largest peacetime military spending program in history.

However, a large part of the spending reflected the Democratic Party's historic cure for economic recession—the enlargement of Federal Government activities and obligations. Democrats who control both Houses of Congress unleashed a barrage of spending bills, tax cut proposals, and public works plans which were strongly reminiscent of the New Deal. Bills introduced in the Senate alone would have committed the Federal Government to the spending of an extra \$43.7 billion in the next 5 years with the comparable House figure much larger. The money for such an extravaganza would have had to come from Government borrowing (causing dangerous inflation) or from increased taxes on our already burdened population. Carrying financial recklessness one step farther, Senate New Deal Democrats proposed to reduce taxes by \$6.2 billion.

Healthy Economic Progress Resumed

While Republicans in Congress resisted these attempts to expand Federal Government activities and launch unnecessary spending schemes, the Republican administration took more than 50 constructive steps to stimulate the economy and provide more jobs. Relieved of political pressure to spend its way out of the recession, Congress then supplemented the administration's efforts with legislation to spur the economy and meet the Nation's legitimate needs. Housing construction was stimulated; sound river, harbor, and flood-control projects were approved; water resource programs were expanded; unemployment compensation was extended and supported with Federal aids; defense programs were accelerated; taxes on the transportation of goods were lowered; the Small Business Administration was made permanent and small business enterprises were helped by tax revisions; education and welfare aids were enacted, and other measures offsetting recession were approved.

As the 85th Congress drew to a close, the economy took a healthy upturn with employment rising, business improving, individual income increasing, and personal savings reaching an all-time high. The Republican Party principle by which the Federal Government moderately supplements but does not supplant the operations of States, local governments, and private enterprises again proved to be the soundest means for resuming balanced economic progress.

Other domestic affairs

Safeguarding Farm Progress and Farmers' Freedom

In the course of the session, Democrats sponsored measures to freeze farm price supports and impose further restrictions and controls on farmers. Republicans in both Houses resisted these measures and when their opposition could not prevent the passage of the legislation freezing supports, the President vetoed it. Strong Republican opposition successfully prevented passage of another farm bill which would have expanded the acreage reserve program and production controls on milk and feed grains. Congress, toward the end of the session, extended the Agricultural Trade Development

and Assistance Act, the successful program originally launched by Republicans to dispose of farm surpluses abroad. Thwarted in its efforts to scuttle the Republican farm program which has greatly improved the farm economy, the Democratic leadership finally permitted passage of a bill making moderate improvements in Government programs and price supports. The result points to further gains in farm income, farm living conditions, and more freedom for the farmers.

Labor and Management

Investigations of the Senate (McClellan) Select Committee on Improper Activities in the Labor or Management Field exposed such shocking abuses in sections of the organized labor movement that remedial legislation was imperative for the protection of rank and file union members. This proved a poser for the Democratic-controlled 85th Congress. Their dilemma was how to satisfy outraged public opinion and union members who were victimized by many unscrupulous union leaders and yet not offend the powerful labor leaders who furnished political strength to the Democratic party.

S. 2888, a mild bill for registration, reporting, and disclosure of employee welfare and pension plans, was offered to meet this dilemma. It gave the appearance of doing something to protect employees while actually doing very little to safeguard welfare and pension funds and nothing at all about other abuses in the labor-management field. But while Democrats in the Senate strongly rejected all Republican attempts to give union members stronger protection against the real abuses in the labor movement, they were finally forced to come forward with a second bill (S. 3974) to accomplish that purpose. This bill was so inadequate to the need that Secretary of Labor James P. Mitchell, in a public statement, voiced his conviction that the bill "would provide only illusory protection to trade union members and to the public, as well as being almost impossible to administer."

Republican Members of the Senate offered many amendments to secure more freedom and democratic rights for rank and file union members, but lacking sufficient votes to override strong Democratic majorities, Republicans saw their amendments voted down. (See provisions of the bill, section on labor and management.)

Sent over to the House, the bill remained in the hands of the Democratic Speaker for over 40 days until public pressure forced its referral to the House Education and Labor Committee. This committee voted against consideration of the bill. Notwithstanding that vote, the House Democratic leadership brought the bill to the floor under the drastic procedure of suspension of the rules, which allowed no amendments practically making defeat of the bill certain. It was defeated.

The House went on to pass a companion bill to S. 2888 which, after being reconciled with the Senate bill in conference, was passed by both Houses and approved by the President.

National Defense and Mutual Security

The Russian launching of Sputnik I spurred a drive to accelerate and enlarge national defense programs and to improve and strengthen the military services. Final appropriations for the Department of Defense totaled more than \$40 billion for fiscal year 1959, the largest peacetime defense appropriation in the history of the country. This was in addition to increased expenditures in many other fields related to national defense.

The total was further enlarged by appropriations of more than 3 billion dollars for mutual security, the military and economic aid given by the United States to allies and friends abroad. In this connection, Repub-

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icans had to put up a strong fight to retain provisions of existing law preventing the extension of economic and financial aid to countries that ship war material to the Soviet Union and its satellites.

Concerned over weaknesses in defense administration and operations, Congress passed the Defense Reorganization Act improving efficiency, providing flexibility, and establishing clearer lines of command authority. By other acts, Congress took many steps to make the military service more attractive as a career. It also raised the mental and physical qualifications for induction into the Armed Forces to help in obtaining more personnel with leadership and technical abilities.

Missiles and Space

Clearly recognizing the implications to national defense, to the national interest, and to the peace of mankind of explorations in outer space, Congress established an independent agency—the National Aeronautics and Space Administration—under civilian direction to plan and guide space activities. This was supplemented by a nine-member National Aeronautics and Space Council, made up of heads of government departments and agencies and private individuals, to plan a comprehensive space program and coordinate the work of Federal agencies dealing with space activities. In addition, each House of Congress set up space committees for surveillance of space problems and activities. Approximately \$500 million in all was provided for space programs in the Federal Government for the 1959 fiscal year. By a concurrent resolution, Congress went on record favoring international agreements for the development and use of outer space for the peace and benefit of mankind.

Congress acted promptly to accelerate high priority missile programs and provided new funds for the purpose for use in 1958. The 1959 program for military missiles approximates \$6.7 billion and is under the control of the Defense Department.

Atomic Energy

In addition to other legislation in the field of atomic energy, Congress took two significant steps to advance President Eisenhower's historic atoms-for-peace and atoms-for-security proposals. The Senate consented to the ratification of the treaty for the Statute of the International Atomic Energy Agency by which the United States participates with 79 other nations in developing atomic energy for peaceful purposes. The Congress also enacted legislation to permit the United States to share atomic information with its allies, subject to certain safeguards in the national interest.

Democratic attempts were made to authorize additional expenditures in the atomic energy field twice as large as the President requested, but such unnecessary spending was not sustained in the final appropriations for such programs.

Public Works and Natural Resources

Public works is one field where the differences between our two major parties show up quite clearly. Driven by their desire to spend their way out of the recession, Democrats pressed for the enactment of the community facilities bill providing for loans to aid cities and towns in building public works. The Senate measure called for \$1 billion for this purpose and the House raised the figure to \$2 billion. Fortunately, enough economy-minded Democrats joined with a strong Republican vote to defeat the greatly expanded measure. Another Democratic-sponsored bill would have set up an Area Redevelopment Administration to loan millions of dollars to aid depressed areas. No economic or business standards were set up for such loans and no attempt was made to get at the real causes for depressed areas. The bill was a plain attempt to subsidize certain

industries and areas at the expense of others and could have led to loans on the basis of favoritism and political expediency. Another measure sought to expand Federal control of public power by permitting the TVA to build new powerplants with money from bonds instead of coming to Congress for funds. Strong Republican voting in the Senate and House helped to defeat such bills as these on the two principles of curbing Federal spending and restraining the indiscriminate expansion of the Federal Government into fields of State, local, and private concern.

The Omnibus Act of 1958 for rivers, harbors, flood control, and water supply finally became law after two earlier acts were vetoed. This bill, carrying authorizations of \$1,556,230,500, covers hundreds of individual projects located in every State of the Nation.

The Congress also approved the Massachusetts-Connecticut flood-control compact which provides for projects to lessen the danger of floods in that area. In addition, Congress provided for a large number of other flood and water conservation projects in many other areas of the country. The 5-year program for the development of the Nation's water resources initiated by the Republican administration in 1954 was carried forward with some 461 new starts made to bring the total of expenditures close to \$9 billion for the 5 years. Mineral resources and stabilization programs were approved.

Congress also authorized \$3.4 billion for the long-range national highway building program, and \$10 million toward the completion of the Inter-American Highway.

Congress rejected the lease-purchase program for private construction of public buildings which would have saved millions of dollars to taxpayers. But taxpayers will save an estimated \$500 million by Congress' refusal to approve a Democratic-sponsored attempt to have the Federal Government build Hells Canyon Dam. Federal construction of this dam has been rejected many times since 1950 in favor of private construction which is already underway.

Personal and Public Welfare

The Congress reenacted the impacted area school bill (Public Law 815 and 874, 81st Congress) and amended the law to make permanent the program for children of persons who reside and work on Federal property. The program was extended for 3 years to June 30, 1961. In approving the measure, the President stated he did so "despite serious reservations"; that while it was clear Federal responsibility existed to help local communities meet educational expenses for children whose parents live and work on tax exempted Federal property, Federal aid should not be permanently continued for children whose parents work on Federal property but live in the local community in much the same circumstances as other workers.

In response to the President's request for enactment of a 4-year education program, including scholarships to help develop scientific and technically trained persons, Congress extended the scope of the bill to include fellowships, loans, and State grants. It did not relate the scholarships to science. The Congress also enacted other legislation to further education, including out-service training for Federal employees.

In the field of public health, Congress extended the Hospital Survey and Construction Act for 3 years and expanded its scope to include diagnostic centers, hospitals for the chronically ill, rehabilitation centers, and nursing homes. It also provided other loans and grants for hospitals and medical and dental training facilities. Congress voted more funds for cancer research than can be efficiently used over the next fiscal year. Grants in aid totaling \$1 billion were author-

ized to train public health specialists, technicians, and administrators.

In addition to the enactment of a \$1.8 billion housing program designed to encourage the building of an estimated 200,000 homes, Congress enacted another law to hasten slum clearance and to construct public and college housing. Over strong Republican opposition, Democrats in Congress extended the benefits of public housing from low-income people to the middle-income group—nullifying the principle on which public housing is based.

In response to the President's request, Congress provided for the extension of unemployment compensation in the Federal-State system and retained the existing formula for such payments despite a Democratic-sponsored attempt to shift the whole burden to the Federal Government.

Congress, in its closing days, enacted a bill to increase social security payments by 7 percent, raise the taxable wage base from \$4,200 to \$4,800, increase payroll taxes, and increase the maximum family benefits to \$254 a month.

Veterans

Among the many laws enacted for the benefit of veterans were the increase of 10 percent in compensation for veterans with service-connected disabilities, and in allowances for dependents of veterans who are 50 percent or more disabled; increases in pensions to war widows; additional housing benefits for veterans; and an appropriation of \$25 million to make additional unemployment compensation payments to veterans.

Government and Civil Service

Spearheaded by Republicans, Congress made the most significant advance in the field of civil rights in 80 years by the enactment of the Civil Rights Act of 1957, which is basically designed to protect the Negroes' right to vote.

After many years Congress finally made it possible for Alaska to become a State, but ignored the claims of Hawaii to statehood.

Pay increases for postal workers, classified Federal employees, and unemployment compensation for Federal workers were voted.

In addition to passing over statehood for Hawaii, Congress took no action on home rule for the District of Columbia; no action to relieve the overcrowded dockets of Federal courts by provision of additional judges; no action on the President's urgent request to clarify the Constitution on the question of Presidential inability; and no action to meet the need for more effective laws on lobbying and Federal elections.

Foreign Affairs

On several occasions the 85th Congress had occasion to deal with important matters in the field of foreign affairs. Such measures were strongly supported by bipartisan action.

Middle East Resolution

During the Middle East crisis of January 1957, President Eisenhower asked for authority to use American Armed Forces to assist any Middle East nation requesting help against Communist aggression. A few Democrats in the Senate delayed action for almost 2 months while they vigorously criticized the administration and called for an investigation of its foreign policies. The resolution (referred to as the Eisenhower doctrine) was ultimately passed by overwhelming vote. The policy investigation continued until July but produced no committee recommendations—a fact carrying implications that the Democratic attack was made largely for political effect. During a second Middle East crisis in July 1958 when the President responded to Lebanon's request for troops to help preserve its independence, similar attacks were made by some Democrats prominent in the field of foreign relations. Nonetheless, the administration acted vigorously to defend small nations, to restrain ag-

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gressive communism in the Middle East, and to press in the United Nations for international measures to maintain the peace.

Condemnation of Soviet Repression and Brutality

In joint resolutions, under bipartisan sponsorship, Congress severely condemned Russian repression and brutality in Hungary, and expressed "the deep sense of indignation" of the American people on the execution by the Communist regime of former Hungarian Premier Imre Nagy and his colleagues.

United Nations Police Force

The Senate twice passed resolutions favoring the creation of a permanent United Nations police force.

Atoms-for-Peace and Peaceful Use of Outer Space

By Senate and House action, two significant steps were taken to advance President Eisenhower's historic atoms-for-peace proposal. These were approval of American participation in the Statute of the International Atomic Energy Agency designed to advance the peaceful uses of atomic energy, and authorization under proper safeguards of the exchange of atomic information and materials with our allies.

Congress also went on record favoring international action for peaceful exploration and use of outer space.

Mutual Security

Collective security having become vital to the free world's resistance to Communist aggression, Congress continued to appropriate mutual security funds in 1957 and 1958. The act of 1957 made two important innovations. First, economic aid, which up to then consisted largely of gifts, was placed on a repayable basis through the creation of a development loan fund. Second, the definition of "defense support" was tightened to preclude the use of these dollars for any other purpose than to help friendly countries keep a maximum amount of men under arms as a guarantee of protection. Although sharp cuts in mutual security funds were threatened in the appropriation act for fiscal 1959, the critical situation in the Middle East helped to induce Congress to grant funds substantially meeting the President's request.

Immigration

In the closing days of the first session, Congress enacted a bill of limited scope in the field of immigration, in place of the comprehensive program recommended by the President. The bill affected an estimated 60,000 aliens, providing relief in hardship cases and reviving 18,000 visas lost when the Refugee Relief Act expired in 1956. By another act it was made possible for some 30,000 Hungarian refugees to become permanent residents of the United States.

Section-by-section details of the record of the 85th Congress follow:

Agriculture

(Republican agricultural policies—designed to return a greater measure of freedom to American farmers while protecting their income—had some rough sledding in the Democratic-controlled 85th Congress. But even without full congressional support and implementation those freedom policies began to bear fruit in such forms as increases in farm income, assets, ownership, land value, and improved farm home living.)

Attacks on Soil Bank Program

In the first session of this Congress there was a serious danger that a Democratic majority in the House would end prematurely the acreage reserve part of the Republican-sponsored Soil Bank program. The House did in fact vote 192 to 187 to kill the acreage

reserve after 1957 crops. Of those who voted to kill the acreage reserve, 154 were Democrats and 38 were Republicans. Opposed to the sudden move were 141 Republicans and 46 Democrats. Fortunately for America's farmers, the House later reversed its position when it approved a Senate-House compromise agricultural appropriations bill providing for continuation of the acreage reserve for most 1958 plantings, thus protecting farmers by an orderly close of the temporary program.

Also in the first session, Congress failed to protect the best interest of the Nation's corn growers when Democratic majorities in both the House and the Senate defeated several Republican-sponsored bills designed to head off overproduction by setting more realistic acreage restrictions and encouraging participation in the soil bank.

President Vetoes Unrealistic Democratic-Sponsored Farm Bill

Early in the second session the Democratic-controlled Congress met a Presidential veto when it attempted to thwart the Republican farm program by freezing farm supports at 1957 levels.

The next major attack against Republican farm freedom policies came when House Democrats controlling important committees forced to the floor a farm bill which would have imposed more restrictions on farmers and cost billions of dollars. This bill (H. R. 12954) would have expanded the area of production controls to milk and feed grains. It authorized an acreage reserve program for corn and grain sorghums, although agricultural appropriations legislation just passed provided no funds for a 1959 acreage reserve program. The bill would have resulted in higher consumer costs for milk and bread.

After Republican Representatives and the administration pointed out these and other faults, the House refused 214 to 171 even to debate the measure. Voting to kill the bill were 162 Republicans and 52 Democrats. Voting to consider the catchall measure were 150 Democrats and 21 Republicans.

Congress passed a 3-year extension of the special school milk program just in time to keep the program from expiring and denying milk to children in summer camps, schools, and other nonprofit child-care activities. Extension had been delayed because the popular milk program had been included as a sweetener in the Democratic omnibus farm bill.

Another sweetener in the bill didn't fare as well, but eventually also won separate House consideration and approval. That was extension of the Agricultural Trade Development and Assistance Act, originally passed by the Republican 83d Congress for the double purpose of disposing of American farm surpluses and fostering sound foreign relations. This successful act expired June 30, and wasn't reinstated by Congress until the very end of the session.

New Farm Bill Aids Farmers

The rejection of H. R. 12954 left a much more workable Senate bill (S. 4071) as the major farm bill pending before the Congress. This bill sought to make changes in Government programs for cotton, rice, corn, and feed grains, commodities generally recognized as having the most serious problems. It incorporated the principle of gearing price supports to average market prices down to certain income-protecting limits. It also sought to give growers more freedom to plant by setting more realistic acreage allotments, eliminating allotments entirely in the case of corn.

Although this bill was reported June 28 this year, it didn't reach the Senate floor for action until July 23, where it was amended and passed on July 25.

The House Agriculture Committee offered a severely amended version of the bill for

passage under suspended rules permitting no amendments. The House rightly refused to accept it.

After still further delay that made it appear no general farm bill would be enacted, House Democrats in key positions relented and finally brought out another version of the bill more nearly in line with Senate provisions and Republican administration recommendations.

This bill won final passage. Although it abandons part of the proposed principle of gearing price supports to market prices, it permits lowering of support floors as a percentage of parity and allows more freedom to plant. Importantly, it also will eliminate escalator clauses for cotton, rice, and possibly corn.

Republican Farm Program Yields Beneficial Results

Progress toward Republican farm freedom goals was slowed but not halted by such Democratic foot dragging. Even with only partial congressional support, those freedom policies have begun to show results in such forms as (1) a 22-percent gain in realized net farm income in the first half of 1958 over the same period in 1957; (2) total income per person on farms at a new high record in 1957; (3) farm ownership at a record high and farm land values at an all-time high in 1957; (4) cash receipts from farm marketings in the first half of 1958 at 11 percent above the similar 1957 period, with prices of farm products averaging 8 percent higher and the volume of marketings up 3 percent; and (5) the best farm living conditions in history in terms of better homes with more conveniences.

Atomic Energy at Home and Abroad

(Republican policies of atoms-for-peace and free world security were supported by the 85th Congress. Some Democratic proposals tended backward toward Government monopoly and unnecessary spending. But by and large Republican atomic progress with freedom was advanced.)

The two most significant congressional accomplishments in the field were consent to the ratification in the first session of the statute of the International Atomic Energy Agency and passage in the second session of legislation permitting the United States to share atomic military information and materials with allied nations. Both accomplishments fulfilled Presidential requests and advanced the use of the atom for peace and security.

International Atomic Energy Agency

The statute of the International Atomic Energy Agency, a treaty signed by the United States and 79 other nations, grew out of President Eisenhower's historic atoms-for-peace proposal at the United Nations in December 1953. The agency is designed to advance peaceful uses of atomic energy and its application to industry, agriculture, and medicine.

Cooperation With Military Allies

The new law permitting, subject to certain conditions, greater exchange of atomic information and materials with military allies was requested by the President as an outgrowth of urgent free world discussions following the launching of the first Russian earth satellite last October. Its major effect is to lower substantially but selectively the walls of secrecy between the United States and its allies on nuclear weapons development. Congress wisely added safeguards to the President's recommendations to be sure that Congress would have veto power over exchange agreements and that the legislation wouldn't have the effect of creating new atomic powers among nations.

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Euratom

Another significant congressional accomplishment in the second session was passage of legislation approving a preliminary agreement between the United States and the six-nation European Atomic Energy Community (Euratom). The plan calls for the construction of 6 nuclear-power reactors to produce 1 million kilowatts of electricity and to cost an estimated \$350 million, of which \$135 million would be loaned by our Export-Import Bank. Congress authorized an initial appropriation of \$3 million toward a projected \$50 million in outright grants to be matched by Euratom for research and development. It also authorized the sale or lease of 30,000 kilograms of enriched uranium fuel.

Appropriations for Atomic Progress

In the second session, the Congress authorized an additional \$388,679,000 for the Atomic Energy Commission's construction program.

When it came to fiscal 1959 appropriations for AEC, Congress appropriated \$2,647,335,000.

These appropriations, added to the \$2.32 billion in the first session appropriations bill, plus earlier appropriations and other sums, helped provide a national and free world program for harnessing the elemental forces of the universe for freedom's defense and for the advancement of human welfare in many peaceful pursuits.

Government and civil service

(There were notable advances in keeping with Republican principles, both through legislation and Administration action, in promoting increased economy and efficiency in Government operations, in improving the civil service and post office system, and in bettering the status of the Federal employee. Many of these actions implemented Hoover Commission recommendations. Republicans spearheaded other advances in the field of civil rights, including statehood for Alaska.)

Civil Rights

For the first time in over 80 years, Congress enacted significant civil rights legislation. The Civil Rights Act of 1957 was designed basically to protect the Negroes' right to vote. It also set qualifications for Federal jurors, independently of State laws, and provided for an additional Assistant Attorney General to handle civil rights laws. In addition, it established a six-member, bipartisan Commission on Civil Rights, with a life of 2 years. The Commission is empowered to investigate alleged deprivations of voting rights because of color, race, religion, or national origin; and to study and appraise Federal laws, policies, and legal developments constituting denial of the legal protection of the laws.

The law as finally was enacted was limited in scope principally because of Democratic opposition in the Senate to Part III of the House-passed bill, dealing with enforcement powers to protect not only voting rights but a variety of civil rights.

Statehood

While Congress passed statehood for Alaska legislation, the Democratic leadership totally ignored the equally compelling case of Hawaii. The Republican administration had urged statehood for both of these territories in conformity to the platform pledges of both parties in 1956. The difference between Democratic promise and performance stands out, in view of the 1956 Democratic Party Platform pledge of statehood for both Alaska and Hawaii.

Passport Controls for the State Department

The President requested legislation giving the State Department express statutory authority to override recent Supreme Court rulings holding that the Department does

not have authority to deny a passport because of a citizen's beliefs or associations. He also sought clarification of authority to prevent Americans from using passports for travel to areas "where their presence would conflict with our foreign policy objectives or be inimical to the security of the United States." The Congress took no action on these recommendations.

Postal Rate and Postal Pay Increases

The Postal Policy Act of 1958 represented the culmination of several years of effort by the Republican Administration to obtain congressional approval of an increase in postal rates to offset evermounting deficits. (The administration, meanwhile, had modernized the Post Office Department, making effective use of management practices successfully developed by private industry.) These deficits were due to the more than doubled costs of postal service over the past 25 years, during which period postal volume had tripled; and except for parcel post, rates remained at levels that were entirely inadequate in view of increased costs.

This legislation also provided an over-all 10 percent increase in pay for 500,000 postal workers, retroactive to January 1, 1958.

Federal Employment

Congress passed and the President approved a 10 percent cost-of-living pay increase for classified Federal employees in the Executive Branch, as well as for those in the Legislative and Judicial Branches, retroactive to January 1, 1958.

In addition, Congress enacted legislation, requested by the administration implementing a Hoover Commission recommendation, to authorize the training of Government employees outside as well as within the agencies in which they are employed—such training to be under public or private auspices. The sum of \$18.4 million was appropriated for the fiscal year 1958 for additional unemployment compensation payments to Federal employees. This was in line with over-all provision that was made for appropriations to cover unemployed workers generally throughout the country.

Congress also adopted a model code of ethics to guide all Federal employees and officers in the proper conduct of their duties.

Second Hoover Commission Recommendations

Congress enacted H. R. 8002 to authorize the inclusion of expenditure limitation in appropriation acts and to revise budgeting practices of the executive branch so as to bring long-term spending projects under a mandatory annual review and prevent the accumulation of vast amounts of unspent carryover funds, often beyond further congressional scrutiny. This carried out a Hoover Commission recommendation, a task force of which claimed substantial savings if budgeting and accounting recommendations were all implemented. Other recommendations and achievements of this Commission are mentioned elsewhere in this report.

Federal Judiciary

Several steps were taken to reduce the excessive workload of the Federal court system. Thus, Congress raised from \$3,000 to \$10,000 the amount which must be in controversy to give the Federal courts jurisdiction in civil actions; removed jurisdiction of district courts over workmen's compensation cases under State laws; and relieved the chief judge of a circuit or district court from his administrative duties at age 70. But overcrowded dockets in Federal courts were ignored by the failure to increase the number of judges and court personnel.

Presidential Inability

In the light of the incapacity of former Presidents Garfield and Wilson and Presi-

dent Eisenhower's several illnesses, the President recommended that Congress act upon his proposal for legislation to clarify the Constitution, but this Congress did not act.

Campaign Funds and Lobbying

The need for more effective laws on lobbying and Federal elections has been amply demonstrated through investigations by several congressional committees. Moreover, the activities of labor organizations in these fields were highlighted by revelations of the Senate Select Committee on Improper Activities in the Labor or Management Field and other congressional investigations. Nonetheless, Congress enacted no legislation on these subjects.

Reorganization Plans

The Congress extended to June 1, 1959, the authority of the President to reorganize the executive branch of the Government, subject to rejection of a reorganization plan by simple majority vote of either the Senate or the House. Reorganization Plan No. 1 of 1957 abolished the Reconstruction Finance Corporation, transferring its functions to each of several agencies and departments. Reorganization Plan No. 1 of 1958 consolidated the Office of Defense Mobilization and the Federal Civil Defense Administration into a new agency, the Office of Civil and Defense Mobilization, in the Executive Office of the President, thereby establishing a single pattern of authority for nonmilitary defense functions.

Pensions for Presidents

Provision was made for pensions, office space, and staff for former Presidents.

Government finance and taxation

(Following historic principles of prudent and responsible Government finance, Republicans resisted Democratic proposals for income tax cuts and New Deal-type spending measures in the 85th Congress, and most of these proposals were rejected. The 3 percent railroad freight tax was repealed, but the income tax rates on corporate income and various other excise taxes on consumer goods were continued. The 85th Congress twice complied with administration requests to raise the Federal debt limit.)

Federal Debt Limits and Budget Control

After two consecutive balanced budgets under the Republican administration, fiscal 1958 ended with a deficit of \$2,813,000,000. This was due to heavily increased defense spending and antirecession programs. The fiscal 1959 budget was set at \$73.9 billion.

Congress also enacted a bill to authorize the inclusion of expenditure limitation in appropriation acts and to revise budgeting practices of the executive branch to prevent the large carry-over of unspent funds (see Government and Civil Service, section on Second Hoover Commission Recommendations).

In general, the 85th Congress cooperated with the President's requests regarding the debt ceiling and taxes. There was no increase in existing tax rates.

Freight Tax Repealed

The Congress did effect one important tax cut and that was in the form of a bill which repealed the 3 percent tax on freight shipments, but which extended for another year the wartime tax rates on corporate income and a wide range of consumer goods. The continuation of the excise levies will yield \$2,115,000,000. The bill also repeals the 10 percent tax on the transportation of passengers.

Excises Retained—Other Tax Adjustments

The 85th Congress also enacted a measure which continues a stopgap formula for taxation of life insurance companies. This law applies a 1955-56 formula for taxing income

of life-insurance companies to the taxable year 1957.

Tax Writeoff Amended

In the first session, the 85th Congress took action on the rapid tax amortization feature of Federal law. Designed to stimulate building of defense facilities, the 5-year fast writeoff has resulted in an estimated postponement of \$5 billion in Federal tax revenue over the period of 1950-60, at an interest cost to the Government of about \$3 billion. The law was first enacted during World War II, was reenacted during the Korean War and was continued thereafter. It was amended by this Congress to restrict issuance of rapid tax amortization certificates to new or specialized defense facilities and to research and development facilities for defense. As enacted, the new provisions are similar to policies the administration had already adopted.

Labor and management

(The need for effective labor legislation had become evident with revelations of the many abuses exposed in the organized labor movement—abuses which materialized largely because of a need to bring the law up to date. Later, these abuses were, and continue to be, highlighted by the hearings conducted by the Senate Select Committee on Improper Activities in the Labor or Management Field. While some progress has been made toward effective regulatory legislation, Democratic-controlled Congresses have, for the most part, frustrated every attempt to enact this much needed legislation.)

Recommendations of the McClellan Committee

The legislative recommendations of the Senate (McClellan) Select Committee on Improper Activities in the Labor or Management Field called for laws to: (1) Regulate and control pension and health and welfare funds; (2) regulate and control union funds; (3) insure union democracy; (4) curb middlemen in labor-management disputes; and (5) clarify the "no man's land" in labor-management relations. These recommendations were based on over a year-and-a-half of hearings and volumes of sworn testimony. Clearly, the mandate to the Congress was to enact effective legislation.

Many bills were introduced to do just this. However, the Democratic-controlled Labor and Public Welfare Committee saw fit to report out only two bills: S. 2888, to provide for registration, reporting, and disclosure of employee welfare and pension plans; and S. 3974, to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, and to provide standards with respect to the election of officers of labor organizations.

Pension and Welfare Funds

In April, when S. 2888 was being debated, Republicans offered many amendments to carry out recommendations of the McClellan committee. These amendments were then offered because there was a strong belief that the Democratic-controlled Congress might enact a mild bill on pension and welfare funds and do nothing else on labor legislation despite the outrageous abuses in the labor movement exposed by the McClellan committee. A solid phalanx of Democrats defeated the Republican efforts, but were compelled by pressure of public opinion to assure the Senate that a general bill dealing with abuses in the labor movement would be brought before the Senate.

On these assurances, S. 2888 finally passed with 46 Republicans and 42 Democrats supporting it. This bill provides: (1) All welfare and pension plans with membership of over 100 employees must be registered with the Department of Labor; (2) an annual,

audited report must be made by the administrator of a welfare or pension fund to the Department of Labor; (3) the Secretary of Labor is authorized to investigate situations in which it appears funds are being jeopardized; and (4) penalties for embezzlement, or other misuse of funds, are established.

The House passed a much milder companion bill (H. R. 13507) to S. 2888, and the two bills went to conference. The bill that came out of conference more nearly favored the House version than the Senate version. It provided mainly for the registration of information on pension and welfare plans, rather than providing for protection to the beneficiaries of such plans. Reporting was enlarged by a provision that exempted only plans covering not more than 25 employees. The bill was considerably weakened by the elimination of the powers of the Secretary of Labor to protect the interests of the beneficiaries of pension and welfare plans by conducting investigations, issuing subpoenas, and seeking injunctions to prevent violations of the act. Accepting the conference report as the best legislation obtainable, both Houses cleared the bill for the President.

Legislation to Protect Trade Union Members and the Public

After Republican attempts to amend S. 2888 proved fruitless, public demand virtually forced S. 3974 out of committee.

As reported, the bill was grossly inadequate. In an almost unprecedented move, Secretary of Labor James P. Mitchell strongly criticized the measure in these words: "After examining and analyzing the proposals that have just been made to the Congress by the committee, I am deeply disappointed to find that these proposals contain deficiencies and weaknesses of such magnitude that were they enacted into law, I am convinced they would provide only illusory protection to trade union members and to the public, as well as being almost impossible to administer."

As the bill was being debated on the floor, 12 Republican-sponsored amendments, each designed to secure more freedom and democratic rights for rank and file union members, were defeated. An overwhelming majority of Democrats joined together to bring about the defeat of each of these amendments.

Since S. 3974 was the only legislation likely to come from a Democratic-controlled Congress and there was the possibility of additional amendments by the House all Republicans in the Senate save one voted for the final bill. The bill provides: (1) All unions must publicly report their income and expenses, but the Secretary of Labor may exempt locals with fewer than 200 members or income under \$20,000 per year; (2) union officials must publicly report their holdings in companies or deals with employers their union represents or does business with; (3) employers and their middlemen agents must publicly report spending to influence workers' union activities; (4) jail sentences and fines are provided for false reporting, nonreporting, and destruction of union books; (5) subpoena powers are given to the Secretary of Labor to check the accuracy of reports; (6) any official violating the reporting provisions is barred from union office for 5 years; (7) anyone convicted of a felony is barred from union office until his voting rights are restored; (8) embezzlement of union funds is subject to a maximum penalty of 5 years in jail or a \$10,000 fine, or both; (9) unions may not lend more than \$1,500 to their officials; (10) an international union must explain in reports why local officers have been supplanted by trustees; also, trusteeships are limited to 18 months unless it can be shown that a longer period is needed; (11) secret elections must be held for all union officers or delegates who select international officers;

(12) local union officers are limited to 3-year terms, but international officers must be chosen at least every 4 years; and (13) a majority of a local union may oust their officials for misconduct.

The bill also provides that the National Labor Relations Board must take jurisdiction over all Taft-Hartley law disputes, but it may cede its jurisdiction to State agencies agreeing to follow its rulings; criminal penalties are provided for middlemen as well as employers who bribe union officials or any representative of an employer's workers; picketing to extort money from an employer is prohibited; economic strikers, as well as their replacements, are permitted to vote in NLRB elections to determine union representation; employers, as well as union officials, must swear they are not Communists to use the NLRB; and building trade unions can make agreements with construction employers before workers are hired and the union has established itself as the employees' representative.

S. 3974 as passed is woefully inadequate in many respects. Its major shortcoming is that it fails to carry out the three most urgent recommendations of the McClellan Committee: (1) It fails to impose a fiduciary relationship on union officials in charge of union funds (an amendment which would have accomplished this was defeated, with 42 Democrats voting against it); (2) it fails to provide for secret ballots for votes on vital union matters other than election of officers (an amendment which would have accomplished this was defeated by a vote of 31 yeas to 52 nays, with 40 Democrats voting against it); and, (3) it failed to clear up the "no man's land" problem wherein a State is not empowered to act under present law in those labor disputes where the NLRB declines to assert its jurisdiction (an amendment which would have granted authority to the States to take jurisdiction over labor disputes in which the NLRB declines to act was defeated by a vote of 37 yeas to 53 nays, with 40 Democrats voting against it). The bill also did nothing to protect the individual worker against the harmful effects of secondary boycotts and organizational picketing.

The bill (S. 3974) passed by the Senate June 17, 1958 went through a curious course in the House. The Democratic Speaker of the House kept it on his desk for more than 40 days before he referred it to the House Education and Labor Committee. No hearings were held on the bill. When motion was made in the committee to consider the bill, the motion was voted down 22 to 7, every one of the 16 Democrats present voting against it. Notwithstanding that vote, the Democratic leadership brought the bill before the House in the closing days of the session under suspension of the rules. This drastic procedure allowed only 40 minutes for debate—less than one minute for each of the 48 pages of the bill, permitted no amendments to the bill, and required a two-thirds vote for passage. The bill failed to pass by vote of 190 yeas to 198 nays.

National defense and mutual security

(Responding to continued tension in foreign affairs, Congress improved the strength of the Armed Forces by improved organization of the Defense Department, by increasing military personnel levels, by accelerating missile and bomber programs, by larger appropriations for ships and aircraft, and by raising the standards and attractiveness of the military as a career service. The Congress appropriated an unprecedented peacetime total of more than \$40 billion for the Department of Defense and more than \$3 billion for mutual security.)

Defense Reorganization

At the request of President Eisenhower, Congress enacted the Department of Defense Reorganization Act, strengthening control of the Secretary of Defense, granting flexibility

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to manage the huge Defense Department, and providing clearer lines of command authority. At the same time, Congress retained its traditional control over the roles and missions of the military services.

In the Reorganization Act, Congress gave statutory backing to the National Guard and the National Guard Bureau and reaffirmed the intent of Congress that there shall be naval aviation and a Marine Corps. Congress also provided that each military department will be separately organized under its own Secretary.

Congress retained the dual role of the military chiefs of staff as members of the Joint Chiefs of Staff, and also as military heads of their own services. The Joint Staff was enlarged to permit greater planning and advisory assistance for the Secretary of Defense.

Congress resolved the knotty problem of the powers of the Defense Secretary to change military functions by requiring the Secretary to report to Congress proposed changes in functions established by law. The Congress reserved to itself a time period in which to determine whether the proposed change involved a major combatant function or would tend to impair the defense of the United States. If Congress did not oppose the proposed change during a specified time span, the plan would go into effect.

Congress preserved the feature of existing law which grants military secretaries and members of the Joint Chiefs of Staff the right to come to Congress on their own initiative with their recommendations for the Department of Defense.

Under the act the President is permitted to set up unified or specified combatant commands, with the line of authority flowing from the Commander in Chief to the Secretary of Defense to the combatant commander.

Accelerated Missile and Bomber Funds, Fiscal Year 1958

To accelerate high priority missile and bomber programs as requested by the President, Congress, in February 1958, approved \$1.260 billion in new funds for use in the fiscal year ending June 30, 1958. Funds provided went for such projects as three submarines for launching the Polaris missile, construction of ballistic missile facilities and detection facilities, and building of dispersal and alert facilities for Strategic Air Command combat aircraft. (See Missiles and Space.)

Defense Appropriations, Fiscal Year 1959

For fiscal year 1959, Congress provided \$39,602,827,000 in new funds and \$535 million in transfers from cash revolving funds for military functions of the Defense Department. This was \$815,857,000 more than the President's revised budget request. Congress exceeded the President's request in such programs as increased military personnel strength, numbers of ships and aircraft, and acceleration of missiles.

Funds were provided to maintain the Regular Army at 900,000 strength through fiscal year 1959, instead of dropping to 870,000 by end of fiscal year 1959; to maintain the Army National Guard at 400,000 rather than dropping to 360,000 by end of fiscal year 1959; to build up the Army Reserve to 300,000, instead of 270,000 begin-and-end strength; and to build up the Marine Corps to 200,000 men instead of dropping to 175,000 as provided in the budget. Congress provided for 630,000 Navy and 850,000 Air Force personnel, as requested by the President.

Congress also provided in excess of budget requests: \$37 million for Army modernization; \$609,043,000 for 4 Polaris submarines in addition to 2 in the budget; \$11 million for speeding three Regulus submarines; \$48 million for more Hound Dog missiles for the B-52; \$90 million to ac-

celerate the Minuteman ICBM; \$65 million for the emergency fund of the Secretary of Defense; and \$5 million for the Army map program.

With the recent dispatch of United States marines and paratroopers to the Middle East clearly in mind, Congress approved \$140 million above the budget for troop carrier aircraft. Two amphibious ships for the marines were authorized by Congress which provided the \$69 million budget figure to cover the cost. Seven million dollars were earmarked by Congress for modernization of antisubmarine warfare vessels of the Navy's reserve fleet. To complete two destroyer escorts scheduled for cancellation for lack of funds, \$13 million was provided.

Congress funded 15 KC-135 jet tankers more than the administration asked, granting \$55,595,000 for aircraft and ground support equipment. These planes are used to refuel aircraft and thereby extend their range.

Military Construction

Congress also provided funds to accelerate military construction programs for ballistic missile bases, detection and warning systems, and for dispersal of Strategic Air Command bomber squadrons. This was an advance installment of the 1959 budget.

For regular military construction, fiscal year 1959, Congress approved more than \$1 billion to permit building research and testing facilities, troop and family housing, hospital and medical facilities, communications, aviation and shipyard facilities, and other military construction.

False Surrender Study Rumor

The White House labeled "nonsense" a press report that a nonprofit scientific agency working for the Defense Department was studying conditions in a nuclear war when United States surrender would be advisable.

In a statement issued from the White House August 15, 1958, the President's press secretary said, in part:

"There has been no public money spent to study how or when the United States might surrender. There will be no such money spent for such a purpose."

Referring to an amendment to the supplemental appropriation bill for fiscal year 1959, pending in the Senate at the time, to bar use of Federal funds for such a study, the statement continued:

"Evidently the Senate feels about this as does the President. It wants to require that no appropriations be used for such a purpose."

"As to that, the President wants me to say this. Even if he were given money for this purpose, it would not be spent. The whole matter is too ridiculous for any further comment."

As a further means of assuring the American people and the rest of the world that the United States is not contemplating surrender, the Senate by a rollcall vote of 88 yeas to 2 nays adopted the amendment.

Improving the Military as a Career Service

Combat readiness of our existing forces could be greatly improved if trained technicians and skilled personnel would remain in uniform, instead of leaving after their first or second tour of duty.

Therefore, to make the military service more attractive as a career, the Congress enacted pay raises for servicemen with at least 2 years of active duty, ranging from 3 to 41 percent. In addition, a system of proficiency pay for enlisted men and responsibility pay for officers was provided as a means of rewarding special skills and responsibilities, thereby encouraging trained experts to remain in the service. Hazardous duty pay was provided for military personnel who serve as human test subjects in thermal stress experiments. Military careers for nurses and medical specialists of the Army, Navy, and Air Force were also made more attractive by legislation increasing the perma-

nent grades they may obtain. Further, the Military Construction Act of 1957 authorized construction of housing, community and recreational facilities, as well as operational facilities, for members of the armed services. Privileges of servicemen overseas to send home duty-free gifts and to bring back their possessions free of duty were extended to July 1, 1959. Navy and Marine enlisted career reservists who complete 20 years of active service, were given the same retirement benefits for which regular enlisted personnel of these services are eligible. Congress also made permanent the Missing Persons Act which authorizes heads of military and other Government Departments to continue payments of personnel absent from their posts while designated as missing.

As another means of obtaining personnel with the leadership or technical ability needed to use today's complex weapons, there was enacted a law to permit raising the mental and physical qualifications for induction into the Armed Forces. Those deferred from induction because of failure to meet the higher standards will be subject to induction in event of an emergency.

To increase combat readiness of the naval air arm, Congress enacted a law requiring naval air cadets to serve at least 3 years of active duty following cadet training.

Republicans led the fight to provide the full budget request for funds to pay for medical care in civilian hospitals of dependents of Armed Forces personnel. In the brief period this program has been in effect, it has been a great morale booster. It is one of the most prized fringe benefits available to the families of men and women in uniform. Republicans were determined not to permit the program to be jeopardized for lack of funds.

Civil Defense and Defense Mobilization

Under Reorganization Plan No. 1 of 1958, the Federal Civil Defense Administration and the Office of Defense Mobilization were consolidated July 1, 1958, into a new agency, whose title was changed by subsequent Act of Congress to Office of Civil and Defense Mobilization.

The President's authority to proclaim a state of civil defense emergency was extended for 4 years to June 30, 1962. This would allow the President to bring into effect certain emergency powers to deal with an enemy attack or imminent attack.

In another civil defense move, the Congress passed a law giving the Federal Government joint responsibility with State and local governments for civil defense. The Federal Government could give to States radiological instruments, detection devices, gas detection kits, and similar devices at a cost of up to \$35 million a year for 5 years.

Up to \$25 million per year for 5 years could be contributed by the Federal Government to the States for personnel and administrative expenses, provided States employ a full-time civil defense director or deputy director. A maximum of \$2 million per year was authorized for contributions to States for personal equipment of State and local civil defense workers.

Miscellaneous Defense Matters

To assure prompt performance on contracts for guided missiles and other essential defense procurement, Congress extended the Defense Production Act for another 2 years to June 30, 1960. Under the act, the President may establish priorities for defense contracts, allocate certain materials for defense purposes, make loans and purchases to build up defense capacity, and establish a reserve for trained executives to fill Government positions in time of mobilization.

Committees of both Houses of Congress investigated the status of our defense preparations, with particular intensity after Russia launched the first sputnik last

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October 4. The Senate Preparedness Subcommittee January 23 issued a list of 17 principal areas where decisive action should be taken. Progress reports from the Department of Defense were required from time to time.

Congress also authorized the loan of 43 naval vessels to friendly foreign countries, the continued loan of one aircraft carrier, and the experimental use of 15 target vessels.

Mutual Security

President Eisenhower once again asked the Congress to continue support of our mutual security pacts by appropriating funds for military hardware and economic assistance to our allies. In requesting \$3.9 billion for fiscal year 1959, Mr. Eisenhower pointed out the consequences of abandoning the program: A severe dislocation and impairment of free world power; a crumbling of our strategic overseas positions and a forcing of these positions back to our own shores; a massive increase in our own defense budget requiring increases in taxes; a heavy increase in inductions of American youth into the Armed Forces; and ultimately "a beleaguered America, her freedoms limited by mounting defense costs, and almost alone in a world dominated by international communism."

President Eisenhower cited the increased strength of the free world over the past 8 years. "Since 1950 * * * the ground forces of countries associated with us for collective defense have grown to include nearly 5 million well-trained and equipped fighting men situated at strategic locations around the world. Naval forces have increased by over 100 percent, and the air forces of these nations now include 32,000 aircraft, of which 14,000 are jets."

As a means of preventing Communist subversion and economic penetration, Mr. Eisenhower urged continued technical assistance and economic development programs to help underdeveloped nations.

During debate on the mutual security authorizing legislation, there was an attempt to lift prohibitions in existing law so as to permit economic and financial aid to all Communist countries, except Russia, Red China, and North Korea, at the President's discretion. Under this so-called Kennedy amendment, nonmilitary aid could go to countries that ship war materiel to the Soviet Union or any satellite nation.

Republicans in the Senate led the fight to defeat this amendment, contending United States economic and financial aid to Communist countries only serves to entrench further the hold of Red rulers over their captive peoples. Republicans further argued such aid would involve billions of dollars, would subtract from aid available for nations friendly to us, and would increase the burden of the American taxpayers. By a rollcall vote of 43 yeas to 42 nays, the Kennedy amendment was stricken from the bill. Left on the statute books were Battle Act prohibitions against giving aid to countries that threaten the security of the United States.

Against the President's request for \$3.950 billion for foreign economic and military assistance, the Congress approved \$3.298 billion.

Missiles and space

(Arrival of space age creates serious military and civil problems for Congress. New agencies are established for space research, technology, and operations. Peaceful exploration and use of outer space is favored. Missile programs are strongly supported.)

Congress Deals With the Space Age

The successful leap into space by manmade earth satellites definitely opened the space age with all its grave military and other implications for the United States.

Both President Eisenhower and the Congress recognized the importance of turning

space programs to peaceful purposes for the benefit of mankind. They further recognized exploration into the new dimension of space cut across existing organizational lines and required new arrangements.

Therefore, at the request of the President, Congress provided top-level organization, necessary funds, and facilities for a new civilian space agency to have charge of the Nation's aeronautical and space activities.

Responsibility for the military portion of the space program was left with the Defense Department, where a new Advanced Research Projects Agency will direct military research in space technology and weapons of the future.

Congress established an independent agency, the National Aeronautics and Space Administration, under civilian direction to plan, direct, and conduct aeronautical and space activities, to arrange for the scientific community to aid in measurements and observations of space vehicles, and to disseminate widely information and findings.

At the same time, Congress imposed upon the President the duty of developing a comprehensive space program and of resolving differences among Federal agencies in connection with those programs. To aid the President, Congress set up a 9-member National Aeronautics and Space Council composed of the Secretaries of State and Defense, the Space Administrator, the Chairman of the Atomic Energy Commission, one other representative of a Government agency, and three private individuals who are eminent in science, engineering, or other professions. The President was designated Chairman of the Council.

The President requested \$125 million for the new Space Administration, including \$47.8 million for construction, equipment, and facilities needed immediately. Congress approved \$80 million. Together with \$117 million to be transferred from the Department of Defense, the Space Administration would have a total of \$197 million for nonmilitary space programs.

In addition, Congress approved \$23 million for research facilities and improvements and \$78,100,000 for salaries and expenses of the National Advisory Committee for Aeronautics, which will be absorbed by the Space Administration.

The Department of Defense has about \$294 million of 1959 funds for use on space activities primarily military in nature, making about \$500 million in all of 1959 funds directly applicable to space programs in the Federal Government.

Congress also took steps to assure continuing congressional surveillance of space problems and activities. The Senate created a 15-member standing legislative Committee on Aeronautical and Space Sciences with jurisdiction over the new Space Administration. "On the House side, a 25-member standing legislative Committee on Science and Astronautics was established with wider jurisdiction than its Senate counterpart.

Resolution Favors Peaceful Exploration and Use of Outer Space

The House and Senate approved a concurrent resolution putting the Congress on record favoring international agreements for peaceful exploration of outer space, for banning use of outer space for military aggrandizement, and for cooperation in scientific space developments to improve communications, weather forecasting, and other benefits.

Missile Programs Strongly Supported

The Nation's missile programs to date have been under the Defense Department. The total fiscal year 1959 program for missiles is about \$6.7 billion, of which about \$2.5 billion is for development and improvement of missiles. Of the \$4.2 billion for procurement of missiles, somewhat more

than half is for missiles going to combat units.

Congress has provided necessary appropriations to carry missile programs forward.

National economy

(The economic downswing which began last fall triggered a torrent of spending schemes by Democrats in both Houses of Congress. The Republican Administration refused to be panicked and, instead, calmly put into operation over 50 constructive steps designed to lead the Nation back to previous record heights of prosperity. As the Congress closed, many indicators pointed to an end of the recession.)

When it became clear in the fall of 1957 that an economic recession had set in, the 85th Congress was confronted with the problem of what it could do to stem the economic downturn.

President Eisenhower and Secretary of Commerce Sinclair Weeks, steadfastly expressed their confidence that the recession would level off and cited facts to support their views. In a matter of months this confidence was increasingly justified as unemployment dropped and business conditions steadily improved.

Democratic Spending Plans

Meanwhile, New Deal Democrats in both Houses of Congress unleashed a whole barrage of wild spending bills, unsound tax proposals, and public works plans that were strongly reminiscent of the New Deal. In the House and Senate combined, the total of nonduplicating spending bills introduced by Democrats would have cost the Government an estimated \$208 billion in five years. Such a sum amounts to one-half the value of everything made, produced, sold, constructed, and all personal income, profits, savings, etc., in the United States last year. It would have had to come from Government borrowing (causing inflation); or from increased taxes on our already burdened population.

Republican Administration Stimulates the Economy

The President, in contrast, took action and made solid, constructive proposals designed as part of the "orderly acceleration" to help spur business and provide more jobs. It developed that the Administration had taken over 50 separate actions to stimulate the economy. These steps included the easing of credit, stimulants to home building, increased highway outlays for the current year, a step-up in the urban renewal program, a \$5 billion jump in defense procurement in the first half of 1958 over the figure for the last half of 1957, the extension of unemployment compensation benefits, a post office modernization program, and the awarding of defense contracts to "labor surplus" areas.

In the President's annual economic report which he transmitted to Congress last January, he assessed the economic outlook and said: "There are grounds for expecting that the decline in business activity need not be prolonged, and that economic growth can be resumed without extended interruption."

Economic Progress Resumed

The President's appraisal of the economic picture was substantiated as the second session of the 85th Congress approached its close. Personal savings were at an all-time high, employment rose, individual income was climbing, and weekly factory wages hit a record high.

Legislation Speeds Recovery

The second session of the 85th Congress responded to the challenge of a recession by enacting legislation that included increasing the Federal debt limit; a \$1.85 billion housing construction bill; a bill authorizing 150 river, harbor, and flood control projects at an estimated cost of \$1.5 billion; and supple-

mental appropriations bills for defense and for the Department of Labor. At the President's request, the supplementary appropriations bill for Labor provided \$25 million more for unemployment compensation for veterans and \$18.4 million for unemployment compensation of Federal employees. The supplementary defense appropriations bill for fiscal 1958 made available \$1.260 billion in new funds and \$150 million in transfers from old funds to speed up high priority missile and bomber programs.

Aids to Railroads

As a means of strengthening and improving the national transportation system, Congress amended the Interstate Commerce Act to provide assistance to common carriers by railroad in acquiring and maintaining facilities and equipment. The Interstate Commerce Commission was authorized to guarantee loans to railroads from private sources to the amount of \$500 million. Railroads will also gain some advantage from the repeal of the 3 percent tax on freight shipments.

Small Business Aided

Congress made the Small Business Administration a permanent agency. A tax revision bill giving substantial aid to small business was enacted.

Public works and natural resources

(The basic differences between the Republican and Democratic Parties were sharply defined in legislation enacted or proposed by the 85th Congress in the fields of public works and natural resources. Contrasted to the Democratic philosophy of Federal control and Federal expenditures of taxpayers' money by a paternalistic Government, the Republican Party believes that the development of public works should be in the hands of local and State authorities whenever possible and with those authorities sharing the costs; that natural resources should be conserved and utilized but with the consent and authority of those most vitally affected.)

Party Differences Revealed in Legislation

Typical of the basic differences between the two parties was the attempt to enact the Democratic-sponsored community facilities bill as a so-called antirecession measure over the objections of the President. Passed by the Senate, the measure called for \$1 billion in loans to aid cities and towns in building public works. The House raised this figure to \$2 billion—an increase of 100 percent. This make-work bill would have added to the public debt and bypassed Congress on the loan plan by permitting funds to be paid out of the Treasury without congressional approval. It would have added fuel to the fires of inflation. Fortunately, economy-minded Democrats joined with Republicans in defeating this expanded bill.

Still another bill designated as an anti-recession measure passed by the Senate but not the House is the so-called Area Redevelopment Administration, set up within the Housing and Home Finance Agency, which would have loaned a \$100 million revolving fund each for the establishment of industries in both urban and rural areas. Still a third \$100 million revolving fund would have been used for public-facility loans to attract new industries to areas currently without sufficient water, sewage, and other facilities. Other provisions included urban redevelopment programs expanded to incorporate nonresidential redevelopment, information programs, vocational training, and subsistence payments for trainees under the guise of aiding unemployment. No consideration was given to economic or business standards or for the reasons for these depressed areas. This form of subsidizing certain industries and areas at the expense of others, with no criteria for eligibility, could

have placed the applicants on the basis of favoritism and political expediency.

Another measure adding to more Federal control of public power was the bill, passed by the Senate but not the House, to permit TVA to build new power plants with money from bonds instead of coming to Congress for more funds. The Senate ignored the President's request that TVA should obtain approval from the Treasury Department before issuing bonds and that its operations should be confined to the area now served and its expenditures to be reviewed in the Federal budget.

This Republican administration started and has continued instead the development of natural resources and public works, wherever possible, on the basic theory of shared responsibilities and costs with full participation by the Federal Government, States, and local communities and individuals.

During this second session of the 85th Congress, some of these Republican-supported and sponsored proposals have met with congressional approval. Some have been defeated, delayed, postponed, or ignored. Some falling by the wayside would have saved overburdened taxpayers money while at the same time improving public works or conserving our natural resources.

Accomplishments in Public Works and Natural Resources

The Omnibus Act of 1958 for Rivers and Harbors Flood Control and Water Supply finally became law after two vetoes by the President—vetoes caused by including projects which were not approved by the Corps of Engineers or whose feasibility were of doubtful value.

Increased authorization was given for the Republican-sponsored national road building program for primary, secondary, and urban roads with some control over billboards. A record \$3.4 billion in Federal highway aid is being allocated. The President approved this bill but stated he did so with serious misgivings because certain provisions could create unfortunate precedents. Among them were the substitution of a two-for-one ratio which violated the long established principle of a 50-50 sharing of Federal and State costs; the \$115 million Federal advance to the States to aid in financing their one-third share; and incentive payments to encourage the States to regulate highway advertising to be furnished from general tax revenues rather than from highway user tax revenues. This is but another distortion of an Administration-sponsored program with its expanded drain of the Federal Treasury adding to the huge deficit already confronting the taxpayers.

With statehood for Alaska now a reality, encouragement is being given to develop her natural resources and thus Congress approved a measure to stimulate the oil and gas leases of inland underwater areas in that new State.

Other public works receiving approval of Congress include the Massachusetts-Connecticut Flood Control Compact which will lessen the devastation from floods in that area and the authorization to construct four units of the Chief Joseph Dam Project as well as authorization of water conservation projects in New Mexico and Texas to aid in satisfying their water needs.

Another conservation measure approved by Congress is that of limiting withdrawal of public lands by the Defense Department to 5,000 acres unless specifically authorized by Congress.

Also approved was \$10 million in funds for the Inter-American Highway; an extension and enlargement of airport aid and a bill to provide coordination between the Government's fish and wildlife conservation programs and its water resource development projects.

In 1954, the Republican administration initiated a five-year program for water re-

sources projects. Projects costing \$3,723,300,000 are being carried forward under this regular five-year program. In addition, there have been 461 newly initiated projects (424 new starts in the Corps of Engineer's civil works program and 37 in reclamation) which will be built at a total cost of \$5,020,187,000. Included in this program is the Colorado River storage project, approved in 1956, at a total project cost ceiling of \$760 million—the largest single package water resource appropriation ever authorized.

Other Programs Fell by the Wayside

Congress adopted a resolution to accelerate civil construction and commended the administration for what it is already doing. But it rejected the lease-purchase program designed to permit private firms to build much needed post offices and other Federal office buildings and lease them to the Government, with the rent to apply to the purchase price. Thus, a program which would have saved millions of dollars to the taxpayers was not approved by Congress.

Once again there was an effort to revive the issue of a Federal dam at Hells Canyon despite its rejection by the administration and former Democratic-controlled Congresses. Through private construction the American taxpayer in saving an estimated \$500 million.

The partnership policy in the development of natural resources initiated by this Republican administration in order that local and State participation would assume a greater part in financing these projects, was given a setback by this Congress. Among these were such projects as the development of the power facilities of the Trinity Division of the Central Valley project in California; and the Fryngpan-Arkansas power and irrigation project authorization in Colorado, strongly backed by the Republican administration as projects where Federal construction is necessary and which was recommended by the administration in 1956, 1957, and 1958.

Personal and public welfare

(The welfare of the American people has always received prime consideration in the policies of both major political parties. The difference lies in the approach to that problem. The Republican Party is opposed to Federal compulsory plans in health, to Federal encroachment upon State and local control of education, and to the dole in any form. Believing that it is a Federal responsibility to assist in care for the aged, chronically ill, and totally disabled, as well as the care of our veterans, the Republican Party follows the adage of our first Republican President, Abraham Lincoln, in doing for the people only those things which they are unable to do for themselves. Freedom is endangered when government follows a paternalistic approach to the welfare of our citizens.)

Federal Aid to Education

The President sent a special message to Congress this year requesting prompt enactment of a 4-year educational program with emphasis on science in the interest of national security. His recommendations resulted in an \$887,400,000 education program, but eliminated in this compromise bill was the Chief Executive's proposal for Federal college scholarships. Instead, the Congress agreed upon a loan program for needy students costing \$295 million over a 4-year period. In addition to the student loan program, the bill provided for postgraduate fellowships, improved teacher education, an expanded vocational education program, foreign language centers, and Federal aid in the purchase of science-teaching aids. The student loan program would authorize loans up to \$1,000 a year at 3 percent interest and to be

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administered by the colleges and the Federal Commissioner of Education.

Specific Educational Assistance

Among other education legislation approved by Congress was the continuation of school aid for construction and maintenance in areas affected by Federal installations. The President, in approving this legislation, said he did so reluctantly in the belief that Federal aid in this field should be tapered off with the States and local communities assuming more of the financial responsibility for the reason that many Federal workers owned their homes in the communities and paid taxes to the State and community. Also approved were funds for grants-in-aid to public or nonprofit accredited schools of public health training, and in the administration of State and local public health programs; Federal grants to each State to aid in development of educational television; and out-service training for Federal employees to increase their efficiency. The rural library service, enacted in 1956, was extended although with twice as much funds as requested in the President's budget message.

Health

The Hospital Survey and Construction Act (Hill-Burton) was extended for 5 years and funds for four categories were included consisting of grants for construction of diagnostic centers of hospitals for the chronically ill; of rehabilitation centers; and grants for nursing homes, all nonprofit institutions. Also enacted into law were authorizations for loans for construction of hospitals and other facilities for those of certain religious beliefs whose precepts prevent them from accepting grants. Grants were given for construction of dental and medical schools. The Health Research Facilities Act was extended for 3 years, authorizing matching grants of \$30 million for the construction of research centers.

No Action Taken on Other Major Proposals

Although the 84th Congress, under Public Law 813, authorized Federal funds to assist the States in establishing committees on education beyond high school, no appropriations were made then or in the 85th Congress. No progress was made in other major recommendations by the President such as Federal grants-in-aid to combat juvenile delinquency; the pooling of resources of small insurance companies and nonprofit associations so that a greater number of people could obtain the benefits of voluntary health insurance. Nothing has been done on legislation to require advance testing of chemicals to be used in foods to assure their safety for human consumption. No action was taken on the bill to create a 21-member temporary Presidential study commission on problems of the blind.

Children

Congress extended for 3 years the special milk program for children in nonprofit schools, summer camps, and other similar institutions. Encouragement was given to the expansion of teaching and research in the education of mentally retarded children through grants to nonprofit institutions of higher learning and to State educational agencies.

Social Security and Old-Age Assistance

Approved was a bill for a White House Conference on the Aging to be held before September 30, 1960, with recommendations to be made in such fields as employment, housing, medical care, and community activities for the elderly.

Authorization was given also for \$1 million grants-in-aid to train public health specialists, technicians, and administrators.

The President made several requests in his budget message for changes in both social security and old-age assistance. The request

for consolidated annual wage reporting for both income tax and social-security payroll tax to relieve employers of needless paper work was not acted upon. Also the request for modernizing the formula for public assistance with a view to gradually reducing Federal participation in its financing, in line with the belief that States should have greater responsibility, fell by the wayside. Nor was action taken on scientific super-grade positions for food and drugs; Indian sanitation facilities; or the transfer of Freedman's Hospital to Howard University for the purpose of increasing facilities for nurses and medical teacher training.

In the first revision of the social-security laws since 1954, increased benefits of 7 percent will go to 12 million retirees. Under this increase the minimum benefit will rise from \$30 a month to \$33, with an average increase of approximately \$4.75. Total benefits payable to a family will be raised from \$200 to \$254 a month. The first checks will go out in February 1959.

Additional benefits go to the retired person whose earnings exceed \$1,200 a year. Those in this category will not lose benefits for any month in which their earnings are \$100 or less. Previously, the maximum was \$80.

Federal contributions for public assistance provide \$197 million for this purpose. For the first time disability benefits are made retroactive. Dependent parents of a deceased person may now draw benefits although there may be a widow or child. In addition, dependents of disabled workers may now draw benefits and a person eligible for Social Security disability benefits will be permitted to draw full benefits even though drawing benefits from some other system.

There is an increase in the taxable wage rate from \$4,200 a year to \$4,800, as well as an increase in payroll taxes and an increase in the tax rate for self-employed persons to permit these larger benefits.

Housing

Congress enacted an emergency housing bill providing a \$1.8 billion housing program designed to encourage the building of an estimated 200,000 homes by extending the VA home loan guarantee and direct loan programs for 2 years; providing an extra \$1 billion to the Federal National Mortgage Association for FHA and VA mortgages on new homes where loans do not exceed \$13,500; providing an extra \$500 million to the Mortgage Association to be used to buy mortgages at the President's discretion to stimulate the economy; and further provisions for military housing. It also authorized \$150 million for direct GI loans and \$125 million more than Administration requests for urban renewal programs over the next 6 years. Added to this is \$400 million for college housing and a new fund of \$250 million for other college needs.

Unemployment Compensation Extension

Congress heeded the President's request for extension of unemployment compensation and followed his recommendation by making the time limit 50 percent of any State limitations. The formula for payments between Federal and State funds was retained despite agitation to place the entire burden on the Federal Government.

Small business

(Congress' concern for the problems of small business enterprises was reflected in several measures. The Small Business Administration was made permanent. Its loan funds were increased. It is empowered to charter privately owned investment companies for equity financing of small enterprises. And small business is the beneficiary of substantial revision of the tax laws.)

Small business enterprises received substantial aid from the 85th Congress on a bipartisan basis.

Small Business Administration Made Permanent

After the operations of the Small Business Administration had been extended several times since its establishment by the Republican Administration in 1953, this Congress made it a permanent agency of the Government. The revolving fund for business loans was increased by \$295 million, and the maximum loan limit was raised from \$250,000 to \$350,000. The SBA was directed to assist small firms in obtaining Government research and development contracts.

Other important measures enacted by the 85th Congress to assist small business were:

Authorization for the Small Business Administration to make disaster loans to small business concerns suffering economic loss as a result of excessive rain. The law amended the Small Business Act of 1953 to add the situation of "excessive rainfall" to conditions which may create a need for disaster loans, and made certain technical changes regarding drought eligibility.

Improvement of opportunities for small business concerns to obtain a fair proportion of Government purchases and contracts and to facilitate procurement of property and services by the Government. The Act removed needless inconsistencies, complexities and inequities in Government procurement procedures in order to improve small business participation in Government contract work.

Equity Financing for Small Business

A Small Business Investment Division was established within SBA, and is authorized to charter privately owned small business investment companies. An additional \$250 million was authorized to the existing revolving fund of SBA to provide the financial assistance to help meet the initial capital requirements of these new investment companies. These small business investment companies would, in turn, provide equity-type capital to small business concerns through the purchase of convertible debentures. SBA is also authorized to make loans to State and local development companies to enable them more effectively to assist small businesses.

Tax revision

Amendments to the Internal Revenue Code of 1954 provide tax revision for small businesses. This act provides ordinary-loss treatment (up to \$25,000 a year or \$50,000 a year in case of a husband and wife filing a joint return) where the original holder of small-business stock sells it at a loss; extends the 2-year net operating loss carryback to a 3-year carryback; permits enterprises to write off 20 percent of the cost of their depreciable, tangible personal property (both new and used) in the year of acquisition; increases the minimum accumulated earnings credit from \$60,000 to \$100,000; and provides that where the estate of a decedent consists largely of an interest in a closely held business, the estate is to have up to 10 years for payment of the Federal estate tax.

The Small Business Administration itself has established and put into operation an effective program of helping small-business firms throughout the country in the 5 years since it was created.

The Agency has approved more than 11,000 loans, totaling more than half a billion dollars; approved over 7,708 disaster loans for more than \$83 million; and awarded more than 40,000 individual contracts totaling more than \$1,700,000,000 to small-business concerns.

It has assisted countless thousands of additional small firms with their individual problems through counseling and by issuing various publications designed to assist small firms with all types of management and technical problems.

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Veterans

(Veterans' benefits and compensation increased. Dependents, widows, and orphans to get liberalized benefits. Housing aids extended. Education assistance broadened. Supplemental funds voted for unemployment compensation. Memorial and museum approved to honor American servicemen who died at Pearl Harbor.)

Benefits and Compensation Increased

Among the more important benefits enacted on behalf of veterans and their dependents in the 85th Congress was legislation providing a 10-percent increase in compensation for veterans with service-connected disabilities, and in allowances for dependents of veterans who are 50 percent or more disabled. Pensions for approximately 65,000 widows of the Spanish-American War, 4,000 Civil War widows, and 1,000 Indian War widows were increased to \$65 a month for those over 70 years of age, and to \$75 a month if they were the wife of the veteran during the period of his service; and proportionate increases were provided for Mexican War widows, of whom there are four on the rolls, and for children. Eligibility for widows' benefits was liberalized to include certain instances where a legal impediment to the marriage existed.

Housing and Education Aids Extended

Additional housing benefits for veterans were provided by extending the VA home loan guarantee and direct loan programs to 1960, by provision of extra funds for direct VA loans, for FNMA purchase of VA mortgages on new homes, and for purchase of military housing mortgages. (See subsection on Housing in Personal and Public Welfare, and section on National Defense.)

Other legislation enacted in the 85th Congress on behalf of veterans accomplished the following: the Korean GI bill (Veterans' Readjustment Assistance Act) and the War Orphans' Educational Assistance Act were clarified to make their benefits available to veterans and war orphans studying in the Panama Canal Zone, and also to war orphans in the Philippines; a supplemental amount of \$25 million was appropriated to make additional unemployment compensation payments to veterans during 1958; and the burial allowance for deceased veterans was increased from \$150 to \$250. Congress also consolidated into one act all of the laws administered by the Veterans' Administration.

Pearl Harbor Memorial

Also, Congress approved the erection of a memorial and museum at Pearl Harbor on or near the hulk of the U. S. S. *Arizona*, in tribute to the 1,102 American servicemen who died on the ship December 7, 1941, and whose remains cannot be recovered.

Foreign affairs

(Twice during the 85th Congress, the administration, with strong bipartisan support, acted vigorously to maintain peace, defend small nations, and restrain aggressive communism in the Middle East. This emphasized the need for mutual security funds. In other actions, Congress condemned Communist brutality and oppression in Hungary and Red China's failure to account for American prisoners in Korean war; resolutions call for permanent U. N. police force; legislation and treaties advance the atoms-for-peace program; immigration law falls far short of President's request.)

During both sessions, the 85th Congress dealt with serious crises in foreign affairs in addition to many other matters of international concern. The United States acted vigorously for peace as an individual nation, with its allies and friends, and by advancing the efforts of the United Nations toward the establishment of peace, law, and order.

Defending Small Nations in the Middle East

Following the Middle East crisis in January 1957, the President asked Congress for authority to use American Armed Forces to assist any Middle East nation requesting help against Communist aggression. After considerable delay occasioned by Democratic demands for an investigation of American policies, the Congress finally gave the President substantially what he requested. Supported by this authority the President ordered the Sixth Fleet into position to assist the Jordanian Government while the United Nations acted to relieve tension in the area.

Again in July 1958, when a second Middle East crisis arose, the United States moved American troops into the area at the urgent request of the President of Lebanon. At the same time, the United States pressed vigorously for action in the United Nations for preservation of the peace and protection of the independence of the threatened nations.

Mutual Security

Recurrent international crises of the Soviet Union's stepped-up economic drive to win uncommitted nations to communism continued to make collective security vital to American national defense and to the free nations' resistance against aggression. The 85th Congress continued to meet this need by providing our allies with military supplies and economic assistance though the sums appropriated did not meet the President's request. (See National Defense and Mutual Security.) Congress also authorized the loan of certain naval vessels to friendly foreign countries.

Congress Condemns Soviet Repression and Brutality in Hungary

In House Concurrent Resolution 204, the Congress condemned Russia for "brutal forms of armed subjugation" in her suppression of the Hungarian revolt during 1956. Again in June 1958, House Concurrent Resolution 343 called upon the President to express through the United Nations and through all other appropriate channels "the deep sense of indignation" aroused in the United States by the announcement of the Communist regime in Hungary of the execution of Imre Nagy, former Hungarian premier, and his colleagues, Pal Maleter, Jozsef Szilagyi, and Miklos Gimes. The resolution denounced these acts of barbarism and perfidy of the Soviet Union and the Hungarian Communist regime.

Other Resolutions Affecting Foreign Affairs

Resolutions adopted by the Senate or House, or by the 2 bodies jointly, included: condemnation of Red China for failing to account for 450 American prisoners of war taken in Korea; favoring the creation of a permanent United Nations police force; supporting NATO membership for Spain; and requiring the Secretary of State to submit all agreements other than treaties to the Senate within 60 days of execution.

Atoms for Peace

Following up the President's atoms-for-peace proposals, the Senate approved the treaty for American participation in the International Atomic Energy Agency; and authorized the exchange of atomic information and materials with our military allies. Legislation was also passed approving a preliminary agreement between the United States and the six-nation European Atomic Energy Community providing for the construction of nuclear power reactors and for atomic research and development. (See Atomic Energy at Home and Abroad.)

Peaceful Exploration and Use of Outer Space

Congress also went on record favoring international action for the peaceful exploration

and use of outer space. (See Missiles and Space.)

Legislation Affecting International Finance, Trade, and Development

Congress approved an amendment to the Anglo-American financial agreement of 1945 providing a more flexible formula for repayment by Great Britain of the \$3.750 billion loan. The Senate approved an agreement between the United States and Austria providing procedure for the validation of certain Austrian bonds.

Congress also extended the Export-Import Bank's lending authority for 5 years to June 30, 1963, the Export Control Act for 2 years to June 30, 1960, and the reciprocal trade agreements program for 4 years to June 30, 1962. The new Trade Agreements Act permits tariff cuts up to 20 percent below existing rates, but not more than 10 percent in a single year; and allows the cuts to be made at any time within 4 years beyond the end of the act's extension, or up to June 30, 1966. Congress may, by two-thirds vote, override the President's disapproval of the Tariff Commission's recommendations in escape-clause cases. Weaknesses in the internal economy due to excessive imports are to be considered in determining whether imports should be reduced to prevent harm to the national security. In escape-clause cases the President is authorized to increase duties as much as 50 percent above the 1934 tariff level. The President may also impose duties up to 50 percent ad valorem on imports now coming in duty-free.

The Congress authorized an additional \$10 million for completion of the Inter-American Highway. The Senate approved a number of treaties with foreign nations concerning commerce, navigation, fisheries, double taxation, and cultural relations.

Immigration

The Democratic-controlled 85th Congress failed to give President Eisenhower the comprehensive program he sought in the field of immigration. The President requested such changes as an updating of the census date of the national origins quota system, authority to transfer unused quotas under that system, and certain other changes in immigration laws to relieve hardships. Instead, Congress enacted some changes liberalizing the McCarran-Walter Act which were described as a "quarter loaf" of the President's program. The act eliminates mortgages on quotas under prior laws; revives unexpired visas under the Refugee Relief Act; authorizes the entry of an unlimited number of adopted children over a 2-year period, provides relief in hardship cases; gives non-quota status to certain quota immigrants including skilled specialists; and permits the Government to waive some impediments affecting the admission of certain aliens. Another act made it possible for some 30,000 Hungarian refugees to become permanent residents of the United States.

REPUBLICAN ADMINISTRATION'S ACHIEVEMENTS IN BRIEF, JANUARY 1953 TO AUGUST 1958*Foreign affairs: Waging peace*

Ended the stalemated war in Korea and reversed the previous foreign policy that had contributed to the loss of 600 million people behind the Communist Iron Curtain in the decade 1943 to 1953.

Avoided involvement in the hot war in Indochina; took steps to aid Vietnam and build up its army.

Held meeting at Geneva, Switzerland, with the heads of Russia, Britain, and France to pave the way for concrete actions to relieve world tension. President Eisenhower took the initiative by his impressive offer to exchange full armament information under adequate safeguards. Although Geneva fell

short of specific agreements and the general understandings did not result in the solution of the problems discussed, the meeting did relax world tensions at the time.

Ratified mutual defense treaties with the Republic of China (Formosa), the Republic of Korea (South Korea), and the Southeast Asia Collective Defense Treaty (SEATO), grouping together Australia, New Zealand, Pakistan, the Philippines, Thailand, Great Britain, France, and the United States. Associated the United States with the Baghdad Pact in the security and defense of the members of the pact.

Ended the military occupation of Western Germany and provided for the accession of the Federal Republic of Germany to the North Atlantic Treaty Organization.

Negotiated the Austrian State Treaty (signed by Austria, France, the Soviet Union, the United Kingdom, and the United States) by which Austria was reestablished as an independent state and the military forces of the Allied Powers and the Soviet Union were withdrawn.

Endorsed the President's authority to use the Nation's Armed Forces for the protection of Formosa and the Pescadores Islands, as a move to preserve peace in the Far East.

Developed the "Eisenhower doctrine" authorizing the President to use Armed Forces to assist any nation or nations in the Middle East requesting help in preserving their independence against armed aggression from any country controlled by international communism; and exercised this authority to assist Jordan in 1957 and Lebanon in 1958, while strongly supporting United Nations action for peace, stability, law, and order.

Continued economic and military aid to the nations of the free world, with increasing attention to Asia.

Extended the foreign trade agreements program, permitting tariff reductions under regulations designed to protect American jobs and business. Also, provided for American participation in the International Finance Corporation designed to help nations to develop their resources.

Assisted the new free government of Guatemala which removed the Communist regime.

Took the initiative against communism in all parts of the world.

Reaffirmed official policy against Red China's admission to the United Nations.

Supported a United Germany (resolution of 83d Cong.).

Condemned Soviet mistreatment of minorities and callous disregard of human rights (resolution of 83d Cong.).

Also condemned Russia for armed subjugation in Hungary in 1956; and again in June 1958 called upon the President to express through appropriate channels the "deep sense of indignation" aroused in the United States by the execution of Imre Nagy and other Hungarian nationals by the Communist regime in Hungary (resolution of the 85th Cong.).

Moved for adoption by Western Hemisphere nations of the Caracas resolution declaring communism a threat to freedom and pledging full consultation in the event of aggression.

Negotiated arms pacts to strengthen Central American countries against Communist subversion.

Acted to oust Americans in the United Nations who have served the Communist cause.

Brought about a settlement of the oil controversy in Iran, preventing the threatened Communist subversion of that country.

Proposed an international pool of atomic energy resources for peaceful uses. Approved a treaty by which the United States will participate with 79 other nations in the International Atomic Energy Agency for the application of atomic energy to industry, agriculture, and medicine. Further, the

United States, offered to furnish research reactors and to make available power reactors (Euratom). Provisions were also made for the exchange of atomic information and materials with our military allies.

Passed the Refugee Relief Act to admit, over a 3-year period, up to 214,000 persons to the United States in excess of the quota limit. Liberalized the immigration laws to afford relief in hardship cases, admit adopted children, revive 18,000 visas that had expired with the Refugee Relief Act, made other changes benefiting an estimated 60,000 aliens, and made it possible for 30,000 Hungarian refugees to become permanent residents in the United States.

Settled by negotiation the Italian-Yugoslav quarrel over Trieste which for years had threatened to cause war between the two countries.

Reiterated the traditional position of the Senate in favor of self-government and self-determination for all peoples in a move designed to give hope to the enslaved peoples of the satellite countries.

National defense; instant readiness safeguards Nation's security

Developed the greatest military strength the Nation has ever had, short of wartime, with emphasis on continuous combat readiness for any emergency.

Applied almost two-thirds of the Federal budget to national security (military defense, atomic energy development, stockpiling of strategic materials, military aid abroad) compared with only 32 percent in 1950 just before Korea.

Put atomic and other new weapons into the regular military arsenal for strategic and tactical use.

Increased by 50 percent long-range heavy-bomber striking power by increasing the number of planes in heavy-bomber wings to 45 each (formerly 30).

Equipped all Air Force fighter wings with jet aircraft; all medium-bomber wings with B-47's, which have intercontinental capabilities; and heavy-bomber wings (B-36's) are being replaced by all-jet B-52's. An improved model B-52 has just begun to roll off the production line.

Continued research toward nuclear-powered aircraft.

Launched the first nuclear-powered submarine *Nautilus*; others are following along. The *Nautilus* made the first voyage in history from the Pacific Ocean to the Atlantic Ocean by way of the North Pole, pioneering an underwater sea lane between the Eastern and Western Hemispheres. This extraordinary feat raised the prospect of a new trade route for commercial cargo submarines powered by atomic energy.

Brought the Marine Corps, consisting of 3 divisions and 3 air wings, to a high level of combat readiness, increased number of combat planes on hand and added to Marine firepower with atomic weapons.

Installed Nike missile batteries for defense of key American cities; developed the missile master, the country's first electronic system specifically for controlling and coordinating Nike batteries.

Completed reorganization of the Army into pentomic divisions designed to exploit to the maximum atomic warfare.

Built up the Reserves and National Guard to the highest state of readiness yet, better trained, organized, and equipped than ever before.

Greatly strengthened our continental defense; coordinated Army, Navy, and air units under the Continental Air Defense Command and improved fighter-interceptor forces and antiaircraft weapons.

Brought our combat-ready strategic fighting forces to their highest peak of preparedness in all three services. Strategic Air Command, the Marines, and Strategic Army Forces are ready for action on short notice.

Completed the main portion of the Distant Early Warning line which has gone into operation and began construction on extensions of the system. Extended warning protection along the Atlantic and Pacific approaches by constructing Texas towers (radar islands) and by Air Force and Navy airborne patrols.

Began reorganization of the Pentagon under the act which became effective August 6, 1958.

Abolished 192 joint committees in the Department of Defense and continued investigation to see whether more committees and advisory groups could be terminated.

Continued military aid to help equip and train forces of our allies, consisting of about 4,700,000 men, 2,500 combat vessels, and 32,000 aircraft (of which 14,000 are jets).

Made changes to improve the morale of service personnel, including pay raises, medical care for servicemen's dependents, liberalized benefits for survivors of servicemen and veterans, free college education for soldiers agreeing to remain in service 3 years for each year of training. Placed military personnel under the social security system on a permanent basis.

Developed a hydrogen bomb small enough to be carried by a fighter-bomber with a fighter delivery system more accurate than low altitude bombing.

Developed a new germ-killing gas which can disinfect entire buildings upon which germs are dropped.

Let a contract for development of a liquid fuel engine of about 1 million pound thrust.

Let contracts in proceeding on a priority basis with an Air Force bomber dispersal program to give 33 bases by end of 1961 accommodating one heavy bomber squadron per base.

Tightened the security risk program. Made permanent the Missing Persons Act which continues payments and family allotments in the case of military personnel absent from their posts while designated as missing.

Missiles and space

Proposed an independent agency to direct nonmilitary space programs, which Congress later authorized. A top-level advisory group, comparable to the National Security Council, was authorized to assist the President on space problems.

Launched four earth satellites as part of the United States participation in the International Geophysical Year.

Ordered the Defense Department to work on the problem of sending unmanned rockets and satellites to the moon for the purpose of exploration. Nearly 30 separate projects involving almost \$50 million have been programmed.

Proposed international agreement that outer space should be used only for peaceful purposes.

Ballistic missile systems are receiving highest priority: Polaris submarine missiles system, Atlas and Titan intercontinental ballistic missiles, Thor and Jupiter intermediate range missiles, and the antiballistic missile Nike-Zeus.

Successfully test fired the complete Atlas ICBM.

The Department of Defense is confident of meeting the schedule calling for operational availability of the Thor and Jupiter IRBM's by December 1958. Under an agreement with the United Kingdom, the Thor will be deployed at launching sites on British soil.

Defense officials also expect to achieve operational status of the Atlas ICBM during calendar year 1959, with Polaris and Titan to follow later.

One of the most difficult problems with ballistic missiles is the reentry problem. Defense scientists have successfully recovered two Jupiter IRBM nose cones and have successfully tested a nose cone which traveled more than 5,000 miles.

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Contracts have been let for development of components of the solid propellant ICBM.

Approval was given for building a two-station ballistic missile early warning system and associated communications at an estimated cost of \$500 million. Construction is already underway on the first of these stations.

Set up advanced research projects agency in the Defense Department to direct military space projects and weapons systems of the future.

Set up the post of director of defense research and engineering to supervise and coordinate military research projects.

Atomic energy for peace and security

Republican programs based on the principles of developing atomic energy—without Government monopoly—for peace, progress, and free world security have been an outstanding success in the past 5 years, as follows:

Enlisted free enterprise in a public-private cooperative program under the Atomic Energy Act of 1954 for the development of peaceful uses of atomic energy at home. Starting from 2 small civilian power reactor experiments in 1953, there were 8 civilian power reactors in fiscal 1958, producing 78,000 kilowatts. Fifteen more are under construction or scheduled for full operation before 1965. Four plants under construction represent a private investment of \$250 million and not a cent of taxpayers' money. For eight jointly sponsored projects not yet under construction, public funds of \$150 million or more than matched by private commitments of \$200 million.

Strongly supported public and private research on nuclear power production and many other peaceful uses of atomic energy which have resulted in many benefits. Since 1953, both the number of users and the dollar volume of sales of radioisotopes have trebled. A million medical patients are being diagnosed or treated with radioisotopes each year. In industry, saving through isotope use is five times what it was in 1953. Radioisotopes have such varying uses as locating and treating tumors, improving crops, measuring the thickness of tin cans, X-raying castings, locating leaks, preserving food, and eradicating pests.

Launched the atoms-for-peace program calling for international cooperation in using atomic energy for peace, and implemented it through bilateral and multilateral agreements, and through the International Atomic Energy Agency proposed by the President before the United Nations in 1953, and approved by Congress in 1957. A multilateral agreement with the six-nation group Euratom was negotiated and approved by the Congress in 1958.

Made the maximum contribution to national and free world defense and security by increasing many fold the number of atomic weapons, by improving their design to reduce radioactive fallout and meet specific military requirements, and by permitting a greater exchange of atomic military information and materials with allied nations.

National economy

Established a high level of economic activity—without a war.

Gross national product, personal income, and savings climbed to new high records. Every year since 1952 saw well over a million housing starts.

Decline in farm income was checked. Prices and income rose.

Small Business Administration became a permanent agency.

Administration refused to panic over business downturn by launching Democratic-favored spending spree. Instead, it put in operation constructive and well-planned programs, which included the following:

Defense contracts accelerated to \$13.4 billion in first half of 1958 as against \$7.9

billion in last half of 1957. Calendar year totals: 1958—\$23.6 billion; 1957—\$17.8 billion.

Spending increased in Federal highway programs by \$800 million over last fiscal year and plans call for an additional increase of \$600 million in fiscal 1959.

Acceleration of authorized civil works by \$200 million in current fiscal year.

Additional \$50 million provided in capital grant funds for urban renewal projects.

Reserve requirement of Federal Reserve banks reduced one-half of 1 percent on February 20, 1958, thereby freeing additional \$3 billion for lending.

FHA-insured mortgage down payments reduced, encouraging new housing.

Defense Department directed to funnel contracts to distressed labor areas and to small business generally. In February 1958, \$102 million in Federal contracts were set aside for small business, double the amount provided in February 1957.

Speed-up ordered in \$1 billion worth of urban renewal loans and grants handled by Housing and Home Finance Agency.

President ordered speed-up of \$300 million in HHFA loans for college housing.

Interior Department stepped up general construction program by \$25 million.

Unemployment compensation benefits extended.

Military construction programs accelerated.

Labor: Advancing interests of working men and women

Gave tax cuts which were the equivalent to a wage increase for every taxpayer; workers now keep more of what they earn.

Promoted harmonious labor-management relations, resulting in less time and wages lost on account of strikes; since Republicans took office there has been greater worker-industry peace than in any comparable post-World War II period.

Extended unemployment compensation insurance coverage to 4 million more people—the first major extension since the program began.

Urged and assisted State and local action on the growing migratory labor problem and developed draft legislation to regulate its interstate transportation.

Established a program of unemployment compensation for approximately 2½ million Federal workers.

Supported the passage of a 10-percent pay raise for all classified and legislative employees.

Urged States to modernize their unemployment compensation; 23 States increased jobless pay benefits and 7 lengthened the period.

Recommended and supported legislation raising the minimum wage.

Blacklisted minimum wage violators and recovered back wages for underpaid employees—in the most vigorous enforcement program since passage of the Davis-Bacon Act of 1935.

Recovered for workers, in 1955 alone, more than \$6 million due them from employers who violated either the Fair Labor Standards Act or the Walsh-Healey Act.

Speeded procedures of National Labor Relations Board for handling elections, settling disputes, and disposing of unfair labor practice cases.

Provided more effective attention to problems of women workers through newly created post in the Labor Department of Assistant to the Secretary for Women's Affairs.

Expanded vocational rehabilitation program; strongly enforced child-labor laws and health and safety standards; pushed apprentice-training and on-the-job training programs; helped veterans return to pre-service employment.

Expanded its occupational safety training program and assisted the States in pro-

moting programs to provide safe working conditions.

Vigorously supported legislation to bring about more union democracy and greater freedom for rank and file union workers.

Agriculture: Prosperity and freedom for farmers

The Republican administration has done a remarkably good job of untangling the web of agricultural problems created by the previous administration and heading the whole agricultural economy toward prosperity and freedom, as follows:

Halted the spiraling inflation which from 1940 to 1952 sent the index of prices paid by farmers up more than 100 percent. From January 1953 to June 1958, this index rose only 7 percent.

Continued to attack the basic cost-price squeeze problem to the benefit of farmers. Realized net income of farm operators in the first half of 1958 was at an annual rate of about \$13.3 billion—22 percent higher than in the first half of 1957. This was the greatest increase from a year earlier since the end of World War II when price controls were eliminated.

Stopped the postwar downtrend in farm prices. Prices received by farmers in the first half of 1958 were 8 percent above a year ago and 10 percent above 2 years ago.

Helped farmers cut their debts. Farmers have less than \$11 in debts for each \$100 of assets. In 1940 the ratio was \$19 for each \$100. Farm assets of \$188 billion as of January 1, 1958, are at an all-time high. Farm ownership is also at a record high, 2 out of every 3 farms being free of mortgage debt.

Enacted in 1954 a farm program providing some flexibility in formerly rigid price supports and acreage controls, which had piled up surpluses and depressed farm prices.

Enacted during the same Republican 83d Congress the now widely popular Public Law 480, providing both an effective domestic surplus disposal system and a sound foreign relations program. About \$1.5 billion worth of surplus commodities have been sold for foreign currencies and another \$1.4 billion bartered for strategic materials under the law.

Achieved notable success in other disposal programs also. In the 2-year period ending June 30, 1958, surplus commodities with a cost value of about \$8 billion were moved out of Government storage into consumption. Farm exports in fiscal 1957 set a new record of \$4.7 billion.

Started in 1955 the cooperative Federal-State rural development program, which despite Democratic delay, has done much to assist rural people on the lower rung of the economic ladder by helping them to help themselves.

Enacted the Soil Bank program in 1956, after fighting off Democratic attempts to return to rigid supports and controls. The acreage-reserve part of the Soil Bank, now drawing to an orderly close despite Democratic attempts to kill it prematurely, served well in preventing the surplus production in 1957 of 2 million bales of cotton, 6 million hundredweights of rice, 93 million pounds of tobacco, 225 million bushels of corn, and 175 million bushels of wheat. The conservation-reserve part of the Soil Bank continues at higher payment rates to help curb overproduction while conserving soil and water resources for future needs.

Inaugurated in 1956 the Great Plains program to combat wind erosion, dust storms, and floods in 10 States most often beset by these disasters. About 600 contracts for re-grassing and other conservation programs have been signed, involving 2 million acres.

Brought soil and water conservation activities through these and other programs to levels never before equaled, and extended more disaster and drought aid to farmers than ever before.

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Amended the internal revenue law to permit farmers to deduct expenditures for installing certain soil and water conservation practices. Saved farmers \$60 million a year by repealing tax on gasoline used in farming operations.

Extended social-security coverage to farm owners and farmworkers.

Returned the Farm Credit Administration to the control of farmers and in general made the agricultural credit system more responsive to farmers' requirements.

Provided larger loan authorizations for rural electrification loans and for rural telephone loans.

Expanded the special school milk program so that millions of additional children could receive this valuable addition to their diets.

Extended the Sugar Act and the Wool Act, and extended and expanded the brucellosis control program.

Established the Agricultural Marketing Service in the Department of Agriculture reorganization of 1953 to give greater emphasis to marketing and distribution of farm commodities.

Expanded research activities to develop new crops, new uses for crops, new markets, and reduced production costs.

Enacted in 1958, after still more Democratic attempts to increase Government interference, a program for cotton, rice, corn, and feed grains which is partly in line with Republican farm freedom policies.

Natural resources and public works: partnership instead of paternalism

Authorized the joint United States-Canadian St. Lawrence seaway project.

Authorized comprehensive program for deepening and improving connecting channels between Great Lakes to accommodate ocean-going vessels through the St. Lawrence seaway.

Approved construction of St. Lawrence River power project by State of New York and Province of Ontario, expected to generate second largest amount of power of any similar project in the country.

Approved 13-year \$32.9 billion highway construction and improvement program involving 440,000 miles of United States highways and roads. Total program is largest public works project ever authorized in United States history.

Increased Federal emergency relief highway funds for aid to States in which roads and bridges were damaged or washed out by hurricanes and floods.

Approved \$10 million in funds for Inter-American highway.

Authorized a 10-year \$500 million water pollution control program, providing grants-in-aid to States and municipalities to construct plants to purify polluted streams and other water sources.

Authorized a nationwide lease-purchase program to build new post offices, custom-houses, and other Federal buildings (program rejected by 85th Congress).

Authorized the third largest public power dam in the Nation—Priest Rapids Dam on the Columbia River; authorized hundreds of navigation, flood-control, beach erosion, and other river and harbor projects.

Authorized Federal construction of upper Colorado River water storage project covering 110,000 square miles in five-State area for eventual building of scores of multiple purpose dams and some 35 reclamation projects.

Authorized a \$90 million Mississippi Gulf sea level canal.

Approved survey of tides at Passamaquoddy Bay, Maine, for feasibility of hydroelectric power.

Authorized military public works program of between \$1 billion and \$2 billion in each session of the last three Congresses and approved appropriations for construction of numerous Army, Navy, Marine, and Air Force facilities.

Approved flood and hurricane disaster measures designed to house the homeless and to reestablish communications and transportation facilities.

Authorized scores of new reclamation, irrigation, and power projects.

Permitted the Federal Power Commission to license local public utility districts and private power companies to pay for and construct their own power projects.

Extended Water Facilities Act from 17 States to 48 States in a move to conserve the Nation's water and soil resources.

Authorized research program for feasible uses of saline water for human and commercial purposes.

Permitted Federal loans to local irrigation districts for construction, on Federal reclamation projects, of water distribution systems to be locally owned and operated.

Permitted multiple mineral development of the same tracts of public lands to encourage domestic sources of vital materials.

Provided for upstream watershed protection and flood prevention under local control, reversing a 20-year trend.

Rejected, by a majority vote in the Senate, an attempt to prevent a private utility from constructing Hells Canyon Dam on the Snake River as approved by the Federal Power Commission.

Extended minerals purchase program to include incentives for small mine operations.

Inaugurated long-range programs for mining and metallurgical research; intensified study of radioactive metals; continued synthetic fuels research; gave Federal Government more authority on surface resources in granting mining deeds.

Passed measures for additional conservation and propagation of fish and for the protection of grazing lands and wildlife refuges.

Approved extension of Federal Aid Airport Act to authorize a four-year, \$252 million program for annual matching funds to provide adequate and safe airports.

Approved conservation programs of many types, including improvement of western grazing lands through reseeding programs, water-spreading systems, and encouragement of soil and moisture conservation practices by range users.

Returned to the States their rights to submerged lands and resources off their coasts to their historical boundaries.

Authorized \$100 million Oroville Dam and Reservoir project on Feather River in partnership with State of California.

Authorized partnership plan for San Angelo irrigation municipal water project in Texas.

Established National Outdoor Recreation Resources Review Commission to administer administration's 10-year development programs, namely Mission 66 and Operation Outdoors, under the National Park Service and the Forest Service respectively.

Stimulated oil and gas leases of inland underwater areas of Alaska.

Authorized Massachusetts-Connecticut flood-control compact.

Authorized construction of four units of Chief Joseph Dam project.

Authorized water conservation projects in New Mexico and Texas.

Limited withdrawal of public lands by Defense Department.

Encouraged phosphate production.

Approved Merrimack River flood control compact.

Granted consent for Little Missouri River compact.

Personal and public welfare

General and Public Health

Established first Health, Education, and Welfare Cabinet position.

Enacted 1954 amendments to social security extending coverage to over 13 million more people.

Inaugurated many new health measures, including aid for building more nursing homes and chronic disease hospitals.

Greatly expanded vocational rehabilitation.

Increased medical research into major causes of death and disability.

Expanded training of practical nurses; provided funds for graduate training for public health personnel and for nurses planning careers in teaching, research, or administration.

Expanded the hospital survey and construction program with emphasis on building chronic disease hospitals, nursing, and convalescent homes for the chronically ill, aged, and physically disabled; established diagnostic and treatment centers; and provided special facilities for vocational rehabilitation.

Increased funds for costs of medical care for the aged, blind, disabled, and for dependent children.

Enacted a 5-year, \$25 million program for research and technical assistance for the problem of air pollution.

Extended and strengthened Federal-State water pollution control program.

Provided grants to States to support experiments, demonstrations, and studies to improve the care and treatment of the mentally ill.

Developed and provided funds for the Salk poliomyelitis vaccine program.

Greatly strengthened the Food, Drug, and Cosmetic Administration to increase the safety and purity of foods, drugs, and cosmetics.

Enacted a stringent Narcotics Control Act.

Extended school milk program to summer camps and other nonprofit organizations.

Initiated program for research in weather modification.

Liberalized the formula for Federal aid to States in public assistance programs.

Created Federal Council on Aging to meet the needs of our rapidly increasing elder citizens in the areas of income maintenance, medicine, mental health, and rehabilitation.

Education

Called White House conference on education, the first in history.

Accelerated school construction.

Initiated teacher program to cope with teachers shortage.

Accomplished higher rural school enrollment by strengthening child labor provisions of Fair Labor Standards Act.

Appointed committee of national leaders to consider ways and means of increasing Nation's supply of technically trained manpower.

Continued Federal aid in schools affected by Federal activities.

Extended veterans' educational benefits.

Initiated Federal and State study of education beyond high school.

Initiated program for 4-year science scholarship program.

Initiated legislation providing funds for grants-in-aid to public and nonprofit accredited schools of public health training and in administration of State and local health programs; for Federal grants to each State to aid development of educational television; and for out-service training for Federal employees to improve efficiency.

Authorized funds to develop library services in rural areas.

Authorized establishment of educational assistance program for orphans of World War I, World War II, and Korean conflict.

Set up National Library of Medicine.

Social Security

Extended coverage to farm workers, professional self-employed; to employees of State and local governments and ministers on a voluntary basis; as well as to members of the military services, farm owners, and operators.

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Extended benefits to retired persons, permitting them to earn \$1,200 a year without losing social security benefits and removing all restrictions on earnings for those retirees over 72 years of age.

Extended benefits to totally disabled persons at age 50 and also to widows by lowering the age requirement to 62.

Housing

Extended FHA-insured loan repayment time, raised loan limits on new and old house values, and lowered minimum down payments.

Continued and improved home and farm-house loan programs.

Enacted laws for FHA insurance on private construction of rental housing at AEC sites and permanent military installations.

Authorized many thousands of additional federally aided public housing units.

Government finance and taxation

Stimulated national prosperity; maintained the value of the dollar; put restraints on inflation; checked the recession.

Achieved two consecutive balanced budgets. In fiscal 1956, the surplus totaled \$1.626 billion; in 1957, \$1.645 billion. Only three times in the previous 20-year period of Democratic administration was the budget balanced. It was done in fiscal years 1947 and 1948, as the result of appropriation cuts made by the Republican 80th Congress, and in fiscal 1951, resulting from a "windfall" cutback from Korean war spending.

Reduced Government spending each year well below the \$74.3 billion spent in fiscal 1953, Truman's last budget year.

Extended the maturity of the Federal debt; moved more of the debt away from banks, where it contributed to inflation, and into the hands of long-term investors.

Tied in debt management actions with Federal Reserve System moves to keep the supply of money and credit in line with the needs of the country.

Present unbalanced budget (fiscal 1959) grows out of space age challenges and national defense needs.

New records set in savings bonds sales, reflecting public confidence in the country's economic future and in the Government's fiscal policies.

Gave the American people a whopping \$7.4 billion in tax cuts in 1954—the first tax cut since the Republican 80th Congress in 1948—including:

Three billion dollar cut in individual income taxes (an average of 10 percent).

One billion dollar cut in excise taxes on household appliances, cosmetics, and other items of everyday use.

Two billion dollar cut by abolishing the excess profits tax which was restricting the expansion of business and jobs.

One billion, four hundred million dollar cut by liberalized deductions and fairer tax treatment of millions of persons and thousands of businesses under the 1954 tax code.

Substantially revised taxes on small business.

Revised budgeting practices to prevent large carry-over of unspent funds.

Government and Civil Service

Checked the New Deal-Fair Deal trend toward centralization of power in Washington.

Replaced dictatorial actions, which tried to draft striking workers into the Army and seized private property illegally, with constitutional government.

Sold to private enterprise 25 federally owned synthetic rubber plants and the Inland Waters Corporation; and disposed of many business-type commercial enterprises conducted by the Defense Department and civilian agencies in competition with private enterprise. Property of substantial value

thereby was returned to local and State tax rolls.

Put into effect 14 reorganization plans to improve the operations and efficiency of Government departments and agencies, and to lower the cost of government.

Established the second Hoover Commission to study Government functions and operations, and the Kestnbaum Commission to study Federal-State-local functions and fiscal resources and to recommend proper allocation thereof. Government departments and agencies, wherever possible without legislation, have since implemented many of their recommendations (to improve the executive branch). It has been estimated that through 1957 nearly a half billion dollars had been saved by implementing Hoover Commission recommendations.

Modernized the Post Office Department, making effective use of management practices successfully developed by private industry, and substantially reduced its chronic deficit.

Brought about long-needed improvements in the civil service and in various government agencies; effected pay raises for Federal employees. Hundreds of thousands of Federal employees, who had been under a system of indefinite appointment with few rights, have won career status under an improved appointment system. Since January 1953 the competitive civil service has been extended to cover nearly 40,000 additional jobs. The percentage of all Federal jobs under the classified civil service has risen from 84 percent as of March 1, 1953, to 86 percent as of May 1958.

Provided for Federal employees low-cost group life insurance, with the Government sharing the cost; higher retirement benefits; unemployment compensation coverage; higher travel allowances; fairer overtime pay; longevity pay increases; and incentive awards.

Civil rights: Ending racial discrimination

Ended all segregation in the Armed Forces, veterans' hospitals, schools on military posts, and Government contracts.

Ended segregation in restaurants, theaters, hotels, schools, and places of amusement in the Nation's Capital.

Ended segregation in employment contracts to which District of Columbia is a party.

Prohibited (by Interstate Commerce Commission) discrimination in interstate bus and train transportation.

Protected jury-trial procedures by prohibiting recordings in Federal grand and petit jury deliberations.

Established President's Committee on Government Employment Policy to assure nondiscrimination in Federal jobs. A recent survey of Federal employment in a number of key cities indicated that 24 percent of Federal positions were held by members of minority groups.

Established the Committee on Government Contracts (headed by Vice President Nixon) to prevent discrimination in Government contract jobs, with the result that for the first time white-collar jobs are available to Negroes in public utilities, the chemical and aircraft industries, and the Federal Reserve System.

Announced refusal through Housing Administrator of Federal aid to cities defaulting in obligations to minority citizens.

Upheld Federal court processes in Little Rock, Ark.

Pressed for the first legislation in 82 years dealing with color and racial discrimination and established the bipartisan Commission on Civil Rights (originally proposed by President Eisenhower), as authorized by the Civil Rights Act of 1957. The Commission will investigate and report on alleged deprivations of voting rights, and study and ap-

praise laws, policies, and legal developments constituting denial of the equal protection of the laws.

For the first time in history, Negroes were appointed to serve in high positions such as Assistant Secretary of Labor, Presidential Assistant, and chairman of a presidential committee; since the beginning of 1953, 300 Negroes have been appointed to positions of responsibility in the Federal Government.

Veterans

Granted 5 percent increase in compensation in 1954 for disabled veterans and their dependents.

Granted 10 percent increase in compensation in 1957 for service-connected disabled veterans, and for dependents of veterans disabled over 50 percent.

Provided increased death compensation benefits in 1956 to survivors of veterans who died of a service-connected cause, such payments to be related to rank and pay.

Granted pension increases to widows of Spanish-American War, Civil War, Indian War, and Mexican War.

Liberalized criteria for determining eligibility of certain widows for pension benefits.

Provided farmhouse loan programs for veterans; supported legislation liberalizing direct farmhouse loans and permitting Government guaranteed loans to veterans for farmhouse purchase, construction, and repair.

Extended VA home loan guaranty and direct loan programs to July 25, 1960; provided extra funds for direct VA loans; and for FNMA purchase of VA mortgages on new homes.

Gave Korean veterans the same benefits and preferences as World War II veterans for civil service eligibility, war housing, home-steading, and GI training; extended period for education and training benefits to January 31, 1965; made clear that training benefits for Korean veterans and war orphans extended to Panama Canal Zone, and also to Philippines for war orphans.

Extended period during which veterans suffering loss of one or more limbs or permanent impairment of vision could apply for \$1,600 payment on an automobile; and extended eligibility to include veterans whose qualifying disability occurred subsequent to discharge and who applied within a certain period.

Consolidation into one act extensive body of existing laws pertaining to veterans and their dependents; provided automatic renewal of veterans' term insurance policies and simplified handling.

Increased funds for building veterans' hospitals to record amount; speeded construction.

Appropriated additional \$25 million for unemployment compensation payments to veterans.

Approved erection of U. S. S. Arizona memorial and museum at Pearl Harbor in tribute to 1,102 American servicemen who died aboard ship.

Communism in United States combated

Inaugurated an era of cooperation between Congress and the Executive in combating domestic communism.

Enacted long-needed Communist control laws which (1) outlaw the Communist Party; (2) grant immunity to witnesses before congressional committees; (3) impose heavier penalties for concealing persons from arrest; (4) impose heavier penalties on ball jumpers; (5) deny a Government pension to any Federal employee convicted of a felony; (6) revoke the citizenship of persons convicted under the Smith Act of advocating overthrow of the Government by force or violence; (7) make peacetime spying a capital offense; and (8) require registration of all printing presses owned or used by Communists.

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Set up Internal Security Division in the Justice Department to give exclusive attention to vigorous prosecution of antisubversive laws.

Obtained convictions of 71 persons under the Smith Act.

Ordered Communist Party to register under the Internal Security Act.

Deported more subversive aliens in 3½ years than during entire 20 years of Democratic control.

Weeded out security risks from Federal jobs.

Vigorously pushed congressional investigation of various Communist activities.

Reaffirmed determination to pursue congressional probes by joining Democrats in January 1955 in passing Senate Resolution 18 which declared that its appropriate committees should vigorously investigate the Communist international conspiracy.

Revised and improved security system in Government.

INCREASE IN DIVERSION OF WATER FROM LAKE MICHIGAN INTO THE ILLINOIS WATERWAY

The Senate resumed the consideration of the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test on a 3-year basis the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Alabama for 1 minute, without losing my right to the floor.

Mr. McNAMARA. Mr. President, I object.

The VICE PRESIDENT. Objection is heard.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Kentucky without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MORTON. I have tried my best to help the Senator on this matter. I should like to inquire how long the Senator will speak, because I am going home. When may I expect to be awakened?

Mr. PROXMIRE. When I said I had a great deal of documentation to make, I meant that it will take a long, long time. I do not know how long my voice will hold up, but it will be a long, long time.

Mr. MORTON. Does the Senator mind very much if I check out now?

Mr. PROXMIRE. That is all right.
Mr. MORTON. Kellogg 7-1704.
[Laughter.]

Mr. JOHNSON of Texas. Mr. President, will the Senator from Wisconsin yield to me to present a resolution?

Mr. PROXMIRE. I ask unanimous consent that I may yield to the Senator from Texas, without my losing my right to the floor, so that the Senator from Texas may present a resolution.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTIFICATION TO THE PRESIDENT

Mr. JOHNSON of Texas and Mr. KNOWLAND, the committee appointed on the part of the Senate to wait upon the President of the United States, appeared in the center aisle, and Mr. JOHNSON of Texas said: Mr. President, your committee, appointed to join a similar committee of the House to call upon the President and to notify him that the two Houses have completed the business of the session, report that the President advised them that he had no further communication to make to them.

ADJOURNMENT SINE DIE

Mr. JOHNSON of Texas. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Con. Res. 123) was read as follows:

Resolved by the Senate (the House of Representatives concurring). That the two Houses of Congress shall adjourn on Sunday, August 24, 1958, and that when they adjourn on said day, they stand adjourned sine die.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? The Chair hears none. Without objection, the resolution is agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be allowed to insert five articles on different subjects in the CONGRESSIONAL RECORD to be printed after adjournment.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE IN DIVERSION OF WATER FROM LAKE MICHIGAN INTO THE ILLINOIS WATERWAY

The Senate resumed the consideration of the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test on a 3-year basis the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield to the Senator from Illinois for a question.

Mr. DOUGLAS. Does the Senator remember that earlier in the evening the Senator from Illinois stated that the opponents of the diversion bill were organized for a filibuster?

Mr. PROXMIRE. I recollect that statement by the Senator from Illinois. I might say that this is an extremely complicated and difficult and comprehensive subject, and it will take me a very long time to explain it. I do not know the definition of a filibuster. However, I have a long list, drawn up for me by the Library of Congress, which includes many distinguished Senators, including some of the most outstanding on this side of the aisle, who are very good friends of mine, and who have engaged in discussion of bills for 12 days,

13 days, and, in one case, for 16 days. I feel that to discuss the pending bill for another 24 or 36 hours does not constitute a filibuster in the sense that we have had other proposed legislation discussed at much greater length.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from North Carolina for an observation, without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I merely wish to say—

Mr. JOHNSON of Texas. May we have order in the Chamber?

The VICE PRESIDENT. The Senate will be in order.

Mr. ERVIN. I merely wish to say to the able and distinguished junior Senator from Wisconsin, whose views on this matter I support, that if any Senator who lives below the Mason-Dixon line had pursued his course in debate, it would have been sufficient evidence beyond a reasonable doubt to prove that he was guilty of running a filibuster.

Mr. PROXMIRE. I appreciate the expression of my friend from North Carolina. Anytime he wishes to talk 24 hours on a bill, I certainly shall not consider it a filibuster. The Senate has discussed bills many times on several occasions for longer than the time that will be expended on this bill.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PROXMIRE. I ask unanimous consent that I may yield to the Senator from South Carolina for a statement, without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. The Senate has a rule whereby we may engage in extended debate, and the Senator is exercising that right. Is that not correct?

Mr. PROXMIRE. The Senator is correct. I thank the Senator.

Mr. JOHNSTON of South Carolina. That being so, I assume that the Senator would not be in favor of abolishing that rule. [Laughter.]

Mr. PROXMIRE. If the distinguished Senator wishes to invoke cloture tonight, I shall be delighted to support him.

Mr. JOHNSTON of South Carolina. No, no. I wish to clarify that point. I am in favor of any Senator speaking as long as he wishes to speak. [Laughter.]

Mr. SPARKMAN. Mr. President, will the Senator yield to me?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Alabama without losing my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON BANKING AND CURRENCY TO FILE TWO REPORTS

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Com-

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...bill by the Joint Committee on Atomic Energy has submitted a report... The committee has reported out...

In addition to the annual fiscal authorization legislation increases in previous authorizations were approved by the Congress... Public Law 85-509.

Third, the committee and its staff have held informal discussions with the AEC on the development of a long-term atomic-power program statement... Public Law 85-519.

Fourth, the committee held extensive hearings last February on basic research in the atomic-energy field... Public Law 85-412.

Fifth, the committee has acted favorably upon two bills providing legislative authority for the United States to cooperate with the six nations of the European Atomic Energy Community... Public Law 85-519.

One measure approved by the committee is a brief statement of intent in the form of a concurrent resolution and the other is a bill to authorize American participation in the program... Public Law 85-519.

Sixth, other bills reported out by the committee during the second session includes indemnity legislation exempting State universities and other educational institutions... Public Law 85-519.

Another bill was reported out providing indemnity for the atomic merchant ship *Chatham*. This measure was approved by the Senate on July 28, 1958, and by the President on August 4, 1958 (Public Law 85-509).

President on August 4, 1958 (Public Law 85-509).

Finally, the committee has reported out the AEC program bill containing certain provisions... Public Law 85-519.

In addition, the committee held extensive hearings on the raw materials program concerned with the AEC announcement of the limitation of mill capacity... Public Law 85-519.

PRINTING AS A SENATE DOCUMENT LEGISLATIVE RECORD OF 2D SESSION OF 85TH CONGRESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that a statement and accompanying legislative review of the legislative record of the 2d session of the 85th Congress, be printed in today's Record, and that the same material, with suitable revisions and extensions, be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection the statement and review were ordered to be printed in the Record, as follows:

SUMMARY OF THE LEGISLATIVE RECORD, 85TH CONGRESS, 2D SESSION, JANUARY 7, 1958, TO AUGUST 24, 1958

Statement by the Honorable LYNDON B. JOHNSON, United States Senator from Texas, together with digests of legislation passed by the Senate

MAJOR LEGISLATIVE ACTIONS 85TH CONGRESS, 2D SESSION (PASSED BOTH HOUSES AS OF AUGUST 23, 1958)

National Defense and Internal Security

- 1. Reorganization of the Department of Defense
2. Authorized \$546 million for expansion of missile bases and warning systems and created ARPA.
3. Authorized \$386 million for AEC construction and expansion.
4. Authorized atomic power program.

International Security

- 1. Authorized \$1.5 billion for atomic security program.
2. Reciprocal Trade Act.
3. Authorized exchange of mutually essential atomic information and materials with allies.
4. Increased lending authority of Export-Import Bank by \$2 billion.
5. Adjustment of status of 30,000 Hungarian escapees.
6. Resolution relating to the establishment of an international plan for the peaceful exploration of outer space.

Governmental Organization

- 1. National Aeronautics and Space Act of 1958.
2. Admitted Alaska as a State to the Union.
3. Classification Act employees increase.
4. Authorized training of Government employees in outside schools.
5. Increased the jurisdictional amount required for civil suits in Federal courts.
6. Passed Freedom of Information Act.
7. Adopted act providing for improved budgetary procedures.
8. Federal Aviation Act.

National economy

- 1. Emergency \$1.8 billion Housing Act.
2. Increased \$4 billion authorization for FHA mortgage insurance.
3. Authorized \$1.8 billion additional to create jobs and expedite work.
4. Provided optionally to States for repayment in 5 years, up to 15 weeks additional unemployment compensation.
5. Authorized Federal guarantee of railroad loans up to \$700 million.
6. Increased postal rates and postal pay.
7. Authorized advanced purchases of supplies and equipment from fiscal year 1959 appropriations to stimulate business.
8. Broadened lending authority of Small Business Administration.
9. Small Business Administration made permanent, its lending authority increased and interest rates reduced.
10. Authorized construction and sale by Maritime Board of two passenger superliners.
11. Small Business Investment Act.
12. Small Business tax relief.
13. Extend the Renegotiation Act.

Agriculture

- 1. Barred reduction of 1958 farm price supports below 1957 level and barred cuts in acreage allotments for 2 years. (Vetoed.)
2. Extended soil conservation program for 4 years.
3. Extended Agricultural Trade Development and Assistance Act for sales of surpluses abroad.
4. Agricultural Act of 1958.

Natural resources

- 1. Authorize \$1.5 billion for flood control, rivers and harbors.
2. Extended program for critical material exploration.

Social Security, Health and Welfare

- 1. Extended for 3 years special school milk program with authorization of \$75 million annual expenditure.
2. Authorized \$1 million grants-in-aid to train public health specialists, technicians and administrators.
3. Increased civil-service annuities.
4. Extended for 3 years the Hill-Burton Hospital Survey and Construction Act.

5. Authorized the largest expenditures in history for medical research—\$294,383,000, which exceeded the budget estimate of \$211,183,000 by \$83,200,000. The amounts provided for the various research activities are summarized with the budget estimates in the following table:

Table with 4 columns: Activity, Budget, Appropriation, Increase. Rows include General Research, Cancer, Mental Health, Heart, Dental, Arthritis, Allergy, Neurology.

- 6. Extended Federal assistance programs for school construction in areas affected by Federal activities.
7. Required reporting and full disclosure of employee welfare and pension funds.
8. National Defense Education bill.
9. Area Redevelopment Act.
10. Authorized grants to expand teaching in the education of mentally retarded children.
11. Authorized agencies of the United States to make grants to support scientific research.
12. Enacted Food Additives Act.