the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the board of directors, South Louisiana Electric Cooperative Association, Houma, La., opposing certain advertisements relating to investor-owned light and power companies; to the Committee on Commerce.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 632. A bill to amend the Water Resources Planning Act (79 Stat. 244) to include provision for a national land use policy by broadening the authority of the Water Resources Council and river basin commissions and by providing financial assistance for statewide land use planning (Rept. No. 92-869) (Together with minority and additional views).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2270. A bill for the relief of Magnus David Forrester (Rept. No. 92-870);

S. 2489. A bill for the relief of Judy A. Carbonell (Rept. No. 92-871);

S. 2575. A bill for the relief of William John West (Rept. No. 92-872);

S. 2591. A bill for the relief of Doctor Constante S. Avecilla (Rept. 92-873);

S. 2625. A bill for the relief of Giuseppe Paul Pinton (Rept. No. 92-874);

S. 2704. A bill for the relief of Rita Rosella Valleriani (Rept. No. 92-875);

S. 2822. A bill for the relief of Alberto Rodriguez (Rept. No. 92-876);

S. 2937. A bill for the relief of Slobodan Babic (Rept. No. 92-877);

H.R. 1974. An act for the relief of Mrs. Gloria Vazquez Herrera (Rept. No. 92-878);

H.R. 2052. An act for the relief of Luz Maria Cruz Aleman Phillips (Rept. No. 92-879);

H.R. 2076. An act for the relief of Vladimir Rodriguez LaHera (Rept. No. 92-880);

H.R. 4050. An act for the relief of Maria Manuela Amaral (Rept. No. 92-881);

H.R. 6201. An act for the relief of Lesley Earle Bryan (Rept. No. 92-882);

H.R. 6907. An act for the relief of Matyas Hunyadi (Rept. No. 92-883); and

H.R. 7641. An act for the relief of Chung Chi Lee (Rept. No. 92-884).

By Mr. EASTLAND (from the Committee on the Judiciary, with an amendment:

S. 465. A bill for the relief of Mrs. Hang Kiu Wah (Rept. No. 92-885);

S. 1950. A bill for the relief of Mrs. Josefita Esther Worley (Rept. No. 92-886); and

S. 2562. A bill for the relief of Guido Bellanca (Rept. No. 92-887).

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

S. 3722. A bill to provide for the establishment of a Foreign Service grievance procedure (Rept. No. 92-888).

By Mr. ROBERT C. BYRD (for Mr. LONG) from the Committee on Commerce, without amendment:

H.R. 9552. An act to amend the cruise legislation of the Merchant Marine Act, 1936 (Rept. No. 92-889).

By Mr. MONDALE, from the Committee on Banking, Housing and Urban Affairs:

S. 3726. An original bill to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity to establish a Council on International Economic Policy, and for other purposes (Rept. No. 92-890) (together with additional views.)

Mr. MONDALE. Mr. President, from the Committee on Banking, Housing and Urban Affairs I report a bill, to extend and amend the Export Administration Act of 1969, to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, and request that the report, together with additional views be printed; and also request permission to deliver the copy to the Government Printing Office by midnight tonight.

The PRESIDING OFFICER (Mr. SPONG). Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PROXMIRE:

S. 3720. A bill for the relief of Josefina and Antonio Macias Garcia. Referred to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3721. A bill for the relief of Raffaele Colangelo. Referred to the Committee on the Judiciary.

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

S. 3722. An original bill to provide for the establishment of a Foreign Service grievance procedure. Ordered to be placed on the calendar.

By Mr. COOK:

S. 3723. A bill to amend the Federal Coal Mine Health and Safety Act of 1969. Referred to the Committee on Labor and Public Welfare.

By Mr. MONTOYA:

S. 3724. A bill to amend the Federal Hazardous Substances Act to require manufacturers of toxic substances to file certain information with the Secretary of Health, Education, and Welfare regarding such substances, and for other purposes. Referred to the Committee on Commerce.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 3725. A bill to amend the Small Business Act to authorize the Small Business Administration to make loans to small business concerns which are adversely affected as a result of certain international agreements. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONDALE, from the Committee on Banking, Housing and Urban Affairs:

S. 3726. An original bill to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity to establish a Council on International Economic Policy, and for other purposes. Ordered to be placed on the calendar.

By Mr. SCOTT:

S.J. Res. 246. A joint resolution authorizing the President to proclaim the first Sunday in December as "National Fellowship Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COOK:

S. 3723. A bill to amend the Federal Coal Mine Health and Safety Act of 1969. Referred to the Committee on Labor and Public Welfare.

THE ENERGY CRISIS AS IT RELATES TO COAL

Mr. COOK. Mr. President, power, strength, vigor, and resolution are all synonymous with energy. I would like to add one word to that list and that being America. To the free world, America has always represented strength, power, and above all, energy. The source of this energy has been the abundance of natural resources which provided unlimited amounts of cheap fuel. We now face the realization that this fuel is not unlimited and with this realization comes the disagreeable fact that it is no longer cheap. The decision we as Americans face is very simple. Either we pay the price and find ways to develop and use our natural resources within the limits established by recent environmental legislation or we sacrifice a considerable portion of our way of life and our national strength and independence.

There is general acceptance that we do have an energy crisis. What concerns me is the "business as usual" way we are seeking the solution to this problem. There seems to be an attitude that we have almost unlimited time to find these solutions. Unfortunately this unlimited time is just as unlimited as our unlimited resources. The shortage of fuel is here with us today and unless the executive branch, the Congress, the scientific community, the ecologist, the producer of fuel, and the consumer band together to solve our problem, we very soon will be locked into fixed procedure and find our alternatives to be very limited.

To my way of thinking the problem is not a shortage of our natural resources but rather the finding of an acceptable method of using these available resources to meet our fuel requirements.

We all look to nuclear power as the panacea. I support these programs and I wish them well. However we are told by the most optimistic nuclear boosters that fossil fuel will still furnish 50 percent of our energy in the foreseeable future and certainly beyond the year 2000. When we consider that our energy requirements are forecast at three to four times our present requirement it is obvious that fossil fuel will be required in ever-increasing amounts. The Interior Department and the Federal Power Commission both agree that there is sufficient coal in our reserves to meet our fuel requirements for many years to come. In fact coal constitutes 73 percent of our recoverable fossil fuel. This fuel has always been the backbone of the energy producing industry. At a time when our fuel requirements are increasing and coal is attempting to meet this requirement the very use of coal as well as the coal industry itself is threatened. This threat arises from the increased restrictions Federal legislation is placing on the coal operator and consumer, making it most difficult to produce and use this valuable fuel.

I supported the Coal Mine Health and Safety Act of 1969. I had severe reservations then and I still have reservations concerning what I consider to be unrealistic restrictions on nongassy mines. Typical of the many letters I have been receiving from my State is the one from Mr. B. W. Whitfield which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

pressive quantities of drugs have been seized and destroyed on the Mexican side of the border.

A second Conference was held recently, resulting in a compendium of the laws of the two countries, in both English and Spanish, which will soon be distributed to law enforcement agencies and other appropriate groups in California and Mexico, and an exchange drug education program is being instituted.

During the second Conference, the Senate of the United States was singled out for its outstanding endeavors in the field of drug abuse education, prevention, and treatment, specifically following unanimous passage of the Drug Abuse Office and Treatment Act of 1972. A genuine expression of appreciation is herewith conveyed to you and all members of the Senate.

Additionally, the Delegates to the Conference ask the following recommendations be forwarded to the Senate of the United States of America for consideration:

Provide funds for medical and psychological treatment facilities for the cure and control of narcotic addiction as an alternative to the incarceration of drug and narcotic addicts.

Enact legislation requiring all drug tablets and capsules to be marked by the manufacturer so as to identify the chemical composition of the contents. Such legislation would materially assist physicians treating an unconscious patient for drug over-dose in emergency situations.

Enact legislation requiring each governmental agency responsible for the custody of persons accused of the use or possession of illegal narcotics or dangerous drugs be housed in a separate facility or portion of the jail from that used for persons held for crimes of violence.

Enact legislation to provide for adequate civil damages for violation of the Fourth Amendment by law enforcement officers. Enactment of such legislation would make it unnecessary for a court-made rule excluding evidence because of the inadequacy of legal remedies for the victims of illegal searches and seizures.

Enact legislation to insure effective controls on pharmaceutical laboratories to regulate and limit the delivery or sale of narcotic or drug products only to authorized pharmacies, drug stores, and distributors who should appear on an official list issued by the health authorities.

Enact the strongest possible punitive laws aimed at the nonusing trafficker in narcotics and dangerous drugs.

Review with the Republic of Mexico the problem of jurisdiction between both countries in dealing with narcotic investigation, prosecution, and seizure of the products in possession of American or Mexican nationals who cross the international boundaries to escape from the law and prosecution.

Insure adequate funds for educational programs to inform youth of the seriousness and consequences of drugs.

Similar requests are being directed to the government of Mexico, and we respectfully request these measures be introduced and enacted in the most expeditious manner to fight this very grave problem facing our nation.

Very sincerely,

ED REINECKE.

EXTENSION AND RENEWAL OF INTERSTATE COMPACT TO CONSERVE OIL AND GAS

Mr. MOSS. Mr. President, in behalf of the Senator from Washington (Mr. JACKSON), I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 72.

The PRESIDING OFFICER (Mr. ALLEN) laid before the Senate the amendments of the House of Representatives to the joint resolution (S.J. Res. 72) consenting to an extension and renewal of the interstate compact to conserve oil and gas which were, on page 11, line 4, after "the" where it appears the first time, insert "Interstate Oil Compact Commission and the".

On page 11, line 6, after "compact" insert ", and have been limited to activities related directly to the immediate purpose of such compact as set out in article II of such compact".

Mr. MOSS. Mr. President, the amendments of the House to this measure, consenting to an extension and renewal of the interstate compact to conserve oil and gas, are clarifying in nature and do not change in any way the intent of the Senate-passed version. The House amendments are intended to make certain that the activities of the Commission and the States are consistent with the primary purpose of the compact which is to insure good conservation practices.

I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EQUAL EXPORT OPPORTUNITY ACT

Mr. MOSS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 851, S. 3726.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Thereupon, the Senate proceeded to consider the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes. which was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be determined after review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the Secretary of Commerce shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the Secretary of Commerce determines that adequate evidence has been presented to him demonstrating that the absence of such a control would constitute a threat to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than six months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials, and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which are more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c)(1) The Secretary of Commerce shall appoint a technical advisory committee for each group of articles, materials, and supplies, including technical data and other information, which—

"(A) is or may be made subject to export controls because of its significance to the national security of the United States; and

"(B) is difficult to evaluate for technical or strategic reasons.

Each such committee shall consist of representatives of United States industry and government who may be appointed for terms of not more than two years. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to the level of United States export controls applicable to all articles, materials, or supplies, including technical data or other information,

and including those whose export is subject to multilateral controls undertaken in cooperation with nations with which the United States has defense treaty commitments. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Any member of any such committee who is not an officer or employee of the United States shall be entitled to receive compensation at not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, during such time as he is engaged in the performance of his duties as a member. Each member may be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at the call of the Chairman but not less often than four times each year."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguard provided in section 7(c) of the Export Administration Act of 1969.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Economic Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investiagte problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter refererd to in this title as the "Council").

MEMBERSHIP

SEC. 205. The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of the Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advise the President in the preparation of the International Economic Report required under section 207;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry;

(3) collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters;

(4) consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(5) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts to the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis; and

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity.

REPORT

SEC. 207. (a) The President shall transmit to the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, and the Joint Economic Committee an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States; and

(3) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be appointed by the President. It shall be the duty of the Executive Director to—

(1) direct the activities of the Council staff,

(2) develop the agenda and supporting materials for Council meetings and review all matters before the Council, and

(3) establish a work program, including topics and the selection of individuals to carry out particular assignments.

(b)(1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Direc-

tor, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

(e) Section 5313 of title 5, United States Code (relating to positions at level II of the Executive Schedule), is amended by adding at the end thereof the following:

(22) Executive Director, Council on International Economic Policy."

AUTHORIZATION FOR APPROPRIATIONS

SEC. 209. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973, and not to exceed $1,600,000 for fiscal year 1974.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–890), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

The purpose of Title I is to facilitate prompt removal of United States unilateral export controls which are not necessary to protect our national security, to insure that the commercial and technical expertise of private industry is utilized as effectively as possible in the administration of export controls, and to extend until June 30, 1974 the President's authority to control exports under the Export Administration Act.

The purpose of Title II is to provide a mechanism for the coordination of all the many departments and agencies of the U.S. Government engaged in actions affecting U.S. international economic policy.

Title I contains the following key provisions:

1. It requires the Secretary of Commerce (hereafter "the Secretary") to direct a study to determine which goods and technology should no longer be subject to export control because of their significance to the national security of the United States.

2. It directs the Secretary to remove export controls from any item now controlled unilaterally by the United States, which is freely available from foreign sources, unless adequate evidence is presented that decontrolling the item would threaten the national security. (Unilaterally controlled in this case means subject to United States export controls covering items which are not subject to an agreed level of control within the framework of COCOM. COCOM controls are applied by the NATO countries plus Japan but not including Iceland.)

3. It requires the Secretary to report on his actions in six months by listing the reasons for retaining unilateral controls on any item and the reasons for retaining any procedures concerning the licensing process which are more burdensome than the procedures used by our Allies.

4. It requires the Secretary to create industry-government technical advisory committees for each group of goods and technology which could be subject to export controls and is difficult to evaluate for technical and strategic reasons.

5. It extends the Export Administration Act to June 30, 1974.

Title II contains the following key provisions:

1. It establishes a Council on International Economic Policy responsible to the President. Members of the Council shall include: the President, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Special Representative for Trade Negotiations.

2. It creates the office of Executive Director of the Council on International Economic Policy who is to be appointed by the President.

3. It gives the Council authority to advise the President concerning various aspects of U.S. international economic policy, and the responsibility for assisting him in coordinating policy in this area.

4. It requires the President to transmit to the Congress each year a Report on International Economic Policy, which is to be prepared with the assistance of the Council.

5. It authorizes an appropriation not to exceed $1,400,000 in FY 1973, and $1,600,000 in FY 1974 for the Council.

NEED FOR LEGISLATION

The Committee believes that Title I of this legislation is needed because the United States is handicapping itself by continuing to control the export of many items which are not of strategic value and are not controlled by our foreign competitors. While it is essential to the national security that the government continue to restrict the export of some items to Communist countries, the Committee believes that restricting the export of items which can be bought freely from our Western European or Japanese competitors does not benefit the national security. Excessive restrictions result in a worsened balance of payments situation, fewer export sales for American industries, and fewer jobs for American workers. In 1970 the United States share of the World market was 16%, but the U.S. share of the Eastern European market was only 3%. It will be difficult to improve the export performance of United States industries in Eastern Europe unless unnecessary restrictions which prevent them from competing on an equal footing with foreign competitors are eliminated.

Representatives of the Administration pointed out in testimony that much progress has been made in decontrolling non-military exports since the enactment of the Export Administration Act in 1969. It is true that the number of items which have been decontrolled is substantial. Decontrol actions have varied a great deal, however, from industry to industry. Some industries have seen very few of their products decontrolled, while others have witnessed decontrol only of low technology items for which foreign demand is limited. For example, some time ago, the machine tool industry submitted extensive data to the Office of Export Control, showing that many non-strategic machine tools were readily available from European and Japanese sources. Today, virtually all machine tools, including general purpose tools such as grinders, transfer machines, milling machines, and lathes, are still subject to unilateral United States export control.

At this time the United States controls 495 classifications of goods and technology by multilateral (COCOM) agreement with our Allies. In addition, the United States chooses to retain unilateral controls on 461 classifications of goods and technology. The United States is the only COCOM country which controls the export of a significantly greater number of items than those which the COCOM agree to control multilaterally. Some of the items under unilateral control are eventually granted export licenses, but the delay and uncertainty in the licensing process often costs American exporters sales even when this happens. Twenty-six percent of the applications for export licenses to Eastern Europe, involving many of the high technology items in which the Eastern Europeans are most interested, took more than 15 working days to process.

Some of the groups of items which are now subject to unilateral controls that may not be necessary to protect the national security are chemicals, electrical machinery, other types of machinery including machine tools, and certain types of fabrics and materials.

To help alleviate these problems the legislation mandates that items which are available in comparable quality and quantity from foreign sources shall be removed from unilateral controls unless the Secretary gives adequate evidence that such decontrol would threaten the national security. Present law requires that the President report his reasons to Congress whenever he decides to require export licenses on an item because "considerations of national security override considerations of foreign availability." The Committee finds, however, that such reports have not been detailed enough to be of assistance in evaluating the President's decisions. Such explanation should contain more information in the future, to the extent considerations of national security permit.

The legislation directs the Secretary's attention to items under unilateral control which are available from foreign sources. There may be other types of items, however, which are unnecessarily controlled. For example, some items may be controlled because of an overly cautious interpretation of what constitutes "significant military applicability". The Committee would welcome the decontrol of such items.

Several industry witnesses testified before the Committee that U.S. exporters face licensing procedures which are more burdensome than those faced by exporters in other COCOM countries. They alleged that processing time for licensing applications is longer in the United States than abroad. It has also been reported that our COCOM competitors provide advantages to their exporters by giving them a better idea of which licensing applications will receive favorable action, referring their applications for exceptions to COCOM regulations to the COCOM with less preliminary screening, requiring less documentation regarding the end use of the item to be exported, imposing less stringent requirements for ensuring that an item is never diverted for strategic use, granting more liberal licensing provisions for supply spare parts, and in several other ways. The Committee does not have enough evidence to take a position on these allegations. It believes, however, that procedures and licensing requirements which are more burdensome than those used by our Allies would severely handicap American exporters. Therefore, the Committee urges the Secretary to scrutinize carefully these procedures and requirements.

The establishment of industry-government technical advisory committees will enable the government to utilize more effectively the technical and commercial expertise which only representatives of industry affected by export controls can provide. Industry witnesses testified that decisions concerning export controls are sometimes based on inadequate or inaccurate information. The government officials making these decisions are responsible for applying export controls to many types of items. They are necessarily generalists, and it is impossible for them to become familiar with the intricacies of each product which must be regulated. Yet that is exactly what is necessary, for example, to give the definitions of items on the export control list the needed precision and uniformity. These decisions are technical, but they are also important business decisions. The technical advisory committee can help make them. These committees can also be of assistance in discussing more general questions of export control; for example, in defining the level of technology in their industry which is advanced enough so that the exportation of items reaching that level of technology could be a significant addition to a country's military capacity. In addition, the Committee would serve the vital function of keeping industry informed with regard to the latest developments in the administration of export controls.

Several members of the Committee expressed concern that the technical advisory committees' work would be severely hampered by the necessity to refrain from discussing classified information or information that industry does not want to divulge in the

presence of its competitors. The Committee believes that the technical advisory committees can serve a valuable function without having access to such information. Industry representatives would be willing to discuss the functions of their products in detail at the committee meetings, just as they would have to discuss such functions with any potential buyer. Such information is essential in determining whether an item is strategic. In addition, it is expected that many of the meetings will concern the basic policies underlying the export control program in the light of changing international and technological conditions. Such discussions need not involve classified information or trade secrets.

The Committee hopes that technical advisory committees can be established and operated in a manner which will avoid creating delays in the export licensing process. Because technical advisory committees are only to be created for groups of items that are difficult to evaluate from a technical and strategic standpoint the number of such committees should not become excessive. The Committee does not expect these committees to be involved in the licensing process on a case-by-case basis. Their involvement will instead be principally in the decisions affecting groups of items. In addition, the legislation recognizes that the administrators of export controls may need to consult a specific expert on some particular problem even though that expert is not a member of a technical advisory committee. It expressly gives the administrators the flexibility to engage in such consultations.

The Committee does not intend that any section of this Title should be construed to require any action which is detrimental to the national security, or the divulgence of any classified information or confidential industry information protected in section 7(c) of the Export Administration Act to unauthorized parties. Nor does the Committee intend the provisions of Title I to be used as a basis for legal action by exporters. In the Committee's opinion, Title I will help to increase East-West trade without threatening our national security. This will be beneficial for all nations involved.

QUORUM CALL

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR RECOGNITION OF SENATOR BAKER TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, immediately following the recognition of the two leaders or their designees under the standing order, the distinguished Senator from Tennessee (Mr. BAKER) be recognized for not to exceed 15 minutes.

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

REDUCTION OF TIME LIMITATION ON TREASURY AND POST OFFICE APPROPRIATION BILL

Mr. ROBERT C. BYRD. I ask unanimous consent, having cleared this request with the distinguished Senator from Delaware (Mr. BOGGS) and the distinguished Senator from New Mexico (Mr. MONTOYA), that time on H.R. 15545, the bill making appropriations for the Treasury Department and the Postal Service, be reduced from 2 hours to 1 hour.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m., following a recess. Hence, there will be no morning business.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Tennessee (Mr. BAKER) will be recognized for not to exceed 15 minutes, after which the Senate will take up Senate Resolution 299, dealing with confidential American documents, on which there is a time limitation. There will be one or more rollcall votes in relation thereto.

Following Senate Resolution 299, the Senate will take up S. 3722, dealing with foreign service grievance procedures, under a very short time limitation, and with a rollcall vote on passage.

Next, the Senate will proceed to the consideration of H.R. 13918, the Corporation for Public Broadcasting bill. There is a time limitation on that bill, and one or more rollcall votes will occur.

Next, S. 3001, the Federal Financing Bank bill, will be called up, with a time limitation thereon. A rollcall vote may occur.

S. 3010, the Economic Opportunity Act, will then be laid down and made the second track. Let it be understood that S. 3390, the unfinished business, remains the unfinished business before the Senate and, therefore, is entitled to the main track daily.

Mr. President, I ask unanimous consent—if I have not done so already—that S. 3390, the unfinished business, be temporarily laid aside immediately following the remarks of Senator BAKER on tomorrow; that it be considered temporarily laid aside throughout the afternoon until the final disposition of S. 3001, at which time the order would be in effect for the second track to begin, with S. 3010, the Economic Opportunity Act, being at that time made the pending business.

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

Mr. ROBERT C. BYRD. In other words, Mr. President, I know of no amendment to S. 3390 which would be called up tomorrow. This does not preclude such an amendment from being called up. But I know of none at this point. The unfinished business would remain in a temporarily laid aside status, under the program I have announced, throughout the day tomorrow.

I ask unanimous consent that at the close of business tomorrow, S. 3390, the unfinished business, be again laid before the Senate.

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

Mr. ROBERT C. BYRD. Mr. President, for the further information of the Senate, on Friday the Senate will convene at 9 a.m. The first order of business on Friday, following the recognition of any Senators who may be speaking under 15-minute orders, will be the Treasury-Post Office appropriation bill, under a time limitation, and there will be a rollcall vote on final passage of that bill.

Next, the Senate will proceed to the consideration of amendment No. 1265, by Senator SCOTT, to S. 3390, the Foreign Assistance Act, and there is a time limitation on that amendment. A rollcall vote will occur thereon.

Following the disposition of the amendment by Mr. SCOTT, the distinguished Senator from Colorado (Mr. DOMINICK) will offer his amendment—which I understand is called the "third country" amendment—to S. 3390. That will be disposed of with a rollcall vote thereon, although there is no time limit thereon at the present moment.

The Senate will continue consideration of S. 3390 if there are other amendments called up following the Dominick amendment. If there are no further amendments to that bill, the Senate then will return to the consideration of the second track item, S. 3010, the Economic Opportunity Act.

There will be no session on Saturday, in view of the fact that the Senate has been in session from 9 o'clock in the morning until late in the evening on almost every day this week. No unanimous-consent agreements can presently be reached with respect to the no-fault insurance bill or the minimum wage bill, and no further unanimous-consent agreements have been reached with respect to remaining amendments to S. 3390. It is the feeling of the leadership that in view of that situation, and in view of the fact that the calendar is in generally good condition otherwise, it would not be profitable to come in on Saturday. Saturday sessions are normally productive when consent agreements will insure progress. Hence, the decision that there will be no session on Saturday. But there will be several rollcall votes, as I have indicated, and reasonably long days on tomorrow and on Friday.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. tomorrow.

The motion was agreed to; and at 7:55 p.m. the Senate took a recess until tomorrow, Thursday, June 22, 1972, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21 (legislative day of June 19), 1972:

so that we will have a couple of weeks to consider it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 1 additional minute.

I hope very much that we need not tax the Senate with this. If that is all that separates us, I think, with all frankness, that the weight is more on my side in saying that if we are going to fix a date, at least fix it when we know we are going to be here.

Mr. HRUSKA. I yield myself 3 minutes.

Mr. President, that would seem reasonable to me. With the addition of a little more time, I think we probably could find a meeting ground. But again I say that we will not have any time between now and next Friday. We will then adjourn until July 17. When we come back, we will be caught in the same maelstrom in which we are now engaged. It will be most difficult within 2 weeks for the committee even to get together and consider it.

Would the Senator extend that to August 22?

Mr. JAVITS. On August 22, we will be away. We will be at the Republican Convention. Let us make it August 7, which is 3 weeks after we come back, and that leaves us only a week before we go out. To make it August 7 seems fair to me. I want to defer to the Senator.

Mr. HRUSKA. I want to, also.

Mr. JAVITS. Let us make it August 7. That will be suitable to me, and we will wind up this whole matter.

Mr. President, I ask unanimous consent that I may send the amendment to the desk so it may be read for the information of the Senate while the Senator is thinking about it.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the Hruska motion insert the following: "*Provided, however,* That the Committee on Government Operations shall report on or before August 7, 1972, at which time, if the committee shall not have acted, the resolution shall be deemed to have been reported and placed on the calendar."

Mr. JAVITS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum and that the time be charged equally to both sides.

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

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JAVITS. I yield myself 1 minute.

Mr. President, this is agreeable to Senator HRUSKA and it is agreeable to me; and if we may then proceed to agree to the motion of the Senator from Nebraska as amended, that will end the matter here.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New York to the motion of the Senator from Nebraska is agreed to.

The question is on agreeing to the motion of the Senator from Nebraska, as amended by the amendment of the Senator from New York.

Is all time yielded back?

Mr. HRUSKA. I yield myself 2 minutes.

Mr. President I modify my motion to read as follows:

I move that Senate Resolution 299 be referred to the Senate Committee on Government Operations, with instructions to report thereon on or before August 7.

Mr. JAVITS. Mr. President, reserving the right to object, I wish the Senator would add to that:

At which time, if the committee shall not have acted, the resolution shall be deemed to have been reported and placed on the calendar.

So that we do not have any fuss about that.

Mr. HRUSKA. Yes; that is all right. And I thank the Senator for his cooperation and understanding. It is a further example of his generosity.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from New York is agreed to.

The question is on the motion to refer the resolution to the Committee on Government Operations, as amended by the amendment of the Senator from New York.

Do Senators yield back their time?

Mr. JAVITS. I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion, as amended.

The motion, as amended, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

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

EQUAL EXPORT OPPORTUNITY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote by which the Senate passed S. 3726, the measure concerning export policy, together with its third reading, be reconsidered and that the bill be returned to its respective position on the Senate Calendar.

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT; CONSIDERATION OF S. 3390 AND S. 3010

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, following the recognition of the two leaders or their designees under the standing order, there be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Chair lay before the Senate the unfinished business, S. 3390, but that immediately the Chair lay S. 3390 temporarily aside and the Senate resume its consideration of S. 3010; that the unfinished business remain in a temporarily laid-aside status until the disposition of S. 3010 or until the close of business on Monday, whichever is the earlier.

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 additional minute.

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

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations on the Executive Calendar will be stated.

U.S. AIR FORCE

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without

Extraordinary and Plenipotentiary to the Republic of Burundi;

C. Robert Moore, of Washington, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Federal Republic of Cameroon;

Terence A. Todman, of the Virgin Islands, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Guinea; and

George P. Shultz, of Illinois, for appointment to the offices indicated:

U.S. Governor of the International Monetary Fund;

U.S. Governor of the International Bank for Reconstruction and Development;

A Governor of the Inter-American Development Bank; and

U.S. Governor of the Asia Development Bank.

REFERRAL OF BILL

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that S. 3726, a bill to amend the Export Administration Act of 1969 and to establish a Council on International Economic Policy, be referred to the Committee on Foreign Relations with instructions to report the bill to the Senate within a period of 30 days from this date.

This request has been cleared with the Chairman of the Committee on Banking, Housing and Urban Affairs (Mr. SPARKMAN), with the manager of the bill (Mr. MONDALE), and with the ranking minority members of the Foreign Relations Committee (Mr. AIKEN).

The PRESIDING OFFICER (Mr. KENNEDY). Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. WILLIAMS:

S. 3742. A bill to amend the Act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization. Referred to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 3743. A bill for the relief of James G. Dole. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself and Mr. BROOKE) (by request):

S. 3744. A bill to authorize the Securities and Exchange Commission to regulate members' trading on national securities exchanges. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BEALL (for himself and Mr. MATHIAS):

S. 3745. A bill to amend the Child Nutrition Act of 1966 to limit the scope of regulations respecting the sale of certain beverages in competition with beverages served under such Act and the National School Lunch Act. Referred to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S.J. Res. 250. A joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages and to extend laws relating to housing and urban development. Referred to the Committee on Banking, Housing and Urban Affairs; and subsequently reported without amendment and placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS:

S. 3742. A bill to amend the act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization. Referred to the Committee on the Judiciary.

Mr. WILLIAMS. Mr. President, I am sending to the desk for appropriate reference legislation which would amend the act of February 24, 1925, incorporating the American War Mothers, so that certain stepmothers and adoptive mothers can become members of this fine organization.

The American War Mothers was organized in 1917 to help veterans returning from military service and to sustain the world and community spirit which is exemplified by their armed service in the defense of another country.

Since its inception, the American War Mothers have worked extensively to ease the specific problems faced by veterans. The work of these dedicated women has been most appreciated by veterans who have suffered physical or emotional problems as a result of service or who experienced severe financial or housing problems following their service.

At this time these women perform volunteer work under the Veterans' Administration Volunteer Service in each VA hospital in the country. They provide the moments of comfort and kindness which disabled or sick veterans need and deserve. Furthermore, they have donated televisions, radios, and flowers for the use and enjoyment of hospitalized veterans and in addition, they occasionally are able to make very substantial contributions. For example, in 1968 the American War Mothers collected donations from across the country and purchased a kidney machine for the VA hospital here in Washington, D.C.

Now, the American War Mothers are requesting our help in expanding their charter. The original charter passed by Congress and the amended version passed after World War II made no provision for the membership of women whose stepsons or stepdaughters or adopted sons or daughters performed military service for the United States.

The bill I am introducing today would correct this oversight, and permit a stepmother or adoptive mother to join the American War Mothers.

I sincerely hope that the appropriate committee and the Senate will take quick action on this significant improvement to the charter incorporating the American War Mothers so that mothers can belong to and officially participate in the worthwhile public service projects of the American War Mothers.

I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act entitled "An Act to incorporate the American War Mothers", approved February 24, 1925, as amended (36 U.S.C. 97), is amended by inserting after "her son or sons or daughter or daughters of her blood" the following: ", her legally adopted son or sons or legally adopted daughter or daughters, or her stepson or stepsons or stepdaughter or stepdaughters".

By Mr. WILLIAMS (for himself and Mr. BROOKE) (by request):

S. 3744. A bill to authorize the Securities and Exchange Commission to regulate members' trading on national securities exchanges. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. WILLIAMS. Mr. President, at the request of the Securities and Exchange Commission, I am today introducing a bill to expand the Commission's authority to regulate trading in listed stocks by exchange member firms and their affiliates off the exchange floor.

This proposed legislation was suggested by the SEC in the course of the hearings held recently by the Subcommittee on Securities on the question of institutional membership on stock exchanges, but is not directly related to that question.

The question of trading by member firms and their affiliates is one that the subcommittee intends to consider in the course of its current study of the securities markets, and this proposal by the SEC can serve as a focus for this consideration. I am asking the SEC to provide us with information as to the extent of this type of trading and as to the type of problems it has raised, to aid us in this consideration.

Mr. President, I ask unanimous consent that the text of this proposed legislation be printed in the RECORD together with an accompanying letter from the Chairman of the SEC.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78k(a)) is amended to read as follows:

"(a) The Commission shall prescribe such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, (1) to regulate or prevent floor trading, and (2) to regulate trading on the exchange but off the floor, by members of national securities exchanges, directly or indirectly for their own account or for the account of any person controlling, controlled by, or under common control with any such member. It shall be unlawful for a member to effect any transaction in a security in contravention of such rules and regulations, but such rules and regulations may contain such exemptions for arbitrage, block positioning, or market maker transactions, for transactions in exempted securities, for transactions by odd-lot dealers and specialists (within the limitations of subsection (b) of this section), and for such other transactions as the Commission may deem necessary or appropriate in the public interest or for the protection of investors. For the purpose of this subsection, the Commission is authorized to define the terms used herein by rule, regulation, or order in the public interest or for the protection of investors."

bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY (for himself, Mr. ST GERMAIN, and Mr. REES):

H.R. 15989. A bill to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes; to the Committee on Banking and Currency.

By Mr. BENNETT:

H.R. 15990. A bill to amend the Internal Revenue Code of 1954 to eliminate the oil and gas depletion allowance; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 15991. A bill to provide for procedures to expedite the issuance and payment to officers and employees of the Federal Government of substitute pay checks in replacement of lost, stolen, destroyed, mutilated, or defaced pay checks originally issued to such officers and employees; to the Committee on Post Office and Civil Service.

H.R. 15992. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and their widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

H.R. 15993. A bill to amend the Internal Revenue Code of 1954 to subject Federal land banks and Federal land bank associations to the taxes imposed by such code; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia (for himself and Mr. HOGAN):

H.R. 15994. A bill to exempt bus companies in the District of Columbia from payment of the motor vehicle fuel tax; to the Committee on the District of Columbia.

By Mr. HARSHA:

H.R. 15995. A bill to amend the Railroad Retirement Act of 1937 to provide a temporary 20-percent increase in annuities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 15996. A bill to provide for the striking of medals in commemoration of the 500th anniversary of the birth of Nicolaus Copernicus (Mikolaj Kopernik); to the Committee on Banking and Currency.

By Mr. KING (for himself, Mr. STRATTON, Mr. TEAGUE of Texas, Mr. KYL, Mr. SAYLOR, and Mr. ASPINALL):

H.R. 15997. A bill to designate the Federal office building to be constructed in Albany, N.Y., as the Leo W. O'Brien Federal Building; to the Committee on Public Works.

By Mr. McCLURE (for himself and Mr. HANSEN of Idaho):

H.R. 15998. A bill to amend the admission act for the State of Idaho to permit that State to exchange certain public lands and to use the proceeds derived from public lands for maintenance of those lands; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H.R. 15999. A bill to authorize construction to develop heavy airlift capability in support of Red River Army Depot, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE of Illinois (for himself, Mr. ANDERSON of Illinois, Mr. ARENDS, Mr. BRADEMAS, Mr. DERWINSKI, Mr. BRAY, Mr. COLLINS of Illinois, Mr. PUCINSKI, Mr. SHIPLEY, Mr. KLUCZYNSKI, Mr. METCALFE, Mr. GRAY, Mr. ERLENBORN, Mr. RAILSBACK, Mr. LANDGREBE, Mr. WINN, Mr. THONE, Mr. McCOLLISTER, Mr. COLLIER, Mr. HILLIS, Mr. MAYNE, Mr. CARLSON, Mr. SCHWENGEL, Mr. SPRINGER, and Mr. CARNEY):

H.R. 16000. A bill granting the consent of Congress to the Midwest Interstate Nuclear Compact, and for related purposes; to the Committee on the Judiciary.

By Mr. QUIE:

H.R. 16001. A bill: Newsmen's Privilege Act of 1972; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania (for himself, Mr. WARE, Mr. MORGAN, Mr. SAYLOR, Mr. NIX, Mr. COUGHLIN, Mr. GAYDOS, Mr. SCHNEEBELI, Mr. JOHNSON of Pennsylvania, Mr. McDADE, Mr. FLOOD, Mr. BARRETT, Mr. YATRON, Mr. DENT, Mr. BYRNE of Pennsylvania, Mr. MOORHEAD, and Mr. HEINZ):

H.R. 16002. A bill to authorize the Secretary of Transportation to make loans to certain railroads in order to restore or replace essential facilities and equipment damaged or destroyed as a result of natural disasters during the month of June 1972; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSH:

H.R. 16003. A bill to amend the act entitled "An act to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes," approved November 5, 1966; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 16004. A bill to transfer to the Secretary of Commerce certain functions of the Secretary of the Interior relating to encouraging, promoting and developing travel within the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOB WILSON (for himself and Mr. RANDALL):

H.R. 16005. A bill to amend the Strategic and Critical Materials Stock Piling Act and for other purposes; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HICKS of Washington:

H.R. 16006. A bill for the relief of Day's Sportswear, Inc.; to the Committee on the Judiciary.

H.R. 16007. A bill for the relief of Day's Sportswear, Inc.; to the Committee on the Judiciary.

By Mr. REUSS:

H.R. 16008. A bill to authorize R. Edward Bellamy, Ph. D., a retired officer of the Commissioned Corps of the U.S. Public Health Service to accept employment by the Canadian Department of Agriculture; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

261. The SPEAKER presented a petition of the Board of County Commissioners, Palm Beach County, Fla., relative to Federal-State revenue sharing; to the Committee on Ways and Means.

SENATE—*Monday, July 24, 1972*

The Senate met at 10 a.m. and was called to order by Hon. FRANK E. MOSS, a Senator from the State of Utah.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God and Father of mankind, in Thy presence and with glad hearts we welcome the duties and challenges of the new week. In this hallowed moment, when all hearts are hushed before Thee, prepare us to approach our tasks with high vision, quiet confidence, and clear minds. Into Thy hands we commit our spirits beseeching Thee to work Thy will in and through us.

Quicken our love for America, that above all defects and failures, we may see the shining glory of our heritage and the bright promise of a new and better age for the Republic.

Grant us here a full measure of Thy grace that we may be just and kind and true, workmen for Thee, and servants of the common good.

Through Jesus Christ, Master Workman, and ever present Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. ELLENDER).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 24, 1972.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Frank E. Moss, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

ALLEN J. ELLENDER,
President pro tempore.

Mr. MOSS thereupon took the chair as Acting President pro tempore.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of July 20, 1972, Mr. SPARKMAN, from the Committee on Foreign Relations, reported favorably, without amendment, on July 21, 1972, the joint resolution (S.J. Res. 241) authorizing the President to approve an interim agreement between the United States and the Union of Soviet Socialist Republics, and submitted a report (No. 92–979) thereon, which was printed.

EXECUTIVE REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of July 20, 1972, Mr. SPARKMAN, from the Committee on Foreign Relations, reported favorably, without reservation, on July 21, 1972, Executive L, 92d Congress, second session, a treaty between the United States of America and the Union of Soviet Socialist Re-

proved residential properties on Big Cumberland Island?

Mr. BIBLE. As reported by the committee, the bill adopts a formula which the Congress has developed over many years beginning with Cape Cod National Seashore in 1961—whereby the owners of residential properties constructed before a certain date may elect to retain a right of use and occupancy. This right may extend for a fixed term of up to 25 years or for the life of the owner or his spouse.

Mr. TALMADGE. My concern is directed to the interpretation of the word "owner." My question is prompted by the case of Mrs. Lucy Ferguson, whose late husband, The Honorable Robert W. Ferguson, served several terms in the Georgia General Assembly. For many years, Mrs. Ferguson was the only year-round resident of Cumberland Island.

Specifically, Mrs. Lucy Ferguson and her children are shareholders in a corporation whose sole assets are the land and residence on Big Cumberland Island. The residence was constructed well before the "cutoff date" in the bill of August 3, 1971. However, the property is legally "owned" by the corporation and not a natural person.

My question is, therefore, will the National Park Service, in acquiring Mrs. Ferguson's property, treat her and her children as natural persons or as a corporation?

If the corporation were treated as a natural person, it could elect to retain a right of use and occupancy of the existing residence for 25 years or the lifetime of thep resent stockholders who are Mrs. Ferguson and her three children.

Mr. BIBLE. I have been assured by the Park Service that Mrs. Ferguson and her children will be treated as natural persons. The Park Service is willing to offer use and occupancy rights as to the existing residence, for a period ending at the death of the last surviving of Mrs. Ferguson and her three children. This right under the bill will extend to the residence, together with so much of the surrounding land as is reasonably necessary for the noncommercial residential use of the residence.

Mr. TALMADGE. I desire to express my deep appreciation to the able chairman for his prompt and expeditious handling of the bill. This is a great resource and it will mean much to future generations of American people.

Mr. BIBLE. I thank the Senator. I agree with his analysis that this is a great resource. I am happy that we are attempting to preserve this resource through this legislation.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

PRESERVATION OF HISTORIC MONUMENTS

Mr. BIBLE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1152.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1152) to facilitate the preservation of historic monuments, and for other purposes which were on page 2, line 17, after "subsection", insert "or the Surplus Property Act of 1944 as amended,".

On page 3, line 3, strike out all after "for" down to and including "purposes." in line 4, and insert "public historic preservation, park, or recreational purposes."

Mr. BIBLE. Mr. President, the House has made two minor amendments to this legislation which was submitted to the Congress by the executive branch and is designed to facilitate the Nation's program of preservation of historic monuments and other sites for park and recreation areas.

The amendments of the House are minor in nature, and are consistent with the purposes of the bill as reported by the Senate Interior and Insular Affairs Committee and passed by the Senate. The bill has been cleared on both sides of the aisle and, therefore, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until 10 o'clock a.m. tomorrow.

The ACTING PRESIDENT pro temporte. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Moss) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION PROVIDING SPECIAL PAY FOR CERTAIN MEMBERS OF THE NAVAL SERVICE

A letter from the Secretary of the Navy, submitting proposed legislation to provide special pay to certain nuclear-trained and qualified enlisted members of the naval service who agree to reenlist, and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED EXPANSION OF AUTHORITY OF THE CANAL ZONE GOVERNMENT

A letter from the Governor, Canal Zone Government, transmitting a draft of proposed legislation to expand the authority of the Canal Zone Government to settle claims not cognizable under the Tort Claims Act (with an accompanying paper); to the Committee on Armed Services.

PROPOSED TRANSFER OF CERTAIN AUTHORITY TO THE FEDERAL POWER COMMISSION

A letter from the Chairman, Securities and Exchange Commission, transmitting a draft of proposed legislation to provide for the transfer to the Federal Power Commission of all functions and administrative authority now vested in the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935 (with accompanying papers); to the Committee on Commerce.

REPORT OF THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

A letter from the Secretary of Transportation submitting, pursuant to law, a report on the financial conditions of the Central Railroad Company of New Jersey (with accompanying report); to the Committee on Commerce.

PROPOSED LEGISLATION TO INCREASE TEACHERS' SALARIES IN THE DISTRICT OF COLUMBIA

A letter from the Commission of the District of Columbia submitting proposed legislation to amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, to provide certain revisions in the retirement benefits of public school teachers, and for other purposes (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States submitting, pursuant to law, a report entitled "Theory and Practice of Cost Estimating for Major Acquisitions" (with accompanying report); to the Committee on Government Operations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Moss):

A resolution adopted by the Board of County Commissioners of Palm Beach County, Florida, in support of the Gurney amendment to the General Revenue Sharing Bill (S. 3651); to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 736. A bill to designate certain lands in the Cedar Keys National Wildlife Refuge in the State of Florida as wilderness (Rept. No. 92-980).

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments:

S. 3726. A bill to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes (Rept. No. 92-981).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 1729. A bill to supply general service freight cars to meet the needs of commerce, users, shippers, national defense, and the consuming public (Rept. No. 92-982), together with additional views.

By Mr. McGEE, from the Committee on Appropriations, with amendments:

H.R. 15690. An act making appropriations for Agriculture-Environmental Consumer Protection programs for the fiscal year ending June 30, 1973, and for other purposes (Rept. No. 92-983).

Mr. SCHMITZ, for 10 minutes, today.
Mr. MIZELL, for 5 minutes, today.
(The following Members (at the request of Mr. DANIELSON) and to revise and extend their remarks and include extraneous matter:)
Mr. GONZALEZ, for 5 minutes, today.
Mr. FLOOD, for 10 minutes, today.
Mr. ROONEY of Pennsylvania, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes, today.
Mr. METCALFE, for 5 minutes, today.
Mr. HOLIFIELD, for 5 minutes, today.
Mr. MCKAY, for 10 minutes, today.
Mr. HARRINGTON, for 5 minutes, today.
Mr. DIGGS, for 60 minutes, on August 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
Mr. ASPINALL.
Mr. MILLER of California in three instances.
Mr. ROUSH and to include extraneous material.
Mr. MICHEL and to include extraneous matter.
(The following Members (at the request of Mr. THONE) and to include extraneous matter:)
Mr. CARLSON.
Mr. DUNCAN.
Mr. CARTER.
Mr. HUNT.
Mr. STEIGER of Wisconsin.
Mr. WYMAN in two instances.
Mr. SPENCE.
Mrs. HECKLER of Massachusetts.
Mr. HANSEN of Idaho in two instances.
Mr. BAKER.
Mr. SCHMITZ in five instances.
Mr. BROTZMAN.
Mr. DERWINSKI.
Mr. FORSYTHE in two instances.
Mr. ROUSSELOT.
Mr. ANDERSON of Illinois in three instances.
(The following Members (at the request of Mr. DANIELSON) and to include extraneous matter:)
Mr. MCKAY.
Mr. YATRON.
Mr. O'NEILL.
Mr. BIAGGI in 10 instances.
Mr. GIAIMO in two instances.
Mr. LINK in two instances.
Mr. PURCELL.
Mr. DOW.
Mr. GONZALEZ in three instances.
Mr. RARICK in two instances.
Mr. ANNUNZIO in two instances.
Mr. MONAGAN.
Mr. CAREY of New York.
Mr. ANDERSON of California in four instances.
Mr. BENNETT in two instances.
Mr. GALIFIANAKIS.
Mr. STOKES.
Mr. RODINO.
Mr. ROSTENKOWSKI.
Mr. WALDIE in three instances.
Mr. PATTEN.
Mrs. MINK in four instances.
Mr. BOLAND in three instances.
Mr. DINGELL.
Mr. HARRINGTON in two instances.
Mr. HELSTOSKI.
Mr. STAGGERS.
Mr. DANIELS of New Jersey in two instances.
Mr. FOLEY.
Mr. JONES of Tennessee in five instances.
Mr. DIGGS.
Mr. WAGGONNER.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 736. An act to designate certain lands in the Cedar Keys National Wildlife Refuge in Florida as wilderness.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 3 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, July 31, 1972, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS ETC.

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

2196. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1973 for drug abuse treatment, prevention, and law enforcement activities (H. Doc. No. 92-330) to the Committee on Appropriations and ordered to be printed.

2197. A letter from the Director, Office of Legislative Affairs, Agency for International Development, Department of State, transmitting the fourth annual report on steps being taken by the Agency to strengthen management practice in the foreign aid program, pursuant to section 621(a) of the foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

2198. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

2199. A letter from the Secretary of Health, Education, and Welfare, transmitting notification of a delay in the submission of the report relating to grants to States for the construction of health facilities, pursuant to section 103(c) of Public Law 91-296; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. PERKINS: Committee on Education and Labor. H.R. 15376. A bill to amend the Service Contract Act of 1965 to revise the method of computing wage rates under such act, and for other purposes; with amendment (Rept. No. 92-251). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 11357. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes, (Rept. No. 92-1252). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 15989. A bill to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes. (Rept. No. 92-1260). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLAND: Committee of Conference. Conference report on H.R. 15093 (Rept No. 92-1261). Ordered to be printed.

Mr. COLMER: Committee on Rules. House Resolution 1063. Resolution providing for the consideration of H.R. 14146, a bill to establish a national policy and develop a national program for the management, beneficial use, protection, and development of the land and water resources of the Nation's coastal zone, and for other purposes. (Rept. No. 92-1253). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 1064. Resolution providing for the consideration of H.R. 15474, a bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Cooley's anemia. (Rept. No. 92-1254). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 1065. Resolution providing for the consideration of H.R. 15475, a bill to provide for the establishment of a national advisory commission to determine the most effective means of finding the cause of and cures and treatments for multiple sclerosis. (Rept. No. 92-1255). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

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

Mr. EILBERG: Committee on the Judiciary. H.R. 4646. A bill for the relief of Mrs. Gavina A. Palacay; with amendment (Rept. No. 92-1256). Referred to the Committee of the Whole House.

Mr. SEIBERLING: Committee on the Judiciary. H.R. 10711. A bill for the relief of Mrs. Purita Paningbatan Bohannon (Rept. No. 92-1257). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 10712. A bill for the relief of Flora Datiles Tabayo; with amendment (Rept. No. 92-1258). Referred to the Committee of the Whole House.

Mr. MAYNE: Committee on the Judiciary. H.R. 12204. A bill for the relief of Jay Alexis Caligdong Siaotong (Rept. No. 92-1259). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mrs. ABZUG:

H.R. 16069. A bill to provide for more equitable coverage under the emergency unemployment compensation program; to the Committee on Ways and Means.

Tribes of the Warm Springs Reservation of Oregon; with amendments (Rept. No. 92-1266). Referred to the Committee of the Whole House on the State of the Union.

Mr. DANIELSON: Committee on the Judiciary. H.R. 13825. A bill to extend the time for commencing actions on behalf of an Indian tribe, band, or group; with an amendment (Rept. No. 92-1267). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONOHUE: Committee on the Judiciary. H.R. 15883. A bill to amend title 18, United States Code, to provide for expanded protection of foreign officials, and for other purposes; with amendments (Rept. No. 92-1268). Referred to he Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee or Banking and Currency. S. 2499. An act to provide for the striking of medals commemorating the 175th anniversary of the launching of the U.S. frigate *Constellation* (Rept. No. 92-1269) Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 1071. A resolution providing for the consideration of H.R. 15989. A bill to establish a Council on International Economic Act of 1969, and for other purposes (Rept. No. 92-1270). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

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

By Mrs. ABZUG (for herself and Mr. PODELL):

H.R. 16095. A bill to amend title II of the Social Security Act to provide that full old-age, wife's, and husband's insurance benefits (and medicare benefits) shall be payable at age 60 (with such benefits being payable in reduced amounts at age 55), to provide that full widow's, widower's, and parent's insurance benefits shall be payable without regard to age, and for other purposes; to the Committee on Ways and Means.

H.R. 16096. A bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, so that such benefits will be payable on the same basis as benefits for wives and widows; to the Committee on Ways and Means.

H.R. 16097. A bill to amend title II of the Social Security Act to reduce from 20 to 5 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record; to the Committee on Ways and Means.

H.R. 16098. A bill to amend title II of the Social Security Act to eliminate the "family maximum" provisions which presently limit the total amount of benefits that may be paid on an individual's wage record; to the Committee on Ways and Means.

H.R. 16099. A bill to amend title II of the Social Security Act to provide that the marriage or remarriage of a beneficiary shall not terminate his or her entitlement to benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 16100. A bill to amend title II of the Social Security Act to eliminate the duration-of-marriage and other special requirements which are presently applicable in determining whether a person is the spouse or former spouse of an insured individual for benefit purposes; to the Committee on Ways and Means.

H.R. 16101. A bill to amend title II of the Social Security Act to provide benefits for widowed fathers with minor children on the same basis as is presently provided for widowed mothers with minor children; to the Committee on Ways and Means.

H.R. 16102. A bill to amend title II of the Social Security Act to increase to $9,000 a year the amount of outside earnings permitted without deduction from benefits thereunder, and to provide that deductions from benefits on account of outside earnings in excess of that amount shall not exceed one-half of such excess; to the Committee on Ways and Means.

H.R. 16103. A bill to amend title II of the Social Security Act to provide that an individual who resides with and maintains a household for another person or persons (while such person or any of such persons is employed or self-employed) shall be considered as performing covered services in maintaining such household and shall be credited accordingly for benefit purposes; to the Committee on Ways and Means.

By Mr. ANNUNZIO:

H.R. 16104. A bill to amend section 109 of title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II; to the Committee on Veterans' Affairs.

By Mr. BROWN of Ohio:

H.R. 16105. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 16106. A bill to prohibit the exportation of crude petroleum and petroleum products of the United States during any time in which oil import restrictions are in effect; to the Committee on Banking and Currency.

H.R. 16107. A bill to establish the General Budget Office, and for other purposes; to the Committee on Government Operations.

H.R. 16108. A bill to deny percentage depletion in the case of oil which is exported from or imported into the United States, and to provide that intangible drilling and development deductions shall be recaptured where oil is so exported or imported; to the Committee on Ways and Means.

H.R. 16109. A bill to amend the Trade Expansion Act of 1962 in order to prohibit the sale, transfer of interest in, or exchange of allocation of imported petroleum; to the Committee on Ways and Means.

By Mr. FRELINGHUYSEN:

H.R. 16110. A bill to establish the Airport Noise Curfew Commission and to define its functions and duties; to the Committee on

By Mrs. GRASSO:

H.R. 16111. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who perform voluntary public service by working for certain organizations; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. BEGICH, Mr. CONOVER, Mr. HALPERN, Mr. JOHNSON of Pennsylvania, Mrs. HICKS of Massachusetts, Mr. McDADE, Mr. RUNNELS, and Mr. SCHNEEBELI):

H.R. 16112. A bill to create a demonstration project for the maintenance of safe Federal-aid highways, other than interstate, by the most feasible economical methods; to the Committee on Public Works.

By Mr. KOCH (for himself, Mr. BURTON, Mr. RAILSBACK, and Mr. THOMPSON of New Jersey):

H.R. 16113. A bill to amend the Education of the Handicapped Act to provide for comprehensive education programs for severely and profoundly mentally retarded children; to the Committee on Education and Labor.

By Mr. THOMPSON of Georgia:

H.R. 16114. A bill to provide for the awarding of a Medal of Honor for Policemen and a Medal of Honor for Firemen; to the Committee on Banking and Currency.

H.R. 16115. A bill to provide a penalty for unlawful assault upon policemen, firemen, and other law enforcement personnel, and for other purposes; to the Committee on the Judiciary.

By Mr. WHITEHURST:

H.R. 16116. A bill to amend the Horse Protection Act of 1970, to provide for criminal sanctions for any person who interferes with any person while engaged in the performance of his official duties under this act, and to change the authorization of appropriations; to the Committee on Interstate and Foreign Commerce.

By Mrs. ABZUG:

H.J. Res. 1266. Joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day"; to the Committee on the Judiciary.

By Mr. GOODLING (for himself and Mr. BUCHANAN):

H. Con. Res. 655. Concurrent resolution designating October as "National Gospel-Rescue Mission Month"; to the Committee on the Judiciary.

By Mr. O'HARA (for himself and Mrs. GRIFFITHS):

H. Con. Res. 656. Concurrent resolution expressing the sense of Congress that there shall be no general pardon or amnesty for those who evaded the draft or deserted the Armed Forces during the conflict in Vietnam; to the Committee on Armed Services.

By Mr. BIESTER (for himself and Mr. DU PONT):

H. Res. 1069. Resolution authorizing employment of senior citizen interns for Members of the House of Representatives; to the Committee on House Administration.

By Mr. BOGGS (for himself and Mr. GERALD R. FORD):

H. Res. 1070. Resolution providing for printing as a House document the joint report to the House of Representatives by the majority and minority leaders on their recent mission to the People's Republic of China; to the Committee on House Administration.

SENATE—*Monday, July 31, 1972*

The Senate met at 10 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, we thank Thee for the gift of this new day with its opportunities for growth in nobility of character and in service to others. May we so invest the hours as to enhance the welfare of the Nation and advance Thy kingdom on earth. Inspire us to break through and break down the barriers of prejudice and selfishness. Give us the courage to drive out all that corrupts and destroys the common life and grant us grace to preserve our own lives untarnished by evil ways. In all that we do help us to grow in the likeness of the Master of life. Be with all who work here this day and to those who travel give

culture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1973, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. WHITTEN, Mr. NATCHER, Mr. HULL, Mr. SHIPLEY, Mr. EVANS of Colorado, Mr. BOW, Mr. ANDREWS of North Dakota, Mr. MICHEL, and Mr. SCHERLE were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 1682) to provide for deferment of construction charges payable by Westlands Water District attributable to lands of the Naval Air Station, Lemoore, Calif., included in said district, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore.

PUBLIC WORKS APPROPRIATIONS—APPOINTMENT OF ADDITIONAL CONFEREES

Mr. STENNIS. Mr. President, this concerns a matter in which conferees have been appointed, and a conference has been called on H.R. 15586, the public works appropriations for 1973. I ask unanimous consent that the names of the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Colorado (Mr. ALLOTT) be added as conferees on the part of the Senate.

The PRESIDING OFFICER (Mr. BUCKLEY). Without objection, it is so ordered.

EQUAL EXPORT OPPORTUNITY ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 931, S. 3726.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments on page 11, line 24, after the word "the", strike out "Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, and the Joint Economic Committee an" and insert "Congress an"; on page 13, line 4, after "(a)", strike out:

The staff of the Council shall be headed by an Executive Director who shall be appointed by the President. It shall be the duty of the Executive Director to—

(1) direct the activities of the Council staff,

(2) develop the agenda and supporting materials for Council meetings and review all matters before the Council, and

(3) establish a work program, including topics and the selection of individuals to carry out particular assignments.

And insert:

The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and direct the Council staff. He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.;

On page 14, after line 22, strike out:

(e) Section 5313 of title 5, United States Code (relating to positions at level II of the Executive Schedule), is amended by adding at the end thereof the following:

(22) Executive Director, Council on International Economic Policy.

On page 15, after line 2, insert a new section, as follows:

SEC. 209. The provisions of this title II shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

At the beginning of line 7, change the section number from "209" to "210"; and, in line 9, after "1973", strike out the comma and "and not to exceed $1,600,000 for fiscal year 1974"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be determined after review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the Secretary of Commerce shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the Secretary of Commerce determines that adequate evidence has been presented to him demonstrating that the absence of such a control would constitute a threat to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than six months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials, and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which are more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c)(1) The Secretary of Commerce shall appoint a technical advisory committee for each group of articles, materials, and supplies, including technical data and other information, which—

"(A) is or may be made subject to export controls because of its significance to the national security of the United States; and

"(B) is difficult to evaluate for technical or strategic reasons.

Each such committee shall consist of representatives of United States industry and government who may be appointed for terms of not more than two years. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to the level of United States export controls applicable to all articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken in cooperation with nations with which the United States has defense treaty commitments. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a

member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Any member of any such committee who is not an officer or employee of the United States shall be entitled to receive compensation at not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, during such time as he is engaged in the performance of his duties as a member. Each member may be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at the call of the Chairman but not less often than four times each year."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Economic Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the ("Council").

MEMBERSHIP

SEC. 205 The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of the Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advice the President in the preparation of the International Report required under section 207;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry;

(3) collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters;

(4) consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(5) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis; and

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity.

REPORT

SEC. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States; and

(3) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recomemndations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and direct the Council staff. He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b)(1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

(e) Section 5313 of title 5, Uinted States Code (relating to positions at level II of the Executive Schedule), is amended by adding at the end thereof the following:

SEC. 209. The provisions of this title II shall expire on June 30, 1973, unless ex-

tended by legislation enacted by the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973.

Mr. ROBERT C. BYRD. Mr. President, the Senate will now proceed to debate the bill, S. 3726. Opening statements will be made. Senators may call up amendments. If debate on such amendments should reach its termination prior to the time the delegation has returned from Louisiana, the leadership will have any yea and nay votes laid over until the delegation has returned and the votes would occur following the scheduled votes on the three amendments by Mr. JACKSON, Mr. CRANSTON, and Mr. HARTKE, respectively; votes in relation to S. 3726 may even go over until the second track is reached tomorrow, but, in any event, no votes will occur until the delegation has returned later today.

Mr. BROCK. Mr. President, on the bill, S. 3726, to extend the Export Administration Act, there are a couple of amendments that have been agreed to. I ask the Senator from West Virginia (Mr. ROBERT C. BYRD) if we have an agreement on amendments, there is no reason not to go ahead and act on them, is there, by voice vote; or does the Senator want to withhold action on any amendment?

Mr. ROBERT C. BYRD. I am glad that the distinguished Senator from Tennessee asked that question. Certainly there will be no intention to delay action on any amendments which can be decided by a voice vote.

Mr. BROCK. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. TAFT. Mr. President, I take this time to talk on title I of the bill, the Export Control Administration Extension Act. In the committee, I sponsored in title I of the bill sections called the Equal Export Opportunity Act because I do not believe that U.S. exporters should suffer any longer from a masochistic policy of retaining excessive export controls. Economists often speak of nontariff barriers to trade by which countries limit the penetration of imports into their domestic markets. By continuing to control the export of many items which are not of strategic value and are not controlled by our foreign competitors the United States has been perpetuating a nontariff trade barrier against its own products.

This barrier effectively contributes to our unfortunate economic performance in Eastern Europe. In 1970, the U.S. share of the world market was 16 percent, but our share of the Eastern European market was only 3 percent.

The U.S. trade deficit through April 1972 was a record $2.1 billion. Despite some recent improvement, our unemployment rate is still unacceptably high. Under these circumstances, we can ill afford to let our export control program augment the trade deficit and eliminate American jobs by creating an advantage for Western European and Japanese manufacturers.

In our committee's hearings on the Export Administration Act, the administration witness rightly pointed out that progress toward liberalizing the export control system has been made since the enactment of the act in 1969. This administration has gone further in the direction of decontrolling exports to Eastern Europe than any previous administration. The number of items which have been decontrolled since 1969 has been substantial. Unfortunately, however, many of these were low technology articles for which there is little foreign demand. Some of the machine tools recently decontrolled are no longer ever manufactured in the United States. By contrast, the liberalization of controls applying to items involving a higher level of technology has been slow. For example, the Commerce Department was reluctant to grant a license for selling printed circuit boards to Bulgaria, even though such circuit boards are freely available in Eastern Europe and have been used in telephones and radios since the late 1950's. The Department agreed to allow the company to export the circuit board only if the company could document in advance the end use of every single one of them. That arrangement was not overly practical, since circuit boards can be used in many ways and the number of circuit boards in an individual order can be in the hundreds of thousands.

Of all our exportable materials, the Eastern Europeans are most interested in those involving much higher technology than circuit boards. Partly because of excessive export controls on such goods, however, the United States has sold few of them in Eastern Europe. For example, in 1969, the U.S. share of the world market for high technology, electrical measuring and control instruments was 36 percent. In Eastern Europe it was 7 percent, less than half that of the United Kingdom, West Germany, or France.

Our failure to solve all of our export control problems under the Export Administration Act is further reflected in the fact that U.S. exports to Eastern Europe as a percentage of Cocom exports to Eastern Europe decreased from 4.35 percent in 1967 to about 4 percent in 1971. A review of Commerce Department actions and export record in Eastern Europe indicates clearly that modernization of our export control system is far from complete.

At this time the United States controls 495 classifications of good technology by multilateral—Cocom—agreement with our allies. In addition, the United States chooses to retain unilateral controls on 461 classifications of goods and technology. The United States is the only Cocom country which controls the export of a significantly greater number of items than those which the Cocom agrees to control multilaterally.

Some of the items under unilateral control are eventually granted export licenses, but the delay and uncertainty in the licensing process often cost American exporters sales even when this happens. Twenty-six percent of the applications for export licenses to Eastern Europe, involving many of the high technology items in which the Eastern Europeans are most interested, took more than 15 working days to process.

To the extent that the problems relating to the licensing process are more acute in the United States than in the other Cocom countries, American exporters are placed at a disadvantage to the Cocom exporters even when the exportable item is Cocom controlled. Many representatives of the American industries have voiced the opinion that our export licensing process does impose more costs, uncertainty, and delays than exporters from other Cocom countries suffer. Our Cocom competitors allegedly even provide advantages to their exporters by giving them a better idea of which licensing applications will receive favorable action, referring their applications for exceptions to Cocom regulations to the Cocom with less preliminary screening requiring less documentation regarding the end use of the item to be exported, imposing less stringent requirements for insuring that an item is never diverted for strategic use, granting more liberal licensing provisions for supplying spare parts, and in several other ways.

Delays in the U.S. processing system have been crippling at times. Some export license applications have languished for months—some for more than a year—while the Government debated whether to allow U.S. participation in Russian truck plants. Even where there is no major political issue raised by an application, it can take months to secure a license for equipment subject to unilateral controls. The licensing process is expensive and frustrating, particularly for the small company not familiar with current practices and procedures.

I realize that part of the reason for this program is that the Office of Export Control is understaffed and underfunded. In addition, delays are often the fault of other agencies represented on the Advisory Committee for Export Policy. I hope that administrative changes will be made—to afford export control operations higher priority in Commerce Department funding and personnel planning and to speed up the workings of the Advisory Committee for Export Policy. The most effective solution for the licensing problem, however, is the same solution that is needed for problems arising from excessive unilateral controls. All export controls should be removed except where control is clearly necessary or pursuant to international agreement. The Equal Export Opportunity Act would clearly push the Commerce Department in this direction. It would amend the Export

Administration Act to require prompt decontrol of unilateral U.S. export controls which are not necessary to protect our national security.

Upon the enactment of the amendment, the Commerce Department would head up a study to determine which goods and technology should be controlled. Goods and technology for which there is a significant export market would be given priority in the review process. Unless convincing evidence is presented that the absence of export controls on an item in question would prove detrimental to the national security, items which are available without restriction from sources outside the United States would be decontrolled. Such decontrol would take place within 6 months after the enactment of the amendment. At that time, the Secretary of Commerce would be required to give reasons for retaining any procedure applicable to export licensing which are more burdensome than similar procedures utilized by other Cocom countries.

The Equal Export Opportunity Act also provides for the establishment of Government-industry technical advisory committees. These committees would be consulted and formed with respect to the level of U.S. export controls, including those controls which are imposed internationally under the Cocom agreement.

The technical advisory committees would provide information to the Commerce Department on technical matters, worldwide availability and actual utilization of the products and technology and the relative burden of licensing procedures.

The Commerce Department officials administering export controls must make decisions affecting all kinds of goods and technology. Without extensive industry advice, these officials cannot possibly be expected to utilize effectively the vast amount of expertise needed to make an intelligent decision about any given product—particularly if it is a complicated, high-technology item. The hearings before our committee were full of evidence indicating that delays have been caused and unnecessary restrictions retained because Commerce was trying to base decisions on insufficient or irrelevant information. I believe that the technical advisory committees will provide the Commerce Department with the improved accessibility and exposure to expertise which is needed to prevent such administrative problems.

The committees will also help to keep businesses more up to date with regard to the latest Commerce Department policies. One witness said that his industry could not come across such vital information as who the U.S. negotiators at the Cocom are or what their instructions are. In a world where most of the other Cocom governments work closely with their industries, even to the extent of coaching them to improve their chances of obtaining exceptions to Cocom regulations, the U.S. Government must take pains to give American industries the information they need to formulate as effective an export strategy as possible.

The successful enactment of title I will put American exporters on a more equal footing with foreign exporters in the competition for Eastern European markets. Industries whose products are presently subject to unilateral export control, such as chemicals, electrical machinery, other types of machinery including machine tools, and certain types of fabrics and materials could realize immediate benefits from decontrol action taken under the title. The potential benefits are great. For example, the machine tool industry conducted its first industry-organized, Government-approved trade mission to the U.S.S.R. and Hungary in the spring of 1971. During these sessions, Soviet officials gave the companies requests for quotations for U.S.-built machine tools which totaled more than $50 million. As a result of the industry's recent mission to Poland, industry officials expect more than $50 million in requests to be received by U.S. machine tool companies who participated in the mission.

The importance of this legislation extends far beyond whatever benefits will be realized by exporters in the next year or two. Industrialization is now proceeding full speed in Eastern Europe, which is one of the fastest growing regions in the world. At the same time, the recent lessening of East-West tensions has created a favorable environment for the expansion of trade. As a result of this combination of events the vast markets of Eastern Europe are opening up—now. If we are going to participate in the rapid growth of eastern Europe, our industries must be able to move in without further delay, subject only to restrictions which are really necessary to protect the national security.

The policy embodied in title I is politically desirable as well as economically beneficial. Maurice Stans pointed out in Moscow last fall that a normalization of relations on the commercial side should go hand in hand with political detente. Because this legislation can be a large step in the direction of normalizing our business relationship with the Russians and Eastern Europeans, it will complement the political understandings achieved at the recent Moscow summit.

From both an economic and political standpoint, I urge the Senate to help modernize an export control system that is one of the most costly anachronisms of the cold war. I urge the Senate to act favorably upon the Equal Export Opportunity Act.

Mr. MONDALE. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. MONDALE. Mr. President, I am in great sympathy with the general objectives of the Senator from Ohio (Mr. TAFT) who has just spoken. I have long advocated what he proposes. When I became a member of the Committee on Banking, Housing and Urban Affairs and chairman of the Subcommittee on International Finance 4 years ago, it was my privilege to take an extended factfinding trip through Western and Eastern Europe. I became wholly convinced during that trip that our policies at that time, which unilaterally restricted United States peaceful nonstrategic trade in Eastern Europe, were almost totally self-defeating. We were denying nothing to Eastern Europe and the result of our policy was simply to divert the beneficial nonstrategic trade with Eastern Europe from U.S. businessmen to our competitors in England, France, Western Germany, Italy, Japan, and other countries which have substantial trade with that area.

Because I was convinced of this, in 1969, we pushed for liberalization of our export control policies, and our proposals were embodied in the Export Administration Act of 1969.

However, the 1969 act left enormous discretion in the hands of the Commerce Department to determine how they would proceed under that act. I have been impressed by some of the progress made, yet the hearings we held this summer show, as the Senator from Ohio pointed out, that there is an inconsistent and spotty record.

I think the changes proposed by the Senator from Ohio, which are incorporated in S. 3726, will help enormously in establishing clearer policy objectives for the administration of the Export Administration Act.

I see no justification in our restricting trade in peaceful nonstrategic goods with Eastern Europe on a unilateral basis which hurts only this country. I do not think there is any reason for such a public policy and I hope the proposals of the Senator from Ohio which are incorporated in this legislation will be accepted. I find them wholly acceptable.

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

Mr. MONDALE. I am glad to yield to the Senator from Ohio.

Mr. TAFT. Some technical questions have been raised about the amendment at the present time as title I stands in the bill before the Senate. Those questions have been discussed in considerable detail and arrangements worked out for an amendment that I understand would be offered on the floor of the Senate that will not change in principle the objectives of effectiveness of the provisions of title I of the bill as it presently stands. I know of no opposition at any rate to the amendments that will be offered, and I know of no opposition to title I of the bill as amended by that amendment when it comes up.

Mr. MONDALE. I thank the Senator.

Mr. President, S. 3726 is a bill with two distinct sections and purposes.

Title I is the Equal Export Opportunity Act which amends the Export Administration Act of 1969. Title II is the International Economic Policy Act which gives statutory recognition and a distinct budget to the Council on Economic Policy at the White House.

The changes which title I makes in the Export Administration Act will reduce unnecessary export controls which hamper the growth of American trade. They are badly needed to encourage U.S. exports to Eastern Europe and other Communist countries.

Eastern Europe is one of the fastest growing markets in the world. Its total trade has increased by one-third between 1967 and 1970. Yet in 1970 the U.S. share of trade with that fast growing market was only about 3 percent, while our share of total world trade was 16 percent.

All our trading rivals, Japan, West Germany, Italy, and Great Britain, do a much larger share of their trade with Eastern Europe than we do. Our trade with Eastern Europe is increasing—and I applaud the recent grain agreement and the efforts which the President is making to increase our trade in other ways with this area—but we have a long way to go still to achieve our full share.

One of the reasons why our trade with Eastern Europe is so much smaller than that of our rivals is that our businessmen face export control regulations which are much more restrictive than those faced by their competitors. The steps which we are proposing in this Equal Export Opportunity Act will push the Commerce Department to do away with excessive controls which are putting us at a competitive disadvantage.

At present, the United States is the only NATO country which controls its exports unilaterally to a significantly greater degree than do its allies. There is a multilateral organization called Cocom in which the United States develops with its allies export controls on sensitive items. What we are aiming to do with this act is to do away with unilateral U.S. controls which go way beyond these agreed control levels. There is no question of doing away with export controls altogether. We need some controls to prevent the export of certain goods and equipment which would damage our national security. But we should rely to the maximum extent possible on Cocom controls which do not put our businessman at a disadvantage.

Title I requires the Secretary of Commerce to end unilateral U.S. export controls which cannot be justified on national security grounds so that our exporters will get an equal chance to compete. The Secretary of Commerce will have to report to Congress within 6 months after enactment of this legislation giving his reasons why particular unilaterally controlled items cannot be decontrolled.

He must also inform us of any procedures which businessmen face in obtaining export licenses which are more burdensome than procedures in the other countries which control exports to Eastern Europe.

Mr. President, during our hearings in March on export controls several witnesses representing industries which export to Eastern Europe said that a major problem was the lack of consultation between the Commerce Department which controls exports and the businessmen who must face these governmental decisions.

We know that European businessmen consult closely with their governments on the level of export controls which should be applied jointly by the Cocom countries. Our businessmen, on the other hand, are consulted only sporadically by the Commerce Department and they have little contact with Defense Department experts who seem to make many of the important decisions in the export control area.

Because businessmen have day to day access to trade information and because they must live with trade restrictions, it is important that they be consulted more adequately. Therefore, we have provided in this legislation for technical advisory committees which will bring the expertise of businessmen as well as Government officials to bear on the problems of control. By providing for the creation of a flexible series of technical advisory committees including businessmen and Government experts, this legislation will meet the problem of improving consultation which, in turn, will make decontrol easier.

Title II of this legislation, the International Economic Policy Act, also could be an important step ahead in American trade policy. The Council proposed here brings together under the chairmanship of the President nine top officials of the Government agencies which play leading roles in foreign economic policy. Everyone agrees that this policy badly needs coordination and direction and the Council, hopefully, will provide both.

It will advise the President concerning various aspects of U.S. economic policy, and have the responsibility to assist him in coordinating policy in this area.

When the Banking, Housing and Urban Affairs Committee reported this bill, I said in my additional views that I had reservations concerning some features of this section of the legislation.

The issue is not whether there should a Council, but whether Congress should give this Council the authority and the money to coordinate the functions of existing Federal departments and agencies without requiring that its Executive Director come before the Senate for confirmation.

Several members of the Committee on Foreign Relations also were concerned by this problem. The bill which was reported from the Banking Committee to the floor was referred to the Foreign Relations Committee so that a day of hearings could be held on this question.

The hearings were held on July 19 and the compromise which emerged requires that the Executive Director of the Council keep the various committees of the Congress which are concerned with the international economic policy area "fully and currently informed regarding the activities of the Council." It also provides that this title shall expire on June 30, 1973, unless extended by new legislation. This expiration provision may help to insure that the Congress is kept fully and adequately informed.

Although I continue to believe that the traditional formula calling for confirmation of high ranking officials like the Executive Director would be a preferable one, I think the Foreign Relations Committee has moved toward an acceptable compromise. I hope the Senate will move to accept S. 3726 as a complete package.

Mr. BROCK. Mr. President, I hope that we can approve this bill without undue delay because without an extension included in this legislation, our Export Administration Act, which provides authority for the President to prohibit or restrict the export of commodities and technical data if he determines that such exports would prove detrimental to the national security of the United States, will expire Tuesday, August 1. That authority should be extended regardless of the differences of opinion that exist regarding other provisions contained in this legislation.

In addition to extending the Export Administration Act until June 30, 1974, this bill has two major purposes. Title I is intended to facilitate the prompt removal of U.S. unilateral export controls which are not necessary to protect our national security, and insure that the Department of Commerce consults with and makes use of the expertise of private industry in the administration of export controls.

Title II of the bill provides a statutory basis and authorizes appropriations for a period of 1 year for the Council on International Economic Policy which was established by the President in January of 1971. It also creates the Office of Executive Director who would be an assistant to the President. The President would be required to transmit a report on international economic policy annually. This report would be prepared with the assistance of the Council.

The membership of the Council is to include the President, the Secretaries of State, Treasury, Defense, Agriculture, Commerce, Labor, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Special Representative for Trade Negotiations. The Council is subject to the direction of the President, who is it Chairman and who may appoint additional members.

The purpose of the Council is to review the activities and policies of the various agencies, departments, and instrumentalities of the U.S. Government in the international economic area and make recommendations to the President to promote more consistent international economic policy in order to strengthen the competitiveness of the United States, improve the balance of payments, increase exports, protect and improve foreign investments, improve trade relations, and increase the employment and real income of workers and consumers through international economic activity.

Mr. President, this section of the bill has been the subject of some controversy, but I believe that we have now agreed on a form which can be accepted by the Senate. The proposal now contained in the bill is not what the administration desired, nor is it what some members of our Banking Committee desired, nor is it what some members of the Foreign Relations Committee desired. It is, however, the most reasonable compromise of the various viewpoints that we have been able to work out, and I believe that it should be accepted by the Senate. All parties have had to bend their desires somewhat in order to have an acceptable provision. As it is presented today to the Senate,

the authority for the Council is limited to a period of 1 year during which time it will be possible to evaluate the operations of the Council.

TITLE II OF S. 3726 ESTABLISHING THE COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Mr. President, in his testimony in support of the bill establishing the Council on International Economic Policy delivered before the House Banking and Currency Committee, Secretary Peterson correctly put into focus the questions which this legislation poses to us in the Congress. These are the questions:

First. Is there a genuine need for a policy advisory organization at the White House level specializing in international economic affairs?

Second. How has the Council functioned to date?

Third. Should it be given legislative authorization?

Mr. President, speaking to the first question, the need for the Council has been recognized by the President's Advisory Council on Executive Reorganization, chaired by Mr. Roy Ash, which recommended its establishment, and by the Commission on International Trade and Investment Policy which endorsed the Council on International Economic Policy, and recommended that it be given statutory authorization and funding. The Ash Council's analysis concluded that the executive branch was not adequately structured to deal with international economic problems. They found that responsibilities for international economic affairs were dispersed among numerous departments, agencies and committees with no consistent, formally structured means of providing advice to the President or insuring the development of a coherent policy considering all the facets of the various issues.

The President created the CIEP to give to international economic problems the same top level focus which national security and domestic policy issues receive from utilizing the Council approach, and to give a sense of coordination and leadership to this entire area.

The formulation and administration of foreign economic policy is a complex task which affects all other aspects of our foreign relations. National security is frequently involved as well as domestic economic policy. This is why so many Government departments and agencies participate in the formulation and implementation of foreign economic policy. But the involvement of so many diverse agencies means that eventually all of the strands converge at the Executive Office of the President, posing a formidable problem of coordination. The CIEP is the mechanism that assumes this coordinating and advisory responsibility. The staff of the Council is responsible for collecting and synthesizing for presentation to the President the sometimes divergent views of the agencies. The Council itself is a forum in which the President discusses with those top level policymakers the issues which need resolution.

Although the previously existing institutional deficiencies by themselves are reason enough for establishing the Council, there is also an attitudinal problem among our policymakers which the existence of the Council will help to correct. For too long there has been a lack of understanding of the new realities confronting the United States in its international economic dealings. The United States has not, until the last year, had a clear vision of its own international economic position. Many people were ignoring the fact that our whole international competitive position was changing—as evidenced by our trade balances declining from a 7 billion surplus position in 1964 to a deficit position that at the end of 1971 turned out to be more than 2 billion.

The fact is that many of our first rate foreign policy minds did not put enough priority on the economic aspects of our foreign policies, having over the years become accustomed to a U.S. economic dominance that left them free to concentrate largely on the national security and political aspects of our foreign policies. What the Council on International Economic Policy has done is to elevate these international economic matters to the level of emphasis they deserve in a world where international economic interdependence of nations is rapidly increasing and where U.S. eco-economic dominance can no longer be taken for granted.

Mr. President, I think the need for the Council is now a well recognized fact. Hearings have been held in the Senate and House Banking Committees and in the Senate Foreign Relations Committee. All of these have recommended the legislative establishment of the Council. This, of course, is in addition to the Ash Commission recommendations and the endorsement of the Commission on Trade and Investment Policy.

The second question we should address ourselves to is how the Council has functioned up to this point. I believe the Council in the last year and a half has done very well. Its accomplishments are particularly impressive when one considers that it began only 18 months ago, with a totally new staff and mission, that it has not had an independent budget, and that it has had to function with personnel detailed from the various agencies. I should perhaps at this point enumerate the accomplishments of the Council over the last year. One of the first assignments given to it by the President was to prepare an assessment of the evolving U.S. situation in international economic affairs over the past two decades. This assessment was later published and provided to the Congress under the title of "The United States and the Changing World Economy." This document has given us a clear, concise view of where we are and where we're headed. The President was very impressed with this evaluation, and I think it is correct to say that the August 15, 1971, decisions were to a very large degree influenced by it.

The Council has also played a key role in securing voluntary restraint agreements limiting textile, shoe, and steel imports into the United States. These agreements, which were reached without the need for restrictive legislation which would inevitably bring retaliation by our trading partners, will have the effect of preserving American jobs, and allow the industries involved time to improve their competitive stance.

The Council has also participated in the development of strategy and tactics for the negotiations with the Soviet Union and with China—negotiations which are already beginning to pay off. The recent agreement under which the Soviet Union will purchase $750 million in U.S. grains over a 3-year period is the largest long-term purchase agreement ever made between two nations, will result in a 17-percent increase in grain exports and purchases from U.S. farmers.

The Council is also playing a central role in developing strategy for our negotiations on a new monetary agreement as well as the multilateral comprehensive trade negotiations contemplated for 1973.

I submit that one of the major ingredients of the turnaround in U.S. international economic policy over the past year has been the creation of the Council on International Economic Policy. I believe that as a result of the creation of the Council and new policies which the United States has embarked upon, the rest of the world now has a better understanding that the United States intends to vigorously assert its international economic policy interests and insist on an equitable and fair environment for its exports.

However, the problems which confront us on the international economic front are not going to disappear over the next few years. Instead, they will become more intense. I agree with the President's belief that we are entering an era where military confrontation will be replaced by economic competition. As a result, our international economic problems are going to become more critical and more difficult to resolve. We are already involved in discussions which will eventually lead us to a new international monetary system.

Next year we will begin discussions on a new international trading system. Certainly, the President is entitled to the best advice possible and to organize his own office in the way which enables him to best serve the interests of the Nation. This is why I believe the answer to the third question is that the Council should be authorized and funded so that it can function as effectively as possible.

I would like to mention one last point concerning the Council, the development of foreign economic policy and the role of Congress. I believe legislative authority and appropriations for CIEP definitely will place Congress in a better position to be informed of, and to review the operations of, the CIEP. To regularize that relationship is a good idea. A direct result of legislative authorization would be the annual review of CIEP budget estimates and action thereon by Congress. Moreover, amendments and extensions of the authorization act itself will become an occasion for congressional review and action. I should point out that the legislation gives the Coun-

cil a very short authorization and we will in the near future have the opportunity to look it over again.

S. 3726 also makes provision for the President to transmit to us here in Congress an annual report on the international economic position of the United States. This report, which will include recommendations for carrying out the objectives of this legislation, will be of invaluable help and should give the Congress much more information than it has now. In addition: for major Administration initiatives in the foreign economic field, legislation is invariably required.

Thus, rather than weakening our hand in the formulation and development of international economic policy as some have charged, I believe this legislation will strengthen the position of Congress.

I strongly urge the Senate to act favorably on this legislation without delay.

Mr. President, the Senator from Ohio mentioned his amendment. We have spent a good deal of time in committee trying to achieve the same objectives he seeks.

The Senator from Alabama (Mr. SPARKMAN), the chairman of the committee, and the Senator from Utah (Mr. BENNETT), both are unable to be present at this particular point in time. They will be here later.

On behalf of the Senator from Utah (Mr. BENNETT) I wish to offer an amendment to the bill.

The PRESIDING OFFICER. The Committee amendments have to be agreed to first. Does the Senator from Minnesota wish the committee amendments to be agreed to en bloc?

Mr. MONDALE. Mr. President, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. Is it necessary at this point to move for the consideration of those amendments en bloc?

The PRESIDING OFFICER. It is not necessary that they be considered en bloc, but it is necessary that the committee amendments be first considered.

Mr. MONDALE. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are considered and agreed to en bloc.

Does the Senator desire that the committee amendments as agreed to en bloc be considered original text?

Mr. MONDALE. Mr. President, I ask unanimous consent that the committee amendments as agreed to be considered as original text for purpose of further amendment.

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

Mr. BROCK. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BROCK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD is as follows:

On page 2, line 15, delete the words "be determined after review" and insert in lieu thereof "be subjected to review".

On page 3, lines 5 and 6, delete the words "Secretary of Commerce" and insert in lieu thereof "President".

On page 3, line 13, delete the words "Secretary of Commerce" and insert in lieu thereof "President".

On page 3, line 15, delete the words "constitute a threat" and insert in lieu thereof "prove detrimental".

On page 4, line 1, delete the word "six" and insert in lieu thereof "nine".

On page 4, line 13, delete the word "are" and insert in lieu thereof "may be or are claimed to be".

On page 4, after line 20, strike all through line 4 on page 5, and insert the following:

"(c)(1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical matters, worldwide availability and actual utilization of production and technology, or licensing procedures."

On page 5, line 6, strike all after the word "government" through the word "years" on line 7.

On page 5, line 18, strike all beginning with the word "Such" through line 24, and insert in lieu thereof the following:

"Such committees shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept".

On page 6, line 17, strike all through line 20, and insert the following:

"(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

Mr. BROCK. Mr. President, when S. 3726 was reported by our Committee on Banking, Housing, and Urban Affairs, Senators TOWER and BENNETT discussed some problems which they felt would be brought about by title I of the bill. In discussions with the Department of Commerce officials who are responsible for the day-to-day operation of the Export Administration Act, it was concluded that the provisions of title I as approved by the committee could actually complicate and hinder consultation with industry rather than improve it, and instead of speeding up the process of reviewing and decontrolling items which should be decontrolled, the requirements of title I could actually slow it down. In views included with the committee report, they more fully expressed the problems which they saw in the committee bill.

Since committee action, the Senator from Ohio, who sponsored the amendments contained in title I, has been very cooperative in working with the Department of Commerce in an effort to work out an agreement on language which would reain the thrust of these amendments while meeting some of the problems which could arise from the language approved by the committee. As the result of this cooperative effort, several amendments which I understand are acceptable to the Senator from Ohio and to the manager of the bill have been drafted. Senator BENNETT asked that I offer these amendments for him if he was not back from the services held for the late Senator from Louisiana when this bill was considered.

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

Mr. BROCK. Mr. President, I think these amendments are adequate to the need and the expressed desire of the Senator from Ohio. If he has no objection, we can proceed.

Mr. TAFT. Mr. President, if the Senator from Tennessee will yield briefly I would like to make a few remarks on the amendment.

Mr. BROCK. I yield.

Mr. TAFT. Mr. President, the Commerce Department believes that the adoption of the proposed amendment will enable them to carry out the actions prescribed in title I more effectively. I am willing to accept the amendment on those grounds. It should be made absolutely clear, however, that the amendment does not in the slightest way affect the intent of title I or the results which should accrue from this legislation.

The change in the declaration of policy section was made to indicate that the Office of Export Control does not necessarily have to consult formally with the Technical Advisory Committee before imposing export restrictions on any particular item. The effectiveness of imposing controls would be diminished if an item could be exported during the time which the merits of controlling its exportation are being discussed. Such a situation would certainly be unacceptable when an emergency situation necessitates the immediate imposition of controls. The amendment takes care of such problems. It is clear from section 105 of the bill, however, that decisions to place items under export controls would eventually be reviewed by the appropriate Technical Advisory Committee if that committee saw fit to do so.

The substitution of the word "Presi-

dent" for "Secretary of Commerce" in several places is a technical change which brings title I into conformity with the present Export Administration Act. The substitution of the words "prove detrimental" for "constitute a threat" is likewise a conforming change. It makes that standard for controlling the export of an item to avoid undermining the national security identical to the standard in the present act. The language is S. 3726, however, reverses the burden of proof in the present act for items freely available from foreign sources. Instead of giving the President the authority to control the export of such items if he thinks that their exportation would prove detrimental to the national security, it requires him to decontrol such items unless he determines that this would be the case, and reports the nature of any evidence supporting such a determination to Congress.

The Commerce Department insisted that it could not complete the required review of unilateral export controls in 6 months. To me, this is absolutely incredible, since section 4(a)(1) of the Export Administration Act has required such reviews to be made continually since the enactment of the act of 1969. I have reluctantly consented to give the Department 3 extra months. I hope the time to be used wisely, however, so that Commerce will now be able to furnish us with a much better review than we would have received after 6 months.

The Department has expressed a desire to print the special report required in section 104 at the same time as one of the quarterly reports already required by the Export Administration Act. As long as there is no resulting sacrifice in the quality of the special report and the 9-month deadline is met, this would seem to be perfectly acceptable.

The change in the requirement for the listing of burdensome licensing procedures will enable the Commerce Department to avoid an exhaustive study to ascertain what licensing procedures are actually in effect in other Cocom countries.

The Department knows well which procedures are alleged to be more burdensome; many of these procedures are mentioned on the top of page 4 of the committee report. It is my hope that this technical amendment will therefore give the Department more time for a thorough review of any of its own licensing procedures which may handicap our exporters more than similar procedures handicap Cocom exporters of other nationalities. I would except any procedure which could possibly fit this description to be reviewed.

To allay the Commerce Department's concern that my legislation would call for the creation of an excessive number of technical advisory committees with loosely defined functions, I am willing to accept amendments by which the creation of any such committee is made contingent upon a written request by a substantial segment of an industry, which spell out the role of the technical advisory committtees in detail, and which make clear that the Department does not have to consult a committee about an item outside of that committee's area of technical expertise. No consultation with a technical advisory committee would be expected in reference to an item which is outside the technical groupings for which committees have been created.

The final change provides that the chairman of a committee can waive the required quarterly meeting if he determines, in consultation with other committee members, that the meeting is not necessary. It also provides that each committee would be terminated after 2 years, unless the Secretary of Commerce extends its life for 2 more years. It requires the Secretary to consult each committee with regard to its termination or extension. This will provide a mechanism for eliminating committees which are no longer necessary.

I hope it is now clear that this amendment consists of technical improvements rather than substantive alterations. With this understanding, I urge adoption of the amendment.

Mr. BROCK. Mr. President, may I just take a moment to say I appreciate very much the willingness of the Senator from Ohio to work this out. I think it is an objective we all share. He has been more than willing to cooperate and to accept modifications which do not change in any significant respect the basic intent or effect of the amendment, but which will make the act more workable, and I think more readily of benefit to American business, which is, I think, the purpose of what we are trying to do in order to extend and enhance the prospect of American jobs through American exports.

So I appreciate very much his willingness to cooperate and work together toward this objective, and I think he has made a great contribution to this particular bill.

Mr. MONDALE. Mr. President, I thank the Senator from Tennessee and the Senator from Ohio.

I understand there is no objection to the pending amendment. I shall be very glad to take it. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendments submitted by the Senator from Tennessee to be voted on en bloc.

The amendments were agreed to en bloc.

Mr. MONDALE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BROCK. Mr. President, on July 26, the chairman of our Banking Committee, Senator SPARKMAN, received a letter from the chairman of the Senate Committee on Finance, stating that he believed the Finance Committee, like the Committee on Foreign Relations, should have been given an opportunity to review title II of the bill. He added that he would not press the jurisdictional point because of the urgency of extending the Export Administration Act but asked that the bill be amended so that the list of committees the Executive Director would keep fully and currently informed include the Senate Committee on Finance and the House Committee on Ways and Means.

Mr. President, I ask unanimous consent that the letter to which I have referred be included at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C., July 24, 1972.

The Honorable JOHN SPARKMAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SPARKMAN: S. 3726 has recently been ordered reported by the Foreign Relations Committee after having been originally reported favorably to the Senate by the Banking, Housing and Urban Affairs Committee.

Apparently, as reported by the Foreign Relations Committee, section 208 of the bill would require the Executive Director of the Council on International Economic Policy to keep various Committees of Congress "fully and currently informed regarding the activities of the Council."

The duties of the Council as described in section 206 of the bill relate directly to many matters on which the Finance Committee has important jurisdictional responsibility in the Senate, and the Ways and Means Committee in the House. In the ordinary course of legislation, I believe the Finance Committee, like the Committee on Foreign Relations, should have been given an opportunity to review Title II of the bill.

However, because of the urgency in enacting the basic purpose of the bill—extension of the Export Administration Act of 1969—I will not press the jurisdiction point. I do feel strongly that the list of Committees the Executive Director would keep "fully and currently informed" should include the Senate Committee on Finance and the House Committee on Ways and Means.

I would hope that as Chairman of the Committee of Banking, Housing and Urban Affairs, which will present the bill to the Senate, you would be receptive to an amendment along these lines. If you could handle the matter as a committee amendment, it would not be necessary for me to take the time of the Senate with a formal, time-consuming statement and debate. Please let me know if such a procedure is satisfactory to you.

With every good wish, I am
Sincerely,
RUSSELL B. LONG, *Chairman.*

Mr. BROCK. Mr. President, I appreciate the fact that the chairman of the Finance Committee, the Senator from Louisiana, is not going to press the jurisdictional point and offer for the Senator from Alabama the amendment which he requested.

I understand that the amendment is acceptable to the manager of the bill.

Mr. President, I offer, for the Senator from Alabama, the amendment which he requested.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 13, following line 20, insert the following:

"the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives,".

Mr. BROCK. Mr. President, I will say, very simply, the effort or thrust of the amendment is simply to add to those presently enumerated in section 208(a) of the bill to be kept informed regarding the activities of the council, the Finance Committee of the Senate and the Ways and Means Committee of the House. I hope the amendment finds acceptance on the part of the manager of the bill.

Mr. MONDALE. Mr. President, I do not think I have any objection to the amendment. I just want to ask one question. In no sense is this amendment intended to undermine the jurisdiction of the Committee on Banking, Housing and Urban Affairs over the Export Control Office; is that correct?

Mr. BROCK. I appreciate the Senator's question. No, of course not. As the Senator knows, I am a very vigorous advocate of the creation of this new move. I do not think, frankly, it goes far enough, as he knows. This is just a step in the right direction. Certainly its jurisdiction should remain in the Banking, Housing, and Urban Affairs Committee. That is the intent of the amendment.

Mr. MONDALE. Apparently all the amendment calls for is for this newly created Council to keep the three committees which have interest in trade; that is, the Banking, Housing and Urban Affairs Committee, the Foreign Relations Committee, and the Finance Committee advised of its operations.

Mr. BROCK. The Senator is correct. He realizes, of course, that the bill includes the corresponding House committees as well as the Joint Economic Committee.

Mr. MONDALE. But the basic jurisdiction which the Banking, Housing and Urban Affairs Committee has had and has asserted over the years remains unchanged?

Mr. BROCK. The Senator from Louisiana made it perfectly clear that he simply wanted to be kept fully and currently informed on what the Council is doing when it is in his area of concern as chairman of the Finance Committee. I think it is right in that regard.

Mr. MONDALE. Mr. Presdent, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, today we seek to extend the Export Administration Act of 1969 in order to authorize the President to control exports for national security, short supply, and foreign policy reasons. This authority expires tomorrow and our failure to act today could have disastrous consequences to our national security and the orderly administration of a program in effect since 1949.

One of the obstacles to the prompt passage of this extension is an amendment by the distinguished junior Senator from Nebraska which would require the Secretary of Commerce to terminate the short supply controls on exports of cattle hides which he introduced on July 15.

Because the controls on cattle hides are controversial and because such controls involve the use of a ticket system which may not be fully understood by all concerned, I would like to explain the basis on which the Secretary decided to establish this control program, and how it operates.

Let us consider the events which preceded this decision. During the period 1953–70 and well into 1971, composite cattle hide prices had ranged around 14 cents per pound. However, during the latter part of 1971, those prices began an upward spiral reaching a level of 27 cents to 29 cents per pound during May and June of this year and actually averaging 29.75 cents on July 14, the day before the Commerce Department took action.

Needless to say, the adverse effects of the national cattlehide supply and demand situation swelled in direct proportion to the increases in cattlehide prices, with crippling results to the operations of tanning companies.

In my own State of West Virginia, five tanning plants were heavily and adversely affected. The rising cost of rawhides, occasioned by increasing exports of this product, made it uneconomical to operate small tanning plants.

My State's largest tanning company, the Parsons Tanning Co., operating in Parsons, W. Va., employed 150 persons and was the major employer in a community of 1,500—a community which recently suffered the loss of a woolen mill, another major employer which had provided approximately 300 jobs.

On Tuesday, May 23, Parsons Tanning Co. stopped the soaking of hides and began laying off employees, in preparation for complete closure, unless relief could be, in some manner, received from the Federal Government—relief from the economic pressure of runaway cattlehide costs brought about by the growing export of hides to foreign leather goods manufacturers. And it is important to note that many of those same foreign manufacturers are providing low-cost imports, which, having been manufactured by cheap labor, are brought back to the United States for sale here in advantageous competition against our own domestic-made products.

In an effort to save this tanning company and to relieve the depressive economic effects on our domestic tanning industry, appeals went out to the President, to the Department of Commerce, to the Cost-of-Living Council, and to the General Services Administration, which has stockpile disposal administration responsibilities for tanning agents. All of these efforts were made to prevent a further loss of jobs in the hard-pressed Appalachian area where the town of Parsons is located.

The administration and Department of Commerce authorities were specifically warned of the depressive economic effects of the cattle hide prices and the need for export controls so that the entire U.S. tanning industry could secure hides at reasonable prices. Appeals were made for immediate implementation of measures to provide relief for U.S. tanneries and their employees, including specifically the Parsons Tanning Co.

However, the Department of Commerce had determined not to take any action until after it had an opportunity to collect necessary data, to study and evaluate them, and then to determine whether controls were warranted under the short supply criteria of the Export Administration Act. As Senators are no doubt aware, these criteria are stated as being "to protect the domestic economy from the excessive drain of materials and reduce the serious inflationary impact of foreign demand."

Thus the Parsons tanning industry continued its closeout operations to a point that on the day of the plant's final operations, with a reported 10 employees on a "closeout" basis, new hope came to the community of Parsons. W. Va., with the announcement by Secretary Peterson that the Department of Commerce was instituting a program to control exports of cattlehides and thus reduce inflationary pressures.

Based on that prospect of export control, the Parsons Tanning Co. advised me that the company had made a decision to reopen the Parsons Tanning Co. operations at Parsons and to start soaking 400 hides a day, beginning July 24. It was pointed out that this was only a one-half production, but as soon as the hides "were rolling" it was planned to increase production to 800 hides, which is full production, by August 14. The company officials stated that their plan was to reemploy the 150 people that are now idle at the plant and, with the aid given by the Department of Commerce action, it was hoped "to survive and keep Parsons a prosperous and happy community."

However, that plan has now been placed in jeopardy, along with the jobs of the Parsons Tanning Co. employees, by the proposal of the amendment to require the Secretary of Commerce to terminate the short supply controls on exports of cattlehides.

Let us now recapitulate the background of Secretary Peterson's proposal for those short supply controls of cattlehides.

When the upward trend in cattlehide prices began to cause deep concern to the domestic users of cattlehides, such as the tanners and the shoe manufacturers, who warned the Federal Government that these price increases were due to the abnormal foreign demand for U.S. cattlehides, the Department undertook consideration of the impending crisis.

Department officials met with industry representatives but found they did not agree as to the causes of the rise in cattlehide prices and future prospects in that market. Hence, Commerce undertook its own extensive study. The Bureau of the Census surveyed the domestic industries involved to determine the supply and demand factors at work in the cattle hide markets. Mandatory questionnaires were sent throughout industry and responses

were carefully studied and tabulated. Inquiries were made through our commercial posts abroad. The Department specifically inquired into the situation prevailing in Argentina and Brazil which had been principal suppliers of cattle hides in the world market but which had recently halted all hide exports. Simultaneously, at the request of the Price Commission, the Internal Revenue Service audited meatpackers to determine whether they had followed the cost pass-through rules in setting their hide prices.

The Department's evaluation of the data it had collected enabled it to reach its decision. First, it was demonstrated that the embargoes imposed by Argentina and Brazil have resulted in a transfer of the world demand normally satisfied by their cattlehide supplies to demand for U.S. cattle hides. Moreover, it appears that these embargoes are not to be lifted soon enough to provide relief for U.S. industries. Both Argentina and Brazil appear determined to develop their own tannery and shoe industries and their controls on hide exports can, therefore, be expected to continue for some time in the future.

Beyond the drain of U.S. hides caused by Argentina and Brazil's action, I would note that an increase in world demand for shoes as a result of rising standards of living has contributed to the increasing exports of cattle hides from the United States.

Second, the Department found a projected increase in domestic demand for cattle hides, mainly due to projected increase in domestic shoe production. This represents a most encouraging turnaround for our domestic shoe industry, whose production has been declining for several years. It also represents a turnaround in domestic hide consumption, which has declined in recent years but is projected to increase in 1972.

Against this picture of growing foreign and domestic demand, projected domestic supply based on estimated cattle slaughter showed an increase which was inadequate to meet the overall demand. Also, domestic user's inventories of hide and leather, an important facet of their supplies, were seriously depleted.

When the data on supply and demand were put together, a picture of serious shortage emerged. Demands were up, supplies down, and a shortfall of supplies was projected to be over 1,500,000 hides.

Thus, the conditions for controls were found to be present—serious price inflation, abnormal foreign demand, and domestic supply shortage. These facts provided the basis for Secretary Peterson's decision to introduce controls on hide exports.

The remaining issue then was how best to implement a program of controls so as to assure an adequate domestic supply and curb the inflationary pressures while minimizing the disruptive effect which controls could have on some segments of industry. First, he chose an export quota level which is reasonable and not too restrictive. Unlike the action taken in 1966, the present quota levels do not force a sharp rollback in export levels, but rather hold exports at the 1971 level which was a record high. Thus, domestic hide producers need not fear that their export markets will be damaged, and no glut of hide supplies is likely to occur.

Next the Department has devised a method of controls which will guide the economic benefits to American consumers and the farmers and ranchers—the cattle producers. This is how the program works.

The ticket system of controls will begin operation on September 1. Commerce will establish quotas for cattle hide exports for 3-month periods. Then, their Office of Export Control—OEC—will issue cattle hide export tickets for the number of cattle hides equal to the quota for each period.

Importantly, they will issue the tickets not to the exporters but to the cattle hide producers, principally packers. The tickets will be freely transferable. Since exporters can export hides only under validated export licenses, and since the exporters must present cattle hide export tickets in order to obtain these licenses from OEC, exporters, will have to acquire tickets from the cattle hide producers.

Then, the Price Commission will require that the revenue from the sale of cattlehide tickets must be treated as revenue received from the animal. Another Price Commission rule operates to limit the profit margins of the packers to a maximum level. Combined together, these rules should require the packers to pass on the revenues of the sales of cattlehide tickets to domestic consumers in the form of low hide prices or to the farmer and rancher in the form of higher prices for their cattle.

To sum up, there are two major differences between the control program which Secretary Peterson announced on July 15 and the cattle hide program introduced by Commerce in 1966. First, there is the degree of control. In 1966 quotas were stringently set so as to seriously roll back exports and apply to certain categories of hide pieces for which there is no domestic demand. This caused unnecessary hardship to the U.S. producers, the U.S. exporters and to the foreign buyers. The quotas set this year for the transition period and the first 3 months of the ticket system requires no cutback from the historic high level of exports set in 1971. Second there is the benefit to the rancher and the consumer through the ticket system. Whereas the program in 1966 allowed exporters to maximize their profits on the basis of the increases in world prices caused by our limitation on exports, the program this year insures, through the ticket system, that this benefit should reach ranchers and the American consumer.

In conclusion, the necessity for the cattlehide export controls has been adequately demonstrated and the program appears reasonably designed to solve the problem on the fairest terms for all segments of the industry concerned. To terminate this program before it has had an opportunity to be shown to work, seems to me unfair. Moreover, to delay extension of the act for such a purpose and thereby cause a lapse of authority which would jeopardize our national security interest is an action to which I am sure this body does not want to be a party. Accordingly, I urge that this amendment be defeated and the extension of the Export Administration Act as provided by S. 3726 be passed without any further delay.

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

Mr. CURTIS. Mr. President, at a later time, I will offer an amendment to the bill now before the Senate, which is the amendments to the Export Administration Act of 1969. Due to the fact that a number of Senators are out of the city for the funeral of our beloved former President pro tempore of the Senate, the distinguished Senator from Louisiana Mr. Ellender, and due to the fact that a large number of Senators are interested in this proposal—many of them are cosponsors—I will not offer the amendment at this time.

One of the reasons for speaking now is that I might place the material in the RECORD so that it can be read by Senators, because the material I refer to is contained in hearings that have not yet been printed.

Mr. President, the bill, S. 3726, to extend the authority of the Export Administration Act and also to amend it, was before the Committee on Banking, Housing and Urban Affairs. It is my understanding that it reported it favorably. Later it was referred to the Committee on Foreign Relations and that committee reported favorably on it.

About the time that this was happening, the Department of Commerce issued an order controlling and restricting the export of cattle hides from the United States. They did so in a very complicated way. They would require certain tickets to be used by exporters in order to have the right to export.

The testimony taken by knowledgeable people in the industry indicates that what they propose to do is very complicated and complex. It may lead to a black market in export tickets. That is one of the reasons why there is such wide opposition to what the Department of Commerce did in issuing its order controlling, regulating, and restricting the export of cattle hides.

It is rather ironic that agricultural exports are the one class of exports that has added favorably to our balance of trade, yet by Executive order in recent weeks, they have encouraged the importation into this country of meat, thereby throwing it further out of balance. Now, within the last week or so, the restriction on the export of hides which adds a double injury to our balance-of-payments situation. Both actions are injurious to the agricultural interests of the country, that segment of the economy which has not made any contribution whatever to inflation.

Consequently, I think it is incumbent on the Senate carefully to review what the Department of Commerce has done because I believe that when it is fully understood Congress will end the order.

A somewhat similar order was issued in

1966. It did not hold down the price of shoes. It did compress the price of cattle. The bureaucrats who imposed it did not bring it to an end. It was ended by Congress.

Now, Mr. President, I ask unanimous consent to have printed in the RECORD my amendment No. 1371, which I shall offer at a later time.

There being no objection, the amendment (No. 1371) was ordered to be printed in the RECORD, as follows:

On page 2, line 18, after "SEC. 104." insert "(a)".

On page 4, between lines 17 and 18, insert the following:

"(b)(1) Section 4(e) of such Act is amended to read as follows:

"'(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.'

"(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act."

Mr. CURTIS. Mr. President, the amendment I shall be offering, No. 1371, does two things. It would provide that the authority shall not be exercised with respect to any agricultural commodity including fats, oils, and animal hides and skins, without the approval of the Secretary of Agriculture.

It also makes reference to where the President acts to carry out the foreign policy of the country.

Section 2 would provide that the present order issued by the Secretary of Commerce with reference to hides and skins shall cease to be effective on the date of the act.

This amendment will be offered with the following cosponsors:

Senators BELLMON, BURDICK, DOMINICK, DOLE, HANSEN, HRUSKA, HUGHES, MCGEE, MILLER, MONDALE, PEARSON, TALMADGE, THURMOND, TOWER, and YOUNG.

Mr. President, it was not possible for us to have the hearings conducted by the Committee on Agriculture and Forestry. As soon as the committee heard of this order, it directed that hearings be held on it. After all, it is an agricultural subject.

Mr. President, hides are a part of the cattle. They are part of the livestock industry. And certainly the Senate should not have a chance to legislate a remedy on an agricultural matter without having heard from the Committee on Agriculture and Forestry.

Those hearings were held for 3 days last week. The hearings have not yet been printed. We should wait until they are printed.

I am aware, however, that this authority expires tomorrow night. Therefore, it will be my purpose in my remarks today to incorporate in my remarks certain excerpts from the hearings so that when the RECORD is printed tonight, these facts will be available to all Senators tomorrow.

As nearly as I can figure out, the chief architect in the Department of Commerce of this order was the General Counsel, Mr. William M. Letson. I am sure that he is a very capable lawyer. I am sure that he is well versed in many aspects of our economy. He is not familiar with the problems of agriculture generally. He is not familiar with the situation in respect to cattle hides. He is not familiar with the manner of trading in cattle hides or leather or the export thereof.

When Mr. Letson was before the Committee on Agriculture and Forestry, the Senator from Oklahoma (Mr. BELLMON) had this to say:

Senator BELLMON. I am still hung up on your figures. If it turned out, you are mistaken and that you got an estimated additional demand of 1.2 million, if it turns out the Secretary of Agriculture is right and it is an increase of 1.4 million cattle coming along, your whole program isn't needed. You are basing your decision on these figures, but the Secretary of Agriculture has given us other figures, and I would suggest that the Secretary of Agriculture knows more about cattle than you do.

Mr. LETSON. I think that you are absolutely right on that point.

The discussion then went on concerning the various sources of cattle hides. The bulk of the cattle are sent to packinghouses, and there the hide is removed. The meatpacking company sells the hide perhaps to a dealer or broker. It then goes on to the manufacturer.

There are many other hides. There are hides that come from the cattle butchered on the farm or ranch. There are hides that come from the cattle butchered by custom slaughterers. There are hides that come from rendering plants, concerns that take the dead bodies of cattle that die from various causes. There are also some cattle that die on the farm or ranch that never get to a rendering plant.

It was in that background that Mr. Letson had this to say:

Mr. LETSON. Well, there you get into difficulties also. Not every dead cow gets to the tanner.

I am sure that what he said was, "not the hide of every dead cow gets to the tanner."

Then Senator MILLER said:

Senator MILLER. This is so, so the tanners—how many hides were produced last year—they can tell you in relationship to the number of cattle on hand. And I think you could use a similar approach year-in and year-out and make an accurate forecast.

Senator BELLMON. Mr. Chairman, does he know how to get those hides off the dead cows to the tanners? It hasn't been worth skinning a dead cow for years. Every time a cow died out in the country, you would get the renderer to come and pick her up and take her back to the tanning factory and take the hide off of her, because they were worth something. Now, you don't have any value in them so you have the carcass, which isn't worth anything, and you are producing extra hides but holding the prices down.

Mr. LETSON. I can't pretend to be an expert. We have figures from the renderers, which imply to us that this is still a very active group.

Senator BELLMON. They don't pick cattle up out in the country any more. They don't even pick them up around the feed lots.

Then the Senator from Oklahoma (Mr. BELLMON) went on to point out that the way to get more cattle profit is to raise the price and not do something that depresses the profit. If we want more cattle hides to be turned into leather for both foreign and domestic use, let us pay a sufficient price for the hides. After all, it is a rather complex task, especially in hot weather, to go near the carcass of a dead animal and proceed to carefully skin that animal so that the hide is in usable condition. And individuals are not going to do that for exercise. However, if the hide is worth a decent price, they will do it.

Mr. President, it is so evident that Mr. Letson—a very fine lawyer and a well intentioned public servant—did not fully understand what was involved or what would be the results of the order that he drew for regulating and controlling and restricting the exportation of cattle hides from this country.

In his testimony before the Committee on Agriculture and Forestry, last week William N. Leston, General Counsel of the Commerce Department stated:

The question of whether and how to introduce controls proved to be one of the most difficult questions which the department has faced in a long time. This was particularly so since we all strongly believe in free and open markets. However, facing the facts—the seriously inflated prices, the domestic shortage of hides, and the abnormal foreign demand—and bearing the responsibility which Congress placed in our hands under the Export Administration Act, we concluded that we should act.

I believe a proper interpretation of the current hide situation is this:

First, the June 1972 hide exports were released last Friday, July 28, 1972, and are 1,317,000 pieces compared to 1,235-000 last June—1971. The 6-month hide exports for 1972 are 8,973,000 pieces as compared to 7,848,000 pieces last year. This means the 6-month exports for 1972 are only 2 percent greater than the 6 months for 1971, hardy an abnormal foreign demand causing an excessive drain on scarce raw material—hides—the reason the Commerce Department gave for their July 15 action.

Second, shoe production through May is down 1½ percent this year compared to last year. Yet the Commerce Department projected an increase in domestic shoe production requiring 638,000 more hides. Also from some of the testimony the tanners gave last Thursday, they would themselves expect leather shoe production would be down this year, not up.

Third, industry analysts now are expecting commercial cattle slaughter for July to December to total about 19.0 million head, which is 900,000 more than last year. This forecast is supported by the USDA estimate of 1,566,000 more cattle on feed July 1 than last year.

Thus the slaughter estimate used by the Department of Commerce could prove to be conservative.

Fourth, the calculated shortage presented by the Commerce Department in support of its export control program included a figure of 1,002,000 hides needed to replace inventories. There is no such thing as a minimum inventory that has been violated.

Fifth, hence, instead of an imbalance of 1,521,000 hides to be set right by the controls, we see the possibility of a surplus developing that could wreak havoc with the hide market and seriously depress cattle prices, if the controls are not discontinued.

Sixth, according to the Department of Commerce testimony last week, the action taken July 15 was not to reduce hide prices, but to stabilize them, and hopefully keep them from advancing so rapidly in the future. Yet the market has declined one-half to 1 cent a pound in most hides last week, the equivalent of about 35 to 65 cents per hide.

Mr. President, a little later I will refer to the testimony of one witness coming from a large packing company that states that all last week they did not get a call for hides. Their slaughtering process is going on but there was no bid for the hides.

Mr. President, some very interesting testimony was presented to the Committee on Agriculture and Forestry last week by Mr. Herrell DeGraff, president, American Meat Institute. He was accompanied by Mr. D. M. Clute, chairman of the Hide Committee of the American Meat Institute. Here is what Mr. DeGraff said in part:

It is pertinent to note that this is the second time in six years that the U.S. Department of Commerce has deemed it necessary, under its legislative authority, to institute export quotas for U.S. cattle hides.

The 1966 experience, which lasted about eight months, was based on a relatively simple system of export licenses. And while the program was generally judged in the trade to be a fiasco, it was terminated only by Congressional action. The agency that had put the controls into effect could not bring itself to voluntarily abandon its brainchild. Hence, we take very little comfort in Secretary Peterson's statement that "the controls will be lifted as soon as market conditions warrant."

Now we are looking at a repeat of the 1966 experience. And while the actors have changed, the play is much the same. Only this time the Department has launched a more complex program based on a kind of rationing system using export tickets as a right to a share of the market.

He goes on to point out that actually the increase in the price of shoes, footwear, has gone up exactly according to the general consumer's price index. The Consumer Price Index stood at 121.3 in 1971. In June 1972 it had gone to 125, or an increase of 3 percent. The footwear index average for 1971 was 121.5. It went to 124.7, about a 3-percent increase. During this time hide prices did go from 14 cents a pound to 28 cents a pound, or increased 100 percent, and it did not cause the price of shoes to increase in price any more than the general consumer's price index.

The average cattle hide weighs about 60 pounds. That means that even at the present price it has a value of only a little over $17. From a cattle hide they can make at least 20 pairs of men's shoes. Men's shoes have a little more leather in them, a heavier sole, a broader heel, and the upper part is more of a shoe than women's shoes. So it might be safe to guess that, with reference to ladies' shoes, which are sold with heels and straps, probably they can make twice as many ladies' shoes as men's shoes out of that one hide. In the case of small children, perhaps not 20 pairs, but perhaps twice as many, 40 pairs can be made. And out of that the farmer or rancher gets $17—$17 whole dollars for enough hide to make 20 pairs of men's shoes; $17 for enough hide to make 40 pairs of ladies' shoes or children's shoes.

Why, it is just a matter of a few cents. The fact that one pays $30, $35, $40, $50, or even $25 or less for a pair of shoes indicates that the price of hides is not a significant factor at all in the price of shoes. At the very most, in connection with men's footwear, it involves about 5 percent of the cost.

Yet here is the powerful U.S. Government exceeding its authority, in the opinion of many, and curtailing the export of hides in order to force the price down. They did so because they got their facts not from the best and most objective sources, but from that segment of our industry that wants lower prices of cattle hides.

Mr. President, an injustice is being done, something that is wrong and cannot be justified.

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

Mr. CURTIS. I yield.

Mr. MONDALE. A moment ago the Senator from Nebraska made the point that there is doubt about the legality of the regulation to which the Senator objects. I must say I agree with the Senator on that point.

Mr. President, I ask unanimous consent that the record set forth the language of section 3, subsection (2), of the Export Administration Act of 1969.

There being no objection, the subsection was ordered to be printed in the RECORD, as follows:

EXPORT CONTROLS

(2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

Mr. MONDALE. Mr. President, the relevant point reads that—

It is the policy of the United States to use export controls (a) to the extent necessary to protect the domestic economy from the excessive drain of scarce material and to reduce the serious inflationary impact of abnormal foreign demand

The key phrase here is "serious inflationary impact." I cannot see how the present, almost infinitesimal impact of the cost of the hide as a part of the total cost of the shoe could be said to have resulted in serious inflationary impact.

I think the figures which the Senator from Nebraska has presented show that cattle hides make up a very small portion of the cost to the consumer of a finished pair of shoes. Since the provision I have just read is the only one that could conceivably be used to justify these regulations restricting the export of cattle hides, I have grave doubt that this regulation complies with the terms of that statute.

I think the amendment which will be offered by the Senator from Nebraska, calling as it does for rescission of this decision on hides and for the approval of the Secretary of Agriculture before another such step can be taken against an agricultural export in the future may help moderate tendencies toward overhasty actions in other cases.

Mr. CURTIS. I agree with the Senator, and I thank him very much for his contribution.

Mr. MONDALE. This issue came up in the Committee on Banking, Housing and Urban Affairs as well when we were acting on the President's economic control legislation, and an effort was made legislatively to put a dramatic restriction on export controls. We were successful in eliminating any such legislative amendment in the economic control legislation on grounds very much as stated by the Senator from Nebraska, that the farmers are not doing well, that the parity ratios for our farmers are at an abysmal level, that hides make up an infinitesimal portion of the cost of a finished pair of shoes, and that to place these kinds of restrictions upon cattle hides is just an unfair imposition upon the cattle farmer for the benefit of other commercial interests.

Mr. CURTIS. I thank my distinguished friend very much, and I agree with him.

I would now like to call the attention of the Senator to the testimony of William Carey. He, together with Martin Blumenthal, appeared before the Committee on Agriculture for the American Association of Hides, Skins, and Leather Merchants, New York, N.Y. Mr. Carey said that he was the export manager of the Southwestern Trading Co., of Houston, Tex., and here is what he said:

I deeply appreciate the opportunity to appear before this committee to describe the manner in which the Department of Commerce has taken an action of substantial significance in regard to an agricultural product when the action is not only in violation of the provisions of the statute but also is an abuse to the statute as it applies to agricultural products.

He goes on:

This is strong language but we are convinced that it is true. The statute under which the Secretary of Commerce acted in imposing export controls on cattle hides declares, for example, that it is the policy of the United States to use export controls.

(a) To the extent necessary to protect the domestic economy from the excessive drain of scarce materials, and to reduce the serious

inflationary impact of abnormal foreign demand.

(b) To the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and

(c) To the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

In his statement, the Secretary of Commerce recognized that his action was not based either upon a necessity to further significantly the foreign policy of the United States or to protect the national security of the United States.

He specifically based his action only upon the ground that it was necessary to use export controls to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand.

Mr. President, all of this I am reading is from Mr. Carey's statement:

No amount of contortions which the Secretary of Commerce has taken with data dealing with this agricultural commodity can conceal the fact that neither of these two required statutory tests have been met.

Cattle hides are not a scarce material because this country has been an exporter of hides since 1952. In fact, as shown by the data in the exhibits of the Secretary of Commerce, we have traditionally exported a very substantial portion of our domestic production of hides.

Today, even with an increase in exports of hides, we can meet the total quantity required for domestic use. The Secretary has not shown that the unrestricted exports could reduce the quantity below that needed for domestic use.

Why is this so? It is true simply because the Nation is a major meat-consuming country. In fact, it is the major meat-consuming country in the world and since 1952 we have not been able to utilize in the domestic production of leather goods the vast quantity of hides produced as a by-product of our production and consumption of meat.

In short, cattle hides are not some sort of scarce atomic isotope.

The second part of this statutory criteria, which the Secretary of Commerce is required to meet to impose export controls, is "to reduce the serious" inflationary impact of abnormal foreign demand.

I would like to say that "serious" was added to the statute in 1969 by the Congress as a reflection of disapproval of the use of this provision by the Department of Commerce to control the export of walnut logs and hides and skins in the 1960's.

There has been no abnormal change in foreign demand in the world hide business.

The Secretary of Commerce had proved this point in his own data by showing that Argentina and Brazil have adopted policies to become major leather and shoe exporters instead of exporters of cattle hides.

This decision by those countries did not change the world demand for cattle hides. It simply converted the world trade market for trade in cattle hides so far as those countries were concerned, to trade in leather and shoes but the world consumption of cattle hides has not changed as a result.

It is already becoming apparent that the world market is adjusting to this shift by Argentina and Brazil because we believe that some countries are exploring the possibility of purchasing Brazilian and Argentinian leather instead of the hides previously exported by those countries.

This is the way the world market accommodates itself to change, whether the change is caused by drought, government action, or other impact. Large rises or falls in price tend to be of short duration.

In discussing the world trade data used by the Secretary of Commerce to support his action, the frailties of that data are also worth noting. Unlike the Congress of the United States which provides for a hearing on even the most significant matters facing this country, the Department of Commerce took this action without any hearing and with only informal consultation with a few individuals in the industry.

Mr. President, it is quite apparent that had a real hearing been held, with publication of the proposed action and notice to all parties, the Department of Commerce might have been spared from the embarrassment that must surely be theirs over this ill-advised order.

Now, Mr. President, I would like to refer to the testimony of Mr. John Minnoch, president of the National Hide Association of Chicago, Ill. He testified as follows:

I would like to say that Congress insisted in 1966 that controls were needed, and the plan at that time didn't work. Yet, at that time, they assured us it did work. Do we have any assurance that the present plan will work any better, because at that time we tried an unknown thing, too, and we are right back going on another operation that is still unknown, untried, and we are the guinea pig again.

I give that at the start because in hearing the gentleman from Commerce this morning, it is just unbelievable to me that anyone who has analyzed this market the way they claim to a done, and these intensive studies, so called, could overlook two million hides. And these, basically, are the types of hides that go for exports, render hides. Locker butchers are included in the figures, but it is unbelievable to me that they just plain overlooked that many hides. And I would like to bring that out because I can't buy the "intensive study," and, obviously, I think that every dead animal was plain overlooked, particularly when this type of hide goes for export.

Then Mr. Minnoch points out something else:

We worked 15 years to build up markets. Of course, one Department tells us to build up markets and along comes the next one and tells us to tear them down.

It is the policy of the U.S. Government, so far as the Department of Agriculture is concerned, to promote exports. We have to have an export business in agriculture.

The taxpayers have agricultural experts traveling abroad in order to promote exports. Yet, the Department of Commerce comes along and says:

There is an abnormal situation, and we are going to control and regulate and restrict exports.

I could not follow the Department of Commerce in all their figures and charts. The room was full of people, and a great many of the individuals from the Department of Commerce who testified before the Committee on Agriculture and Forestry were of the same mind as Mr. Minnoch. They wondered what happened to 2 million hides. The figures in their charts did not stand up at all.

Mr. President, I think Senators would be interested in the testimony of Mr. Wilson F. Pruitt, of Pruitt & Co., Muskogee, Okla. I read from his testimony:

Just briefly, I would like to state that maybe our position is a little unique in this hearing. We deal 100 percent in what we call small packer hides. I think the overall question here of 36 million hides, of which the big packers represent—I don't know, I am guessing—will be 80 percent of the total.

I would like to go back and regress just a few years. My father has been in the produce business and the hide business in Oklahoma since 1932. We didn't get into this export thing until about seven years ago and I remember the time as a boy and even on up to young manhood, of having a basement full of hides and waiting for the phone to ring, for somebody to buy them. Particularly, in the small packer, No. 3 hides, render hides, locker butcher hides, and other small operations in the packer field.

Mr. President, digressing from Mr. Pruitt's testimony, I should like to point out that this has been said by some of these witnesses. This country eats a great deal of meat. That makes the hides a byproduct. Unless we can export those hides, we will have so many of them here that it will be chaotic.

I can recall the time when I was a boy, living on a farm, hearing my father and the neighbors tell about individuals who would have a home butchery. They would carefully remove the hide and ship it to a tanner or to a dealer in hides, and sometimes the price they received was less than the shipping charges, so they would be billed for the difference. They would produce a hide, go to all the work of removing it, ship it, part with it, and then be billed for that part of the transportation cost that the price of the hide could not pay.

Fortunately, we are not faced with that situation, and one of the reasons is that for 15 years an export business has been built up in this country. But no business is indestructible. If this Government interferes with that export business, the purchasers will turn to other sources or they will use leather substitutes.

Now, Mr. President, I will continue reading from the testimony of Mr. Pruitt:

It seems to me that through a good marketing effort of the exporters, the National Hide people, that we have been able to market an American product and do a real good job of it. I think I should point out here this morning that the usage of the hides in any appreciable amount by the American Tanners Association, so to speak—these hides have got to be sold some place because they cannot use them all.

Then he goes on to say:

I think if something is not done, we are going to have a chaotic situation. I don't know how the big exporters feel about this. We are real small people in this thing. This is our livelihood, and if this is not changed or corrected, it might put us out of business.

Mr. President, my interests in this matter are primarily the agricultural interests. I have read from the testimony of witnesses from the hide industry because they are very knowledgeable as to how the trade operates. Their opinion as to what will happen as a result of the order issued by the Department of Commerce certainly is worth considering, and the fact that they strongly believe that the method followed by the Department of Commerce is in error and will lead to a black market certainly is worth considering. I know of no group that knows more about the hide business than the

people engaged in the hide business. So, before I turn to some witnesses who are speaking directly from the agricultural point of view, I want to refer to another witness from the hide industry.

I invite the attention of Senators to the testimony of Dr. Fred Bistlinghoff, president of the National Renderers Association, Peoria, Ill., and Dean A. Specht, executive director of the National Renderers Associaiton, Des Plaines, Ill. This is what Mr. Specht said:

It is overwhelmingly evident the rendering industry, as a separate segment of the hide industry, has been overlooked or ignored by the Commerce Department in developing these controls.

Mr. President, think of it: Here, bureaucrats assume the omniscience to interfere with our economy. Yet they overlook one important segment of the hide economy and one important supplier of hides.

Mr. Specht goes on to say:

Our members produce the class of hides known as "renderer hides" from dead animals picked up in livestock raising areas and they also collect a class of hides known as "country hides" from butcher hides, locker hides, from hundreds—even thousands—of locker plants, butchers, and small meat packers in rural areas of this Country.

These renderer and country hides are the lowest class of hides produced in this Country. They are collected in the raw or "green" state by our members who do the first preserving or curing of the hides.

These are a separate class of hides which, because of being lesser quality than the fresh hides from meat packers, have been shunned by American leather manufacturers. In fact, in periods of low hide prices, the number of renderer hides decreases considerably because the whole animal, including hide, is rendered—the hide value does not cover the cost of skinning and curing.

Because of the salvage nature of these hides, production and marketing statistics are not developed by the Department of Commerce. However, a cross section of the producers and exporters of these hides places U.S. production of this type of hide at three to four million category. This represents only about 10 percent of the estimated production of 37 million hides of all types last year.

The serious inequity of these export controls is this: because of the low quality of these renderer and country hides by U.S. standards, 80 to 90 percent of this class has been exported in recent years. This movement is not recognized by the current controls, and we ask your help to see that it is provided for.

Leather manufacturers have avoided purchasing this class of hides whenever possible as they continually push for better quality and more usable hides. This has left renderer and country hides with little or no domestic market and our only salvation has been the interest in these hides by overseas buyers.

Incidentally, this has helped the U.S. balance of payments because most of these hides go to Japan, Italy and European countries for dollars. Because they are unwanted by U.S. leather manufacturers and because they are the bottom 10 percent of U.S. hide production, they have little or no impact on domestic needs.

Now, Mr. President, think of that. Here is a class of hides used by our domestic shoe manufacturers, yet the Department of Commerce controls, regulates and restricts them and, thus, denies the American economy a market that has been built up, and also seriously damages our balance of payments.

Mr. MONDALE. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. MONDALE. One can look at the need for this amendment, which I support, in another way, I look particularly at its impact on my State of Minnesota, if the present decision restricting the exports of hides is continued, the income from cattle hides, which is important to the farmers of my State will drop drastically. Last year, our State produced 1,585,000 hides, worth in current prices, around $25 million. The average hide is worth $16. This price, of course, helps the livestock farmer who, I think, everyone agrees is not in good shape at all. Anyone who looks at the current receipts realizes that livestock and other farmers are probably working harder and receiving less. Costs are rising faster in relation to prices than in almost any other sector of the economy and they need every dollar that they can get.

The administration case for putting controls on hide exports rests on the assumption that the higher hide price is causing shoe prices to rise. Analysis will show that this must be nonsense.

Take a specific case in Minnesota. Twenty to 25 pairs of shoes can be made from a single green hide. That means that the leather in a pair of men's shoes produced from one Minnesota hide, which is now worth about $16, costs only 80 cents. This is about 3 percent of the price of a $25 pair of shoes. If quotas were to bring down the price of hides by 50 percent, the cost of the hide in a pair of men's shoes will drop by only 40 cents. That is the cost to the shoe manufacturer. But it would cost Minnesota farmers millions of dollars at a time when they can least afford it.

I think it is speculative that the consumer would ever save one penny.

In 1966, I am advised—I do not have the figures right now, but I hope to be able to get them and put them in the RECORD later—when export controls were slapped on hides, the price dropped disastrously to the livestock farmers but, I am told, shoe prices actually increased.

Mr. CURTIS. That is correct.

Mr. MONDALE. So that instead of receiving a benefit, the middleman and the shoe manufacturer simply put the difference in their pockets. Once again, the farmers paid the price—about $4 a head drop in cattle prices—and the consumers received not only no benefit but, in fact, the cost of shoes went up.

So, I would hope that we would have learned from that unfortunate mistake and that we could be mindful of the desperate position the farmers find themselves in and realize how much a few dollars mean to each farmer. It is really painful.

In addition, there is a real question about the legality of this move. For some years, I have been chairman of the International Finance Subcommittee which has jurisdiction over the Export Administration Act. We have tried to make clear that restrictions on agricultural exports can only be justified when these exports can be said to have a serious inflationary impact. I do not think there is any case that can be made that the price of cattle hides today has had that impact on our economy. Indeed, I think one would be hard pressed to prove that it has had any effect on shoe prices to the American consumer.

Therefore, I think that the amendment offered by the distinguished Senator from Nebraska is a reasonable one. Indeed, it is a modest one. It eliminates this highly questionable action which imposes quotas on hide exports and simply requires that before such steps can be taken in the future the Department of Agriculture—which, after all, would know most about this problem—must be consulted. It is a reasonable proposal and I am pleased to support it.

Mr. CURTIS. Again I thank my distinguished colleague from Minnesota for his contribution.

Mr. President, when the Committee on Agriculture and Forestry was holding hearings last week on this subject, one of the witnesses was Reuben L. Johnson, director of legislative services for the National Farmers Union. I quote from that:

Mr. JOHNSON. Thank you, Mr. Chairman.

On July 19, National Farmers Union President, Tony Dechant, in a statement released to the press, called on the Administration "to act immediatley to remove the recently imposed controls by the Department of Commerce on cattle hide exports."

The Secretary of Commerce, Peter G. Peterson, has placed admittedly, restrictions on cattle hide sales abroad as a means of reducing the domestic price. This means that the domestic shoe industry will be able to buy cattle hides at lower prices at the expense of the farmer.

Last year the number of cattle hides exported rose to 15,514,000 and brought us $125,890,000 in revenue from overseas customers. The livestock industry benefited from these transactions. The nation as a whole benefited through the reduction of the foreign exchange problems of gold outflow and the balance of payments.

The action of the Secretary of Commerce will not permit consumers to buy shoes at lesser costs because the cost of hide has little if any relationship at all to the cost of shoes. It is obvious that the shoe industry planned to raise prices anyway which casts a grave shadow over the Commerce Department's action to establish controls on the export of domestically produced cattle hides. The shoe industry, like bakers of bread, would have the public believe that farm prices of hides and wheat determine the cost of shoes and bread. But, we believe the consuming public knows better.

Mr. President, the Mr. Agriculture of the United States Senate, in my opinion, is none other than our beloved senior Senator from North Dakota (Mr. YOUNG). Here is what he had to say when the Committee on Agriculture and Forestry met to hold hearings concerning the order relating to the export of hides:

We are all concerned about the inflation that has plagued our economy. No one has escaped the effects of this menace that erodes the value of the dollar. It is disturbing to note, however, that two of the most publicized steps taken in an effort to control inflation in recent weeks have come at the expense of the Nation's cattle producers. I have particular reference to the lifting of

the quotas on meat imports and the imposition of export limitations on hides.

On the one hand, the cattle producer is told he is making too much money so he will have to compete with a lower quality, lower priced product that is produced abroad under lower cost conditions.

On the other hand, he is told that even though he has a product that is in great demand for export, he cannot take full advantage of this export market.

Both of these moves have been made in the name of helping the consumer. They are both aimed at lowering or holding the line on consumer costs. Little, if any, consumer benefit will be realized, but the livestock producer now faces the threat of a squeeze from both sides. His costs continue to rise, while the price for his production is, in effect, limited by these governmental actions.

I feel, Mr. Chairman, that the action limiting hide exports announced on July 15 could have a much more adverse effect on cattle prices over a period of time than the lifting of meat import quotas, as objectionable as that action was.

One of the major adverse effects of this move will be to force foreign purchasers of American hides to look for synthetics or substitutes for leather. Invariably, once a manufacturer goes to cheaper substitutes or synthetics he rarely goes back to the better quality natural product.

Mr. President, Mr. Don F. Magdanz, executive secretary-treasurer of the National Livestock Feeders Association, was one of the witnesses before the Committee on Agriculture and Forestry. He made a distinct contribution. I read from his testimony:

We declare that the action announced by Secretary Peterson on July 15 is absolutely unjustified, grossly unfair to the cattle industry, completely illogical, and downright provocative. Furthermore, it is incompatible with numerous principles and decisions previously made and embraced by both the Congress and the Administration.

I will support these allegations after enumerating the specific inconsistencies involved. In our opinion, the restriction placed on cattle hides is:

1. Inconsistent with the intent of Congress in passing and extending the Export Administration Act;

2. Inconsistent with the removal of meat import restraints;

3. Inconsistent with efforts to expand U.S. exports and improve the balance of payments situation;

4. Inconsistent with the stated objective of holding shoe prices in check; and

5. Inconsistent with the stated goal of the Congress and the Administration to raise farm income to equitable levels.

In addition, the action by the Department of Commerce is:

1. Ill-timed, coming just ahead of increased cattle hide production;

2. A tailor-made invitation for unscrupulous persons to develop a flourishing speculative market in trading the required export tickets; and

3. An obvious attempt to bail out the U.S. shoe manufacturers at the expense of domestic cattle feeders and producers.

Mr. Magdanz testified later in his testimony:

Mr. MAGDANZ. The question of whether or not the production of cattle hides exceeds domestic requirements is not open to question. It is an indisputable fact that production does exceed domestic requirements. As shown in the table on the last page of this statement, 40 to 45 percent of our entire cattle hide production goes abroad.

It is evident that the action of the Secretary of Commerce stands on the legal technicality that a determination has not been made by the Secretary of Agriculture to the effect that cattle hides are being produced in a quantity which exceeds domestic requirements.

However, we interpret the intent of Congress to make it incumbent on the President, or his delegate, to seek the determination provided for in Section 4(e) before taking any export control action on an agricultural commodity under the authority provided in Section 3(2)(A).

Most certainly, it was not, and is not, the intent of the Congress that the provisions of the Export Administration Act be used to deliberately roll back the prices of farm products.

Mr. President, Mr. Magdanz and many other witnesses went on in their testimony to specifically endorse the Curtis amendment.

Mr. President, another knowledgeable witness before the Committee on Agriculture and Forestry last week was Mr. C. W. McMillan, executive vice president of the American National Cattlemen's Association. I read from his testimony:

The domestic beef cattle industry is tired of having to "pay the bill" under the threat of U.S. tanners and shoe manufacturers that they must raise shoe prices "if something isn't done to restrict the exportation of U.S. cattle hides."

The 1972 action of the Commerce Department, although not identical to 1966, closely parallels it.

In 1966, shoe manufacturers threatened to raise shoe prices unless something was done to force down the price of domestic cattle hides.

An export embargo was placed on them, prices fell, reflecting approximately $4.00 per head drop in domestic cattle prices and the shoe manufacturers proceeded to raise the price of shoes anyway. U.S. cattlemen paid the bill and the U.S. shoe manufacturers pocketed the profits.

Although the 1972 action of the Commerce Department still permits hides to be exported, there has been so much confusion and concern about the complex ticket or certificate method, meat packers cannot adequately plan their cattle buying programs and take into account by-product values. This completely disrupts marketing patterns of beef cattle.

Mr. McMillan goes on to state:

It is the earnest hope of the American National Cattlemen's Association that the restriction on hide exports will be lifted. Were it not for the price levels that have prevailed for hides in recent weeks, the by-product drop of meat packers would be much lower. If that by-product drop declines substantially, the meat packer must adjust his margin by paying less for cattle or selling carcass beef for more.

If carcass beef prices increase, this means that consumers will have to pay more for beef in the retail meat counter. If meat packers pay less for cattle, it could place cattlemen in a loss position. As a practical matter, both of these things will probably happen.

A serious effect of restricting hide exports is on the matter of U.S. balance of payments. It seems inconceivable that the Administration has opened flood gates to more meat imports while restricting hide exports. Both of these actions are detrimental to the beef cattle industry, but together they compound the very serious balance of payments problem.

Senator Curtis has offered an amendment to the Export Control Act which we believe deserves the support of every U.S. Senator. His proposal would require the approval of the Secretary of Agriculture, before any action is taken to restrict the exportation of an agricultural commodity. Had this authority been available, the unfortunate action of the Commerce Department of July 15, 1972, likely would not have occurred.

Mr. President, the hearings conducted by the Committee on Agriculture and Forestry, even though confined to 3 days, were very thorough. No witnesses were turned away, yet we were able to take the testimony of the most knowledgeable people in this field. I wish to say again for the RECORD that one of the reasons the junior Senator from Nebraska is speaking at length and incorporating in his remarks material from these various witnesses is that our time situation is such that Senators will not have the benefit of the printed hearings.

Mr. Baxter Freese, president of the Iowa Beef Producers, Ames, Iowa, gave some very helpful testimony to the committee. I quote now that testimony:

I appreciate the opportunity to appear before you today to share the views of Iowa's 50,000 cattlemen on the matter of hide export restrictions.

My name is Baxter Freeze. I am an Iowa farmer actively involved in the production of beef, pork, corn and soybeans. I have only limited knowledge about hide sales, the tanning industry and shoe manufacturing. Therefore, I will limit my remarks to an expression of the feelings of Iowa cattlemen.

Gentlemen, these feelings can best be phrased very simply and bluntly—they are mad, just plain mad. This was alluded to by Senator Aiken and this is not an exaggeration. This was not brought about by people like me, as our fellow feeders called me. They kind of got me perturbed.

In fact, I have not witnessed such an aroused reaction from a governmental decision for many years.

We were disappointed when quotas were lifted on imported meats. We were frustrated when the Secretary of State started actively soliciting shipments of foreign meat into this country. To have our industry be made the whipping boy for the third time in as many weeks should explain why Iowa cattlemen have reacted in this way.

I also quote from Mr. Freese as follows:

We would ask, why are Iowa cattlemen expected to subsidize the tanning industry and the shoe manufacturing industry when there is probably no more than 75 cents to $1.50 worth of rawhide in a pair of shoes retailing in the range of $20 to $40. With five children, no one is more aware of the high cost of shoes than I.

Mr. President, I think Mr. Freese was exceedingly fair in his statement because it is very doubtful that the amount of hide in a pair of shoes runs from 75 cents to $1.50; it is more apt to be from a few cents to 50 cents.

I again quote from Mr. Freese:

The other comment I might make, after listening to the presentation this morning from the Commerce Department, and their knowledge of the cattle business became apparent. I think that every cattle producer in the State of Iowa, every banker, and every truck driver and every feed manufacturer is going to be 100 percent behind Senator Curtis' amendment to put somewhat controls on hide exports under the jurisdiction of the Department of Agriculture.

We were favored with the testimony of Mr. H. L. Gerhart, Jr., president of the Independent Bankers Association of America and president of the First National Bank, Newman Grove, Nebr.

Mr. President, Newman Grove is a fine, small city in the State of Nebraska. It came close to being the county seat. It is one of those towns where, as in many other American towns, the banker is known by everyone and knows everyone, and he has helped the people of his community and is familiar with their problems and with their hopes. I read from his testimony before the committee:

I consider the quotas announced by the Secretary of Commerce as unfair and unwarranted for the following reasons:

1. It will have a depressing effect on prices of live cattle at a time when these prices are just getting back up to what they were 20 years ago. We submit that none of us would be satisfied with wages received 20 years ago.

2. Prices received by agriculture have not kept up with costs or prices received by other segments of the economy over the past 20 years. Today's American housewife spends 16 percent of the family budget for food compared to 31 percent in France and 50 percent in Russia. Yet in 1971 net farm income was slightly lower than in 1950.

3. Our information is that after allowing a moderate amount for labor and management, the farmer and rancher received 1.1 percent return on his investment in 1969, compared to 23.6 percent for leading food chains. While his net income dropped slightly during these 20 years, his debt increased by over five times and investment increased by over 2½ times. It is no wonder that our farm population has decreased by about 58 percent in the past 20 years, seriously affecting our nation's small towns and businesses.

4. The reasons given for imposing cealings on hide exports is to hold down the price of shoes and other leather goods.

The Secretary, as quoted by the press, has stated that hides have climbed to a price of 29 cents per pound as compared to an average of 14 cents. The 15-cent-per-pound difference in the price of a hide from one steer amounts to $7.50, a sum that could mean the difference between a profit or a loss to the rancher selling the steer.

Mr. President, additional helpful testimony was presented by Mr. Frank R. West, chairman of the board and president of American Beef Packers, Inc. I quote from his testimony:

I am Frank West, President of American Beef Packers, the second largest slaughterer of choice and prime cattle in the United States with annual sales over $500 million. American Beef defleshes and sorts all of their hides into various categories for selling to U.S. tanners and to exporters for overseas customers. My views on the new regulations restricting hide exports are as follows:

1. The regulations resulted in a stalemate in the trading of hides. On July 17 and 18 there was no hide market at all; then on July 19 and 20 there was a market for selected categories. Again on July 21 there was no market, and this week to date there has been no hide market.

Senator CURTIS. Will you explain to those of us who are not in the trade what is meant by there is no market this week? Does that mean you couldn't sell any or there weren't any quotations?

Mr. WEST. No quotations, no bids. We would get very few calls. Where normally you may get ten calls a day from people wanting to buy hides, you may get four inquiries on what you would take for hides but no call backs to trade.

Senator CURTIS. Do those calls normally come from tanners?

Mr. WEST. These calls come from what we call dealers, dealers and exporters, who then sell to the tanners.

Senator MILLER. So what are you doing with your hides?

Mr. WEST. We are holding them.

Senator CURTIS. Holding them?

Mr. WEST. Yes.

Senator CURTIS. What kind of a problem is that? Maybe it is covered in your statement later, but does that create a space storage problem for some packers?

Mr. WEST. Normally we sell our hides from six weeks to as much as through November 14, on some categories, certain export hides.

Senator MILLER. Do you mean some of the hides you have in your inventory have been sold for delivery at that time?

Mr. WEST. Yes. As we make them we ship them against contracts made through November 14. However, some categories exporters don't use on a regular basis.

Senator CURTIS. When you are talking about no bids, you are talking about no bids for future delivery?

Mr. WEST. That is right. Practically all hides are sold on a future delivery because of the storage problem, shrink and factors of this nature.

Senator CURTIS. But there has currently been practically no bidding going on since this program was announced?

Mr. WEST. That is right.

I predict there is going to be a ticket business, as tickets will be traded as an item and the worst part of this is that people other than the regular exporters or packers will be able to purchase these tickets. I anticipate that tickets will be worth a substantial amount—no one knows at this point. I also predict that there could be a black market in tickets. Further, it is my belief that U.S. shoe prices will not change in any way except possibly to go up. Since 95 percent of the cost of a shoe is made up of retail markup, labor, and other costs related to the manufacturing and tanning of hides, only five percent of the cost of a shoe goes for the raw hide.

In looking over the regulations, I noted there are no restrictions on bellies, shoulders or cropons. Also, there are no restrictions on exporting of wet blue hides. I see these as nothing but big loopholes.

As hides are sold approximately six weeks to three months in advance, there are going to be many breaches of contracts on overseas customers that have been cultivated in the past three years. If the regulations stand as written, many exporters could go bankrupt. American Beef Packers and many other packers like us have sold hides to exporters through November 15 prior to the restrictions. If exporters have to dump these hides back on the domestic market, it will be chaos.

Then I asked Mr. West:

Senator CURTIS. Will it have an adverse effect on the price of cattle?

Mr. WEST. Yes. I would predict this. The only reason it hasn't shown up immediately is because hides are sold ahead. You will see more of this problem around the first of October.

Senator CURTIS. Did you have experience under the 1966 effort to restrict the export of hides?

Mr. WEST. Yes.

Senator CURTIS. This ticket arrangement did not exist at that time?

Mr. WEST. No, sir.

Senator CURTIS. And this is more cumbersome and more damaging to the normal flow of business?

Mr. WEST. I believe it is. It is a negotiable ticket and people who are not in the exporting business or in the hide business at the present time, or meat packers—any man on the street—could buy one of these tickets.

Senator CURTIS. It opens up opportunities, at least, for taking advantage and getting it in the hands of people who will use it against our interest; is that correct?

Mr. WEST. If they remain the same as written, I predict you will have a regular black market.

Mr. President, another witness appearing before the Committee on Agriculture and Forestry was Mr. Roy W. Lennartson, of the Western States Meat Packers' Association, who offices in Bethesda, Md. Here is what he said:

The only highlight I would mention is Western States Meat Packers is headquartered in San Francisco, representing the packers and producers in 11 western states. The association is obviously opposed to the program announced by Commerce. We don't think it is necessary in terms of its scope and its complexities and so forth, and in view of the doubtful remedies it set out to correct.

We do point out that the packers and producers of the West Coast have been discriminated seriously in the proposal in that over 75 percent of all hides produced in those states are exported. In many, many cases 100 percent are exported on the part of the packers and producers. We do reflect concern also with respect to the distribution nationwide of these so-called export tickets. It sets up a whole new system of exchange which is going to be complex and the results of which nobody can contemplate at this time.

The potential value of these certificates could well be such as to create a very serious black market situation, as we call it. We doubt seriously whether the results of this additional value will be imparted back to the producers.

Finally, we are very much concerned as to the impact this program is going to have on the tremendous amount of work conducted by both the association and the Department of Agriculture in developing export markets for hides over the years.

These may now come to naught in view of the disruption that will be caused by the program.

Mr. S. W. Frankenthal, president of Packerland Packing Co., Green Bay, Wis., had this to say:

I feel that the real problem is that the tanning and shoe industry have obtained special economic protection to cover up its inefficiencies and the high cost of production, but all at the proposed expense of the farmers and the vendor of hides.

The tragic truth is that hides are being exported, processed into leather, sold for production of leather goods which are shipped back to this country, and sold at retail prices considerably lower than the same product manufactured in the United States.

Mr. President, the shoe manufacturers and the tanners are faced with some tough competition, but there is nothing unfair or to their disadvantage in their purchase of cattle hides, because the foreign purchasers are not buying cattle hides more cheaply than our own industry can. As a matter of fact, the foreign purchasers, in many instances, are paying more than are domestic purchasers of hides.

Another witness before the Committee on Agriculture and Forestry last week was Mr. John Dunning, director of government relations for the National Independent Meatpackers Association. With him was Mr. Edwin H. Pewett, the general counsel of that organization.

I quote from Mr. Dunning's statement:

This unwarranted action was based on the premise that the domestic supply of these materials was being endangered by a growing export market for cattle hides. Follow-

ing a meeting of the Secretary of Commerce with industry executives on April 17, 1972, the Secretary announced that more information was needed to establish the present inventory of cattle hides; the estimated requirements of the domestic shoe manufacturers; the estimated requirements of the exporters; as well as the projected production of cattle hides for the balance of the year.

When these figures were compiled and analyzed, the Secretary determined that the domestic supply of hides was not rising fast enough to cover what he described as "burgeoning demands by domestic and foreign buyers for U.S. hides" and that he was therefore required to move under the Export Administration Act "to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand."

I quote further:

We believe that the Secretary was misled by the information given him. The figures covering the domestic and foreign demand for cattle hides were provided by segments of the industry having a direct interest in lower prices for hides.

The shoe manufacturers themselves provided the Department of Commerce with the "projected" production figure of leather shoes and slippers for the August-December 1972 period. These figures appear in Chart A attached to this statement and was supplied by the Department of Commerce as part of the background information for this Export Control program.

The shoe manufacturers estimated their production at 158,101,000 pairs of shoes for the period August–December 1972, or 7.3 percent more production than during the same period of 1971. Yet the domestic production of leather shoes has declined every year since 1966 by an average amount of 6.3 percent per year, and in fact has continued to decline at the rate of 2.9 percent during the first four months of 1972.

Mr. Dunning's statement continued:

Allowing for a two percent increase in shoe production, in spite of a six year history of declining production, the projected increase in domestic needs for cattle hides would be 253,000 hides rather than 638,000 hides as shown on Chart B, for the period March-December 1972. And projecting a 2.2 percent increase in hide exports for this same period, which is in line with exports through May of this year, we can account for an increase in hide exports of 294,000 hides.

Projecting these demand figures against the estimated domestic supply of hides and leather, we foresee an imbalance of 240,000 out of 30,800,000 hides produced between March-December 1972, or a short supply situation so slight as to be negligible.

I believe the figure runs at something like 1/100ths of one percent.

This is certainly not a situation warranting the exercise of the Export Administration Act.

Mr. President, I refer now to some of the testimony—and there was not very much—in support of the action taken by the Department of Commerce.

This is the testimony of Mr. Robert W. Anderson, president, and Herbert Weinstein, of Parson's Tanning Co., Chicago, Ill.

It is our opinion that export controls will result in strengthening the tanning and shoe industries of the United States for it will be a great equalizer. Raw material costs to foreign nations will be higher thereby reducing their labor cost advantage. American tanning and shoe manufacturers will have lower raw material costs offsetting their high labor cost. The net effect will be the United States shoe manufacturer will be able to better compete with shoe imports than he can now.

Mr. President, is that not startling? They say they want to knock down the price to the farmer to offset their high labor costs. I did not say that; they did. The tanners openly admit that the reason why they pressured these bureaucrats into issuing such an order was, in their language, thus "offsetting their high labor costs." How unfair can we get?

I want to read again from Mr. Anderson's testimony. I asked this question:

Senator CURTIS. Are Japanese buying hides in this country cheaper than you can buy them?

Mr. ANDERSON. No. They pay a premium for all hides. There is a hide man in this room that sells to Japan under contract at higher prices than domestic. This has been normal.

Senator CURTIS. So any advantage that the Japanese have isn't because of the price of hides?

Mr. ANDERSON. Whatever advantage they they get, sir, it seems to be that the government is behind the operation to some extent. How they can pay these prices——

Mr. WEINSTEIN. They have in Japan a tanning capacity for 12 million hides, approximately, and they use those hides basically for their own consumption.

We cannot ship a foot or a pound of leather into Japan legally. It is illegal for us to ship leather into Japan.

Senator CURTIS. That is what I said. Your problem is not because Japan can buy hides cheaper than you can. Your problem is other matters. Japan has no advantage in the hide situation, according to your own testimony.

Mr. ANDERSON. No, they would be at a disadvantage. They are buying a higher priced raw material.

Think of it. Because these gentlemen, who want this order, cannot reach the foreigner, and seemingly they cannot do anything about their labor costs, they are attacking the producer of cattle in this country.

Mr. President, as I stated at the beginning, the amendment I have proposed, which is joined in by a long list of cosponsors, would do two things: It would provide that in the exercise of this export control authority, they could not exercise it with respect to an agricultural commodity, including hides, without the consent of the Secretary of Agriculture. The second part would be to bring to an end the order that already has been issued. I doubt that it would have any force and effect after we would change the law, but, to make it clear, we have incorporated the second section, which would do that.

Naturally, the question is raised, What good will the transfer of this authority to the Department of Agriculture do? It would do a great deal of good. You will be dealing with the Department that knows agriculture, that has jurisdiction of the Packers and Stockyards Act, where these cattle are slaughtered. Knowledgeable people in many sections of the Department will be working out these things.

Furthermore, they will have accurate statistics. I could not follow the Department of Commerce in their charts. But there were many witnesses in the room who are still looking for 2 million hides.

My purpose in offering this amendment is to do something about hides. I would like to see the farmers of the country retain a business they built up, rather than have it destroyed and tampered with, rather than have a black market, and rather than rob the farmer because somebody else is getting too much.

Secretary Butz appeared as a witness. His defense of the American farmer is well known. His willingness to go to bat for the farm families of our country has been well established in recent months.

I invite attention to two things in the statement of Secretary Butz. Naturally, he could not come there and state that his own administration was in error. But he did respond to the questions.

Before I quote Secretary Butz on the important question, I want to quote him on another matter in his testimony last week before the Committee on Agriculture. This is what Secretary Butz said:

Secretary BUTZ. In 1972, the consumers will spend approximately 15.6 percent of their disposal income for food, compared with 16 percent last year. It was 23 percent 20 years ago for their food and the consumer is spending less each year for food, at least of their disposal income.

Then Senator BELLMON, after much discussion of the subject of exports of hides, presented the important question to the Secretary:

Senator BELLMON. Even if the export demands are up, what is the reason for this, other than that we want to drive prices down. I think we have the wrong man, honestly, on the griddle. I don't believe you honestly want to do what was done.

Secretary BUTZ. There is no secret about it. I will tell you that it is no secret. I argued against it. I did not want it imposed.

This is the Government official who should be in charge of this.

Mr. President, I hope that the managers of this bill will see fit to accept this amendment. That way, the measure can be completed tomorrow, it can go to the President, and it can be signed. I am not unaware that there are features of this export control law that are necessary. I will, at a later date, offer this amendment. I have spoken today for the purpose of apprising Senators of the record that was established by the Committee on Agriculture and Forestry.

Mr. President, I yield the floor.

Mr. HRUSKA. I wish to commend the Senator from Nebraska for the initiative taken by him in proposing an amendment to the export control bill which would give final authority over export controls over all agricultural products, including fats and oils and animal hides, to the Department of Agriculture. That is where it belongs. I am pleased to be a cosponsor of the Curtis amendment.

The recent action by the Secretary of Commerce in imposing a ceiling on hide exports has been a grave disservice to the farmer. Testimony presented to the Senate Committee on Agriculture has made that amply clear. The purpose of the control is to check or reduce the price of hides which, admittedly, have advanced since last year. We are told that hide prices are at an all-time high. But what is "high" in this case? Hide prices today

are actually lower than the OPA ceilings of 30 years ago, if adjustment is made for changes in the general price level. After all, everything—wages, rents, the prices of other things, costs generally including the costs of the farmer and the whole cattle and meat industry—are all at an all-time high. How can this one industry live at a price which is below the ceiling level of 30 years ago, when all other prices are up?

Any reduction in the price of hides has an impact directly on the price of cattle which the rancher and feeder sell. A reduction of 10 cents a pound in the price of hides means a loss of about $7 a head in the price received for cattle. In effect, this decision represents action to benefit the leather and shoe industries at the expense of agriculture. Why should the shoe industry be given assistance at the expense of the farmer?

Year in and year out in this body we are concerned about farm income, we pass legislation designed to help maintain farm income at a reasonable level. Despite our best efforts, the farmer's share in the national income continues to dwindle, and each year thousands of farmers close down, sell out, give up the effort to continue an independent operation. If the market supports a level of hide prices which helps give the livestockman an adequate income, the Government should at least restrain itself from interfering with that wholesome fact.

We are told that it requires about 5½ pounds of green hides on the average to make a pair of men's shoes. For women's or children's shoes, only half that weight of hides is required. Thus, even at present hide prices, the cost of the hides makes up only about 10 percent of the final retail price. Holding down the price of hides to control shoe prices is like holding down the price of wheat to control bread prices or the price of cotton to manufacture and sell the white shirts or the colored shirts that many of you may be wearing today. The cost of the raw material is just too small a part of the retail price of a pair of shoes to make much difference.

The Department of Agriculture has calculated that production of hides this year will be about 39 million, compared with 37.6 million last year, an increase of 1.4 million hides. The last report of cattle on feed shows an increase on July 1 of 14.4 percent, compared with last year. These cattle will be coming to market, along with the fall marketing of nonfed cattle, and this will mean a heavy volume of hide production during the remainder of the year. Clearly there is no shortage in prospect.

On the other hand, domestic use has fallen off steadily for the last 3 years. Domestic use reached a peak of 22.5 million pieces in 1968, but amounted to only 19.9 million pieces in 1971. Meanwhile, export demand has remained strong and this has been the salvation of the cattleman. The hide export control order would permit only a very slight increase in foreign sales, while perhaps providing the domestic leather and shoe industries with more hides than they need or can use.

I strongly urge the Senate that we permit the Secretary of Agriculture to play a role in decisions of this sort, by adding the Curtis amendment to the pending bill.

Mr. President, again I want to commend my colleague from Nebraska.

Mr. TAFT. Mr. President, I have no desire to debate the proposed amendment of the Senator from Nebraska (Mr. CURTIS), who has such wide knowledge in this area.

However, it should be pointed out that the current problem with hide prices—which have doubled—in a year come from other nations' policies and actions.

Also, while I share the concern of the Senator for the failure of our farmers to share in our economic growth, I question how much this amendment would help, especially since, even after the 100 percent-increase in price in the last year, the hide represents less than 5 percent of the price of the animal.

Against this must be measured the increased costs to consumers and the potential loss of jobs in the United States.

So that the Senate may have some views and facts relating to these concerns I ask that certain material be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY WILBUR MILLS, CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE, ON THE FLOOR OF THE HOUSE OF REPRESENTATIVES, MARCH 2, 1972

The recent controversy over the import surcharge has distracted attention from the overdue need to close inflationary loopholes in certain of our export markets.

Specifically, I am greatly concerned that the export loophole inviting foreign speculative exploitation of the American hide market is at one and the same time inflating our costs and deflating our employment.

"Stagflation" is more than a theory so far as the inflation of American hide costs and the deflation of the American shoe and leather industry are concerned. It is a costly fact.

U.S. hide prices have roughly doubled in the past year. Export demand has bid them up. The jump in hide exports is matched by a corresponding jump in shoe imports, which have been running close to half of U.S. shoe production—as against a mere 5% in 1960. According to the Department of Commerce, imports soared to no less than two-thirds of U.S. shoe production in January! This ratio of imports to a basic American product is insupportable! It calls for prompt and incisive action by the President—just as soon as he is able to focus again on domestic and economic affairs!

In the case of the distress suffered by America's import-sensitive textile and steel industries, Presidential relief actions were prompted when the ratio of imports to production hit the sore nerve represented by 10%.

The policy implications of this spectacle are even more disturbing than the actual toll taken by hide cost inflation and shoe industry shrinkage. No other power of standing in the world today freely invites its competitors to strip it of its proprietary raw materials, while inviting them at the same time to flood its markets with lower-cost products fabricated from these same proprietary raw materials. I do not believe that America is still so rich or so naive that she can afford or agree to remain so improvident.

Two warning signals from the marketplace leave no doubt that failure to close this export loophole promptly will cause the other shoe to drop—and I am not joking.

The first danger signal is coming from the distress-ridden dollar market overseas: there is no doubt that foreign shoe manufacturers, joining in the speculation that the dollars they already have and the dollars they are expecting to earn will be worth less, are using them now to bid up the price of hides. Consequently, foreign fears for another markdown in the dollar are confirming domestic fears of another notch-up for both inflation and unemployment.

The second danger confronts the American consumer. The direct cost consequences to the American consumer of the run-up in the hide market are putting the Price Commission on notice to sanction an increase in the retail price of shoes of anything from $1 to $3 a pair. This price increase will come just as soon as today's run-up in hide costs translates itself into tomorrow's shipments of manufactured shoes. This means that the mothers of America's school children will find themselves paying more for shoes just before school opens next September. It also guarantees yet another upward "tilt" in the cost-of-living index which will, therefore, entitle all union members still employed next summer to the offsetting pay increases guaranteed by the cost-of-living clauses in their contracts.

I call upon the President to instruct the Secretary of Commerce to take prompt steps to introduce a licensing system to limit the export of hides and to study any other parallel cases of abuse. I would much prefer the lesser evil of hide export controls to the unmitigated disaster of dollar exchange controls. Failure to take such relatively limited remedial actions now will invite still new distortions threatening to force larger emergency actions sooner than I care to contemplate.

SHOE HIDE SHORTAGE, IMPORTS PINCH PROFITS

(By Eliot Janeway)

NEW YORK CITY.—Nowadays, talk about economics sounds so much like both philosophy and mathematics that figuring out how business actually works tends to increasingly get lost in the shuffle of words. Relating market trends and decision-making cross-currents to conditions in the basic industries making and selling the staples of daily life is the pragmatic way to get a handle on the way things are working in the market place.

Shoes are a handy place to begin—especially now that America is better dressed than it has ever been, while its once-thriving shoe industry needs a resolving job.

Philip G. Barach, head of Cincinnati-based United States Shoe Corp., is on both sides of the import argument. U.S. Shoe makes shoes in its 24 plants and sells them thru its 151 company-owned stores and 572 leased shoe departments. Here is his audit of the shoe trade balance.

JANEWAY. Do you see shoe prices going up this year and if so, why?

BARACH. Yes. The domestic shoe industry cannot be expected to hold the line on prices past this summer in view of the rapidly rising cost of hides and the continuing import problem. Hide prices have doubled in the last year and the further increases I see coming could add anywhere from $1.00 to $2.00 on retail shoe prices by August or September.

This, of course, will hit families just when they are outfitting their kids for the new school term and will also cause the cost of living index to jump.

JANEWAY. What's behind this increase in hide costs?

BARACH. Well, the United States is the biggest hide producing country, but Argentina normally supplies about 15 per cent of world production. Last year, Argentina drastically cut her cattle slaughter and since has retained a large portion of her hides for local tanning purposes.

This has put a squeeze on world supplies and sent the world price up sharply. U.S. hide producers are exporting to get the best price and U.S. users are faced with both soaring prices and hide shortages.

JANEWAY. What's happening to the hides bought abroad? Are they going into current consumption, or being hoarded speculatively?

BARACH. First of all, part of the demand reflects buying of leather as a hedge against the dollar. Foreign shoe manufacturers figure the dollars they expect to earn, are going to be worth less in the future, so they latch onto hides, which they think can be sold later at higher prices.

As for the hides, we've found there's a one-to-one ratio between the amount of hides going out of this country and the amount returning in make-up articles, such as shoes and handbags.

JANEWAY. The import problem has been around a bit longer. What has U. S. Shoe done to compensate for the rising flow of imports?

BARACH. We're calling for a moderation in imports by voluntary quotas. We're branching out into specialty retail operations. And we're importing 15 per cent of our shoe lines from Italy and Spain. The problem is a serious one. Imports accounted for over one-third of U. S. footwear sales in 1971. In the face of this we felt we had to bring in shoes if we were to remain competitive.

Speaking for myself, I think it's alarming that the country has allowed a situation to develop where domestic manufacturers are inclined to make a growing portion of their products outside the country.

JANEWAY. Are you saying that what America is doing is exporting jobs?

BARACH. That's right. Probably no other country of any significance is unrestrainedly shipping its raw materials out of the country, and then buying them back in fabricated form at a much higher price. Even Argentina realizes the importance of not exporting its raw materials without some value added. Argentina, and India too, now sell their hides in crust, or partly processed form.

JANEWAY. Has U. S. Shoe been affected by this exporting of jobs?

BARACH. Yes, we've had to phase down a number of our manufacturing operations, including facilities in Adjuntas, Puerto Rico; New York City, Keene, New Hampshire and Norwood, Ohio, due in large measure to the import problem. It's ironic that at a time when the country is facing high unemployment and rising welfare costs, the government is exporting high labor content industries.

JANEWAY. What do you figure you saved the government in welfare payments alone, thru your investment in Appalachia?

BARACH. Our Prestonburg, Kentucky, plant has been operating five years and generates roughly a $1.3 million annual payroll. Tho about 90 per cent of the employes are women, at least half of these women represent families where there were persistent unemployment and probably welfare payments.

We think we've saved the government about $250,000 a year in welfare costs there, to say nothing of the resulting general all-around increase in the tax base of the surrounding community. And, of course, there's no way to measure the dignity people get by making their own living.

JANEWAY. To shift overseas for a moment, do you see any changes in the manufacturing patterns over there as a result of the European economic slump?

BARACH. We see indications that Germany is beginning to ship home the workers it formerly brought in and trained and it is sending capital after them in other words, it's exporting its manufacturing operations, too. As a result, there is a speedup in the low wage countries like Spain and a slowdown in Germany.

HIDES TAKE GIANT STEPS IN TWO PACKERS' TRADES

CHICAGO.—The hide market took another giant step upward early this week.

An estimated 20,000 hides, or roughly last week's total volume, was traded by Wednesday morning by Swift and Wilson. Swift started Tuesday by moving 20,000 hides, including heavy native steers at 26, butts at 24, Collies at 23, branded cows at 25 and light native cows at 31. Prices were 1½ to 2 cents over last week's levels. Wilson followed suit Wednesday, moving at the same prices, but instead of heavy native cows, traded light native steers at 20.

Some sources here said it is impossible to determine whether the hides sold are going strictly domestic bound. Positive feedback from the leather shows and good leather business were most often quoted as reasons for the prices. Additionally, packers' offerings have been very limited, sources say.

Because of the hush-hush attitudes on many trades lately, volume for last week was difficult to pin down, but the source estimated between 25,000 and 30,000 hides traded. Light volume was blamed on attendance at the Leather Show.

MILWAUKEE.—Side leather specs maintain their "excellent" rating, according to tanners here, although blanket orders continue to be slow. One tanner rated the mood of footwear manufacturers as "ugly" because of the extended delivery of leather and strong competition from imports.

Side leather prices are very firm, especially in view of advances on the hide market scored early this week. A few weeks ago, tanners had eased off about 2 cents from peak prices.

Calf business is experiencing its between-season sluggishness.

BOSTON.—Hide prices were up on the average of 2 cents this week, but tanners reported business was active. New orders were considered good. "What business we have is good," remarked one tanner, "but we just don't have enough of it because of the unsteady market."

Specs were good, with interest mixed in full-grain and soft leathers and reversible suede.

CHICAGO HIDE AND SKIN PRICES, AS OF WEDNESDAY MORNING, MAY 3, 1972

	This week	Last week	Year ago
PACKER HIDES			
Heavy native steers	26	23½–24	15–15½
Light native steers	29	28	16½–17
Ex. lite native steers	30N	29N	18
Heavy native cows	26	25–26	14½–15
Ex. lite Texas steers	27N	26N	15N
Butt branded steers	24	22	12–12½
Colorado steers	23	20½–21	10–10½
Branded cows	25	22–22½	12–13
Native bulls	15N	14½–15N	8–8½
CALFSKINS			
Pkr. Nor. lgt. (under 9½ lbs.)	62½	62½	32½N
Pkr. Nor. hvy. (9½–15 lbs.)	57½	57½	30N
Pkr. Riv. lt. (under 9½ lbs.)	62½N	62½N	32½N
Pkr. Riv. hvy. (9½–15 lbs.)	57½N	57½N	30N

	Northern River		Southeastern	
	This week	Last week	This week	Last week
KIPSKINS				
Pkr. (15–25 lbs.)	45	45	43N	43N
Pkr. (25–30 lbs.)	43	43	41N	41N

N=Nominal trading.

THE UNITED STATES SHOE CORP.,
Cincinnati, Ohio, May 4, 1972.

Mr. JAMES LYNN,
Under Secretary of Commerce, Department of Commerce, Washington, D.C.

DEAR MR. LYNN: In the interest of keeping you fully posted relative to current pulse beats . . . our Chief Leather Buyer just yesterday afternoon informed me that several tanners called on May 3 . . . indicating a strong and considered opinion that hide prices were on the rise again and that the past modest dip in the last two or three weeks would be wiped out with prices returning to their former high level market. The tanneries who have been interacting indicate that the major reason for the sudden pick up keys on the return of foreign buyers in our hide market.

We consider the source of this information to be quite reliable and not a situation where tanneries are prodding us to rush in and cover our remaining 20 to 25% necessary commitments for our Fall line.

We have been standing aside hoping that prices would normalize a bit more.

While the press reports that have been emanating from Secretary Petersen's office have indicated a need for further study and information . . . we have found that some of the key hide dealers have been advising their foreign clients that the "word is out" that the Commerce Department will be doing nothing remotely connected with hide controls. We have also heard through the "rumor mill" that the best the industry can hope for is some kind of suggestion that we increase our productivity and that the Commerce Department may be willing to underwrite a study by someone like Battelle to help on increased productivity.

Evidently the hide exporter has therein rekindled the strong demand of overseas buyers who are in an unusual position to purchase either our calfskin or our hides with anywhere from a 10 to 17% devalued dollar.

The injustice and irony of these circumstances is certainly compelling to merit my writing.

I trust you are aware that I called Mr. Letson . . . advising him that the Price Commission has suspended our pending price increase applications . . . making some reference to a need for clarification on some industry studies on the hide and leather industry which we have been led to believe is a reference to the Department of Commerce studies.

This represents the height of a miscarriage of justice and is tremendously discriminatory and am not sure if it is even legal. These pending price increases are in our children's and men's areas and one small women's division . . . and likewise in our western boot division . . . probably applying to 40% of our sales.

Here we have already paid the higher price on leather and components . . . here we have not raised our prices for the last six months . . . and here we have answered all questions relating to the individual divisions . . . and now to have the Price Commission come along and suspend price increase requests that were due out on May 4 in two major divisions . . . by falling back on some Department of Commerce study. It really is an unbelievable travesty of

justice for we have already paid the higher prices . . . and unless I can convince Mr. Neeb in an appointment that I have on Tuesday morning at 10:30 on the injustice of the case . . . then our own firm will suffer quite detrimentally in a classic cost-price squeeze over which we had no control.

The fact is that hide and calfskin prices have gone up 100–120% and 35% respectively and with no fault of our own.

While this is a separate matter . . . you should be aware of the injustice to which businessmen are being subjected on matters over which they have no control. If the Secretary has the power to lower the export of hides and thus lower hide prices and with the rising leather market . . . it seems that the shoe industry is being overly discriminated against . . . not only in paying more for their raw materials . . . but now evidently being unable to pass along any of these costs because of what appears to be an arbitrary whim by the Price Commission.

Ironically, just when the country needs more employment it puts the United States Shoe Corporation, and I am sure many other shoe companies, in the position of re-studying the feasibility of shutting down another two or three of our plants . . . idling nearly 1,000 workers . . . and transferring the work to our Spanish and Italian complex of factories where our overseas manufacturing sources can actually buy the American hides at lower prices with their devalued dollars . . . and tan them more advantageously for production abroad.

All it will mean is that we will raise the level of our import capability through our marketing skills . . . further compound the balance of payment problem . . . further increase the lay-offs in the industry . . . probably ignite other competitors in following suit . . . and adding more people to the welfare rolls since the unemployment rate in most of the towns in which we operate exceeds 6% currently.

If we can't dissuade the Price Commission and there aren't legal steps that we can take to defend our shareholders' rights . . . then there is the added argument that we are better off to import more. In this area the Price Commission has no current jurisdiction.

The whole thing is insane in some respects with the injustices so ironic to the well-meaning and well-intentioned American Businessman. It is almost as if the Administration is trying to destroy an important domestic industry that employs over 200,000 people with another 100,000 in the supply industries.

Several additional points that need to be expressed are in the areas of productivity and "what happened in 1966".

The productivity of the American shoe manufacturer and shoe worker is the highest probably in the world. In our women's factories our production exceeds ten pairs per operator . . . in Spain it is six to seven pairs . . . and Italy seven to eight pairs per employee. Nearly ten years ago we had the Battalle people look through our factories, and while I am sure there is some good that would come of additional input in this area, please recognize that we have utilized every sophisticated skill in layout and its method analysis to increase production. 90% of our employees are on piece rates and have higher motivation to produce effectively.

Nearly all of our factories are one-storied, modern, well laid-out with the latest possible equipment. With the exception of trying to find some way of using more man-made materials which aren't up to our quality and standards . . . we know of no other way to increase productivity.

The reason for our current ability to run the factories reasonably full—compared to last year—was a commitment to more intricate designing . . . especially in our women's footwear . . . to match the more detailed shoes which take a great deal of hand labor . . . in lower priced labor countries like Spain and Italy. It is this adjustment in our mix of shoes requiring more hand labor and product excitement that has slowed down our productivity by 10% . . . but conversely and pleasantly, it has increased our production and sales so that we had the very pleasant situation of just a month or so ago reaching out to open up a closed down factory in a depressed town, Maysville, Kentucky . . . albeit . . . on a temporary basis to make more footwear.

When one reads all the negative statements made by both the spokesman for the Price Commission and even for the Department of Commerce . . . I am surprised . . . since it doesn't indicate a deep understanding of the problems that have confronted the American shoe manufacturer.

In our men's division, one of the most successful product and advertising campaigns has keyed on the fact that these were . . . "American made Italian shoes". Again reflecting more hand detailing and labor intensity.

Perhaps the Labor Department, the Department of Commerce and the Administration would prefer that we continued exporting our jobs . . . recognizing that last year we shut down three factories and exported 900 jobs overseas . . . and here we are as a company—90% non-union in the production field . . . and with the most wonderful labor crew who literally agreed this year to continue through with but a 1 to 2% increase primarily in their fringe benefits . . . and in April raising our minimum wage level to $1.80 . . . so we could compete more effectively with low wage countries.

I really don't know how much more can be expected of an innovative and dedicated management group. I really wish people would understand the whole question of productivity in our industry. It isn't the fault of the American footwear manufacturer that we have had such modest increases in productivity for the past ten years.

The second additional point concerns the situation of 1966. It is true that price increases in the shoe industry rose probably an average of 4 to 5% after the period and even during the time when there was a hide embargo on . . . and they rose in the same manner through 1970. However, no one has pointed out that the relative comparison in the hourly wage of the shoe worker versus the average industrial worker was strikingly discounted. In other words, from the period of 1960 to 1966 wages were relatively stable . . . maybe averaging increases of 1 to 3% . . . and prices were likewise stable.

As I recall, in 1966 the shoe worker's unions put great pressure on the two leading shoe manufacturers, Brown and Interco which are about 100% organized with 7 to 9% yearly wage increases secured. This pattern continued right through 1972 . . . and our own firm followed suit commensurately.

The shoe industry is not a high paying industry with our average hourly wage of $2.50 compared to the average industrial worker of $3.50. Therefore, while shoe prices did rise . . . the stability of our leather market enabled the shoe manufacturers to pass along primarily their increases in labor . . . so that the slow-down in hide exports held price increases to a level of sanity.

All these figures are verifiable if you check with your boot and shoe workers' union and go back and get the average hourly wage from 1961 to 1966 . . . and follow its rather rapid escalation through 1972 and then compare it with the average industrial worker.

Within your own department's exhibits it was made plain that the profit margins for the same period of time for the past five years have been trending downwards. I believe our own firm—six or seven years ago—was able to net 5% after taxes . . . and for the past two or three years . . . our after-tax margins have been between 3½ to 4% . . . so certainly from an overall corporate viewpoint it hasn't been in the shoe manufacturers profit margins.

I would conclude that the whole problem of the hide and leather prices is integrated with the problems of imports. Here you have an industry with no restraints in imports . . . while in the oil industry the limit is $1.25 per drum . . . when you have a textile industry which recently has been granted some protection of voluntary controls . . . when you have a steel industry that already has them . . . when you have a shoe industry which from the chart attached has shown nothing but a decimation by imports so that its domestic production is back to a level of fifteen years ago. We have had for the last five years in New England alone 110 factories shut down and a loss of jobs of 20,000 people . . . where we have overseas countries helping through subtle subsidization of export credits to stimulate lower cost shipments to the United States and now to be saddled with the final blow of a sharply rising leather market and a current inability to pass those increases along. (Am enclosing the Price Commission's telegram . . . ironically, we filed on April 4 for our price increases in the men's and children's divisions and they would normally have been approved by May 4 . . . our western boot division was filed on April 26 and would normally be out May 26).

In some respects this caps the final madness that would indicate to a historical writer twenty years hence of perhaps an unmeaning set of circumstances that literally destroyed an important industry and whose destruction will add immeasurably to our welfare rolls and rapidly escalating unfavorable balance of payment problems.

Since from time to time I have taken my case to Henry Cashen . . . I am sending him a copy of this letter . . . also to Senator Taft and a copy to your own counsel, Mr. Letson . . . who I have conversed with on the Price Commission interaction.

I am sure there will be other thoughts that come to your mind to add to your meeting several weeks ago . . . but I did feel it important to keep you closely posted and I trust that Secretary Petersen will likewise have the opportunity to be appraised of this letter or to read its contents.

With every good wish.

Sincerely,

PHILIP G. BARACH.

P.S.—Am also enclosing an article that appeared in the April 30 New York Times in the event you missed it . . . which carries with it key center industry coverage.

Mr. TAFT. Mr. President, another consideration for the Senate in considering adopting this amendment is the likely effect it may have in delaying the necessary extension of the basic legislation on export controls.

Mr. TOWER. Mr. President, the recent imposition of export controls on cattlehides is an action which appears to have little probability of saving the American consumer any money, yet will serve to impair our export earnings, irritate our trading partners, and generally upset supply-demand economics in hides and leather goods at home and internationally. The disruption of the free-market, free-trade balance in this commodity can be expected, under basic economic theory, to gradually restrict total world supply and to overprice the supply that is available. We cannot escape the facts that demand for cattlehides has increased substantially in 1971–72, and that world supply has been impaired by the herd-rebuilding embargoes

of Argentina and Brazil. The natural result of increased demand and restricted supply is higher prices, but that result serves the basic economic function of encouraging more production and encouraging more competition from new middlemen in the marketing process.

I will agree that there can be conditions under which limited controls might be necessary, as where U.S. cattle producers might be depleting herds, or where international tensions might justify partial embargoes or stockpiling—to the extent this is possible with hides. But without such serious conditions present, it is difficult to justify the interference with the basic supply-demand rules of trade in such a commodity.

I therefore support the amendment offered by Senator CURTIS, to remove the present export controls from cattlehides, and to involve the Secretary of Agriculture in any further actions under this act involving agricultural exports.

MILITARY PROCUREMENT AUTHORIZATIONS, 1973

The PRESIDING OFFICER (Mr. BURDICK). The hour of 6 p.m. having arrived, the Senate will now return to the unfinished, H.R. 15495, which the clerk will state.

The assistant legislative clerk read as follows:

H.R. 15495, to authorize appropriations during the fiscal year 1973 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations in connection with the Safeguard antiballistic missile system, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment by the Senator from Washington (Mr. JACKSON), on which there will be one half-hour debate before action thereon.

ORDER FOR CONSIDERATION OF EQUAL EXPORT OPPORTUNITY ACT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 30 seconds without the time being charged.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on tomorrow, following disposition of the amendment by the Senator from Massachusetts (Mr. KENNEDY) to H.R. 15495, the unfinished business, or at such time as the distinguished majority leader or his designee may wish to do so, it be in order to proceed again to the consideration of S. 3726 for the second track.

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

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Moss). Without objection, it is so ordered.

MILITARY PROCUREMENT AUTHORIZATIONS, 1973

The Senate continued with the consideration of the bill (H.R. 15495) to authorize appropriations during the fiscal year 1973 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations in connection with the Safeguard anti-ballistic-missile system, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

Mr. JACKSON. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I wish to take but a moment of the Senate's time to summarize the measure now before us, my unprinted amendment authorizing the President to continue for another year our existing policy of supplying Israel with credits for the purchase of defense equipment including aircraft.

Senators will doubtless recall that the amendment I am today proposing passed this body earlier, in September 1970. It was, for the purpose of consistency, set to expire 2 years later, or a couple of months from now. The effect of my present amendment is to extend the authority we granted in 1970 through the end of next year.

Two years ago the situation we faced in the Congress was very similar to the situation with which we are today confronted. Then, as now, the military assistance bill had failed in the Senate and the President was left without authority for credit sales to Israel. The Senate acted to extend that authority and it did so despite some questions as to the jurisdiction of military credit authority in the Procurement Act. I am confident that Senators will again give resounding approval to my amendment and thereby assure that these vital credits will continue.

Without this amendment we face the very real possibility that the President will be left without the authority to extend much needed military credits to Israel in a timely fashion and on the basis of interest rates the Israelis can afford. In the ordinary course of events authority for these purposes would have been enacted by now in the military assistance legislation that last week failed to obtain a majority in the Senate. It is therefore essential, if the uninterrupted flow of equipment to Israel is to continue, that we move now to extend the life of the current authority granted under my amendment to the 1970 Defense Procurement Act.

Mr. President, the 87 to 7 vote that affirmed my original amendment in September 1970 represented the wisdom of the Senate in acting to assure the flow of essential equipment to Israel on credit terms the Israelis could afford.

The present extension is essential to meet obligations already incurred in negotiations with Israel. Extension of this authority will enable us to provide these credits, on the same credit basis as was applied to an earlier $350 million credit sale carried out under this authority.

Mr. President, I hope that the Senate will act expeditiously on this matter.

I am very pleased to yield 5 minutes to the senior Senator from Connecticut, who has been long active and most effective in assisting in this matter.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. Mr. President, as a cosponsor of this amendment I urge all my colleagues on both sides of the aisle to give it their support. I know that the distinguished Senator from Washington, whose expertise in this area is unchallenged, would not have sought to amend the military procurement bill unless it were essential.

The recent defeat here in the Senate of the Foreign Assistance Act which included some $300 million in credits for Israel raises substantial uncertainties whether this item can be resurrected by new legislation in a timely fashion. The Congress must act now to insure that the flow of needed armaments to Israel continues. Failure to act could only contribute to greater instability in a region which is now in a considerable state of flux.

The history of the Middle East since the 6-Day War clearly demonstrates that during the times that the United States has lent Israel its diplomatic and military support the chances for peace have improved. By the same token during the times when Israel was threatened with a cut off of arms and was pressured to commit itself to total withdrawal from the Sinai as a precondition to negotiations, the threat of hostilities increased. The bellicose rejection by Egypt's President Sadat of Prime Minister Meir's most recent pleas for peace negotiations underscores the need for maintaining Israel's deterrent capabilities.

It is still too early to assess the full significance of the withdrawal from Egypt of some of the Soviet advisers previously stationed there. But what should remain unmistakably clear is that the key to peace in the Middle East is the maintenance of a secure and viable Israel behind defensible borders.

Now is not the time for the Senate to decide such a fundamental issue on technicalities of jurisdiction. As in the past when the Senate has confronted this problem, it has voted overwhelmingly to

from California (Mr. TUNNEY) on tomorrow following the disposition of the amendment by the Senator from Oregon (Mr. HATFIELD) be vacated.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR RECOGNITION OF SENATOR TUNNEY TOMORROW

Mr. ROBERT C. BYRD. Mr. President, was the request to vacate the order with respect to the amendment by Mr. TUNNEY tomorrow agreed to?

The PRESIDING OFFICER. It was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order be reinstituted.

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

ORDER FOR ADJOURNMENT TO 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 9:45 a.m. tomorrow.

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

ORDER VACATING RECOGNITION OF SENATOR BUCKLEY TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order previously entered recognizing the distinguished Senator from New York (Mr. BUCKLEY) tomorrow be vacated.

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

ORDER FOR RECOGNITION OF SENATOR JAVITS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow immediately after the two leaders have been recognized under the standing order the distinguished senior Senator from New York (Mr. JAVITS) be recognized for not to exceed 15 minutes.

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

MILITARY PROCUREMENT AUTHORIZATIONS

Mr. STENNIS. Mr. President, I had agreed to the withdrawal of the Hartke amendment in oral conversation with the Senator from West Virginia (Mr. ROBERT C. BYRD), but I want to say something for the RECORD. I was glad to agree to the change under all the circumstances. However, we stayed here today to move this calendar along and we have had a very good day.

According to the unanimous-consent agreement, it was certainly within the prerogatives of the Senator from West Virginia, to allot time on that Hartke amendment. Some who spoke on that amendment spoke for the amendment and I spoke in opposition.

Now, the Senator from Indiana, I understand, did not understand the amendment was to be voted on tonight, so it will go over until tomorrow. I think we will have time, if we move into debate, to dispose of these matters tomorrow, including the Hartke amendment.

Then on Wednesday we will have final debate, unless something unusual or unexpected comes along, such as the so-called end-the-war amendment, and final passage of the bill will be on Wednesday.

I thank the Senator from West Virginia for his leadership and assistance. I think these unanimous-consent requests made a few minutes ago will be taken care of in the morning, and then we will begin debate on the bill at 10 a.m. Is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. STENNIS. I thank the Senator.

EQUAL EXPORT OPPORTUNITY ACT — A UNANIMOUS-CONSENT AGREEMENT ON CURTIS AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the Senate returns to the so-called second track item tomorrow evening, S. 3726, there be a time limitation on the amendment by Mr. CURTIS of 1 hour, to be equally divided between the distinguished Senator from Nebraska (Mr. CURTIS) and the distinguished Senator from Minnesota (Mr. MONDALE), manager of the bill.

May I say that this request is being promulgated with the concurrence of the two Senators whose names I have mentioned.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. CURTIS, should the Senator from Wyoming (Mr. MCGEE) wish to offer an amendment, he be recognized for that purpose, and in that event the time limitation on the amendment by Mr. MCGEE be limited to 30 minutes, to be equally divided between the Senator from Wyoming and the majority leader or his designee.

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

Mr. ROBERT C. BYRD. Mr. President, I know there will be no questions about Senators, who are opposed to the amendment by Mr. CURTIS, obtaining time from the manager of the bill tomorrow, but it just occurred to me that the manager of the bill supports the amendment by Mr. CURTIS. However, I think I will leave that request as it is, because ordinarily the time is given to the manager of the bill, and I am sure the Senator from Minnesota (Mr. MONDALE) will yield time to any Senators in opposition thereto, so there will be no question about that.

Mr. President, I ask unanimous consent that on any other amendment, if there be such, to S. 3726, there be a time limitation of 20 minutes, to be equally divided between the mover of such and the manager of the bill.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that final passage of the bill (S. 3726) occur tomorrow no later than 9 o'clock p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the vote on final passage of S. 3726 may occur perhaps as early as 8 o'clock p.m., but 9 o'clock would be the outside limit in any event.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9:45 a.m.

After the two leaders have been recognized under the standing order, the senior Senator from New York (Mr. JAVITS) will be recognized for not to exceed 15 minutes.

At 10 a.m. the Senate will resume the consideration of the unfinished business. At that time, the Senator from South Dakota (Mr. MCGOVERN) will be recognized to call up his amendment, and upon the disposition of the McGovern amendment the Senator from Oregon (Mr. HATFIELD) will be recognized to call up his amendment, upon the disposition of which the Senator from California (Mr. TUNNEY) will be recognized for the same purpose. Upon the disposition of the Tunney amendment, the Senator from Massachusetts (Mr. KENNEDY) will be recognized to call up his amendment, on the disposition of which the senior Senator from Indiana (Mr. HARTKE) will be recognized to call up his amendment.

Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. Hartke tomorrow, the Senate resume the consideration of the second track item, S. 3726.

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

Mr. ROBERT C. BYRD. Mr. President, upon the resumption of the consideration of the second track item (S. 3726), the Export Control Act, there will be a time limitation on the amendment by Mr. CURTIS, and upon the action on that amendment, the Senator from Wyoming (Mr. MCGEE) may or may not have an amendment. In any event, final passage of the Export Control Act will occur at no later than 9 p.m. tomorrow.

Mr. President, there will be several yea and nay votes tomorrow.

ADJOURNMENT TO 9:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9:45 a.m. tomorrow.

The motion was agreed to; and at 7:45 p.m. the Senate adjourned until tomorrow, Tuesday, August 1, 1972, at 9:45 a.m.

Javits	Muskie	Sparkman
Jordan, Idaho	Nelson	Spong
Long	Pastore	Stafford
Magnuson	Pearson	Stevens
Mathias	Pell	Stevenson
McClellan	Percy	Symington
McGovern	Proxmire	Talmadge
McIntyre	Randolph	Thurmond
Metcalf	Ribicoff	Tower
Mondale	Roth	Tunney
Montoya	Schweiker	Williams
Moss	Smith	Young

ANSWERED "PRESENT"—1

Fong

NOT VOTING—10

Baker	Church	Miller
Bentsen	Gambrell	Mundt
Boggs	Harris	
Brooke	Jordan, N.C.	

So the motion to lay on the table was rejected.

The PRESIDING OFFICER (Mr. HUMPHREY). The question now recurs on amendment proposed by the Senator from Indiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FONG (when his name was called). Present.

Mr. GOLDWATER (when his name called). Present.

Mr. THURMOND (when his name was called). Mr. President, for the reasons I have already stated, I announce present.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Oklahoma (Mr. HARRIS) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN) is absent on official business.

I further announce that if present and voting; the Senator from Georgia (Mr. GAMRELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Iowa (Mr. MILLER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Delaware (Mr. BOGGS) is detained on official business.

If present and voting, the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Iowa (Mr. MILLER) would each vote "yea."

The result was announced—yeas 82, nays 4, as follows:

[No. 326 Leg.]

YEAS—82

Aiken	Cranston	Jackson
Allen	Curtis	Javits
Allott	Dole	Jordan, Idaho
Anderson	Dominick	Kennedy
Bayh	Eagleton	Long
Beall	Eastland	Magnuson
Bellmon	Ervin	Mathias
Bennett	Fannin	McClellan
Bible	Gravel	McGee
Brock	Griffin	McGovern
Burdick	Gurney	McIntyre
Byrd, Harry F., Jr.	Hansen	Metcalf
	Hart	Mondale
Byrd, Robert C.	Hartke	Montoya
Cannon	Hatfield	Moss
Case	Hollings	Muskie
Chiles	Hruska	Nelson
Cook	Hughes	Packwood
Cooper	Humphrey	Pastore
Cotton	Inouye	Pearson
Pell	Scott	Taft
Percy	Smith	Talmadge
Proxmire	Sparkman	Tower
Randolph	Spong	Tunney
Ribicoff	Stafford	Weicker
Roth	Stevens	Williams
Saxbe	Stevenson	Young
Schweiker	Symington	

NAYS—4

Buckley	Mansfield
Fulbright	Stennis

ANSWERED "PRESENT"—3

Fong	Goldwater	Thurmond

NOT VOTING—10

Baker	Church	Miller
Bentsen	Gambrell	Mundt
Boggs	Harris	
Brooke	Jordan, N.C.	

So Mr. HARTKE's amendment was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARTKE and Mr. GRIFFIN moved to lay the motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Geisler, one of his secretaries.

REPORT ON ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. CHILES) laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce:

To the Congress of the United States:

I transmit herewith the 1971 Annual Report on the administration of the Radiation Control for Health and Safety Act of 1968 (Public Law 90–602), as prepared by the Secretary of Health, Education, and Welfare.

RICHARD NIXON.

THE WHITE HOUSE, *August 1, 1972.*

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, August 1, 1972, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 208) authorizing the President to proclaim the third Sunday in October 1972 as "National Shut-In Day."

EQUAL EXPORT OPPORTUNITY ACT

The PRESIDING OFFICER. Under the previous order, the unfinished business will now be temporarily laid aside and the Chair now lays before the Senate S. 3726, which the clerk will state by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 minute?

Mr. MONDALE. Mr. President, I yield 1 minute to the Senator from Montana.

WHITE EARTH RESERVATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 920, S. 1217.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 1217) to declare that certain federally owned lands within the White Earth Reservation shall be held by the United States in trust for the Minnesota Chippewa Tribe, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported with an amendment, on page 1, line 4, after the word "United", strike out "States in the" and insert "States, except all minerals including oil and gas, in the submarginal".

Mr. ALLOTT. Mr. President, I have only a couple of remarks in regard to this bill. This is the second of the so-called "submarginal lands" bills on which hearings were held by the Interior and Insular Affairs Committee, of which I am the ranking minority member. Each bill is for only one tribe.

There are, however, a total of 19 tribes who have been trying for 33 years to obtain legislation donating the "submarginal lands" located near their reservations to them.

The minority members of the committee could not support the first of the two bills, S. 722, and our reasons are set out in the minority views filed in Report No. 92–822 on that bill, last May.

Those minority views show that at least 139 bills have been submitted, including bills in every Congress since 1939, for the purpose of transferring some, or all, of these "'submarginal lands" to these tribes.

As explained in our previous minority views—pages 23–25—and in the floor consideration of S. 722, the list of lands which fall in the same category as the land which would be donated by S. 1217, including land near 20 reservations. Congress, in 1956, did make a transfer of some submarginal lands and other lands to the Seminole Indians, but Congress believed the purpose and the surrounding circumstances clearly took the situation out of the category of the remaining 19. That previous discussion pointed out two other instances which might be argued to be a precedent and explains why they were not, and could not be, considered a precedent for these 19 tribes. Thus, no tribe, prior to this Congress, had been given a preference over the others and, of course, it does not appear at this point that the other body intends to move ahead with S. 722. Our minority views delineate the reasons for the failure of

its report entitled "Indian Submarginal Lands: An Unresolved Problem." The conclusion of this report states in part:

Whereas many of the wrongs Native Americans have suffered from broken promises in the past are irredeemable, the issue of submarginal lands presents a unique opportunity. For here, the promise has not been broken—it simply has not been kept. And the opportunity remains to fulfill the promise by simple legislative action.

While for most of the population, the terrors and deprivation of the Great Depression have long since been overcome, the economic situation on many of the reservations has changed relatively little in the more than 30 years since the Land Program was conceived and undertaken. On some of the reservations whose submarginal land parcels are the subject of this report, the unemployment rate remains at more than sixty per cent of the adult labor force.

An examination of the legislative history and course of administration of this program can lead to but one conclusion: the land was purchased with special funds to be consolidated with other tribal land holdings, and held in trust for the tribes. . . .

Thus, the fulfillment of this promise made long ago requires passage of legislation delivering trust title to the submarginal lands to the respective tribes for whom they were purchased, for use in accord with land use plans which have been legislatively approved. . . .

The aforementioned report has been made a part of the permanent files of the Committee.

EXECUTIVE COMMUNICATION

The Department of the Interior executive communication to the Congress dated March 1, 1971, transmitting proposal legislation to convey beneficial interest in the submarginal land to the Minnesota Chippewa Tribe states in part:

The records disclose a complete understanding between the Federal Agencies involved in the acquisition and administration of submarginal lands on or near Indian reservations. It was that the lands were being selected for acquisition in connection with demonstration Indian projects; that they were needed by the Indians; that they would be utilized by the Indians in connection with the use of Indian-owned lands; and that proper recommendations would be made at the appropriate time for the enactment of legislation to add these lands permanently to Indian reservations.

LEGISLATIVE PRECEDENTS

On three occasions in the past, Congress has enacted legislation which transferred title to submarginal lands to Indian groups as follows:

(1) The act of August 13, 1949 (63 Stat. 604), transferred trust title to 457,530 acres of submarginal land and 154,502 acres of public domain lands to several Pueblos and Canoncito Navajo of New Mexico. No provision in the Act to provide for set-off against any claim against the United States Government determined by the Indian Claims Commission. The act provided for the transfer of income ($8,174.62) derived from the submarginal lands to the Indians;

(2) The act of August 2, 1956 (70 Stat. 941), transferred trust title to 78,372 acres of submarginal lands to the Jemez and Zia Pueblos of New Mexico. No jurisdiction in the act to determine set-offs by the Indian Claims Commission; and

(3) The act on July 20, 1956 (70 Stat. 581) transferred trust title of 27,000 acres of submarginal lands to the Seminole Indians of Florida. No jurisdiction in the Act to consider set-offs by the Indian Claims Commission.

COST

No additional expenditure of Federal funds will result from the enactment of S. 1217.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to valid existing rights, all of the right, title, and interest of the United States, except all minerals including oil and gas, in the submarginal lands, and the improvements thereon, that were acquired under title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and section 55 of the Act of August 24, 1935 (49 Stat. 750, 781), and that are now administered by the Secretary of the Interior for the benefit of the Minnesota Chippewa Tribe, White Earth Reservation, are hereby declared to be held by the United States in trust for said tribe, and the lands shall be a part of the reservation heretofore established for the tribe.

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the beneficial interest conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

EQUAL EXPORT OPPORTUNITY ACT

The Senate resumed the consideration of the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

Mr. MONDALE. Mr. President, what is the agreement on controlled time?

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senator from Nebraska (Mr. CURTIS) will be recognized to offer his amendment, on which debate is limited to 1 hour, to be equally divided between and controlled by the Senator from Nebraska (Mr. CURTIS) and the senior Senator from Minnesota (Mr. MONDALE).

The Senator from Nebraska is now recognized.

AMENDMENT NO. 1371

Mr. CURTIS. Mr. President, I have amendment No. 1371 at the desk, which I offer at this time and ask to have read.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment (No. 1371).

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendments offered by Mr. CURTIS (for himself, Mr. BELLMON, Mr. DOMINICK, Mr. DOLE, Mr. HANSEN, Mr. HRUSKA, Mr. MCGEE, Mr. MILLER, Mr. TALMADGE, Mr. TOWER, and Mr. YOUNG) are as follows:

On page 2, line 18, after "SEC. 104." insert "(a)".

On page 4, between lines 17 and 18, insert the following:

"(b)(1) Section 4(e) of such Act is amended to read as follows:

"'(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.'

"(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act."

Mr. CURTIS. Mr. President, I ask unanimous consent that the distinguished Senator from Oregon (Mr. HATFIELD) be listed as a cosponsor of the amendment.

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

Mr. CURTIS. Mr. President, I yield myself 4 minutes.

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

Mr. CURTIS. I yield.

Mr. MAGNUSON. Will the Senator let me be a cosponsor of the amendment?

Mr. CURTIS. Mr. President, I ask unanimous consent to have the Senator from Washington included as a cosponsor.

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

Mr. CURTIS. And the distinguished Senator from New Mexico (Mr. MONTOYA).

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

Mr. CURTIS. Mr. President, I yield myself 4 minutes.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, about the middle of July the Secretary of Commerce issued an order restricting and controlling and regulating the export of cattle hides from this country. Those of us who offer this amendment believe that that is very detrimental to the farmers and ranchers of the country and that it will curtail markets and cause an adverse effect on the price of a steer that may run as much as $7 a head.

We had a similar program—Mr. President, may we have order?

The PRESIDING OFFICER (Mr. HUMPHREY). The Senate will be in order. Senators will take their seats or hold their conferences in the cloakroom.

The Senator from Nebraska may proceed.

Mr. CURTIS. Mr. President, I spoke at length yesterday on this matter, and set forth in some detail the reasons for it.

In 1966 a similar order was issued. It proved a failure. At that time the price of shoes went up and the price of cattle went down.

The present order is somewhat similar, but it is different. It calls for a complicated system of rationing and the issuing of tickets for export.

The testimony taken by the Committee on Agriculture and Forestry indicates that there will be a black market in export tickets, and this was not denied by any other witness.

I am in sympathy with the problem of the tanners and the shoe manufacturers who find themselves undersold in the American market by foreign manufacturers. But they have applied the wrong remedy. Mr. Robert Anderson, president of the Parsons Tanning Co., said this:

> It is our opinion that export controls will result in strengthening the tanning and shoe industries of the United States for it will be a great equalizer. Raw material costs to foreign nations will be higher thereby reducing their labor cost advantage. American tanning and shoe manufacturers will have lower raw material costs offsetting their high labor cost.

Now, is that not something? Because they are paying higher costs, they want to use the power of government to force down the farmers' price to offset their costs.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. CURTIS. I yield myself 2 additional minutes.

I proceeded to ask Mr. Anderson this question:

> Senator CURTIS. Are Japanese buying hides in this country cheaper than you can buy them?
>
> Mr. ANDERSON. No. They pay a premium for all hides.

So the foreigners have no advantage in buying hides.

Mr. President, here is what this amendment would do: It provides that hereafter authority of this kind with respect to an agricultural commodity, including fats, oils, animal hides, and skins, shall not be issued without the approval of the Secretary of Agriculture. And section 2 of my amendment does away with the order issued last July.

Mr. President, I reserve the remainder of my time.

Mr. DOMINICK. Mr. President, will the Senator yield me 2 minutes?

Mr. CURTIS. I yield the distinguished Senator 3 minutes.

Mr. DOMINICK. Mr. President, I just wanted, as a cosponsor of this amendment, to congratulate the Senator from Nebraska for having introduced it.

Obviously, the cattle industry is of great importance in our State.

Mr. President, as a cosponsor of amendment No. 1371, introduced by Senator CURTIS to the Export Administration Act, I wish to commend my colleague CARL CURTIS for his excellent analysis of the crisis facing the Western cattle producers as a result of the unfortunate decision on July 15, 1972, by the Secretary of Commerce. At that time, the Commerce Department announced that it would take action to impose limitations on the export of cattle hides. Three days of hearings have been held by the Senate Agriculture and Forestry Committee and the action by the Secretary of Commerce has been submitted to close scrutiny by that committee.

This amendment would require that the Secretary of Commerce obtain the prior approval of the Secretary of Agriculture before exercising authority to limit exports on agricultural commodities, including animal hides and skins. Such prior approval by the Secretary of Agriculture is not to be given during any period when the supply of such item exceeds the domestic requirements. This amendment would be retroactively effective to July 1, thereby reversing the July 15 decision of the Commerce Department.

Mr. President, the cattle industry is of enormous importance to the State of Colorado. Colorado ranks 11th nationally with 3,716,000 cattle and calves on Colorado farms and ranches. The value of such cattle on January 1, 1972, was estimated at $762 million.

Mr. President, this amendment merely requires that the Secretary of Commerce be required to go to the expert—the Department of Agriculture—and obtain from that expert the necessary information regarding the agricultural industry before charting a proposed course of action regarding export limitations.

There seems to be little question that a cattle hide at today's prices is worth approximately $17, and that each hide contains enough leather for 20 pair of men's shoes or 40 pair of women's and children's shoes. At $25 per pair, we can conclude that the leather in a pair of men's shoes represents about 3½ percent of the retail price. The reduction in the price of the hide would not reduce the retail price of a pair of shoes.

The action of the Commerce Department would have little effect on the consumer, but the consequences on the cattleman will be significant insofar as the sale of cattle hides is concerned.

Hide producers from Western States depend almost entirely upon overseas markets as an outlet for their hides. According to Mr. Roy W. Lennartson of Western States Meat Packers Association, the 11 Western States of Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California produce 22 percent of the total U.S. hide production and no major tanneries are located in the West. The large leather users claim that Western hides are not suitable for their requirements. Because of this and high cost of shipping, Western hide producers had to develop other markets. Most Western hides are exported to markets in the Far East. The limitation on hide exports will have little effect on anyone except the cattle producer. It will destroy markets that have taken years to develop.

The action by the Commerce Department was not justified on the basis of present facts. These facts would have been available through the Department of Agriculture and, for this reason, the amendment before the Senate must be enacted.

Mr. DOLE. Mr. President, as a cosponsor of the amendment offered by the Senator from Nebraska (Mr. CURTIS) I should like to emphasize the need for the Secretary of Agriculture to have the approval of imposition of export control on agricultural commodities as outlined in the amendment.

During the hearings conducted by the Senate Agriculture and Forestry Committee last week and cited by Senator CURTIS yesterday in presenting his amendment, it was obvious that the Secretary of Agriculture did not have the option to approve the Secretary of Commerce's decision to impose the restriction on hide exports.

If he had this authority, Secretary Butz would recognize that our producers do not receive $32 per hide as was indicated in the testimony; but closer to $18 or $20, and this is twice as much as he had been paid for some time.

Hide prices are not excessive, nor is the price of cattle or beef. Our farmers are entitled to a fair price for their animals and a fair return on their investment. Recently, cattle prices reached an all-time high. I say justly so, and they should be higher. For according to USDA figures, our farmers are still receiving only 75 percent of the income received by nonfarm workers.

Now, when cattle prices have attained the same level as 20 years ago, some have urged actions to lower cattle prices; but this is not the solution to the consumer's problems. The restrictions proposed to control hide exports will not lower the price of shoes materially. The increases for other components in a pair of shoes and costs of labor will maintain shoe prices at nearly the present levels, and blaming farmers for the price of cattle hides and for increased shoe prices is totally unfair.

Mr. President, in addition, I ask unanimous consent that a letter from Mr. Kalo Hineman, president of the Kansas Livestock Association be inserted in the RECORD. Mr. Hineman outlines the farmers' objections to this hide export control very well and his letter will be helpful in considering this amendment.

Senators who cosponsored this amendment have filled the record with the facts, clarifying this misconception.

I ask all other Senators to join in supporting this amendment, which will assure farmers adequate protection in the administration of the Export Administration Act.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KANSAS LIVESTOCK ASSOCIATION,
Topeka, Kans., July 28, 1972.

Senator ROBERT DOLE,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR DOLE: Most cattlemen realize that beef is, as Secretary of Agriculture Butz has pointed out many times, a demand-oriented product. The supply of beef cannot be adjusted overnight. Therefore . . . beef operates well in a fluctuating supply and demand market.

Cattle hides are also demand-oriented. The supply of hides depends on the number of cattle slaughtered for beef. Obviously, this supply is also unable to be adjusted quickly.

People don't consume leather. While fashion trends will increase the demand for leather products to a certain degree, generally Americans are not buying huge quantities of leather. With increased numbers of hides from greater beef production, there has had to be a reliance on foreign countries for trade. Hide buyers, packers and exporters in the seventeen western states, because of the branding laws and customs, have been unable to compete in the domestic hide market.

They have had to promote and hustle to establish world markets for thinner, branded hides. This they have done remarkably well.

If a sudden shift in the world hide situation (Argentina's decision to keep cattle for breeding) has caused greater competition among tanners, it doesn't change the fact that these western exporters still have no export market. As producers, we are glad that hide buyers have developed this market. While the price of hides is very small in comparison to the entire animal, hide prices do have an effect on the cattle market.

The Commerce Department's decision to grant 43% tickets to packers all over the country is, in our opinion, very unfair. Assuming that the plan is workable, which we doubt, western hide buyers will have more than half of their hides ineligible for export. On the other hand, eastern hide handlers, who have had the domestic market to themselves, suddenly will find themselves with an automatic advantage of exporting 43% of their hides. For the market to continue as it has, western hide people will have to pay eastern hide people for these tickets. The result can only depress our western hide price and, in turn, our western cattle price.

We do not pretend to be experts at the manipulation of commerce. Yet, if—as Secretary Peterson admitted—the effect on shoe prices will be minute at best, there seems to be little reason to go ahead with this awkward, discriminatory plan. We urge a new solution.

Sincerely yours,

KALO A. HINEMAN,
President, Kansas Livestock Association.

Mr. McINTYRE. Mr. President, will the Senator from Minnesota yield me 6 minutes?

Mr. MONDALE. I yield 6 minutes to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, as a member of the committee which reported the bill before us, and more particularly as a spokesman for my many constituents whose livelihood is directly affected by the provisions of this bill, I wish to speak in opposition to the pending amendment. My views on this amendment apply, with equal force and reason, to any similar amendment which may be proposed later.

The basic issue behind this amendment stems from the action of the Secretary of Commerce, early in July, to exercise his authority under the Export Administration Act to regulate the export of cattlehides. The Secretary acted only after the longest possible study, consideration, and, in my opinion, undue delay imposed as a concession to the Secretary of Agriculture.

In the period of time since last August 15, almost a year ago, when price controls were imposed on most sectors of the economy, the price of cattlehides has soared. Cattlehide prices have risen, depending on the type and grade involved, by some 100 percent to 200 percent. The impact of this dramatic price increase has been felt in the first instance by the tanning industry and then by the shoe manufacturing industry. It is about to be felt in full force by the consuming public.

I should point out, Mr. President, that at the time that cattlehide prices were doubling and tripling the tanning industry and the shoe industry were subjected to unusually rigorous regulation by the Price Commission. In the case of the shoe industry, shoe manufacturers were singled out for practically unique hardship by the Price Commission in that that industry has been prohibited from earning its normal profit on costs. The Price Commission has pointed out that this severe regulation was made necessary by the soaring cost of cattlehides.

While this action by the Price Commission seems to me to be lacking in reason, and possibly unjustified in terms of the Economic Stabilization Act, nevertheless it places pressures upon the shoe and tanning industries which make it impossible for those industries to continue in business if the hide market situation should get worse. Thus, in the past few months, many shoe manufacturers and tanners were forced to begin planning to close down their factories.

The State of New Hampshire has seen too many shoe plants close down before. In this case, it is just inconceivable to me that a Secretary of Commerce could sit by and watch this situation get out of hand. Months ago, I and other Members of the Senate urged the Secretary to move swiftly to impose export controls on hides. Now that he has finally acted, it would be the height of irresponsibility for Congress to make his job even more difficult.

The Secretary acted because the cattlehide situation met the statutory criteria. There exists today an abnormal foreign demand for hides—caused by the curtailment of supplies for the world hide market from Argentina. This demand has created inflationary pressures and domestic shortages. Prices have skyrocketed and domestic buyers are unable to fill their needs, at any price. I understand, for example, that Japanese buyers have placed standing orders for hides at 2 cents per pound higher than the domestic market regardless of the market level. So a domestic shortage clearly exists.

It has been suggested today that these controls are unfair to the economic interests of the cattle industry. Nothing could be further from the truth. The system of controls imposed by the Department of Commerce bends over backwards to be fair to the cattle interests. For one thing, export levels are set at the level of 1971 exports and 1971 was the best year in history for hide exports. Hide prices are now up at levels which cattlemen for decades would have believed to be unreasonably high, or even impossibly high.

The income from the sale of hides and meat has been felt. Last Friday the Government released the quarterly personal income figures for States and regions. The greatest positive improvement in personal income was felt in the Rocky Mountain and Southwest regions of the country. The report states:

The large income gains in the Rocky Mountain and Southwest regions primarily reflect large increases in farm proprietors' income associated with soaring livestock prices . . . (Dept. of Commerce, BEA 72-47, July 28, 1972).

Mr. President, at the same time that soaring livestock prices were resulting in large income gains for the cattle interests, shoe workers in New Hampshire were losing their jobs.

I am not opposed to higher incomes for cattle producers, but I do not believe that these gains should be achieved at the cost of jobs for shoe and leather workers. The export controls which have been placed on cattle hides are very generous to the cattle interests; they are temporary, they are flexible, and they represent a balancing of the various equities involved. Mr. President, I urge the Senate to reject any amendment which seeks to further restrict the ability of the Department of Commerce to impose controls on commodities which are in short supply.

Mr. JAVITS. Mr. President, will the Senator yield me 30 seconds?

Mr. MONDALE. I yield.

Mr. JAVITS. Mr. President, it is always refreshing to hear the voice of the consumer and the voice of the worker spoken in these protectionist issues. It is refreshing to me, and I believe it is refreshing to many in this country. I congratulate the Senator from New Hampshire, who has spoken from the position of deep analysis which coincides with the analyses of the administration. I should like to identify myself with the Senator's position and express the hope that the Senate will reject the amendment.

Mr. McINTYRE. I thank the Senator from New York.

Mr. MONDALE. Mr. President, I yield 4 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, I intend to vote against the amendment to the Export Administration Act of 1969 offered by Senator CURTIS. His amendment, if adopted, as the Senator from New Hampshire has pointed out, would seriously harm the leather and shoe industries of our country by invalidating the export controls on cattle hides which the administration imposed on July 15 after the most careful study.

Indeed, the administration clearly resisted the imposition of export controls on hides, and I and a number of my colleagues, over a period of several months, directed a steady stream of letters to the President and the Secretary of Commerce citing the accelerating cost of cattlehides and urging that action be taken under the Export Administration Act to control their export. Secretary Peterson, in announcing the export controls on July 15, underlined the administration's reluctance to impose these controls when he described the elaborate study process which preceded their imposition. Secretary Peterson noted that the administration:

Launched the most comprehensive kind of intensive survey of supply and demand outlook for hides—both domestic and international. Under the Secretary's statutory authority, we got the facts from packers, farmers, exporters, and shoe manufacturers on their inventories and their expectations of short-term demand. We got the latest estimates we could get of cattle slaughter and hide production.

Only then did the administration act to impose controls, and only after the facts uncovered made the need for action overwhelmingly clear.

What were these facts which mandated the administration's action? They included the following:

First, hide prices are at record highs with the composite prices running in the 27 cents to 29 cents per pound range for the 2 months prior to the imposition of Secretary Peterson's orders.

Second, a Commerce Department survey projected a demand for an additional 638,000 hides for current use for the period March through December 1972 over a comparable period for 1971.

Third, for the last 5 months of 1972, domestic shoe production is projected to increase 7.3 percent over the comparable period for 1971.

Fourth, a Commerce Department survey projects, in the absence of controls, an increase in the export of cattlehides of 576,000 hides for the period March through December 1972 over a comparable period of 1971.

Fifth, Argentina's and Brazil's exports accounted for 26.2 percent of total world exports in 1969, 20.7 percent in 1970, and an estimated 10.2 percent in 1971—but these sources have been terminated.

Sixth, between March 1971 and March 1972, domestic cattlehide and leather inventories have decreased 1,002,000 hide equivalents.

Seventh, in spite of projected production increases in hides, the projected demands for hides for the period March through December 1972 could be expected to exceed supplies by 1,521,000.

These facts, as Secretary Peterson recognized, portray precisely the kind of situation envisioned when the Export Control Act was adopted. I was privileged to serve as chairman of the subcommittee which drew up that act, and I was one of its principal sponsors. The statutory language triggers controls when they are necessary "to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand." There is no doubt in my mind that the present hide situation fits these criteria.

Now, slightly over 2 weeks after Secretary Peterson acted to control hide exports, and even before the ticket system of controls begins operation on September 1, the Senate is asked to overrule Secretary Peterson's actions and turn its back on the serious plight of the shoe industry in our country. Such hasty action would be unfair and unwise.

There is evidence that our domestic shoe industry, after a period of decline, will experience an increase in shoe production. But this hopeful trend simply cannot survive an uncontrolled rise in cattlehide prices. Hides are the major cost of producing leather and a principal cost of making shoes. The hide price increases that have occurred so far are expected to affect the retail cost of American-made shoes in varying degrees, according to size and construction. Specifically, the cost of women's shoes will probably rise $1 to $2, men's shoes will cost $2 to $4 more, and women's boots may be as much as $4 to $6 more expensive.

The precarious competitive position of our domestic shoe industry is gravely endangered by such increases. In my own State of Maine, between 1968 and June of 1972, employment in Maine's leather footwear industry declined from 26,900 employees to 18,500. During 1971 and 1972, 13 shoe firms in Maine employing over 3,000 people have closed. This pattern is not unique to Maine. We must not allow the situation to deteriorate further through uncontrolled increases in cattlehide prices.

I would have hoped that export controls on hides would not have been necessary. I believe we should pursue, as vigorously as possible, free-trade conditions. However, we cannot be blind to reality and ignore the plight of a vital American industry. When market conditions warrant, and Secretary Peterson has pledged to monitor the situation closely in the coming months, the controls can be lifted. In the interval, in a period of serious hide scarcity and dramatically rising hide prices, Secretary Peterson's necessary action deserves support. I urge my colleagues to adopt this wise course of action and vote against the amendment offered by the distinguished Senator from Nebraska.

Mr. MONDALE. Mr. President, I yield 3 minutes to the distinguished Senator from New Hampshire.

Mr. COTTON. Mr. President, for many years, many of us have been struggling with the Secretaries of Commerce of this and the last three administrations, and with other officials of these administrations, first, to save our textiles and, second, to save our shoe industry. I have rehearsed on this floor, on other occasions, the fact that mill after mill, and factory after factory, has closed in my State of New Hampshire as well as in adjoining States.

At last, we have received some action in insisting upon voluntary quotas and, if necessary, other quotas to protect our shoe workers and save our shoe industry. As a matter of fact, I have voted on several occasions, in other years, with my good friends from Nebraska and from other States, to help them save and promote the meat production industry and sales. I never want to be parochial in my attitude, but I cannot find myself greatly alarmed, even though I respect and admire my dear friend from Nebraska, for his spirited attempt to protect the export of hides. I hold in my hand today's copy of the Wall Street Journal and I note on page 28 that 1 year ago the price of hides was 15 cents a pound and today it is 33 cents a pound. It went up 1 cent a pound right after the Secretary of Commerce issued his order.

I believe that the Secretary of Commerce can be depended on not to do anything seriously to injure our friends in the West. He has not done so yet because the price of hides has not gone down but has gone up. It would absolutely vitiate this protection we have, to make it subject to the Secretary of Agriculture, because it would be the old story of putting the fox in charge of protecting the chicken coop.

I am compelled, Mr. President, to vote against this amendment offered by my good friend from Nebraska.

Mr. MONDALE. Mr. President, I yield 2 minutes to the Senator from Tennessee.

The PRESIDING OFFICER (Mr. HUMPHREY). The Senator from Tennessee is recognized for 2 minutes.

Mr. BROCK. Mr. President, I rise in opposition to the amendment to exempt cattlehides from the Export Administration Act of 1969.

The purpose of this amendment is to nullify the action taken by the Secretary of Commerce on July 12 to control export of cattlehides to cut inflationary pressures on prices of shoes and other leather goods. The action taken by the Secretary was both necessary and fair to all concerned.

In face of the soaring hide prices and shortage of cattlehides, the Secretary had no other alternative than to act in a vigorous manner. Since August 15, 1971, the start of phase I of the President's economic program, hide prices have increased almost 100 percent. This fantastic inflation in hides means that retailed shoe prices must go up at least $1 to $2 a pair and the end is not in sight. These increases will be borne by the American consumer. In addition, there is a deepening shortage of cattlehides which is crippling our domestic leather and shoe industries. In spite of projected production increases in cattlehides, projected demand for hides for the period March–December 1972 could be expected to exceed supply by 1,521,000 hides.

This dire situation has been brought about by the activity of foreign hide buyers who are increasing their demand for U.S. hide production, thereby driving prices up and draining hide supplies. Since 1967 hide exports have increased from 11,900,000 to 16,000,000 in 1971.

In the same period, exports as percent of domestic hide production climbed from 33.2 percent to 42.6 percent. The Department of Commerce survey projected increases in export of cattlehides of 576,000 hides for the period March through December 1972 over a comparable period in 1971 if controls were not instigated.

The shortage of hides in this country can be attributable to several factors, the principle one being that the major hide exporting nations with exception of the United States have placed embargos on exportation. For example, Argentina and Brazil who exported 26.2 percent of the world's supply of cattlehides in 1969 have placed a total embargo on exports. The policy of both of these countries is to build tannery and shoe industries to become major shoe exporters.

It seems grossly unfair to ask the American worker and consumer to bear the brunt of the restrictive policies of these countries.

Although hide production in this country is expected to increase for the remainder of 1972, absent controls, it would not be expected to meet domestic demands.

Thus, the Secretary of Commerce was faced with a critical situation. Countries normally buying in South America are converging on the U.S. market. Foreign buyers have the great advantage of currency revaluation which has made their money worth more. Prices of leather goods and shoes were soaring. Factories were threatened with curtailment or shutdown from sheer lack of supply.

That would have meant more unemployment. The action taken by the Secretary of Commerce was long overdue.

The Secretary's program should prove to be a fair and effective one. Rather than impose conventional export controls as was done in 1966, the Secretary is utilizing an export ticket system in hopes of preventing windfall profits to go to exporters of foreign producers. Under the regulations, export tickets will be issued to cattlehide producers in an amount equal to last year's export levels. The effect of this approach will be to reserve for hard-pressed domestic buyers and industries the additional cattlehides which it is anticipated will be available for sale to people who export hides. Under the ticket system benefits of higher foreign hide prices should accrue to the American consumers and cattle producers—not to foreign purchasers and exporters.

Under this program the consumer will enjoy stable prices for leather goods, the workers in the leather goods industry will have their jobs preserved, and the cattle producers will receive the benefit of any increase in prices on the foreign export market.

Mr. CURTIS. Mr. President, how much time remains to each side?

The PRESIDING OFFICER (Mr. STEVENSON). The Senator from Nebraska has 20 minutes remaining and the Senator from Minnesota has 12 minutes remaining.

Mr. MONDALE. Mr. President, I yield 4 minutes to the Senator from North Dakota (Mr. YOUNG).

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 4 minutes.

Mr. YOUNG. Mr. President, the cattle industry is in a unique situation. Controls on imports have been lifted so that they now have to compete with the rest of the world on the meat that they produce. Now controls are being placed on exports. One of the few commodities we can produce and sell to the rest of the world are cattle hides. But the cattle producer is in a bind both ways.

Mr. President, I have a great deal of sympathy for those here today who express concern about losing an industry in the United States. The textile industry has been hurt badly during the past few years. I voted to help them. The shoe industry, no doubt, is being hurt. But even if they got the cattle hides for nothing, they would still have about the same trouble, because the cattle hide represents only a small percentage of the cost of a pair of shoes.

There are many other industries in this country which are getting hurt and where we are exporting jobs. It is hard to buy a camera today in the United States where most of the components are not made in foreign countries. It is hard to buy clothing of any kind where the cloth is not made in some foreign country. The same thing is true of bicycles and motorcycles. We cannot even buy barbed wire any more made in the United States. We stopped making barbed wire except for military purposes. We are, of course, importing more and more automobiles. Many other industries are getting hurt badly by excessive imports.

Thus, Mr. President, I feel that we are facing a serious situation when we are exporting jobs and importing all our requirements.

The answer is not to destroy an industry in this country that needs help, or to injure it, which would result from limiting exports.

My gosh, at this time, we should be concerned about producing more commodities for export to earn more money which will place us in a better position with regard to our balance of payments.

Mr. President, the recently announced limitation on the export of cattle hides was a most unfortunate blow to the American livestock producer and to the economy in general.

The Secretary of Commerce made a questionable interpretation of his authority under the Export Administration Act when he ordered these limitations. I feel that it is absolutely necessary for the Congress to spell out that authority clearly so that further problems of this type will be avoided.

We are all concerned over the inflation that has plagued our economy. Controlling inflation must be our No. 1 domestic economic goal. While I recognize this need, I am deeply disturbed that two of the most publicized moves taken in recent weeks to help control inflation will have a direct, adverse impact on a segment of the economy that has not fully shared in the great advances in the general level of economic activity. I am speaking of course, of the American farmer and rancher.

The lifting of meat import quotas a few weeks ago will force livestock producers to compete with additional quantities of lower quality, lower priced meat produced in foreign countries under lower cost conditions. The hide export limitation, on the other hand, prevents producers from taking full advantage of an export market that is badly needed.

Last week, the Senate Committee on Agriculture and Forestry held hearings on this action. During these sessions, it was repeatedly demonstrated that the limitation would have little, if any, effect on the rate of inflation in this country. It will, however, have a serious adverse impact on our balance-of-payments problem.

This problem has become one of the most difficult economic problems ever to confront this Nation. Every possible effort is being made to expand American exports in an effort to bring relief from these difficulties. The record is clear, Mr. President, that market development efforts on hides have been successful. The record is equally clear that export limitations on them are damaging to that market. Limitations were placed on hide exports in 1966. While those limitations did not halt the rise in shoe prices as they were supposed to, they did very effectively reduce the level of hide exports. In fact, it took 3 years to regain the level of hide exports we had in 1966.

This action is going to lose markets for the United States. Some of these markets will be lost for a few months or a few years, depending on how long the limitations are in effect. Others will be lost for good. A major effect of this move will be to force foreign purchasers of American hides to look for synthetics or substitutes for leather. Invariably, once a manufacturer goes to cheaper substitutes or synthetics, he rarely goes back to the better quality, natural product.

To argue that this move will protect the consumer from further increases in the price of shoes and other leader products is to ignore the experience of 1966. Despite the export limitation at that time and the consequent drop in hide exports and prices, shoe prices in this country continued to rise.

It is easy to understand why this happened then and will, in all probability, happen again. The U.S. Department of Agriculture estimates that less than 5 percent of the cost of a pair of men's oxford shoes goes to pay for the rawhide used.

Mr. President, I strongly support the effort to remove this unwise limitation. It will not remove the threat of rising leather product prices. It will result in reduced income for livestock producers. It will adversely affect our balance-of-payments situation.

Mr. CURTIS. Mr. President, will the Senator from North Dakota yield for an observation?

Mr. YOUNG. I am glad to yield.

Mr. CURTIS. The testimony is that out of the average cattle hide they can make 20 pairs of men's shoes. Of course, women's shoes with just the sole, the heel, and some straps, maybe twice that many—and certainly with children's shoes. So the hide is only about 5 percent of the cost of a pair of shoes; is that not correct?

Mr. YOUNG. That is correct. In referring to testimony, in many cases, the higher priced shoes are much less than that, down to 1½ percent.

Mr. CURTIS. I thank the Senator from North Dakota.

Mr. President, I yield 4 minutes to the Senator from Oklahoma (Mr. BELLMON).

The PRESIDING OFFICER (Mr. STEVENSON). The Senator from Oklahoma is recognized for 4 minutes.

Mr. BELLMON. Mr. President, I thank my distinguished colleague from Nebraska for yielding me this time. I am very proud to be a cosponsor of his amendment. It is very much needed. I believe that those who oppose it probably do not fully understand the impact of this action by the Secretary of Commerce.

In the long range, this amendment is very much in the best interests of the consumer. As one who is in the cattle producing business, I can testify that the price of cattle hides in recent years has been slowing down. A substantial amount of the cattle hides produced in this country are not even recovered.

There was a time when the renderers of the country would come around to the ranches and the farms and pick up animals that had died, to recover the hides as well as the fats, oils, and the proteins in the carcasses. But over the past several years, the price of hides has been so low that the animals have been allowed to decompose on the farms and ranches, and that potential source of leather has been lost.

Mr. President, I would also like to point out that at the present time we are involved in a presidential campaign. One

of the big issues that has been raised is farm parity. Farm parity with interest has gone up recently from 73 percent to 75 percent. I challenge any Member of the Senate to point to any other industry that can operate when it receives only three-fourths of the amount of income it is entitled to have.

The situation in the cattle industry is a little better. Cattle parity is something like 93 percent. But here we have an action by the Government, by the Secretary of Commerce, which is taken for the devout purpose of forcing down the price of hides which constitutes a very substantial amount of the income of the farmer when the price of the product is only 93 percent of what it should be.

To me it is totally inconsistent for our Government, a part of the Government, to complain about low farm parity and on the other hand to take action that tends to keep the price from rising to a fair level.

I feel that the Curtis amendment is needed and that it will help to bring equity to the farm income. We have to make available an adequate supply of this essential material.

The testimony on this matter before the Committee on Agriculture and Forestry points out that Mr. Letson, from the Department of Commerce, had some misinformation upon which his decision was based. The testimony from the Secretary of Agriculture showed that we expected about 1,560,000 more cattle to come to market during the balance of the year than during 1971. The testimony was that the increased demand for domestic hides was far less than that amount.

It appears we will be faced with a surplus and not a shortage of hides. The witness was totally mistaken.

Mr. President, I express my support for the Curtis amendment and urge its adoption.

Mr. CURTIS. Mr. President, I yield 3 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 3 minutes.

Mr. HUGHES. I am pleased to join with Senator CURTIS on this amendment, which would correct a serious injustice done to cattle producers as well as a dangerous reversal in our historic policy of encouraging agricultural exports.

In principle, and as the law now declares, export controls should be used only in cases of an excess drain of critical materials or when there is a serious inflationary impact.

The facts now available to us do not justify this extreme step.

Exports of cattle hides are up only 2 percent this year compared with the first 6 months of 1971.

Domestic demand has dropped along with declining shoe production.

And domestic cattle production is up, with 900,000 more cattle than last year expected to be slaughtered in the next 6 months.

Shoe prices have been going up, as have all prices, but rising cattle hide prices are not solely to blame. In fact, shoe prices have risen only as much as the general consumer price level. Yet, the current export controls will make cattlemen bear the entire burden for these increases, when hides account for 75 cents to $1.50 in the $20-to-$40 cost of a pair of shoes.

Already cattle producers have been placed in double jeopardy by this administration—first by the suspension of meat import quotas and now by the restrictions on exports of hides.

I think it is time we stopped making our food producers pay for the failure of the administration's economic policy to halt inflation or to correct our balance-of-payments deficits.

The 50,000 cattlemen in Iowa should not be further penalized by policies which deny them the right to sell at a fair price what they have worked so hard to produce. Yet, if history is any guide, they will suffer. In 1966, when such controls were last imposed, livestock prices plummeted but shoe prices actually increased. Some of my constituents now estimate that these export controls will knock $4 or $5 off the price of every steer sold to the packinghouse.

In fairness to our cattlemen, while still doing justice for our consumers, I believe that this amendment should be speedily approved.

I am pleased to join with the Senator from Nebraska in an amendment which would correct what I believe is a serious injustice being done to the cattle producers as well as a dangerous reversal in our historic policy of encouraging agricultural exports.

I rise as a Senator with a record in the Senate of supporting the problems of the American worker and American consumer. And in every instance I believe the record will show that I am willing to support measures that do not deprive a quite seriously affected segment of our economy in order to bring about an element of relief. There are better ways of doing that.

I rise in support of the 50,000 beef producers of the State of Iowa who for years have struggled and have been going down in numbers as a result of the economic pressures on the American farmers and the American beef producers along with an ever-increasing rise in the price of food for the American table with the American dollar being able to buy less than the previous year.

The facts now available to us do not justify this extreme step. The export of cattle hides are up only 2 percent this year compared with the first 6 months of 1971. Domestic demand has dropped along with declining shoe production.

The domestic cattle production is up, as has been stated here.

I believe, Mr. President, that we are taking the wrong approach. Those of us who are willing to support the problems of the workers in the factories and who have continued to express that support in the Senate do not believe that the method to take in supporting them is to deprive an ever-increasing number of farmers from the rural sections of the country of a fair income.

This is precisely the step that has been taken already. The cattle farmers have been placed in double jeopardy, first by the restriction on meat export quotas and next with respect to the reduction in hides.

I think it is time that we stop this practice.

I strongly urge passage of the amendment of the Senator from Nebraska.

Mr. McGEE. Mr. President, will the Senator yield me 2 minutes?

Mr. CURTIS. Mr. President, I yield 2 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 2 minutes.

Mr. McGEE. Mr. President, as a sponsor of amendment No. 1371 to the Export Administration Act (S. 3726), I want to join with my distinguished colleague, the Senator from Nebraska (Mr. CURTIS), in urging passage of this proposal.

The recent action by the Secretary of Commerce in imposing a ceiling on hide exports has resulted in a grave disservice to the American cattleman. The reasons given by the Secretary of Commerce for taking this action range from the alleged inflationary pressures stemming from a recent increase in prices for hides over the 1953–70 composite average, to an alleged estimated shortage of such hides in meeting the domestic supply demand.

However, I would like to refer to testimony offered the Senate Committee on Agriculture and Forestry last week by Mr. C. W. McMillan, executive vice president of the American National Cattlemen's Association.

Mr. McMillan stated that:

> The domestic beef cattle industry is tired of having to "pay the bill" under the threat of U.S. tanners and shoe manufacturers that they must raise shoe prices "if something isn't done to restrict the exportation of U.S. cattlehides."
>
> The 1972 action of the Commerce Department, although not identical to 1966, closely parallels it.
>
> In 1966, shoe manufacturers threatened to raise shoe prices unless something was done to force down the price of domestic cattlehides.
>
> An export embargo was placed on them, prices fell, reflecting approximately $4 per head drop in domestic cattle prices and the shoe manufacturers proceeded to raise the price of shoes anyway. U.S. cattlemen paid the bill and the U.S. shoe manufacturers pocketed the profits.
>
> Although the 1972 action of the Commerce Department still permits hides to be exported, there has been so much confusion and concern about the complex ticket or certificate method, meat packers cannot adequately plan their cattle buying programs and take into account by-product values. This completely disrupts marketing patterns of beef cattle.

Mr. President, I believe Mr. McMillan's concerns are well founded. It appears that this administration's response to complaints of inflationary pressures on the economy is to find a scapegoat. High meat prices in the supermarket resulted in the administration placing the door wide open to foreign meat imports. Now we see the American meat producer again being made the scapegoat, because U.S. tanners and shoe manufacturers claim they will have to raise shoe prices "if something is not done to restrict the exportation of U.S. cattlehides."

Once again, the administration is wide

of the mark in searching out the real culprit for this Nation's economic woes. It is not the American cattleman. Mr. McMillan also testified that:

> It is the earnest hope of the American National Cattlemen's Association that the restriction on hide exports will be lifted. Were it not for the price levels that have prevailed for hides in recent weeks, the by-product drop of meat packers would be much lower. If that by-product drop declines substantially, the meat packer must adjust his margin by paying less for cattle or selling carcass beef for more.
>
> If carcass beef prices increase, this means that consumers will have to pay more for beef in the retail meat counter. If meat packers pay less for cattle, it could place cattlemen in a "loss" position. As a practical matter, both of these things will probably happen.
>
> A serious effect of restricting hide exports is the matter of U.S. balance of payments. It seems inconceivable that the Administration has opened the flood gates to more meat imports while restricting hide exports. Both of these actions are detrimental to the beef cattle industry but together they compound the very serious balance-of-payments problem.

Mr. President, it is, indeed, apparent that the Department of Commerce did not realistically assess the situation before they took action to limit the exportation of cattlehides. If they had, we would not be spending the time today to rectify the inequity of this action.

We have been fighting this battle and trying to protect those who are on this economic ladder against mistakes and misjudgment in inflationary tendencies that take place all the way down the line until it reaches the consumer.

Invariably, we still fail to convince the consumer when the cattleman has a good case in point. The cattleman receives the prices now that he was receiving in 1952. Yet, he is asked to live in a really inflated world in which it costs a great deal more to live.

There was an attempt made to restrict the export of meat products. This socked the meat producer of this country where it hurts. We now have a proposal to bar the exports of cattle hides.

Once more they are delivering the body blow to the very group that is the least at fault in this economic chain of events.

My petition is that we point the finger at some of the economic factors that are to blame.

Whatever else, the cattlemen of this country, the producers of agricultural products of the country have not been the ones who have been adding to the prices of the products or skimming off the top, whatever it may be.

I would hope that the Senate supports the amendment of the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I yield 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

Mr. MONDALE. Mr. President, yesterday I spoke briefly in favor of the amendment offered by the Senator from Nebraska. In my remarks I made reference to the fact that the last time we imposed restrictions on the import of cattle hides, the price of the hides to farmers and hide producers dropped disastrously. At the same time I noted that the prices of American shoes went up. This shows that export quotas on hides, while sure to hurt thep roducers, will not necessarily help our consumers.

There is not a close relationship between the cost of the hides and the price that the consumer is paying for shoes, because the cost of the hides is a very small proportion of the cost of the shoes. Something like 3 or 4 percent at the most

Since yesterday, Mr. President, I have had a chance to check the 1966 records. The Bureau of Labor Statistics indices are very clear on the point I made. Quotas were imposed in March 1966 and were in force until October of that year. Largely as a result of quotas, hide prices tumbled 46 percent from May 1966 to May 1967. During that same 1-year period, however, as I said yesterday, men's and boys' shoe prices showed an increase of 1 percent.

So, if it is thought that forcing down hide prices to farmers with the export quotas is going to have a beneficial effect on the American consumer, the 1966 case shows that it probably will do no such thing.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I yield the Senator 1 additional minute.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 1 additional minute.

Mr. MONDALE. Mr. President, the fact is that cattlehides have very little to do with shoe prices because they are such a small proportion of the cost. They have practically nothing to do with corresponding shoe prices. The only thing quotas will do is deliver a disastrous reduction in farm income at the very time when the American farmer most needs an income boost.

Mr. President, I am hopeful that the amendment, which is a very modest one, which has been offered by the Senator from Nebraska, will be agreed to.

Mr. CURTIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. CURTIS. How much time do the opponents have remaining?

The PRESIDING OFFICER. 12 minutes.

Mr. CURTIS. Mr. President, I yield 3 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, I think it is important that we get a few facts straight. I have supported the distinguished Senator from New Hampshire on every bill that I recall he has introduced to protect American industry. I have been pretty consistent in that respect. But I think we should know and understand it is one thing to talk about protecting American industry and American jobs, which I favor, and it is another thing to talk about protecting the consumers, by opposing this amendment.

Mr. President, if we are interested in cheap shoes, send all the hides abroad because the lower wages paid by the Japanese, or other foreign countries will insure you can buy cheaper shoes in America if they are made abroad. Let us not get into any charade around here and say that we are concerned about the consumer by saying we want a ban on the export of American cattle hides. It does not stand up.

It is important that we do something to see that American job holders all prosper because they undergird this great economy of ours and make it possible for all of us to live better. That is what I want to do and it should be what the Senate wants to do, and if I may predict, it is what the Senate will do.

The reason it is important not to let this bill pass without the Curtis amendment attached to it is that we are concerned primarily in this country with two products that come from the ranges, the farms, and ranches of America engaged in the production of cattle. No. 1 is meat and No. 2 is leather. If we want to concern ourselves with both of these major continuing interests what we must do now is to see that we help support the reasonable price of meat by assuring that the price paid for hides will be as much as the market will bear in order to help make it possible for the price of meat to be as low as the market itself will permit it to be.

In the long run the best interests of all consumers will be served by all actions which encourage the production of adequate supplies of beef in the United States. A profitable operation gives this incentive. The Curtis amendment helps assure that the impact of demand will contribute to the best interests of those who wear the shoes and eat the meat—all Americans.

It is on this point I think it makes sense that the very realistic amendment proposed by the Senator from Nebraska carry in order that the price of hides will support the continued production of meat and beef so that Americans tomorrow and next year can be assured there will be adequate supplies, not only of leather but of meat, reasonably priced at the same time. That is what we are talking about, and it is what my colleague from Wyoming was talking about when he said we have been trying for a long time to help out an industry that is important.

I hope this amendment is agreed to.

Mr. McINTYRE. Mr. President, will the Senator yield to me for 2 minutes?

Mr. MONDALE. I yield 2 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Mr. President, with the passage of the Equalization and Stabilization Act domestic sales of hides were under controls; the export of hides for sale abroad were not under control.

The world situation with respect to the demand for hides was made extremely critical in the past year by the embargo by Argentina, a country that is one of the great suppliers of hides, prohibiting the export of hides from Argentina. In this situation the world price of hides has soared.

The price was very appetizing to our friends from cattle-producing areas and

they continued to sell them at high prices.

In the Economic and Stabilization Act, I believe that the manager of the bill voted with me to insert into the Stabilization Act the words "domestic shortages." This would be a trigger under which the Secretary of Commerce could act to prevent the sale or exportation uncontrolled. Am I correct?

Mr. MONDALE. Mr. President, I yield myself 1 minute to respond to the Senator.

The Senator from New Hampshire will remember that this very issue came up in the Committee on Banking, Housing, and Urban Affairs. At the time we were dealing with the President's Economic Stabilization Act. I vigorously opposed an amendment which was offered, which was designed to impose restrictions on the export of cattle hides. My point of view was sustained in the Committee on Banking, Housing, and Urban Affairs.

Mr. McINTYRE. Does the Senator not recall that he agreed to provide in those situations where the Secretary of Commerce could act, where he could figure into action, the words "domestic shortages"?

Mr. MONDALE. I do not remember that.

Mr. McINTYRE. It is in the bill.

Mr. MONDALE. I recall the issue on cattle hides.

Mr. McINTYRE. It is in the bill. That is what occurred. After long and laborious efforts the Secretary of Commerce under this administration acted, and this amendment this evening by the Senator from Nebraska seeks to void and nullify the action of the Secretary of Commerce in bringing some measure of relief to the tanners, shoe manufacturers, and I say to the consumers of America.

Mr. MONDALE. Mr. President, I think the record will show that the Commerce Department acted under the terms of the Export Administration Act and not under economic control legislation. I think there is grave doubt they have legal authority to do as they did because the specific language of the Export Administration Act under which they have acted provides there must be very substantial evidence of serious inflation resulting from the failure to impose restrictions on export of cattle hides before action may be taken. I do not think there is evidence to justify that finding.

Mr. McINTYRE. It is my understanding that on some hides, and I am not an expert on hides, the prices have increased 100 to 200 percent. Does the Senator deny that? Does the Senator feel this is untrue?

Mr. CURTIS. I would like to answer that question. The price of hides is down to 14 cents. As a result, as was pointed out by the distinguished Senator from Oklahoma (Mr. BELLMON) many dead cattle were not even skinned, because it was not worth it. They could not get anybody to come out and pick them up. The fact it is doubled does not mean anything. In a pair of shoes only 5 cents is related to cattle hides.

This is clearly intended to be an imposition on agriculture and to beat down their prices because you are faced with higher labor costs and other costs than are foreign competitors. That is an unfair restriction.

Mr. McINTYRE. I understand the Senator stated the price of hides in the last year has risen 200 percent.

Mr. CURTIS. Not 200 percent; it has gone up about 100 percent, but it is still far below parity.

I would like to correct the RECORD. There is no shortage of hides. We have been exporting hides for 15 years. This is the greatest meat consuming country in the world, and you cannot get meat without producing some hides. Last week the second largest slaughterer did not sell a single hide.

Mr. MONDALE. Mr. President, I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I rise to cite what I remember and recall as an experience in the previous administration. My good friend, Secretary Freeman, imposed quotas on hides; export controls. What happened? The price of hides went down. What else happened? The price of men's and boys' shoes, which use a lot of leather, practically stayed the same. Then, what happened? It was not very good for the farmer, it was not very good for the consumers; it did not help our export business; and it did not help domestic sales. It just does not work. When reference is made to women's shoes, there is little leather in them; most of them are a fabricated, synthetic product, and the price of those shoes is not affected by hides any more than cereals are affected by the price of wheat.

Mr. McGEE. Mr. President, on July 15, the U.S. Department of Commerce announced it would take action which would limit the exportation of cattlehides to last year's level.

The reason given for this action is the recent increase in the prices of cattlehides over their 1953–70 composite average. The Commerce Department asserts it is taking this action in order to check the "inflationary" impact these price rises are allegedly having on the domestic shoe and other leather industries.

However, cattle producers and hide sellers are opposed to this arbitrary action which they fear will adversely affect the prices they receive for hides and live cattle.

As a result, I have introduced amendment No. 1373 to the Export Administration Act (S. 3726) which would prohibit the Secretary of Commerce from limiting the exportation of cattlehides from this country. In addition, the order which accompanied the July 15 announcement by the Commerce Department would cease to be effective under the Export Administration Act renewal—the legislation which is presently before this body.

The reasons for the introduction of this amendment are many. The benefits to farmers and consumers of higher prices for hides on the world market far outweigh the minimal benefits to anyone else. Farmers and ranchers in this country get the direct benefits of higher prices for hides; while housewives are the indirect beneficiaries, since they avoid paying higher prices for beef when hides and other byproducts can be sold for good prices.

It was not so long ago that, in my own State of Wyoming, a rancher was lucky if he could get $2 for a big steer hide—let alone, find a hide buyer.

It seems that most of the shoes being produced in this country were being made out of ersatz leather and paper.

Then, quite unexpectedly, the American cattle producer discovered there was a demand for his cattlehides. Foreign shoe manufacturers began bidding up the prices on American cattlehides, because they could be obtained at such a bargain. An overseas market developed. As a consequence, according to official figures, last year alone saw more than 15.5 million cattlehides exported from this country, which brought the American livestockman a bonus of $125.8 million.

According to statistics compiled by the National Farmers Union, some 20 to 25 pairs of shoes can be made from one hide. The value of green hide in one pair of shoes is only $1. If the price of a hide should drop a quarter, then the price of leather in a pair of shoes should go down about 25 cents. Yet, not many of us expect that the retail price of $15 for a pair of shoes would be shaved to $14.75, because of lower hide prices. This makes the argument by the Secretary of Commerce, that cattlehide prices are having an inflationary impact on the domestic shoe and other leather industries, specious at best.

In his testimony to the Senate Committee on Agriculture and Forestry on the question of the Commerce Department order, William N. Letson, General Counsel for the Department stated:

> The question of whether, and how, to introduce controls proved to be one of the most difficult questions which the department has faced in a long time. This was particularly so, since we all strongly believe in free and open markets. However, facing the facts—the seriously inflated prices, the domestic shortage of hides, and the abnormal foreign demand—and bearing the responsibility which Congress placed in our hands under the Export Administration Act, we concluded that we should act.

However, American Meat Institute feels that proper interpretation of the current hide situation is this:

First, the June 1972, hide exports were released last Friday. These figures showed that 1,317,000 pieces were exported compared to 1,235,000 exported in June of 1971. Hide exports for the first 6 months of 1972 were 8,073,000 pieces as compared to 7,848,000 pieces for the first 6 months of 1971. This means the 6-month exports for 1972 are only 2 percent greater than for the first 6 months of 1971. This hardly represents an abnormal foreign demand causing an excessive drain on a scarce raw material—hides—which is one reason the Commerce Department gave to back their July 15 action.

Second, through May of this year, figures show that shoe production is down 1½ percent this year as compared to last year. Yet the Commerce Department projected an increase in domestic shoe production requiring 638,000 more hides. Some of the testimony delivered to the

Agriculture and Forestry Committee last week by the tanners indicated they expect leather shoe production to be down this year, not up.

Third, industry analysts now are expecting commercial cattle slaughter for July through December of this year to total about 19 million head, which is 900,000 more than last year. This forecast is supported by the USDA estimate of 1,566,000 more cattle on feed this July 1 than last year. Thus, the slaughter estimate used by the Department of Commerce appears to be very much on the conservative side.

Fourth, the calculated shortage presented by the Commerce Department in support of its export program included a figure of 1,002,000 hides needed to replace inventories. However, there is no such thing as a minimum inventory, which has been violated as the Commerce Department officials claimed.

Fifth, hence, instead of an imbalance of 1,521,000 hides to be rectified by controls, we see the possibility of a surplus developing that could wreak havoc with the hide market and seriously depress cattle prices if the controls are not discontinued. I believe this to be a key issue, and it could very well be what the Commerce Department had in mind when it issued the order. This is certainly in line with other administration action which resulted in lifting the quotas on the importation of foreign meat and the urging of beef producers in other countries to flood the American market with foreign beef.

It is apparent from these discrepancies between the Department of Commerce figures and estimates and those of the Department of Agriculture that perhaps someone is purposely giving us an inaccurate picture of the cattlehide situation in this country. I hardly suspect the Department of Agriculture experts are the ones who are off the mark in their projections.

In conclusion, Mr. President, it is inconceivable to me that the Department of Agriculture would begin regulating a raw product such as cattlehides—a product which was virtually worthless just a few years ago—at a time when the livestock industry is just beginning to regain some signs of economic stability. It is also inconceivable to me that at a time when this Nation faces serious balance-of-payments problems that the Commerce Department would limit exports of a product which can only result in strengthening our balance-of-trade problems.

In light of these facts, I urge my colleagues to support my amendment to the Export Administration Act.

Mr. ALLOTT. Mr. President, will the Senator yield me 1 minute?

Mr. MONDALE. I am glad to yield 1 minute to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I want to bring out one point that I think has not been emphasized here. This does not hurt just our cattle raisers and our cattlefeeders. It also hurts our processors.

I have a letter in my files in which a man points out to me and gives the specific economics of where the actual profit is taken at his packing plant in Colorado Springs. He points out that it comes not from selling the meat—and he sells mainly to one of the retail grocers—but his profit comes out of the sale of hides, liver, and the other byproducts of the cow.

I think it is fair to say that, with respect to the amount of leather used in shoes, we cannot leave the hides sitting around this country with no place to sell them when we have a market for them abroad. We have done this to the American farmer for a long time, and it is about time that we stop.

Mr. TOWER. Mr. President, I support the amendment of the Senator from Nebraska. I do not believe that the recently imposed controls on cattlehide exports will be of any significant assistance to the consumer of leather products, and yet it will serve to interfere with our trade relations, with our international earnings, and with our farm earnings.

We are fortunate in this country to have a very active cattlehide export industry in this country. They have managed to open markets for our hides around the world, hides which we simply could not consume totally at home. Hide is not a great cost factor to the shoe production process, so that even restricting all of the U.S. hides to the domestic market would not make shoes so much of a bargain that shoe purchases among lower income consumers would be materially increased. We need this export market in order to make the best economic use of this cattle byproduct, and I cannot see any economic justification for closing off normal international supply-demand forces in this market.

Our farmers and ranchers also receive a portion of their already too low income from the sale of cattlehides. These are presently worth perhaps $16 to $17 per hide. If cattlehide prices have been moving upward due to increased domestic and international demand, who is to say that the farmer does not deserve to receive some of this financial benefit of being in the right business at the right time? Why limit the further potential of real demand forces to place an economically justified price on this particular cattle byproduct, particularly when there is only a minor effect on consumer prices?

I urge my colleagues to vote aye on this important amendment.

Mr. PEARSON. Mr. President, once again an attempt is being made to restrict the export of cattle hides from this country. We went through this exercise for 8 months in 1966 and the Congress finally had to legislate an end to the controls. Today, the Senator from Nebraska (Mr. CURTIS) offers an amendment to S. 3726 to prevent the introduction of controls on the export of hides. I am a cosponsor of that amendment and urge its acceptance.

Mr. President, neither the theory behind this attempt to halt excessive price rises in leather goods nor the method the administration proposes to use in regulating the export of hides are sound. I shall address my remarks to both theory and method.

Theoretically, the proposed controls are to be imposed, because cost increases in the shoe industry are so excessive that the economic damage to cattle raisers, the damage to our balance of trade and the high administrative cost of the complex controls are worth the price. I submit that this is not the case.

Price increases in the shoe industry have not been excessive. The American Meat Institute points out that the increase in the price of footwear has only matched the general consumer's price index. This represents an increase of 3 percent in the last year. And it must be pointed out that the price of leather contributes to only 5 percent of the cost of shoes.

Second, shoe industry demands for leather have not increased. Instead, this year's shoe production is down 1.5 percent. Finally, according to USDA estimates, hide production is increasing in this country. Therefore, with falling demand, rising hide prices may well be checked by the forces of increasing domestic supply and reduced demand.

Putting aside all of the arguments concerning the supply-and-demand situation, the method of controlling the export of hides is incredibly complex and costly to administer. It could well lead to a black market in these so-called export tickets.

It would seem clear, Mr. President, that this well-intended effort to hold down the cost of footwear misses its mark. The facts of the case simply do not bear out the position of those who favor controlling exports of cattle hides. I urge the Senate to adopt the amendment of the distinguished Senator from Nebraska (Mr. CURTIS) and myself.

Mr. THURMOND. Mr. President, we are now considering amendment No. 1371 to S. 3726, which would prohibit the Department of Commerce from setting export controls on agricultural commodities including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture.

The Department of Commerce has placed export controls on hides under authority granted by the Export Administration Act of 1969, which says exports may be controlled to prevent the excessive drain of raw materials or to reduce the serious inflationary impact of abnormal foreign demand. There is no evidence that exporting hides is having either effect.

In reality, Mr. President, hide exports have helped the economy of the United States. The purchase of hides by foreign nations has added favorably to our balance of trade. The foreign demand for hides has provided an additional market for the financially unstable livestock industry.

Demands for export controls have come from shoe manufacturers who want to reduce hide prices by limiting foreign sales and flooding the domestic market. They say that hides are scarce on the domestic markets and are so expensive that the price of shoes will have to be raised. Yet, testimony before the Committee on Agriculture and Forestry disputed these claims. Hide dealers said they had no shortage of hides and some

even testified of surpluses which were difficult to sell.

Testimony also revealed that the amount of leather in an average pair of shoes, costs about 80 cents. This figure is so insignificant it hardly figures in the cost of one pair of shoes. If the price of hides were cut so drastically that the amount of leather in a pair of shoes costs only 10 cents, there would still be no savings to pass on to consumers. The only group which benefits from export controls on hides are shoe manufacturers who save a few pennies on each pair of shoes.

Mr. President, I urge my colleagues to support this amendment, and give agriculture a representative voice before export controls are placed on their products.

Mr. KENNEDY. Mr. President, I oppose the pending amendment because I believe the President should have broad authority to deal with specific international economic crises, free of restrictions designed to benefit special interest groups in particular cases.

The present amendment is a case in point. During the past several months, many American shoe and leather companies have been crippled by a serious shortage of hide supplies. Domestic manufacturers, especially those in Massachusetts and other New England States, have faced a dwindling hide supply and rapidly increasing prices. As a result, American consumers in all parts of the country have been confronted with spiraling prices on shoes and leather products.

In large part, the current crisis is the result of unusual international economic circumstances. A drastic cutback in exports of hides from Argentina resulted in substantial increases in the cost of hides on the world market and a severe cutback in the supply of hides for domestic manufacturers in the United States, as many U.S. hide producers turned to international markets to reap the windfall benefits of the soaring world prices. Shoe and leather industries in New England—already facing severe cutbacks in production, higher prices for other raw materials, and intense foreign competition—suddenly found themselves confronting yet another crisis because of the difficulty in obtaining hide supplies at reasonable prices.

Earlier this month, in a move that was widely approved by many groups and concerned citizens, the administration acted to alleviate the heavy burden of the crisis by imposing specific controls on hide exports, under the authority of the Export Control Act. I supported that action as a necessary step under the circumstances, and I oppose the present amendment as an unfortunate attempt to deny to the administration the effective remedy it has already invoked.

The facts of the current situation are as clear as they are distressing. In my own State of Massachusetts, the shoe industry continues to decline as a result of increased imports of foreign-made shoes. In 1967, we had 189 shoe factories in the Commonwealth. Today we have only 122. The raw statistic that 67 shoe factories have closed over the past 5 years alone is dramatic evidence in itself of the plight of the shoe industry in New England—a shocking 35-percent decline in 5 years. But it does not even begin to indicate the hardship and economic dislocation suffered by the 11,500 workers in Massachusetts who lost their jobs when these factories shut their gates.

In 1967, six shoe factories closed in Massachusetts; 15 in 1968, 15 in 1969, 16 in 1970, and 14 in 1971. The slide is continuing today. This year, the Hammond Shoe Co. in Worcester was forced out of business, and 200 more workers lost their jobs. In 1969, when the B. F. Goodrich Co. closed its doors in Watertown, Mass., more than 3,000 workers were left without jobs at a single stroke.

We cannot measure in these figures the human misery for the thousands of shoe workers and their families who have been affected by these closings—many of them are elderly citizens, who have spent long and productive lives in the shoe factories, only to lose their jobs at a time when they can least afford it. We cannot measure the number of additional shoe companies which will be forced to close if vigorous action is not taken to resolve this latest crisis for the industry—the crisis caused by the shortage of hides.

In recent years, the shoe industry has begun to make effective steps toward progress and modernization. But we cannot look forward to the revitalization of this threatened industry in Massachusetts as long as shoe and leather manufacturers continue to be exposed to the sort of serious problem posed by the shortage of raw materials like hides.

The situation in the leather industries is a critical one for domestic manufacturers and consumers alike. The administration has chosen export controls as the remedy for the crisis, and it came at a time none too soon. Indeed, estimates ranged from $1 to $4 on the increased price for a pair of shoes if action had not been taken immediately to assure an adequate domestic hide supply. Undoubtedly, many additional plants would have been forced to close, and many additional workers would have lost their jobs.

In closing, let me say that I am pleased to have been able to work with representatives of industry and Government officials in an effort to find a fair solution to the present situation.

On March 9, I met with representatives of the Tanners' Council of America to discuss the hide crisis. Following that meeting, I contacted a number of other members of the New England congressional delegation, asking them to join with me in urging the administration to take immediate steps to aid our stricken industry in facing this new threat. Subsequently, on March 15, we sent a joint letter to the President, urging him to take appropriate action, including the possibility of export controls.

Then, in a letter of June 30, I expressed my grave concern to Under Secretary of Commerce James T. Lynn, emphasizing the need for immediate remedial action by the Department of Commerce.

Finally, Mr. President, on July 18, the administration recognized the need and acted effectively to meet it. The pending amendment would jeopardize all the progress we have made, and I urge that it be defeated.

Mr. President, I ask unanimous consent that the text of the letters I have mentioned may be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 16, 1972.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As you know, recent events in Argentina have resulted in a catastrophic increase in the price of cattlehides. In the first eleven months of 1971, Argentine hides exports declined by more than three and one-half million. As a result, the purchasing countries have almost uniformly turned to the U.S. as a source for cattlehides. Exports of hides from the U.S. in the last several months have left the American leather and shoe industries with less than 50% of the supply needed. Hide prices have increaserd 80% since the wage-price freeze was imposed, affecting not only American, but Western European leather industries as well. We join together to request that your attention be given to this urgent situation and ask that the administration take immediate steps at the highest level to avoid further economic chaos.

Direct action by the Administration is needed to stabilize the world market in hide prices, to reduce the drastic inflationary prices in shoes for the American consumer, and to prevent the already crippled shoe industry from further devastation due to a lack of supply.

Price stabilization is one of the major goals of Phase II economic policy, and we believe that the problem of soaring prices in the leather and shoe industries deserve immediate attention. If prompt action is not taken for these industries throughout the world, we will have dealt the final blow to our own shoe manufacturers and tanning companies. During this period of hide supply shortage, we urge your action to guarantee to the American consumer that he will have the shoes and leather products he needs at a price he can afford.

We have joined together to direct your attention to this crisis. We urge the Administration to explore all possibilities of action, including use of the Export Administration Act of 1969 and other remedial trade measures available to the Government.

Sincerely,

Edward M. Kennedy, Edward W. Brooke, Margaret Chase Smith, Edmund S. Muskie, Thomas J. McIntyre, Abraham Ribicoff, John O. Pastore, Clairborne Pell.

Robert F. Drinan, Harold D. Donohue, F. Bradford Morse, Michael J. Harrington, Thomas P. O'Neill, Jr., Louise Day Hicks, Margaret M. Heckler, James A. Burke.

Hastings Keith, Silvio O. Conte, Edward P. Boland, Peter N. Kyros, William D. Hathaway, John S. Monagan, Fernand J. St Germain, Robert O. Tiernan.

JUNE 30, 1972.

Hon. JAMES T. LYNN,
Under Secretary of Commerce, Department of Commerce, Washington, D.C.

DEAR MR. LYNN: I am writing to you regarding the urgent situation in the shoe and leather industries in my state as a result of the shortage of hides. As you know, I asked the members of the New England delegation to join me in a request to the President for immediate action to avoid further economic chaos in these threatened industries. Our re-

sponse indicated that the Department of Commerce was analyzing conditions to determine whether export controls were warranted.

During your discussion with Congressional representatives on April 17, you indicated that the Department of Commerce was conducting a field investigation to determine the cause of the spiralling costs of cattlehides, since current information did not suggest an increase in exports was the cause of the shortage. Since that time, the shoe and leather companies have continued to experience a hide shortage and a crippling increase in hide costs. I am told that two large tanneries in Massachusetts have announced they will close if action is not taken immediately.

Because this situation in the shoe industry is crucial, I am asking again that the Department of Commerce take immediate action to assist these companies. I would appreciate any information which the field investigating team has gathered to date which suggests the cause of the hide shortage, and your suggestions for remedial action. I feel that the shoe and leather industries, as well as the American consumer cannot tolerate any further delay.

Thank you for your attention to this.

Sincerely,

EDWARD M. KENNEDY.

SENATOR RANDOLPH SUPPORTS CONTROLS ON EXPORT OF CATTLEHIDES

Mr. RANDOLPH. Mr. President, I am in opposition to the pending amendment to limit the jurisdiction of the Secretary of Commerce to impose controls on the export of cattlehides. As Senators know, this amendment is offered to counteract the action announced on July 15 by the Secretary of Commerce. Having watched the cattlehide situation closely, I believe that the Secretary was fully justified by the facts which his Department so carefully and conscientiously gathered over a period of 3 months. Without doubt, the controls imposed on the exports of cattlehides were required by the dire circumstances which confronted domestic users, including the tanning industry. The manner in which this authority was exercised by the Secretary was aimed at avoiding the kind of situation which arose in 1966 when export controls were last imposed. Rather than being criticized, it is my belief that Secretary Peterson deserves to be commended for his diligence in trying, to the best of his ability, to protect the interest of cattlehide producers and the consumer, while at the same time meeting his responsibilities under the short supply provisions of the Export Administration Act.

I think it is important to review the facts which confronted the Secretary:

Hide prices had reached record high with the composite price running in the 29-cent range—more than double the historic average of 14 cents per pound. To be sure, there is nothing sacrosanct about 14 cents. We must bear in mind, however, that the price has gone up more than 100 percent in less than a year, a rise which surely can be labeled inflationary.

The Commerce Department projects demand for an additional 638,000 hides for current use for the period March through December 1972 over the same period last year. At the same time that cattlehide reexports are expected to increase by 576,000 hides over exports for the comparable period in 1971.

Argentina's and Brazil's exports amounted to 26.2 percent of total world exports in 1969, 20.7 percent in 1970, and an estimated 10.2 percent in 1971. Now these sources have been terminated and it is my understanding that there is little prospect for change in the situation.

Between March 1971 and March 1972, domestic cattle hide and leather inventories have decreased 1,002,000 hide equivalents.

Cattle slaughter is projected by Department of Agriculture to yield 695,000 additional hides during March through December 1972 over comparable period in 1971. It is expected that in 1973 cattle slaughter in the United States will increase about 1,300,000 over 1972.

Estimated production increases will not cover projected demand for hides for the period March-December 1972. Demand is expected to exceed supply—and I emphasize this point—by 1,521,000.

It is my belief that these facts of record high prices; increased domestic demand for cattle hides; low levels of cattle hide and leather inventories; increased exports of hides over the past few years, and estimated record levels in the remainder of this year; and hide demand in excess of supplies meet the statutory criteria for short supply export controls. Without export controls, the result would be continued and increased inflationary pressures on domestic users and consumers.

Senators have referred to the 1966 export control program for cattle hides, which had several unfortunate results. Export quotas were announced that were far below previous years' levels: 1,800,000 hides below the comparable 7-month period for 1965. A two-price system developed in world markets and the benefits of the higher foreign prices accrued to foreigners and exporters. In addition, the reduced export quotas greatly distorted foreign markets. The situation regarding this new export control program is substantially different.

Quotas for the remainder of 1972 are set at 1971 levels for comparable period; and 1971 levels were at record highs. By establishing such a level, disruption of foreign markets will be minimized. Further, the export ticket system will assure that benefits of higher foreign hide prices will go to the American consumers and cattle producers rather than foreign purchasers and exporters.

The action taken by the Secretary benefits American workers and American industry by insuring a stable supply of hides for the tanning domestic shoe industries. It will protect against further sharp increases in the cost of shoes to the American consumer, and because of the ticket system used to administer these export controls, the producer of hides will share in any difference between world and domestic price markets. The short supply provisions of the Export Control Act were designed to meet circumstances such as prevailed in the cattle hide situation over these past few months, and it would be unwise for the Congress to exempt from these controls one particular segment of our economy.

Mr. President, I think Senators should be aware that the Secretary's decision to limit the export of hides has impact on many communities throughout our country where the major source of employment is a leather or tanning operation. Very frankly, it was this aspect of the cattle hide question that brought the complex issues into focus for me.

In West Virginia, we have five tanning plants or firms which depend on a continuing and stable supply of cattlehides. For one of our communities, Parsons in Tucker County, the Parsons Tanning Co., is the largest employer in the area. Approximately one-hundred and fifty persons are employed in the tanning plant, with a total payroll of nearly $70,000 per month.

Recently, this county lost its most important source of employment with the closing of a woolen mill and the loss of over 300 jobs. Now there are some areas where the loss of 300 or 400 or 500 jobs might have little impact on the economy. In such areas, those persons who are out of work might be quickly absorbed into the existing labor market—although I am not aware of many parts of our Nation which can take the loss of this large number of jobs. I know, however, with complete certainty that Parsons and Tucker County, W. Va., cannot sustain such a high loss of employment. Tucker County has a population of less than 7,500 people, while Parsons has approximately 1,500 residents. Without any real knowledge of the basic economy of this area, one can readily visualize the impact of losing 500 jobs—and that is just the situation which was existing in this area of West Virginia. Clearly, the continued maintenance of the tanning industry employment is critical to the economy of this community.

However, because of the skyrocketing cattlehide prices, the Parsons Tanning Co. announced its closing in May of this year.

This company requires approximately 20,000 hides per month for its full operation. As of last September, this company—as other firms—was paying slightly less than 13 cents per pound for hides, with the average hide costing $6.66. As Senators know, that price was driven to a high of nearly 30 cents per pound, at the time of Secretary Peterson's decision to impose controls. The average cost of a hide was $18.58. For the Parsons Tanning Co., I am advised that the break-even point is in the range of 18 cents a pound. Thus, it is quite apparent that this company could not stay in operation without some indication of relief from spiraling prices and some action to provide a stable supply of hides.

Mr. President, over a period of several weeks my able colleague (Mr. ROBERT C. BYRD) and I worked with local officials, citizens, and representatives of the Parsons Tanning Co. in an effort to find some solution to this perplexing problem. And we did explore many avenues, from Government loans to possible reduction in the prices of tanning agents which are sold from Government stockpiles. None of these possibilities gave any hope for relief. We worked constantly with officials of the Department of Commerce. Senator BYRD and I very definitely arrived at the conclusion that only feasible and timely course of action which might

provide the opportunity for this company to remain in operation and continue to employ 150 persons was the imposition of export controls.

Once the imposition of export controls was announced, officials of the Parsons Tanning Co. very quickly made a decision to reopen this plant and to go to full operation as quickly as possible, possibly by the middle of August. The pending amendment could cause that decision to be reversed.

Mr. President, this is the story of Parsons, W. Va. It is a set of facts which must be told here in the Senate, before a vote is taken on the pending amendment. While there are many facets to the problems of cattlehide prices and supplies, I think that this information on this one company and community clearly indicates that Secretary Peterson took an action which will aid people and help to preserve jobs. And it was a reasonable and carefully drawn action to alleviate any adverse impact which might develop on another sector of our economy. It is my hope that the pending amendment will be defeated. I shall vote against it.

IN SUPPORT OF THE AMENDMENT

Mr. HANSEN. Mr. President, I support the efforts to rescind the restrictions placed on cattlehide exports on June 15, by the Secretary of Commerce.

I am opposed to the action taken by the Secretary under the Export Control Act to place a ceiling on the number of cattle hides which may be exported from the United States. I respect the Secretary for his diligence in meeting his responsibilities, and I would never suggest that he should do less. But after reviewing his action of July 25, 1972, I believe that the action taken is without justification and misses the mark.

The Secretary stated:

> Our main concern must be shoe prices for the American consumer and there was no relief in sight.

I do not share this view to the exclusion of other considerations. If low priced shoes were our only objective it could logically be argued that we should export all our cattlehides, buying relatively cheaper imports which reflect the great differential in wages paid American shoe employees and their foreign counterparts.

When the Secretary states that—

> Our main concern must be shoe prices for the American consumer.

I suggest that a prime concern of this administration and the American consumer has been meat prices for the American consumer and this major concern appears to have been conveniently overlooked in the Secretary's decision.

To insure that the total picture is reviewed and analyzed before decisions of this type are made, I have joined with the Senator from Nebraska (Mr. CURTIS) in sponsoring an amendment to the extension of the Export Administration Act of 1969 which would require the approval of the Secretary of Agriculture before any action is taken by the Secretary of Commerce to restrict the exportation of an agricultural commodity.

Hopefully, this requirement would prevent the recurrence of the situation we face today. Action has been taken to depress the price of cattlehides in this country. Cattlehides are an important byproduct of the meatpacking industry. A depression in cattlehide values can result in a readjustment of margin by the meatpacker by raising the prices on carcass beef and the American consumer paying more for the beef products consumed in his daily diet. Or the meatpacker might pay less to the cattle producer resulting in loss to the cattle industry. This effectively means that the cattle producer and his employees are being required to take a loss in order to protect the profits of the shoe industry and its employees. The inequity of the situation is obvious.

Not only is the restrictive action on hide exports of concern because of its potential effect on meat prices to the American consumer and its impact on the cattle industry, but the Congress and the administration should be equally concerned that this administrative action will result in increasing the deficit which the United States is presently experiencing in its balance of trade. Recently the import quotas on beef were rescinded. This action will result in a currency flow from the United States to pay for imported beef. Now we are being told that a ceiling will be placed on the export of cattle hides, an important byproduct, which will result in a decrease in the flow of currency to the United States in exchange for cattle hides. This situation makes little sense in light of the importance which is attached to the question of U.S. balance of payments.

In summary, these recent actions appear to have been taken without regard for overall strategy and total impact. I believe that the Curtis amendment to the extension of the Export Administration Act of 1969 would remedy this situation and hope that Senators will join with me in supporting this amendment.

I do not wish to be misunderstood. I, too, am concerned over shoe prices and jobs for American workers in the shoe industry. I have stated this position many times on the Senate floor. But the problem is caused by the high price of American labor versus the cheap cost of labor in foreign countries. This is the problem to which the Secretary of Commerce should address himself rather than taking action which can increase food costs to the American consumer, penalize one American industry to protect another, and increase the deficit in the American balance of payments.

Mr. MONDALE. Mr. President, I yield back my time.

Mr. CURTIS. Mr. President, I yield back my time.

The PRESIDING OFFICER. All remaining time on the amendment of the Senator from Nebraska has been yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BEALL (after having voted in the negative). Mr. President, on this vote I have a live pair with the Senator from Iowa (Mr. MILLER). If he were present and voting, he would vote "yea." I have already cast my vote as "nay." I therefore withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), and the Senator from South Dakota (Mr. MCGOVERN) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN) is absent on official business.

I further announce that if present and voting; the Senator from Georgia (Mr. GAMBRELL) would vote "yea".

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Iowa (Mr. MILLER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) would vote "nay."

The pair of the Senator from Iowa (Mr. MILLER) has been previously announced.

The result was announced—yeas 52, nays 35, as follows:

[No. 327 Leg.]

YEAS—52

Allen	Fannin	McGee
Allott	Fong	Metcalf
Anderson	Fulbright	Mondale
Bayh	Gravel	Montoya
Bellmon	Gurney	Moss
Bennett	Hansen	Pearson
Bible	Hartke	Percy
Boggs	Hatfield	Sparkman
Buckley	Hollings	Stennis
Burdick	Hruska	Stevens
Cannon	Hughes	Stevenson
Chiles	Humphrey	Talmadge
Cranston	Inouye	Thurmond
Curtis	Jackson	Tower
Dole	Jordan, Idaho	Tunney
Dominick	Long	Young
Eastland	Magnuson	
Ervin	Mansfield	

NAYS—35

Aiken	Javits	Ribicoff
Brock	Kennedy	Roth
Byrd, Harry F., Jr.	Mathias	Saxbe
Byrd, Robert C.	McClellan	Schweiker
Case	McIntyre	Scott
Cook	Muskie	Smith
Cooper	Nelson	Spong
Cotton	Packwood	Stafford
Eagleton	Pastore	Symington
Griffin	Pell	Taft
Hart	Proxmire	Weicker
	Randolph	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Beall, against.

NOT VOTING—11

Baker	Gambrell	McGovern
Bentsen	Goldwater	Miller
Brooke	Harris	Mundt
Church	Jordan, N.C.	

So Mr. CURTIS' amendment was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MONDALE. Mr. President, I send to the desk an amendment and ask unanimous consent that its reading be dispensed with.

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

Mr. MONDALE. It is a nominal amendment, but I yield 10 minutes to the Senator from Arkansas.

Mr. MONDALE's amendment is as follows:

On page 7, after line 3, insert a new section as follows:

"SEC. 108. The provisions of this title take effect as of the close of July 31, 1972."

Mr. FULBRIGHT. Mr. President, I wish to make a brief statement for the record concerning Foreign Relations Committee amendments to title II of the pending bill, S. 3726. As Members know, the bill was referred on a sequential basis to the Foreign Relations Committee for a 30-day period. Owing to the recess for the political convention, action had to be taken in a rather hasty manner between July 19 and July 24 and the results of that action, although generally made explicit in the committee report on S. 3726, may call for further clarification.

Because of a family illness I was not able to be present either at the Foreign Relations Committee hearing on July 19 or at the executive session the following day when the bill was ordered reported with amendments. These later were presented as a compromise between what the administration wanted—namely, virtually no change at all in title II—and what many of us believe to be in the best interests of the Senate and of our constitutional system. Therefore, after reviewing the record, I want to emphasize my understanding of this compromise. This is all the more necessary because of the excellent letter I received on July 20 from the distinguished senior Senator from North Carolina. Senator ERVIN made a number of extremely important and valid observations about the issues at stake in S. 3726, and I ask unanimous consent that his letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., July 20, 1972.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR BILL: I wish to express by support for those members of the Committee on Foreign Relations who during consideration of S. 3726 by the Committee, have insisted that the Executive director of the Council on International Economic Policy be accountable to the Congress. Under the provisions of S. 3726, the Council would be authorized by Congress and funded by Congress. It is imperative that Congress be kept informed by the executive director of the operations of this Council, and of the use of the many millions of dollars which Congress would appropriate to it. To my mind, it is certainly within the prerogatives of Congress, indeed, it is the duty of Congress, to require a proper accounting.

I was greatly disturbed at the report I received that at the hearings held yesterday by the Committee on these proposals, Mr. Carlucci, Associate Director of the Office of Management and Budget, expressed concern over any attempt to require the executive director of the Council to "testify on a regular basis" or under any formal arrangement of accountability. Mr. Carlucci was further quoted as stating that the executive director would "not normally be available because of the nature of his position." Mr. Carlucci appears to be suggesting an even greater expansion of executive privilege, and it is just such an expansion of the concept of executive privilege which we in Congress must resist.

This executive practice has traditionally been a personal privilege accorded the President to protect confidential communications between him and his personal advisers. It is only very recently that the claim of the privilege has been expanded. We are all familiar with the White House refusals to release information or to allow the appearance of witnesses based on the supposed "principle that members of the President's *immediate staff* not appear and testify before Congressional committees". Now, as evidenced by Mr. Carlucci's statements, the privilege is to be extended to the entire Executive Office staff. The practical implication is that executive privilege is no longer the President's personal privilege, but can be claimed by any employee of the White House or Executive Office by virtue of their position even if no personal communication with the President is involved.

The Subcommittee on Separation of Powers, of which I am Chairman, has already done an extensive study of the use, or misuse, of executive privilege. The Senate is greatly indebted to you, Bill, for your contributions in this area. Most of those who have studied this problem are alarmed at the trend toward expanded use of executive privilege. This trend is inimical to our system of separation of powers and, if permitted to continue, will succeed in completely insulating the Executive branch from any effective system of public accountability. At some point we in the Legislative branch must assert our prerogatives and reinstate the division of responsibility upon which our democracy is based.

Requiring the confirmation of the executive director reinforces the Senate's position on accessibility. However, confirmation cannot be the sole criteria for determining an individual's availability for questioning by Congress. Even if the executive director were not confirmed by the Senate, he still should be accountable by the very nature of his position. In no sense is the executive director of the Council only a personal advisor to the President. He is unmistakably an integral part of the decision-making process and Congress must be kept informed of that process and have some input into it. Effective legislative oversight cannot be realized on the basis of information obtained from those who simply implement policy and have nothing to do with how those policy decisions are made. We must avoid the continued concentration of governmental power in a few individuals who are immune from congressional and public scrutiny.

I shall support any amendment by the Committee which would explicitly require that the executive director be confirmed by the Senate and that Congress be kept fully and currently informed of the activities of the Council as a means of ensuring our legislative prerogatives. I would hesitate to leave the matter on an informal basis, as suggested by the Administration, or to the spirit of comity since it has been proven that too often such means are not effective.

With kindest wishes,

Sincerely yours,

SAM J. ERVIN, Jr.,
Chairman, Subcommittee on Separation of Powers.

Mr. FULBRIGHT. Mr. President, I shall read only the last paragraph, simply for the information of the Senate at this time, of Senator ERVIN's letter. He says:

I shall support any amendment by the Committee which would explicitly require that the executive director be confirmed by the Senate and that Congress be kept fully and currently informed of the activities of the Council as a means of ensuring our legislative prerogatives. I would hesitate to leave the matter on an informal basis, as suggested by the Administration, or to the spirit of comity since it has been proven that too often such means are not effective.

It is clear from our committee report on the bill that the senior Senator from New York in effect has temporarily set aside, without prejudging the merits of the issue, the question of whether Senate confirmation should be required for the position of Executive Director of the Council on International Economic Policy. On the other side of the coin, his amendments limit both the statutory basis for the Council and for the Executive Director's position to the single fiscal year 1973. Moreover, they require the latter official to keep the appropriate committees of the Congress "fully and currently informed regarding the activities of the Council."

I make no secret of the fact that I believe Senate confirmation of such an important official is necessary; the arguments of Senator ERVIN on this point to my mind are compelling. However, the Foreign Relations Committee in my absence accepted an intended compromise position and I feel I should abide by that decision. But I also think it essential to quote here the final paragraph of our committee report on S. 3726, as follows:

Finally, it should be stressed that a number of members wished the report to make it clear that the Foreign Relations Committee intends to examine the whole subject matter of title II closely during fiscal year 1973. In effect, the executive branch is being given something less than a year of grace in order to enable the committee, and the Congress as a whole, an opportunity to observe the workings of this arrangement. Specifically, the question of Senate confirmation of the Council's Executive Director is open to reconsideration next year, and the committee in the interim intends to have every assurance that the Executive Director will be personally available to the appropriate enumerated committees of the Congress for exchanges of views and information.

In short, the proof of the pudding is the eating. We will have the needed answers to our questions well before this time next year. And it is obvious there are indeed questions.

Along with the Senator from North Carolina, I have been disturbed by the nature of the committee testimony presented on behalf of the administration by Mr. Carlucci, Associate Director of the Office of Management and Budget. In particular, I find entirely unpersuasive Mr. Carlucci's efforts to depict the Council's Executive Director as merely a staff man—almost just a scrivener—while insisting that his relationship to the President is so important and confidential that he should not normally be available to testify before the Congress.

In fact, Mr. Carlucci's own testimony in our committee hearing record amply refutes such a position. On page 29 of the printed hearings the distinguished senior Senator from Illinois inquired about the number of times the Council

had met during its 18 months of existence, saying, and I quote:

If there are frequent meetings then it would suggest that the Council really runs the policy. If the meetings are infrequent, I would judge the staff may run it.

On the following two pages Mr. Carlucci states that the Council has only met three times and that many decisions are discussed at the "Senior Review Group level"; he also submits material showing that the Council's Executive Director serves as Chairman of the Senior Review Group. This in itself is sufficient evidence as to the importance of the Executive Director's position and of his accessibility to the Congress.

Now I trust that the legislative history makes it absolutely clear that the committee amendment is designed to insure that the Executive Director will testify upon request in the regular way before the congressional committees named in section 208(a) of the bill. It is also my belief that this history precludes any possible attempt by the administration to place our relationship with the Council's Executive Director on a basis resembling in any way our past relations—or lack of them—with Mr. Kissinger.

With this understanding, Mr. President, I shall not raise the issue of Senate confirmation or oppose favorable action on S. 3726 at this time.

Mr. MONDALE. I yield myself 1 minute.

Mr. President, the amendment I sent to the desk is in the nature of a technical amendment which the Department of Commerce has asked for because the Export Administration Act expires today. It is an amendment that simply makes title I of this bill, S. 3726, retroactive to the expiration of the Export Administration Act on August 1.

I yield back the remainder of my time and ask for adoption of the amendment.

Mr. BENNETT. Mr. President, I agree with the manager of the bill. The amendment should be adopted.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. MONDALE. Mr. President, as I understand it, the only remaining amendments are those to be offered by the distinguished Senator from Indiana. I am hopeful that we can accept them. At least, at this point no one has asked for the yeas and nays, but they might.

Mr. HARTKE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Mr. ROTH. Mr. President, I am particularly pleased to support title II of the Export Administration Act which will give statutory basis to the President's Council on International Economic Policy. I commend the distinguished junior Senator from Tennessee for his initiative in this matter.

The United States has entered an especially critical period in our economic relations with other countries. While domestic economic indicators have shown substantial improvement in the past few months, our balance-of-payments position continues to be in serious disequilibrium.

There are many reasons, of course, why foreign economic relationships do not respond as readily to Government policies as the domestic economy does. The international economy is affected by the policies of many countries, and the effect of our policies in this area are subject to being canceled out by the retaliatory or dilatory measures of other governments. Moreover, it takes a long time for the actions we take to show up measurably in our balance-of-payments position. For example, the full effect of the Smithsonian Agreement of last December realining the par values of the major free world currencies may not be felt for still another year. Finally, there is a paucity of data on many aspects of international trade and capital movements, and even where relatively reliable data is available, its policy implications may be disputed. The current debate on the effects of foreign direct investment by multinationals is a case in point.

In spite of these complexities, the United States has been slower to provide policy coordination in the foreign economic field than in almost any other major policy area. While the National Security Council was established years ago to provide policy coordination for the defense and foreign policy fields, the NSC tended to neglect foreign economic policy. Instead, the responsibility for our foreign economic policies was scattered among some 60 different government agencies and departments.

It was the recognition of this situation that caused the President to create a Council on International Economic Policy within the Executive Office in January of last year. It is now time to give this experiment statutory authority. When we must deal with many foreign countries, it is helpful to at least have a policy coordinating center in our own Government apparatus.

We now have tangible evidence of what such a Council can do. The first Executive Director, Mr. Peter G. Peterson, now our Secretary of Commerce, provided the Council, the President, and Congress a thoughtful statement of personal views on the major issues involved in our international economic policies. Accompanying the Peterson report were useful charts giving a wealth of practical information on our international economic relationships. This kind of information not only helps executive policymakers do their job by providing a common point of reference, but it will also help the Congress in understanding our economic problems.

Title II provides that an annual report of a similar nature will be presented to the Congress. This report will help to provide information and understanding in a policy area where better information and understanding are sorely needed.

Mr. HARTKE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. JAVITS. Mr. President, reserving the right to object—and I hope I shall not object—I want to make this clear. I hope that no assurance is being given to the Senate that we will not have rollcall votes. We may very well have rollcall votes on these amendments or on whatever other amendments the Senator from Indiana has in mind. We are about to deal with very big matters.

Second, I reserve the right to object because, as the amendment is written, it has no pagination whatever. It is not a new title. It seeks to amend an existing title in the bill.

I happen to have studied it, so I understand it, and I am perfectly willing to let it go, if Senators are willing to take a general explanation. But if Senators went up to the desk and read it, it would take the same half-hour that it took me to find out exactly what it does to the bill. I shall not object, because I understand it; but I am simply giving notice to the Senate that in order to understand it, one has to listen carefully to Senator HARTKE and myself, or anyone else who speaks on it.

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

Mr. HARTKE. I yield.

Mr. SYMINGTON. Would the Senator mind having the amendment read?

Mr. HARTKE. I do not mind having it read.

Mr. President, I withdraw my request that further reading of the amendment be dispensed with, and I ask that the clerk read the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

Title II, Sec. 206(2) line 10, after the words "private industry" add "Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendment and roll of any trading partner with which we have a substantial trade deficit."

Title II, Sec. 206(3) Add. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.

Title II, Sec. 206(6)(D) Add. consonant with the concepts of tax equity and the need for domestic investment.

Title II, Sec. 206(6) following F, add a new section:

(G) Preserving the existing diversified industrial base of the United States.

Title II, Sec. 207(a) renumber Sec. 207(a)(3) as Sec. 207(a)(4) and insert Section 207(a)(3) a review of the impact of international voluntary standards, the foreign in-

vestments of U.S. based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment.

Title II, Sec. 208(a) after line 20, insert the following material: the Committee on Finance of the Senate and the Committee on Ways and Means of the House.

Mr. HARTKE. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota (Mr. HUMPHREY) be added as a cosponsor of the amendment.

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

Mr. HARTKE. Mr. President, I have discussed these amendments with the manager of the bill, and I had hoped that we would not have to have a roll-call vote on them, because they do not really do anything, in the final analysis, except require an in-depth study of some provisions matters would otherwise not be covered in the original report.

We have a situation in which our balance-of-payments deficit is in the neighborhood of $10 billion. The entire balance-of-payments deficit this year is already in excess of the total deficit of last year, and there is no hope for correction.

Last year, we had a balance of trade deficit for the first time in our history. This year, the balance of trade deficit probably will be double what it was last year.

We had a balance of trade surplus with Canada and until we entered into the Canadian Automobile Agreement, which has completely destroyed that base and has caused some needless international tensions. I am not asking that these be set aside. I am asking that when we consider what we are going to do about an export program, we ought to give consideration to all the factors that could possibly be involved. So these amendments which were submitted separately are now in a group and deal with section 206 which states:

Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendment and the role of any trading partner with which we have a substantial trade deficit.

Mr. President, in 1967, we had a trade surplus with Japan of $500 million. The trade deficit last year with Japan was $3 billion. At the present time, the President intends to meet with Prime Minister Tanaka of Japan, to arrange for some clarification and a discussion of trade issues. I see no reason why the Canadian Automobile Agreement and relations with Japan should not be included in an overall study of this kind. That is one amendment. If the Senator from Minnesota (Mr. MONDALE) has any comment, I would appreciate it.

Mr. MONDALE. The Senator proposes six amendments. Some deal with areas which the council created in the bill. Others deal with matters which the council should include in its report.

Unless there is some objection on the other side of the aisle, I would be inclined to accept these amendments and take them to conference.

Mr. JAVITS. Mr. President, what has been done here in these amendments is to express, in terms of what this particular agency shall study as well as what it shall report, a particular point of view on international trade questions. All of these requirements are slanted that way.

For example, I seriously doubt that it does us any good with respect to Canada to have a specific stake in the bill, that

Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendment . . .

I doubt that this is desirable. It does not add anything. It goes on to say:

and role of any trading partner with which we have a substantial trade deficit.

If I were running it, I would want to eliminate the reference to Canada.

So far as I know, and I am going on my own recollection, this is the only reference, by name, to any country in the whole bill. So that kind of thing permeates these statements.

Here is another example to show why it troubles me. It speaks of

Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.

It carefully omits any impact of the transnational corporations either on international monetary affairs or on our balance of payments. Yet we all know that if the transnational corporation is to be justified at all, it is going to be justified on the basis of a major shift in the United States economy toward major returns from investments and dividends.

To go on, another section which relates to reports, and so forth, it says,

Preserving the existing diversified industrial base of the United States.

Well, I do not know whether that is the kind of slanting we want, to preserve the buggy whip business, which we would be doing if all we had since 1789 was to preserve existing diversified industrial bases in the United States, or whether it is meant to be taken as a kind of general prefatory statement.

Then we go on with what they require to review and it states:

. . . a review of the impact of international voluntary standards, the foreign investments of U.S. based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment.

Again, we see exactly what this is being slanted for. The theory is that certain jobs are running away to foreign wage earners and it will take bread from the mouths of American workers. However, this is what we find. If my colleague from Minnesota would like to take this, I am not going to stand in the way of it. I have explained it to the Senate. I think we can work it out in conference. I am confident that we can. So that it coincides with the general thrust of the bill. I express my confidence by not standing in the way of the Senator's taking the amendments.

I understand the last amendment—to wit, something about notice to the Committee on Finance of the Senate and to the Committee on Ways and Means. It has been accepted. So that it may be that the Senator, perhaps, just wants to eliminate it. But I am willing to go along with the Senator from Minnesota.

Mr. BROCK. Mr. President, may I just say that I do not really like accepting this amendment because I think the essence of the amendment is to cast this new group in a protectionist light. I think that flies in the face of what we are trying to do here. As one of the principal authors of this particular section, we were trying to create a Council of Advisers to the President and to Congress which would deal with the problem of our balance of payments in a positive, creative, and constructive way, and would address itself to those problems in terms of the real world and not in terms of erecting new barriers or penalizing the multinational corporations or the transnational corporations, however we want to describe them.

If in any way this amendment were to be interpreted as trying to place this group in a protectionist light, in the light of impinging on free trade, it would be terribly detrimental to the thrust and objective of this particular piece of legislation.

For myself, I simply cannot say that the amendment is something that is harmless or could be ironed out in conference. I do not believe that it can. It is detrimental to what we are trying to accomplish with this particular bill. I do not think the bill goes far enough in setting up a counterpart to a council of advisers concerning an international base. But this is a step in the right direction. Here we are, though, giving it a split personality right from the start. I do not think that that is right.

Mr. AIKEN. Mr. President, I want the RECORD to show that I am not in favor of adopting this amendment which has been proposed by the Senator from Indiana. I think, too, that it is an extremely far-reaching amendment. We have had only 10 minutes time to study it. The amendment was not printed. I do not know why. But I am always suspicious of last minute amendments that are not printed.

As I listened to the very short explanation given by the Senator from Indiana and the Senator from New York, it appeared to me that this amendment opens up the opportunity for almost unlimited monkey business on the part of the United States and international industries in relations with other countries.

I think it is just shocking that we should be expected to vote on a measure like this without even knowing what it is. We do not even have a copy of the amendment now. I think we should have a yea-and-nay vote on it so that each of us will go on record as to whether we approve of this method of legislating.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, I seldom disagree with my distinguished colleague from Vermont (Mr. AIKEN), but this is a matter that has been brewing for a long time. I have served in Congress under five Presidents. We feared that this time would come. We saw it coming in the 1950's but no one would listen to us, whether it was President Eisenhower, President Kennedy,

President Johnson, and now President Nixon.

The trouble is that we have been playing Santa Claus for too long. We are in trouble in this country. Now we talk about our balance of trade. The fact still remains that our markets today are being saturated by goods that are being produced in Japan.

Mr. President, the people in my State are being put out of work. No matter what one picks up today, whether it is in brazen letters, small letters, or obscure letters, it says "Made in Japan." Not too long ago my sister-in-law wanted to buy a television set. I took her to a friend of mine who was a dealer. He had Zenith, RCA, Admiral, and all makes of sets. I said, "Which one do you recommend?" He said, "It does not make any difference. They are all made in Japan."

That is what it comes down to. Our people are out of work.

The American market has always been an attractive market because we have had workers here. However, the American consumer is a consumer only as long as he has a job. The amendment says that "It shall be our policy." That is a little complicated. However, I think we ought to put the council on notice that we are concerned. I do not know whether Canada should be left out or whether Japan should be put in. I do not know. However, I do know that we are buying a lot more than we are selling. The international market is a two-way street. And it has not been that. Our international policy on trade has been a foreign program.

It is time that we took politics out of foreign trade and put economic concepts into it.

Mr. AIKEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Vermont has 1 minute remaining.

Mr. PASTORE. Mr. President, I did not even get to the crescendo.

Mr. AIKEN. Mr. President, the Senator is correct. This trouble has been brewing a long time. However, if it has been brewing a long time, why is it that we were not permitted to know about this proposal, especially those of us who are on the committee, until about 15 minutes ago. And we are now expected to vote on a measure which admittedly, according to the Senator from Indiana and the Senator from New York, is a very large proposal, in less than 15 minutes time?

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARTKE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Indiana has 6 minutes remaining.

Mr. HARTKE. Mr. President, I thank the Senator from Rhode Island for his comments.

Let me answer the Senator from Vermont. There is nothing mandatory in this provision, I assure the Senator. Not a word is mandatory. This states very clearly that there are certain problems that we would like to have people examine. That is all.

I talked to the distinguished Senator with regard to this measure. I did not feel that these proposals were controversial. I will grant the Senator that certain people are worried about our ultimate goal. I do not mind telling the Senator what my ultimate goal is. My ultimate goal is to get a favorable balance of trade and a favorable balance of payments for our Government. I am interested in that. I know that what we are doing now is not getting the job done.

I do not criticize anybody. But people are being thrown out of work. And people are getting jobs overseas.

There are tax subsidies to transnational firms that amount to almost $4 billion. If the Senator wants me to offer a real amendment, I could offer an appropriate one. I could offer one to cut out the tax subsidies being given to the corporations who are being given tax credits.

That is a $4 billion gift from the taxpayers. These big corporations—and God bless them, I do not blame them for it—do it for their own protection. However, they should not do it at the expense of the taxpayer.

The Hartke amendments do not address themselves to that. They say that we should have an honest report. And when the report leads to a discussion of jobs and tax benefits and tax equity we will vote for appropriate legislation. Ultimately, this body will make that decision. There should be debate on international voluntary standards, the level of foreign wage rates and the level, stability, and financial reward for domestic employment.

Let me say to the Senator from New York that if he wants monetary reform, I will accept that. I think there is a great need for monetary reform.

I am willing to sponsor such a provision tonight, if the Senator wants me to. However, this is not mandatory. It strictly calls for a complete in-depth study.

I will say that if there is any fear on the part of anyone, it comes out of a guilty conscience.

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

Mr. HARTKE. Mr. President, time is still running. I yield to the Senator for a question.

Mr. JAVITS. Mr. President, I ask the Senator from Indiana whose concept of tax equity he is talking about. Is it the concept of the Council, the concept of the President, or the concept of the Senate?

Mr. HARTKE. It is the concept of the people appointed by the Council. It is the Council that ultimately does the examination. This Council does not pass laws. They can only recommend to Congress.

I am not going to be appointed to the Council. If I had my way I would have Congress appoint the Council.

I reported to the chairman of the Finance Committee that I am tired of having reports to Congress based solely on executive facts and figures.

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

Mr. HARTKE. I yield.

Mr. BENNETT. Mr. President, the Senator says that this is not mandatory, that it is entirely voluntary. Can the Commission ignore the requirements put in the bill if it chooses to do so?

Mr. HARTKE. I say that they shall study the matters and report on them.

Mr. BENNETT. Then it is mandatory. They study and make a report on it.

Mr. HARTKE. The study is mandatory, the conclusions are not.

Mr. MONDALE. Mr. President, I think I am identified as one who is in favor of a reasonable trade policy. But I am not afraid of these amendments. They relate only to certain areas which the Council should study and problems which they should include in their report. I think people may be raising an issue where none exists.

Mr. HARTKE. Mr. President, I did not ask for a rollcall vote. I did not anticipate it. I had discussed the Hartke amendment with the manager of the bill and expected to encounter no controversy on this floor. I appreciate the kind words of the manager of the bill and his generous support.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Oklahoma (Mr. HARRIS), are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN) is absent on official business.

I further announce that if present and voting; the Senator from Georgia (Mr. GAMBRELL) would vote "nay".

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Iowa (Mr MILLER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) and the Senator from Iowa (Mr. MILLER) would each vote "Nay."

The result was announced—yeas 52, nays 35, as follows:

[No. 328 Leg.]

YEAS—52

Allen	Eastland	Long
Bayh	Ervin	Magnuson
Beall	Fulbright	Mansfield
Bible	Gravel	McClellan
Burdick	Griffin	McGee
Byrd, Harry F., Jr.	Hart	McGovern
Byrd, Robert C.	Hartke	McIntyre
Cannon	Hollings	Metcalf
Case	Hughes	Mondale
Chiles	Humphrey	Montoya
Cranston	Inouye	Moss
Eagleton	Jackson	Muskie
	Kennedy	Nelson

Pastore	Schweiker	Talmadge
Pell	Spong	Tunney
Proxmire	Stennis	Williams
Randolph	Stevenson	Young
Ribicoff	Symington	

NAYS—35

Aiken	Dominick	Roth
Allott	Fannin	Saxbe
Anderson	Fong	Scott
Bellmon	Gurney	Smith
Bennett	Hansen	Sparkman
Boggs	Hatfield	Stafford
Brock	Hruska	Stevens
Buckley	Javits	Taft
Cook	Jordan, Idaho	Thurmond
Cooper	Mathias	Tower
Curtis	Packwood	Weicker
Dole	Percy	

NOT VOTING—12

Baker	Cotton	Jordan, N.C.
Bentsen	Gambrell	Miller
Brooke	Goldwater	Mundt
Church	Harris	Pearson

So Mr. HARTKE's amendment was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONDALE. Mr. President, I believe we are ready for third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. MONDALE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The question is, Shall the bill pass? The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Idaho (Mr. CHURCH), the Senator from Georgia (Mr. GAMBRELL), and the Senator from Oklahoma (Mr. HARRIS) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN) is absent on official business.

I further announce that, if present and voting, the Senator from Georgia (Mr. GAMBRELL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Iowa (Mr. MILLER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Iowa (Mr. MILLER), the Senator from Ohio (Mr. TAFT), and the Senator from Massachusetts (Mr. BROOKE) would each vote "yea."

Also, the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kansas (Mr. PEARSON), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

The result was announced—yeas 81, nays 3, as follows:

[No. 329 Leg.]

YEAS—81

Allen	Gravel	Nelson
Allott	Griffin	Packwood
Anderson	Gurney	Pastore
Bayh	Hansen	Pell
Beall	Hart	Percy
Bellmon	Hartke	Proxmire
Bennett	Hatfield	Randolph
Bible	Hollings	Ribicoff
Boggs	Hruska	Roth
Buckley	Hughes	Schweiker
Burdick	Humphrey	Scott
Byrd,	Inouye	Smith
Harry F., Jr.	Jackson	Sparkman
Byrd, Robert C.	Javits	Spong
Cannon	Jordan, Idaho	Stafford
Case	Kennedy	Stennis
Chiles	Long	Stevens
Cook	Magnuson	Stevenson
Cranston	Mansfield	Symington
Curtis	Mathias	Talmadge
Dole	McClellan	Thurmond
Dominick	McGee	Tower
Eagleton	McGovern	Tunney
Eastland	Metcalf	Weicker
Ervin	Mondale	Williams
Fannin	Montoya	Young
Fong	Moss	
Fulbright	Muskie	

NAYS—3

Aiken	Cooper	McIntyre

NOT VOTING—15

Baker	Cotton	Miller
Bentsen	Gambrell	Mundt
Brock	Goldwater	Pearson
Brooke	Harris	Saxbe
Church	Jordan, N.C.	Taft

So the bill (S. 3726) was passed, as follows:

S. 3726

An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export control because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the President shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the President determines that adequate evidence has been presented to him demonstrating that the absence of such a control would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than nine months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials, and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which may be or are claimed to be more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

(b) (1) Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c) (1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical

matters, worldwide availability and actual utilization of production and technology, or licensing procedures. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committee shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Any member of any such committee who is not an officer or employee of the United States shall be entitled to receive compensation at not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, during such time as he is engaged in the performance of his duties as a member. Each member may be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

SEC. 108. The provisions of this title take effect as of the close of July 31, 1972.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Economic Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitute United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, nad finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

MEMBERSHIP

SEC. 205. The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations:

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advise the President in the preparation of the International Economic Report required under section 207;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry. Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendments and roll of any trading partner with which we have a substantial trade deficit;

(3) collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows;

(4) consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(5) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity; and

(G) preserving the existing diversified industrial base of the United States.

REPORT

SEC. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States;

(3) a review of the impact of international voluntary standards, the foreign investments of U. S. based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment; and

(4) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and direct the Council staff. He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b) (1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

SEC. 209. The provisions of this title II shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973.

Mr. SPARKMAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the passage of S. 3726 demonstrates again the skill and leadership of the distinguished Senator from Minnesota (Mr. MONDALE). The ease with which he handles the complexities of the issues of international trade and economic policy cannot be surpassed in the Senate.

I wish also to commend his counterpart on the minority side, the able Senator from Oregon (Mr. PACKWOOD) and the able Senator from Utah (Mr. BENNETT) for their contribution and assistance in expediting the passage of this legislation.

In addition to the Senators from Indiana (Mr. HARTKE) and Nebraska (Mr. CURTIS) we are indebted to the contributions they made by offering their amendments which were agreed to by the full Senate.

To the Senator from New Hampshire (Mr. McINTYRE), the Senator from New York (Mr. JAVITS), the Senator from Arkansas (Mr. FULBRIGHT), the leadership owes a debt of gratitude for their cooperation and assistance in expediting the passage of this urgently needed legislation.

To the Senate as a whole, I extend my appreciation for Senators' cooperation and assistance in expediting the Senate's business.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. I ask unanimous consent that there now be a period for the transaction of routine morning business, with the statements therein limited to 3 minutes.

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

RETIREMENT OF FIREFIGHTERS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 916.

The PRESIDING OFFICER (Mr. ALLEN) laid before the Senate the amendment of the House of Representatives to the bill (S. 916) to include firefighters within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of Government employees engaged in certain hazardous occupations which was to strike out all after the enacting clause, and insert:

That the first sentence of section 8336(c) of title 5, United States Code, is amended by inserting after "United States" the following: "or are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment".

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, with amendments:

S. 3755. A bill to amend the Airport and Airway Development Act of 1970 to increase the United States share of allowable projects costs under such Act; to amend the Federal Aviation Act of 1958 to prohibit certain State taxation of persons in air transportation, and for other purposes (Rept. No. 92-1005).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments.

H.R. 12652. An act to extend the life of the Commission on Civil Rights, to expand the jurisdiction of the Commission to include discrimination because of sex, to authorize appropriations for the Commission, and for other purposes (Rept No. 92-1006).

By Mr. McINTYRE, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 3337. A bill to amend the Small Business Investment Act of 1958, and for other purposes (Rept. No. 92-1007).

Mr. McINTYRE. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report favorably, without amendment, the bill (S. 3337), to amend the Small Business Investment Act of 1958 to provide for the establishment of a Minority Enterprise Small Business Investment program in the Small Business Administration, and I submit a report thereon. I ask unanimous consent that the report be printed.

By Mr. McINTYRE, from the Committee on Banking, Housing and Urban Affairs, with amendments:

H.R. 15692. An act to amend the Small Business Act to reduce the interest rate of Small Business Administration disaster loans (Rept. No. 92-1008). (Together with supplemental views.)

Mr. McINTYRE. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report favorably, with amendments, the bill (H.R. 15692), to amend the disaster relief section of the Small Business Act to provide increased Government assistance to disaster relief victims, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with supplemental views.

HEALTH MAINTENANCE ORGANIZATIONS—FINANCE COMMITTEE CONSIDERATION OF S. 3327 AND DISCHARGE OF COMMITTEE

Mr. LONG. Mr. President, on July 21, the Committee on Labor and Public Welfare reported S. 3327 to the Senate; and pursuant to the request of the Committee on Finance, the bill was re-referred to the Committee on Finance. Our direct jurisdictional concern involved provisions which would have earmarked certain Federal tax collections for the purpose of financing health maintenance organizations and their operation. I am pleased that the bill as reported by the Committee on Labor and Public Welfare deleted these tax features. Their deletion largely eliminated the direct jurisdictional problems we had with the bill.

Nonetheless, the bill as reported still includes provisions which affect the legislative responsibilities of the Finance Committee. Although they seem to be apparently relatively unimportant in relation to the principal purposes of the bill, these features are significant enough that I should express them for the record.

A motion to reconsider was laid on the table.

LETTUCE BOYCOTT

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

Mr. TALCOTT. Mr. Speaker, our colleague the gentleman from Michigan (Mr. DIGGS) has circulated the Members of the House with a "Dear Colleague" letter asking each of us to join him in signing a letter to urge the executive departments to boycott California lettuce.

This exercise is regrettable.

Any boycott of lettuce hurts the farmworker most of any segment of agriculture or security.

If lettuce is not sold the farmers cannot operate and the lettuce worker has no job. If lettuce is not harvested many workers are injured—the harvester, the cultivator, the packager, the hauler, the salesman, the refrigerator, the grocer, the consumer.

Boycotts of lettuce increase the price to the consumer.

Lettuce is a nutritious food—essential to most diets.

A boycott of California lettuce could damage the union members. At least 70 percent of all lettuce being harvested today is produced by all union labor. A boycott can only hurt the union lettuce workers.

Specifically the Congress, the executive department, and Members of the Congress should not involve themselves in a jurisdictional dispute between two unions. The Teamsters Union has contracts with most farmers in my district. The Teamsters have represented farm fieldworkers and lettuce-shed workers for more than 10 years—long before the UFW or UFWOC was ever organized.

Teamsters union members earn more money and enjoy better working conditions than UFW or UFWOC members.

May I suggest that you "Boycott grass and pot—and eat lettuce."

Lettuce is good for you. The lettuce worker needs work.

PROTECTION OF FINANCING RECORDS

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

Mr. ST GERMAIN. Mr. Speaker, today I have introduced a bill which will protect the privacy of the financial records of American citizens.

My bill would prohibit any financial institution from disclosing the bank records of any customer unless the customer first gives his approval or unless a court, upon a proper showing, issues an order requiring the disclosure.

Concern has been registered throughout the country over recent Treasury regulations which have been promulgated in connection with the Bank Secrecy Act. These regulations have required for the first time that banks keep extensive records relating to individual bank accounts, such as the microfilming of checks and the recording of deposits and withdrawals are now required.

When Congress enacted the Bank Secrecy Act it did so for the purpose of requiring the keeping of records which would be particularly helpful in fighting organized crime, tax evasion, and the use of foreign bank accounts for illegal purposes. These objectives are still laudable. However, there is a world of difference between the requirement that records be kept and the potential for making those same records available on an indiscriminate basis. Congress never intended that these records would be made available to law enforcement or other personnel without adequate safeguards.

Consequently, Congress required in the Bank Secrecy Act that the Department of the Treasury issue appropriate regulations for the administration of the legislation. It was assumed that those regulations would necessarily provide the kinds of safeguards which are necessary in the case of such an extensive recordkeeping requirement.

To my surprise and the surprise of others, the Treasury, after taking almost 2 years to issue its final regulations, failed to provide for the protection of individual bank records against unreasonable searches and seizures.

My legislation will remedy this problem and will return to individual bank records the kind of protection against unwarranted disclosure and invasion of privacy that is guaranteed by the Constitution.

INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15989) to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15989, with Mr. DENT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, by a vote of 23 "yeas," two "nays" and one "present" your Committee on Banking and Currency reported H.R. 15989. I shall attempt to cover the main highlights of this legislation and the Honorable THOMAS LUDLOW ASHLEY, the esteemed and most able chairman of the International Trade Subcommittee of the Committee on Banking and Currency, will, in detail, discuss the specifics of the bill.

Mr. Chairman, in brief, the bill, H.R. 15989, contains two titles. The first would establish a Council on International Economic Policy chaired by the President and composed of relevant Cabinet-level and Executive office officials, supported by a staff. Title II would extend the Export Administration Act of 1969 to June 30, 1974.

Title I stems from the fact that there are a great many activities undertaken by numerous Federal departments and agencies which, overall, constitute the international economic policy of the United States and which have remained insufficiently coordinated to the detriment of the national interest and welfare of the people of this country. The title would establish a mechanism which can provide for close coordination of domestic and international economic policy and of the several components of international economic policy.

Many policies which have been pursued until now have been based largely on realities which existed immediately following World War II, and these policies have sometimes reflected lags between changing realities and perception of these changes.

This is a luxury that can no longer be afforded. Many policies which have been pursued have been conflicting and have been rendered ineffective in terms of our national economic interest. An immediate need, therefore, is to support a mechanism which can foster a stronger American economy insofar as it is affected by the realities of the world marketplace.

Title II would extend to June 30, 1974, the authority granted to the President under the Export Administration Act of 1969, which is absolutely essential legislation and which expires August 1, 1972. The 1969 act authorizes the President to regulate exports to the extent necessary to: protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand; further significantly the foreign policy of the United States and fulfill its international responsibilities; and exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

In my opinion we should give the administration the authority it seeks both with respect to the Council on International Economic Policy and extension of the Export Administration Act. However, to assure continued scrutiny over the work of the proposed council by the authorizing committee, we are not suggesting—as did the administration initially—that the council receive an open-ended authorization. Rather, the bill before us would authorize funding of the council only for fiscal year 1973. In this way, any necessary changes or considerations that have to be given to the way in which the council operates will, in the very near future, be before this body again.

Thone Wilson, Zablocki
Wampler Charles H.
Wilson, Bob Wyatt

Mr. BYRON. Mr. Chairman, I would like to vote "present."

The CHAIRMAN. The gentleman will be recorded as voting "present."

Mr. HAYS. Mr. Chairman, I would like to be recorded as voting "present" because I am in the cattle business and any way that I voted could be construed as a vote in my own personal interest.

The CHAIRMAN. The gentleman will be recorded as voting "present."

PERSONAL EXPLANATION

Mr. MONAGAN. Mr. Chairman, I did not actually vote, but I would like to be recorded as being opposed to the amendment.

The CHAIRMAN. The gentleman's statement will appear in the record.

So the amendment was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GIBBONS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 15989) to establish a Council on International Economic Policy, to extend the Export Administration Act of 1969, and for other purposes, pursuant to House Resolution 1071, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. ASHLEY. Mr. Speaker, I demand a separate vote on the so-called Wylie amendment.

The SPEAKER. Is a separate vote demanded on the other amendment? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 1, strike out line 3 and all that follows thereafter through page 8, line 24, and on Page 9, strike out lines 1 and 2 and strike out "Sec. 201. Section" on line 3, and insert in lieu thereof "That section".

The SPEAKER. The question is on the amendment.

Mr. ASHLEY. Mr. Speaker, I demand tellers.

PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Speaker, the committee bill in title I was amended in several instances during consideration of the bill in Committee of the Whole. Subsequent to that the Wylie amendment was approved which struck title I from the bill.

If the Wylie amendment at this point is defeated, will we return to title I, as it was in the committee bill, or as it was at the time it was voted on?

The SPEAKER. As it was in the original committee bill.

Mr. PATMAN. As amended.

The SPEAKER. The Chair will state, not as it was amended; as it was in the original bill.

Mr. ASHLEY. Mr. Speaker, with that explanation I will withdraw my request for tellers.

The SPEAKER. The question is on the amendment on which a separate vote has been demanded.

The amendment was agreed to.

PARLIAMENTARY INQUIRY

Mr. PUCINSKI. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PUCINSKI. Mr. Speaker, in view of the vote on the Wylie amendment, if this bill is approved by the House does that mean the conferees can conceivably restore title I because of the action by the other body?

The SPEAKER. The Chair will state that the Chair is not in a position to answer that question at this point as to what action the other body will take.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Two hundred sixty-eight Members are present, a quorum.

So the bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 3726), to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill as follows:

S. 3726

An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the President shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the President determines that adequate evidence has been presented to him demonstrating that the absence of such a control would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than nine months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials, and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which may be or are claimed to be more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

(b)(1) Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period

for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c)(1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical matters, worldwide availability and actual utilization of production and technology, or licensing procedures. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Any member of any such committee who is not an officer or employee of the United States shall be entitled to receive compensation at not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, during such time as he is engaged in the performance of his duties as a member. Each member may be reimbursed for travel, subsistence, and other necessary expenses incurred in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

SEC. 108. The provisions of this title take effect as of the close of July 31, 1972.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Economic Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

MEMBERSHIP

SEC. 205. The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of the Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, it shall be the duty of the Council to—

(1) assist and advise the President in the preparation of the International Economic Report required under section 207;

(2) review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry. Such review of policies shall include but not be limited to the impact of the Canadian Automobile Amendment and roll of any trading partner with which we have a substantial trade deficit;

(3) collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows;

(4) consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith;

(5) continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity; and

(G) preserving the existing diversified industrial base of the United States.

REPORT

SEC. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States;

(3) a review of the impact of international voluntary standards, the foreign investments of U.S. based transitional firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment; and

(4) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and direct the Council staff. He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b) (1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

SEC. 309. The provisions of this title II shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PATMAN moves to strike all after the enacting clause of S. 3726 and insert in lieu thereof the provisions of H.R. 15989 as passed, as follows:

That section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 2. Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this act.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To extend the export administration act of 1969, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 15989) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the bill (S. 3726) to extend and amend the Export Administration Act of 1969, to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. PATMAN and BARRETT, Mrs. SULLIVAN, Messrs. REUSS, ASHLEY, ST GERMAIN, WIDNALL, JOHNSON of Pennsylvania, BLACKBURN, and BROWN of Michigan.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include relevant extraneous matter.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3284) entitled "An act to increase the authorization for appropriation for completing work in the Missouri River Basin by the Secretary of the Interior."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15093) entitled "An act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1973, and for other purposes."

The message also announced that the Senate agrees to House amendments to Senate amendments numbered 2, 4, 27, 34, and 41 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15418) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1973, and for other purposes."

The message also announced that the Senate agrees to House amendments to Senate amendments numbered 4, 12, 15, 21, 23, 26, 28, and 35 to the foregoing bill.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13089) entitled "An act to provide for acceleration of programs for the planting of trees on national forest lands in need of reforestation, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TALMADGE, Mr. EASTLAND, Mr. JORDAN of North Carolina, Mr. MILLER, and Mr. AIKEN to be the conferees on the part of the Senate.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the remainder of the week, if any, and the schedule for next week.

Mr. BOGGS. Will the distinguished minority leader yield?

McGovern	Montoya	Muskie
Miller	Mundt	Percy

So Mr. COTTON's amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PATMAN, Mr. BARRETT, Mrs. SULLIVAN, Mr. REUSS, Mr. ASHLEY, Mr. ST GERMAIN, Mr. WIDNALL, Mr. JOHNSON of Pennsylvania, Mr. BLACKBURN, and Mr. BROWN of Michigan were appointed managers on the part of the House at the conference.

EXTENSION OF EXPORT ADMINISTRATION ACT OF 1969

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3726.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, which were to strike out all after the enacting clause, and insert:

That section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 2. Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

And amend the title so as to read: "An act to extend the Export Administration Act of 1969, and for other purposes."

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate disagree to the amendments, agree to the conference requested by the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. WILLIAMS, Mr. MONDALE, Mr. BENNETT, and Mr. BROCK conferees on the part of the Senate.

ROLLING STOCK UTILIZATION AND FINANCING ACT OF 1972

The Senate continued with the consideration of the bill (S. 1729) to supply general service freight cars to meet the needs of commerce, users, shippers, national defense, and the consuming public.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BELLMON. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, add the following new title:

"TITLE ——. RURAL RAILROAD ASSISTANCE

SEC. —. (a) The Secretary of Transportation (hereinafter referred to as the "Secretary") is authorized to make loans and loan guarantees pursuant to this Act to assist States and local public bodies and agencies thereof in financing the acquisition, construction, reconstruction, and improvement of railroad facilities and equipment for use, by operation or lease or otherwise, in rural areas. Eligible facilities and equipment may include railroad right-of-way, tracks, rolling stock, and other real and personal property needed for an efficient and coordinated rural railroad transportation system.

(b) No such loan or loan guarantee shall be provided unless the Secretary determines that the applicant has or will have—

(1) demonstrated a valid need for the establishment or reestablishment of railroad service in the affected area; and

(2) the technical capability to carry out the proposed project.

(c) Any such loan or loan guarantee may be made for not to exceed 80 per centum of the total costs of the proposed project and shall be subject to such other terms and conditions as the Secretary may determine are necessary to carry out the purposes of this Act.

SEC. —. The General Accounting Office shall make a detailed audit of all accounts, books, records, and transactions of any borrower with respect to which an application for a loan or loan guarantee is made under this title. The General Accounting Office shall report the results of such audit to the Secretary of Transportation.

SEC. —. There is authorized to be appropriated not to exceed $25,000,000 to carry out the provisions of this Act. Sums so appropriated shall remain available until expended.

SEC. —. As used in this Act—

(1) the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of States, muncipalities, and political subdivisions of such States; and other public boards, corporations, and commissions established under the laws of any State;

(3) the term "rural area" means all the territory of a State that is not within the outer boundary of any city having a population of fifty thousand or more and its immediately adjacent urbanized and urbanizing area with a population density of more than one hundred persons per square mile, according to the latest decennial census of the United States.

Mr. BELLMON. I yield myself 5 minutes.

Mr. President, on June 30, I introduced a bill, S. 3790, that is intended to establish a loan fund to which communities that are about to reduce their rail service may turn in order to obtain the funds necessary to keep essential service in operation.

Since that bill was introduced, the chairman of the Committee on Commerce, the Senator from Washington (Mr. MAGNUSON), has received a copy of a letter from the Comptroller General in which one deficiency is pointed out in the bill. This amendment is now submitted to correct that deficiency.

The purpose is to make it possible for communities that are willing to put forth local effort and to have a project that receives the support and approval of the Secretary of Transportation to provide a means for keeping their rail service in operation. To be specific, this problem arose in our State because a 350-mile railroad which serves 12 of our western counties is to be closed on August 31. The ICC has agreed to this closing, and it is going to leave that very large section of our State largely without rail service.

This is not a Federal giveaway. It requires that the Secretary find that the project is feasible and that it has a good possibility of repaying the loan. It is limited to communities with a population of less than 50,000, and it is intended to make certain that the development of the rural sections of this country is not hampered by lack of rail service.

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

Mr. BELLMON. I yield.

Mr. PASTORE. Has this to do with passenger railroad service or freight?

Mr. BELLMON. Freight service.

Mr. PASTORE. Just freight?

Mr. BELLMON. Freight service.

Mr. President, this matter has been discussed with the chairman of the committee and the chairman of the subcommittee. I believe that they are generally in agreement that the amendment is acceptable.

Mr. HARTKE. Mr. President, I have discussed this matter with the Senator, and it is an emergency situation. It is not exactly germane to the bill itself.

The problem he presents is a situation in the rural sections of Oklahoma in which the ICC has permitted an abandonment. The question of abandonment is a matter on which we are having a series of hearings. I have discussed with the

months, and have been purchasing industrial equipment as well.

Mr. FULBRIGHT. Mr. President, the article states in part:

Commerce Secretary Peter G. Peterson said today that he saw "great promise" in the possibility of American companies engaging in joint ventures with Soviet enterprises to exploit the Soviet Union's untapped energy and raw materials, such as natural gas, oil, platinum, copper, chrome, zinc and timber.

In the strongest Administration endorsement yet of joint ventures by which the Soviet Union could find the means to pay for its anticipated large-scale increases in imports from this country, Mr. Peterson said it was necessary to think in "large and unconventional terms."

Mr. Peterson's views were contained in a lengthy report on his recent visit to the Soviet Union that was released today. It was called "U.S.-Soviet Commercial Relationships in a New Era," and, in addition to his comments, contained explanatory material and tables about the Soviet economic system.

In addition, Mr. Peterson said, there were discussions with the Russians on the export to the United States of platinum because of the need for that metal in anti-pollution devices in automobiles.

In summary, he said, "I believe that these types of joint projects are potentially the single most important product of the new commercial relationship in which the two largest economies in the world each adjust their ways of doing business to the mutual benefit of both."

He cited, in addition to natural gas and platinum, oil, copper, chrome, zinc, and timber as possible areas. He also said other projects might include the manufacture of such products as fertilizers, farm implements and cellulose.

He gave a very optimistic outlook, however, for long-range prospects on trade based on mutual benefit to the two countries. The Russians, in recent weeks, have already indicated that they will buy $1-billion worth of agricultural products over the next 12 months, and have been purchasing industrial equipment as well.

Some years ago—I suppose nearly 10 years ago—I entered into this effort to reach a compromise by submitting some advisory suggestions as to how we might settle the lend-lease accounts. At that time the Russians had offered $300 million; we had demanded $800 million, and the negotiations came to a stalemate. I suggested then if we would agree on $500 million as a comprimise, the $500 million to be advanced by the Russians for the purpose of creating a joint enterprise. Russia would agree to pay us the $500 million. It would be invested in a joint enterprise, similar to these described here; we would ultimately be paid out of the proceeds of the products of those joint enterprises so that in effect it would constitute no drain on the Soviets' balance of payments, but we would be paid from the new products of the joint enterprise.

I think there is great promise in movement in this direction. The point of it is that this program, as described by Mr. Peterson, it seems to me, is utterly inconsistent with the basic assumption of the Senator from Washington. The basic assumption of Mr. JACKSON as is quite clear in his major statement, is that the Soviets are straining at the leash to take advtantage of every opportunity to increase their capacity to create a first strike capability.

His description of what they are going to do with MIRV's and many of the various weapons they will build is frightening, of course, and it is intended to be frightening to all of us so that we will support his amendment. But it is obviously inconsistent with the basic assumptions of the Peterson negotiations. You cannot have it both ways, Mr. President. If the Soviets are interested in joint ventures that involve large amounts of capital going over many years, how is it possible to assume at the same time, and as a part thereof, that they are making plans to do everything possible to do us in? It seems to me there must be some degree of confidence in their purpose if we are to go through with these joint ventures about which Mr. Peterson is so very optimistic.

As a nation we cannot proceed on these two tracks at the same time without creating great confusion and schizophrenia in our own policy.

Mr. President, I ask unanimous consent to yield to the Senator from Minnesota without losing my right to the floor, for the purpose of bringing up a conference report.

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

EQUAL EXPORT OPPORTUNITY ACT—CONFERENCE REPORT

Mr. MONDALE. Mr. President, I submit a report of the committee of conference on S. 3726, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1) the President shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the President determines that adequate evidence has been presented to him demonstrating that the absence of such a control would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the investigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than nine months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments, and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which may be or are claimed to be more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

(b)(1) Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the

approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c)(1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical matters, worldwide availability and actual utilization of production and technology, or licensing procedures. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Upon request of any member of any such committee, the Secretary may, if he determines it appropriate, reimburse such member for travel, subsistence, and other necessary expenses incurred by him in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1971" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

SEC. 108. The provisions of this title take effect as of the close of July 31, 1972.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Economic Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

MEMBERSHIP

SEC. 205. The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of the Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Council shall—

(1) Assist and advise the President in the preparation of the International Economic Report required under section 207.

(2) Review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry.

(3) Collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.

(4) Consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith.

(5) Continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy.

(6) Make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity; and

(G) preserving the diversified industrial base of the United States.

REPORT

SEC. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter re-

ferred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States;

(3) a review of the impact of international voluntary standards, the foreign investments of United States based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment; and

(4) a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be appointed by the President, and he shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (5 U.S.C. 5313). He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b)(1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

SEC. 209. The provisions of this title shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

JOHN SPARKMAN,
H. A. WILLIAMS,
W. F. MONDALE,
WALLACE F. BENNETT,
BILL BROCK,
Managers on the Part of the Senate.
WRIGHT PATMAN,
WM. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
THOMAS L. ASHLEY,
FERNAND J. ST GERMAIN,
WILLIAM B. WIDNALL,
ALBERT W. JOHNSON,
GARRY BROWN,
Managers on the Part of the House.

Mr. MONDALE. Mr. President, I also ask unanimous consent that requirement for printing the conference report as a Senate report be waived.

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

Mr. MONDALE. Mr. President, this measure returns from conference in almost identical form as was adopted by the Senate sometime back. It is a two-part measure, designed to promote American exports and increase employment here in the United States.

Title I of the bill amends the Export Administration Act and requires that the Secretary of Commerce move swiftly to end unilateral U.S. controls on the export of peaceful, nonstrategic goods. This amendment was largely the work of the distinguished Presiding Officer (Mr. TAFT).

I believe that these unilateral controls are largely self-defeating. Their removal would be particularly helpful to our high technology industries and will allow them to compete on a much more favorable basis in the rapidly growing Eastern European market.

Title II of this measure creates in the White House a Council on International Economic Policy. We are very hopeful this council can provide a better focus on the problems, as well as the solutions, which bear on the aggravating and difficult problems of the U.S. balance of trade.

I now yield to the distinguished ranking minority member of the Committee on Banking, Housing and Urban Affairs (Mr. BENNETT).

Mr. BENNETT. Mr. President, I would like to express my support for the conference report on S. 3726, containing amendments to the Export Administration Act. In addition to extending the authority of the act, the amendments more clearly define the policy of the Congress with regard to export controls, and establish by statute a Council on International Economic Policy in the Executive Office of the President for a period of about 10 months. Appropriations of $1,400,000 for funding its operations for fiscal year 1973 are also authorized. This Council will serve as an important coordinating mechanism for the more than 60 agencies now engaged in international economic affairs. The Council is established to review the policies of these agencies and make recommendations to the President for improving and assuring consistency in our international economic policy.

I believe that it is important to assure that there be no misunderstanding of the requirement that the Executive Director of the Council keep various committees of the Congress fully and currently informed of the activities of the Council. It is especially important so that a constructive and cooperative relationship may be maintained on international economic policy between the Congress and the executive branch, a relationship which is beneficial and which, I am sure, both are anxious to preserve.

As a member of the conference committee I can say that the conference committee considered this question at some length during the three sessions which were held on the bill. It was agreed that the "fully and currently informed" provision does not require the Executive Director of the Council to testify formally before congressional committees. While the conference committee deleted the requirement that the Executive Director be an Assistant to the President, it is certainly a possibility that the President would appoint a Presidential Assistant to that position. In such an event, it is not intended that the long-standing tradition that those who hold such a position have a personal, confidential staff relationship to the President and are not required to testify be altered. When the President seeks and receives advice from his assistants, both must have the assurance that their communications with each other will remain confidential. The conference committee specifically rejected a proposition that the Executive Director be required to testify. It also rejected a proposal that such an understanding be included in the statement of managers. This does not mean however, that the Council may operate without keeping the Congress fully informed of its activities.

The legislation specifically requires that the appropriate congressional committees be kept "fully and currently informed regarding the activities of the Council." Furthermore, this is a specific responsibility of the Executive Director of the Council.

I have been assured that the Executive Director will make himself available for informal meetings and briefings with members and committees of the Congress. Beyond that, of course, there are additional ways to keep the Congress appropriately informed. The annual report by the President on international economic matters which is required by the legislation, is one of those ways. In addition, those members of the Council who are heads of departments such as the Secretaries of State, Treasury, Agriculture, and Commerce will of course be available for testimony before various congressional committees.

On most matters of international economic policy, congressional action is necessary to effectuate policy, either by

ratification of treaties, enactment of substantive legislation, by appropriation of funds, or extension of Presidential authority. There can be little doubt that the Congress will receive the information it needs from the Executive Director in order to carry out its responsibilities.

Equally as important as the need for the executive branch to cooperate with the Congress in order to obtain congressional cooperation for its recommendations is the congressional control retained in this legislation by providing a statutory life only until June 30 of next year. Assuming that this legislation is approved by the Congress this week and that it is accepted by the President, it is still necessary to obtain appropriations to fund the Council. By the time funding is received and the Council is staffed and becomes operative, its authorized life will be only several months. During that period, because of the Executive Branch's strong desire to have such a Council in order to properly coordinate international economic policies and realizing that if satisfactory cooperation is not forthcoming the Congress will likely not act to extend the life of the Council, I believe that we can expect the greatest effort on the part of the Executive Director to provide all of the information possible to the interested committees and Members of the Congress.

Mr. President, I look forward to good cooperation and a satisfactory relationship between the Congress and the Council. I believe that on such a basis, the Council can fulfill an important function for both the executive branch and for the Congress, and that the result will be better coordination in the development of international economic policy and better coordination of domestic and foreign economic policies.

I recommend that the Senate accept the conference report.

Mr. MONDALE. I thank the distinguished Senator from Utah for his support of this measure, and for his assistance in the consideration of the conference report now before the Senate.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT—CONFERENCE REPORT

Mr. EAGLETON. Mr. President, I submit a report of the committee of conference on H.R. 15580, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. TAFT). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15580) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15580) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—AMENDMENTS TO DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACTS

SEC. 101. The salary schedule contained in section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4–823) is amended to read as follows:

"SALARY SCHEDULE

"Salary class and title	Service step— 1	2	3	4	5	6	7	8	9
Class 1: Fire private, police private	$10,000	$10,300	$10,800	$11,300	$12,100	$12,900	$12,400	$13,900	$14,400
Class 2: Fire inspector	11,400	12,100	12,800	13,500	14,300	14,900	15,600		
Class 3: Detective, assistant pilot, assistant marine engineer	12,500	13,125	13,750	14,375	15,000	15,625	16,250		
Class 4: Fire sergeant, police sergeant, detective sergeant	13,580	14,260	14,940	15,620	16,300	16,980			
Class 5: Fire lieutenant, police lieutenant	15,700	16,485	17,270	18,055	18,840				
Class 6: Marine engineer, pilot	17,150	18,005	18,860	19,715					
Class 7: Fire captain, police captain	18,600	19,530	20,480	21,390					
Class 8: Battalion fire chief, police inspector	21,560	22,640	23,720	24,800					
Class 9: Deputy fire chief, deputy chief of police	25,300	27,015	28,730	30,445					
Class 10: Assistant chief of police, assistant fire chief, commanding officer of the executive protective service, commanding officer of the U.S. Park Police	30,000	32,000	34,000						
Class 11: Fire chief, chief of police	34,700	36,800							

SEC. 102. Section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4–823) is amended (1) by striking out "The" and inserting in lieu thereof "(a) Except as provided in subsection (b), the", and (2) by inserting after the salary schedule in that section the following:

"(b) Compensation may not be paid, by reason of any provision of this Act, at a rate in excess of the rate of basic pay for level V of the Executive Schedule contained in subchapter II of chapter 53 of title 5, United States Code."

SEC. 103. Section 201 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4–824) is amended to read as follows:

"SEC. 201. The rates of basic compensation of officers and members in active service on the effective date of the District of Columbia Police and Firemen's Salary Act Amendments of 1972 shall be adjusted as follows:

"(1) Each officer or member receiving basic compensation immediately prior to such effective date at one of the scheduled service step rates of subclass (a) or (b) of salary class 1 in the salary schedule in effect on the day next preceding such effective date shall be placed in and receive basic compensation in salary class 1 in the salary schedule in effect on and after such date, and each such officer or member shall be placed at the respective service step in which he was serving immediately prior to such date. Each officer or member receiving basic compensation immediately prior to such date at one of the scheduled longevity step rates of subclass (a) or (b) of salary class 1 in the salary schedule in effect on the day next preceding such effective date shall be placed in and receive basic compensation in salary class 1 in the salary schedule in effect on and after such date, and each such officer or member shall be placed in a service step as follows:

"From—	To—
Class 1, subclass (a) or (b):	Class 1:
Longevity step A	Service step 7.
Longevity step B	Service step 8.
Longevity step C	Service step 9.

"(2) Each officer or member receiving basic compensation immediately prior to such effective date at one of the scheduled service step rates of subclass (a) or (b) of salary class 2 in the salary schedule in effect on the day next preceding such effective date shall be placed in and receive basic compensation in salary class 2 in the salary schedule in effect on and after such date, and each such officer or member shall be placed at the respective service step in which he was serving immediately prior to such date. Each officer or member receiving basic compensation immediately prior to such date at one of the scheduled longevity step rates of subclass (a) or (b) of salary class 2 in the salary schedule in effect on the day next preceding such effective date shall be placed in and receive basic compensation in salary class 2 in the salary schedule in effect on and after such date, and each such officer or member shall be placed in a service step as follows:

"From—	To—
Class 2, subclass (a) or (b):	Class 2:
Longevity step A	Service step 5.
Longevity step B	Service step 6.
Longevity step C	Service step 7.

"(3) Each officer or member receiving basic compensation immediately prior to such ef-

Kyros
Landgrebe
Latta
Link
Lloyd
Long, Md.
McClory
McClure
McCollister
McCormack
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKay
McKevitt
McKinney
Macdonald, Mass.
Madden
Mahon
Mailliard
Mallary
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mikva
Miller, Calif.
Miller, Ohio
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall
Mitchell
Mizell
Mollohan
Monagan
Montgomery
Moorhead
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Scherle
Scheuer
Schneebeli
Schwengel
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Springer
Staggers
Stanton, J. William
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—40

Abzug
Baker
Betts
Blanton
Brasco
Carter
Clancy
Conte
Davis, Wis.
Dowdy
Dwyer
Edmondson
Edwards, Ala.
Frelinghuysen
Frenzel
Gallagher
Hagan
Hébert
Heckler, Mass.
Hull
Keith
Landrum
Leggett
Lennon
Lent
Long, La.
Lujan
McCloskey
McMillan
Michel
Passman
Pelly
Rarick
Rhodes
Rooney, N.Y.
Ryan
Schmitz
Stanton, James V.
Veysey
Waldie

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Rhodes.
Mr Rooney of New York with Mr. Conte.
Mr. Blanton with Mr. Baker.
Mr. Waldie with Mrs. Heckler of Massachusetts.
Mr. Ryan with Mr. Lent.
Mr. Brasco with Mr. Frelinghuysen.
Mr. Hull with Mr. Davis of Wisconsin.
Mrs. Abzug with Mr. Gallagher.
Mr James V. Stanton with Mr. McCloskey.
Mr. Landrum with Mr. Clancy.
Mr. Passman with Mr. Lujan.
Mr. Edmondson with Mr. Frenzel.
Mr. Leggett with Mrs. Dwyer.
Mr. Lennon with Mr. Carter.
Mr. Hagan with Mr. Keith.
Mr. McMillan with Mr. Edwards of Alabama.
Mr. Rarick with Mr. Michel.
Mr. Long of Louisiana with Mr. Betts.
Mr. Pelly with Mr. Schmitz.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 3726, EQUAL EXPORT OPPORTUNITY ACT AND INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. PATMAN submitted the following conference report and statement on the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-1342)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I—AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

SEC. 101. This title may be cited as the "Equal Export Opportunity Act".

SEC. 102. Section 2(3) of the Export Administration Act of 1969 is amended by inserting before the period at the end thereof a comma and the following: "particularly when export restrictions applied by the United States are more extensive than export restrictions imposed by countries with which the United States has defense treaty commitments".

SEC. 103. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(6) It is the policy of the United States that the desirability of subjecting, or continuing to subject, particular articles, materials, or supplies, including technical data or other information, to United States export controls should be subjected to review by and consultation with representatives of appropriate United States Government agencies and qualified experts from private industry."

SEC. 104. (a) Section 4(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) The Secretary of Commerce, in cooperation with appropriate United States Government departments and agencies and the appropriate technical advisory committees established under section 5(c), shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls because of their significance to the national security of the United States. Notwithstanding the provisions of paragraph (1), the President shall remove unilateral export controls on the export from the United States of articles, materials, or supplies, including technical data or other information, which he determines are available without restriction from sources outside the United States in significant quantities and comparable in quality to those produced in the United States, except that any such control may remain in effect if the President determines that adequate evidence has been presented to him demonstrating that the absence of such a control would prove detrimental to the national security of the United States. The nature of such evidence shall be included in the special report required by paragraph (4).

"(3) In conducting the invstigation referred to in paragraph (2) and in taking the action required under such paragraph, the Secretary of Commerce shall give priority to those controls which apply to articles, materials, and supplies, including technical data and other information, for which there are significant potential export markets.

"(4) Not later than nine months after the date of enactment of the Equal Export Opportunity Act, the Secretary of Commerce shall submit to the President and to the Congress a special report of actions taken under paragraphs (2) and (3). Such report shall contain—

"(A) a list of any articles, materials and supplies, including technical data and other information, which are subject under this Act to export controls greater than those imposed by nations with which the United States has defense treaty commitments and the reasons for such greater controls; and

"(B) a list of any procedures applicable to export licensing in the United States which may be or are claimed to be more burdensome than similar procedures utilized in nations with which the United States has defense treaty commitments, and the reasons for retaining such procedures in their present form.".

(b)(1) Section 4(e) of such Act is amended to read as follows:

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils or animal hides or skins, without the approval of the Secretary of Agriculture. The Secretary of Agriculture shall not approve the exercise of such authority with respect to any such commodity during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy, except to the extent the President determines that such exercise of authority is required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act."

(2) Any rule, regulation, proclamation, or order issued after July 1, 1972, under section 4 of the Export Administration Act of 1969, exercising any authority conferred by such section with respect to any agricultural commodity, including fats and oils or animal hides or skins, shall cease to be effective upon the date of enactment of this Act.

SEC. 105. Section 5 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(c)(1) Upon written request by representatives of a substantial segment of any industry which produces articles, materials and supplies, including technical data and other information, which are subject to export controls or are being considered for such controls because of their significance to the national security of the United States, the Secretary of Commerce shall appoint a technical advisory committee for any grouping of such articles, materials, and supplies, including technical data and other information, which he determines is difficult to evaluate because of questions concerning technical matters, worldwide availability and actual utilization of production and tech-

nology, or licensing procedures. Each such committee shall consist of representatives of United States industry and government. No person serving on any such committee who is representative of industry shall serve on such committee for more than two consecutive years.

"(2) It shall be the duty and function of the technical advisory committees established under paragraph (1) to advise and assist the Secretary of Commerce and any other department, agency, or official of the Government of the United States to which the President has delegated power, authority, and discretion under section 4(d) with respect to actions designed to carry out the policy set forth in section 3 of this Act. Such committees shall be consulted with respect to questions involving technical matters, worldwide availability and actual utilization of production and technology, and licensing procedures which may affect the level of export controls applicable to any articles, materials, or supplies, including technical data or other information, and including those whose export is subject to multilateral controls undertaken with nations with which the United States has defense treaty commitments, for which the committees have expertise. Such committees shall also be consulted and kept fully informed of progress with respect to the investigation required by section 4(b)(2) of this Act. Nothing in this subsection shall prevent the Secretary from consulting, at any time, with any person representing industry or the general public regardless of whether such person is a member of a technical advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary of Commerce, to present evidence to such committees.

"(3) Upon request of any member of any such committee, the Secretary may, if he determines it appropriate, reimburse such member for travel, subsistence, and other necessary expenses incurred by him in connection with his duties as a member.

"(4) Each such committee shall elect a chairman, and shall meet at least every three months at the call of the Chairman, unless the Chairman determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this Act. Each such committee shall be terminated after a period of two years, unless extended by the Secretary for additional periods of two years. The Secretary shall consult each such committee with regard to such termination or extension of that committee."

SEC. 106. Section 14 of the Export Administration Act of 1969 is amended by striking out "August 1, 1972" and inserting in lieu thereof "June 30, 1974".

SEC. 107. Nothing in this title shall be construed to require the release or publication of information which is classified pursuant to Executive order or to affect the confidentiality safeguards provided in section 7(c) of the Export Administration Act of 1969.

SEC. 108. The provisions of this title take effect as of the close of July 31, 1972.

TITLE II—COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SHORT TITLE

SEC. 201. This title may be cited as the "International Policy Act of 1972".

STATEMENT OF PURPOSES

SEC. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of a more rational and orderly international economic policy for the United States.

FINDINGS AND POLICY

SEC. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress further finds that the objectives of the United States with respect to a sound and purposeful international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy which will provide for—

(A) a clear top level focus for the full range of international economic issues; deal with international economic policies including trade, investment, balance of payments, and finance as a coherent whole;

(B) consistency between domestic and foreign economic policy; and

(C) close coordination with basic foreign policy objectives.

The Congress intends that the Council shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of international economic policy, and (ii) make appropriate findings and recommendations for the purpose of assisting in the development of a rational and orderly international economic policy for the United States.

CREATION OF COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SEC. 204. There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this title as the "Council").

MEMBERSHIP

SEC. 205. The Council shall be composed of the following members and such additional members as the President may designate:

(1) The President.
(2) The Secretary of State.
(3) The Secretary of the Treasury.
(4) The Secretary of Defense.
(5) The Secretary of Agriculture.
(6) The Secretary of Commerce.
(7) The Secretary of Labor.
(8) The Director of the Office of Management and Budget.
(9) The Chairman of the Council of Economic Advisers.
(10) The Special Representative for Trade Negotiations.

The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place.

DUTIES OF THE COUNCIL

SEC. 206. Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Council shall—

(1) Assist and advise the President in the preparation of the International Economic Report required under section 207.

(2) Review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry.

(3) Collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.

(4) Consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith.

(5) Continually assess the progress and effectiveness of Federal efforts to carry out a consistent international economic policy; and

(6) Make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. Recommendations under this paragraph shall include, but shall not be limited to, policy proposals relating to monetary mechanisms, foreign investment, trade, the balance of payments, foreign aid, taxes, international tourism and aviation, and international treaties and agreements relating to all such matters. In addition to other appropriate objectives, such policy proposals should be developed with a view toward—

(A) strengthening the United States competitive position in world trade;

(B) achieving equilibrium in international payment accounts of the United States;

(C) increasing exports of goods and services;

(D) protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

(E) achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

(F) increasing the real employment and income of workers and consumers on the basis of international economic activity; and

(G) preserving the diversified industrial base of the United States.

REPORT

SEC. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include—

(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;

(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States;

(3) a review of the impact of international voluntary standards, the foreign investments of United States based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment; and

(4) a program for carrying out the policy objectives of this title, together with such

recommendations for legislation as he may deem necessary or desirable.

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

EXECUTIVE DIRECTOR AND STAFF OF THE COUNCIL

SEC. 208. (a) The staff of the Council shall be headed by an Executive Director who shall be appointed by the President, and he shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (5 U.S.C. 5313). He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

(b)(1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this title.

SEC. 209. The provisions of this title shall expire on June 30, 1973, unless extended by legislation enacted by the Congress.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,400,000 for fiscal year 1973.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
THOMAS L. ASHLEY,
FERNAND J. ST GERMAIN,
WILLIAM B. WIDNALL,
ALBERT W. JOHNSON,
GARRY BROWN,
Managers on the Part of the House.

JOHN SPARKMAN,
H. WILLIAMS,
W. F. MONDALE,
WALLACE F. BENNETT,
BILL BROCK,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

AMENDMENTS TO THE EXPORT ADMINISTRATION ACT OF 1969

Findings and policy

The Senate bill contained a provision which amended a finding that the unwarranted restriction of exports has a serious adverse effect on our balance of payments by adding language indicating that this is particularly the case when United States restrictions are more extensive than those imposed by countries with which the United States has defense treaty commitments.

The Senate bill also contained a provision stating that it is the policy of the United States that the review of United States export controls should involve consultation with representatives of appropriate United States government agencies and qualified experts from private industry.

The House amendments contained no similar provisions. The conferees adopted the Senate provisions.

Investigation by the Secretary of Commerce of items subject to export control

The Senate bill contained a provision which required the Secretary of Commerce to undertake an investigation to determine which items should no longer be subject to export controls because they are not significant to the national security of the United States. The provision also required the President to remove unilateral export controls on items he determines are available outside the United States in significant quantity and quality comparable to those produced in the United States, except when he determines that the absence of controls would prove detrimental to the national security of the United States.

The House amendments contained no similar provision. The conferees adopted the Senate provision.

Report by the Secretary of Commerce

The Senate bill required that the Secretary of Commerce report to the President and to the Congress not later than nine months after the date of enactment of the Act concerning steps which he has taken to reduce certain unilateral United States export controls. If he decides to continue unilateral controls on specific items, he must state the reasons for doing so.

The Senate bill further provided that the Secretary of Commerce shall report items and information subject to control procedures which are more burdensome than comparable procedures of other countries.

The House amendments contained no similar provision. The conferees adopted the Senate provision.

Technical advisory committees

The Senate bill contained a provision which required the Secretary of Commerce to establish technical advisory committees to assist in reducing both unilateral and multilateral export controls on peaceful, nonstrategic trade.

The House amendments contained no similar provision. The House receded to the Senate provision with an amendment which eliminated the requirement that the members of any such committee be compensated and substituted a provision which authorizes the Secretary of Commerce to reimburse any such member for travel and subsistence upon request of the member.

Confidentiality of business information

The Senate bill had a provision which stated that nothing in this Title should be construed to require the release or publication of information which is classified pursuant to executive order or already protected by other safeguards in the Export Administration Act of 1969.

The House amendments contained no similar provision. The conferees adopted the Senate provision.

Effective date

The Senate bill provided that the title was to take effect on July 31, 1972.

The House amendments provided for the effective date to be on the date of enactment of the Act.

The conferees adopted the Senate provision.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

The Senate bill contained a Title II which provided for the establishment of a Council on International Economic Policy. The purpose of this Council is to provide for closer interagency coordination in the development of United States international economic policy. This better coordination is found to be necessary because there are many departments and agencies of the Federal government operating in the international economic policy area, and because better coordination is needed between domestic and foreign economic policy.

The Council created in the Senate bill would be in the Executive Office of the President. Its membership includes the President and nine cabinet officers and executive office officials. The duties of the Council include advising and assisting the President in the preparation of an International Economic Report, reviewing the policies of the many agencies operating in the international economic policy area and making recommendations to the President for improving and making more consistent our international economic policy.

The Senate bill provided that the President, with the assistance of the Council, shall submit an annual International Economic Report to the Congress.

The Senate bill further provided for a Council staff to be headed by an Executive Director. The Executive Director would be required to keep the appropriate committees of both the House and the Senate fully and currently informed regarding the activities of the Council.

The Senate bill authorized $1,400,000 for the Council for fiscal year 1973 and provided that the legislation creating the Council shall expire on June 30, 1973 unless specifically extended by legislation enacted by the Congress.

The House amendments contained no similar provision. The House receded to the Senate provision with the following amendments:

1. In connection with the duty of the Council to review the activities and the policies of the United States government, there was stricken explicit reference to a specific international agreement and to specific trading partners. The conferees agreed that the re-

maining language was broad enough to allow the Council to review any such trade relationships.

2. In connection with the duty of the Council to make recommendations to the President, the conferees agreed to strike the word "existing" from the requirement that policy proposals be developed with a view toward "preserving the existing diversified industrial base of the United States."

3. In connection with the appointment of an Executive Director for the Council, it was agreed to delete the requirement that he be an Assistant to the President. The conferees agreed that the Executive Director shall be appointed by the President and shall be compensated at the rate provided for Level II of the Executive Schedule.

The conferees unanimously agreed that the work of the Council and the Report of the President shall include as their objectives—

1. strengthening the United States competitive position in world trade;
2. achieving equilibrium in international payment accounts of the United States;
3. increasing exports of goods and services;
4. protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;
5. achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;
6. increasing the real employment and income of workers and consumers on the basis of international economic activity; and
7. preserving the diversified industrial base of the United States.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
HENRY S. REUSS,
THOMAS L. ASHLEY,
FERNAND J. ST GERMAIN,
WILLIAM B. WIDNALL,
ALBERT W. JOHNSON,
GARRY BROWN,
Managers on the Part of the House.

JOHN SPARKMAN,
H. WILLIAMS,
W. F. MONDALE,
WALLACE F. BENNETT,
BILL BROCK,
Managers on the Part of the Senate.

FURTHER CONTINUING APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, pursuant to the order of the House of Wednesday last, I call up the joint resolution (H.J. Res. 1278) making further continuing appropriations for the fiscal year 1973, and for other purposes, and ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of July 1, 1972 (Public Law 92-334), is hereby amended by striking out "August 18, 1972" and inserting in lieu thereof "September 30, 1972 or the sine die adjournment of the second session of the Ninety-second Congress".

Mr. MAHON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this continuing resolution would extend to September 30 or the sine die adjournment of this session, whichever comes first.

Of course, agencies and activities which are provided for in appropriation bills that are enacted and signed into law are no longer under the continuing resolution.

The report covers the details. There is nothing unusual about the pending resolution.

I believe the Congress has done a reasonably satisfactory job in expediting handling of appropriation bills at this session of the Congress.

Earlier this session, with respect to the fiscal year 1972, we passed four appropriation measures. Congress reduced the budget requests for new spending authority in those measures by $418 million.

There are 13 regular annual appropriation bills for the current fiscal year 1973. Nine of those 13 bills have cleared the Congress and gone to the President; four remain.

There will also be a closing supplemental bill.

Among the bills remaining is the State, Justice, Commerce, and Judiciary appropriation bill which has passed the House and the Senate but has not yet cleared conference.

Another remaining bill for which we have not had the annual authorization is the military construction appropriation bill. We hope to handle that during the first part of September.

Another is the defense appropriation bill. The related annual defense authorization bill has not cleared the Congress and thus we do not have authorization, but it is expected that early in September the House Committee on Appropriations, by the use of a special rule if a rule is granted, will bring before the House the appropriation bill for the Department of Defense.

As you know, the House and the Senate have passed the authorization bills but settlement of the differences between the House and the Senate has not yet taken place.

Then, we have the foreign assistance appropriation bill which we hope to present to the House by about mid-September. That, too, has been delayed for lack of authorization.

Then, of course, there will be a closing supplemental bill.

So it would now seem, from the standpoint of the appropriation bills, unless there are unforeseen difficulties, the business can be fully cleared by September 30, the expiration date of the pending continuing resolution.

Now, of course, this will not be easy to accomplish but it can, it seems to me, be accomplished.

It is not certain just what bills may be vetoed. It has been widely asserted that the Labor-HEW appropriation bill, which is far above the President's budget requests, will be vetoed. If that takes place, of course some delay would be brought about as it will be necessary to bring a new bill before the House, consider it, pass it, and have it considered by the other body and then it will have to go to conference. There will be some delay there. I would add that if it is vetoed, the activities involved would be continued under existing continuing resolution ground rules.

We do not, of course, know what bills may be vetoed, and of course there will be some delay in the event any of the bills are vetoed.

THE APPROPRIATION BILLS OF THE SESSION

Now, questions may arise as to how well or how poorly Congress has done in handling the appropriation bills at this session. On the four supplemental measures for fiscal 1972, we were below the budget requests, as I mentioned, by about $418 million.

When the work is all done this fall and we complete all the appropriation bills for fiscal 1973, I would not be at all surprised if the House has not provided, in total, something materially below the total of the budget requests, considered in those appropriation bills. I say that in spite of the fact that the Labor-HEW bill is very considerably above the budget requested. I am speaking of the annual appropriation bills only. And I refer only to the House. But even in respect to final action by Congress on the annual appropriation bills for 1973, when we consider all the measures which will be before us, it would seem to me that we might very well be about even-steven, in total, with the budget requests—perhaps a few hundred million below the total.

Much has been said about an overall expenditure limitation for the current fiscal year. The administration has available for expenditure many billions of dollars in addition to the new appropriations being made for this year. Unexpended Federal funds across the Government, for all purposes, at the beginning of this fiscal year totaled roughly $140 billion, in addition to perhaps $110 billion of balances in various trust funds. Of course, billions and billions of those funds could not be expended during the current fiscal year for various reasons, one being that many, many billions would not even be committed or obligated.

Controlling spending comes down to this: The way to reduce and control expenditures is to reduce and control the appropriations and to also slow down passage of legislation which mandates expenditures through nonappropriation bills. The budget has been seriously breached by three or four nonappropriation bills this year.

I may have more to say about this question at a later date.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Speaker, under leave to extend, I am including a table on the appropriation bills as they stand at this time with respect to fiscal 1973:

EXECUTIVE COMMUNICATIONS, ETC.

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

2255. A letter from the Deputy Chief of Naval Material (Procurement and Production), transmitting a report on Navy research and development procurement actions of $50,000 or more during fiscal year 1972, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2256. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments; to the Committee on Interior and Insular Affairs.

2257. A letter from the vice president, Government affairs, National Railroad Passenger Corp., transmitting reports on (1) the average number of passengers per day on each train operated by AMTRAK, and (2) the on-time performance of the final destination of each train operated, by route and by railroad, covering the month of July 1972, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2258. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes; to the Committee on the Judiciary.

2259. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality, as amended; to the Committee on the Judiciary.

2260. A letter from the acting executive director, Blinded Veterans Association, transmitting the audit report of the association for the year ended June 30, 1972; to the Committee on the Judiciary.

2261. A letter from the Secretary of Transportation, transmitting part II of a two-part report on railroad-highway grade crossing safety, pursuant to the Highway Safety Act of 1970 (Public Law 91-605); to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. STAGGERS: Committee of conference. Conference report on S. 3323. (Rept. No. 92-1349). Ordered to be printed.

Mr. HÉBERT: Committee of conference. Conference report on H.R. 2 (Rept. No. 92-1350). Ordered to be printed.

Mr. COLMER: Committee on Rules. House Resolution 1102. Resolution providing for the consideration of the conference report on S. 3726. A bill to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes (Rept. No. 92-1361). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

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

Mr. DANIELSON: Committee on the Judiciary. H.R. 5668. A bill for the relief of Capt. Ronald W. Grout, U.S. Air Force; with an amendment (Rept. No. 92-1351). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 6467. A bill for the relief of Harold J. Seaborg (Rept. No. 92-1352). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 10552. A bill for the relief of the Rescue Mission Alliance of Syracuse (Rept. No. 92-1353). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 11047. A bill for the relief of Donald W. Wotring (Rept. No. 92-1354). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 11629. A bill for the relief of Corp. Bobby R. Mullins; with amendments (Rept. No. 92-1355). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 11749. A bill for the relief of 1st Lt. Thomas J. Tremba, U.S. Army (Rept. No. 92-1356). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 11814. A bill for the relief of Claude V. Alcorn and 21 others; with amendments (Rept. No. 92-1357). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 12903. A bill for the relief of Anne M. Sack; with an amendment (Rept. No. 92-1358). Referred to the Commitee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 11631. A bill for the relief of Robert Gibbons; with an amendment (Rept. No. 92-1359). Referred to the Committee of the Whole House.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 8215. A bill to provide relief for certain prewar Japanese bank claimants; with an amendment (Rept. No. 92-1360). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. ABOUREZK (by request):

H.R. 16384. A bill to amend the act of August 8, 1968 (Public Law 90-468) to provide for the reservation of certain areas for park purposes; to the Committee on Interior and Insular Affairs.

By Mr. HANSEN of Idaho:

H.R. 16385. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to further cultural activities by making unused railroad passenger depots available to communities for such activities; to the Committee on Education and Labor.

By Mrs. ABZUG:

H.R. 16386. A bill to provide youth services grants, and for other purposes; to the Committee on Education and Labor.

By Mr. ASPINALL (for himself, Mr. McCLURE, Mr. BARING, Mr. SKUBITZ, Mr. BURLISON of Missouri, Mr. JOHNSON of California, Mr. FOLEY, Mr. SAYLOR, Mr. ROONEY of Pennsylvania, Mr. QUILLEN, Mr. DUNCAN, Mr. CLARK, Mr. ICHORD, Mr. ULLMAN, and Mr. EVINS of Tennessee):

H.R. 16387. A bill to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty; to the Committee on Ways and Means.

By Mr. ASPINALL (for himself, Mr. McCLURE, Mr. BARING, Mr. SKUBITZ, Mr. BURLISON of Missouri, Mr. JOHNSON of California, Mr. FOLEY, Mr. SAYLOR, Mr. ROONEY of Pennsylvania, Mr. QUILLEN, Mr. DUNCAN, Mr. CLARK, Mr. ICHORD, Mr. McEWEN, Mr. ULLMAN, and Mr. EVINS of Tennessee):

H.R. 16388. A bill to protect the domestic economy, to promote the general welfare, and to assist in the national defense by providing for an adequate supply of lead and zinc for consumption in the United States from domestic and foreign sources, and for other purposes; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 16389. A bill to encourage and assist the States in registering voters and in achieving efficient and convenient conduct of elections, and to establish within the Bureau of the Census and Election Assistance and Voter Registration Administration to carry out a program of election assistance, and for other purposes; to the Committee on House Administration.

By Mr. BOLAND (for himself and Mr. JACOBS):

H.R. 16390. A bill to amend the tariff and trade laws of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 16391. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes; to the Committee on Foreign Affairs.

H.R. 16392. A bill to provide compensation to U.S. commercial fishing vessel owners for damages incurred by them as a result of an action of a vessel operated by a foreign government or a citizen of a foreign government; to the Committee on Merchant Marine and Fisheries.

By Mr. DANIELS of New Jersey:

H.R. 16393. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mrs. GRASSO:

H.R. 16394. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mr. GUDE (for himself, Mr. EDWARDS of California, Mr. BENNETT, Mr. SCHERLE, Mr. HICKS of Washington, Mr. BLANTON, Mr. FLOWERS, Mr. KING, Mr. HARRINGTON, Mrs. HICKS of Massachusetts, Mr. MOSHER, Mr. CLARK, Mr. YATRON, Mr. CLEVELAND, Mr. HELSTOSKI, Mr. MATSUNAGA, Mr. MOORHEAD, Mr. SARBANES, Mr. TIERNAN, Mr. ALEXANDER, Mr. PODELL, Mr. EILBERG, Mrs. ABZUG, Mr. DRINAN, and Mr. REES):

H.R. 16395. A bill to amend the Small Business Act, to provide financial assistance for handicapped individuals establishing or operating small business concerns, and for other purposes; to the Committee on Banking and Currency.

By Mr. GUDE (for himself, Mrs. GRASSO, Mr. RANGEL, Mr. BROWN of Michigan, Mr. FASCELL, Mr. ESCH, Mr. STEELE, Mr. HORTON, and Mr. SHRIVER):

H.R. 16396. A bill to amend the Small Business Act, to provide financial assistance for handicapped individuals establishing or operating small business concerns, and for other purposes; to the Committee on Banking and Currency.

By Mr. HELSTOSKI:

H.R. 16397. A bill to authorize the Attorney General to provide a group life insurance program for State and local government law enforcement officers; to the Committee on the Judiciary.

call No. 329. Had I been present, I would have voted "yea."

CONFERENCE REPORT ON S. 3726, EQUAL EXPORT OPPORTUNITY ACT AND INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1102 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, the provisions of clause 2, Rule XXVIII notwithstanding.

The SPEAKER. The gentleman from Mississippi is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield the customary 30 minutes to the minority to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, as a reading of the resolution indicates, this is a simple resolution making in order the consideration of the conference report on S. 3726 for the extension of the Export Administration Act of 1969.

Mr. Speaker, this rule has become necessary according to the rules of the House that the conference report has to be allowed to lie over for 3 days. It is a simple procedure to waive that 3-day provision.

Mr. Speaker, I reserve the balance of my time.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 2 days ago we had a resolution here on the floor to permit any conference report to be considered during the last 3 days of this week even though the 3-day intermission requirement under clause 2 of rule XXVIII was not observed. That resolution was defeated by a rather large vote. I think possibly we may have done wrong in the Rules Committee in having it so broad because it was not known whether there would be other reports.

I believe, however, the only one we were really concerned about was S. 3726, the Export Administration Act of 1969.

Mr. Speaker, we are here today with this resolution to waive the 3-day requirement rule for a conference report to be available so that we can consider this particular measure. The 3 days will not be up until tomorrow. In other words, tomorrow would be the first time this conference report could be considered.

I doubt that I will vote for the conference report. Mr. Speaker, in my opinion this is an extremely important matter, and I should like for the Members to give consideration to adopting this resolution.

Mr. Speaker, we are in a state of confusion on the cattle hide situation. We have had arrangements in the Export-Import Control Act where, under the situation, both Houses legislated, and then subsequent thereto we had to have a control program, which calls for the export of a ticket system which goes into effect on September 1, 1972.

The Department of Commerce has already scheduled the issuance of these tickets, starting August 17, 1972, which was yesterday.

The entire cattle hide industry is already in a state of grave uncertainty with respect to whether or not the Congress is going to defeat this provision or permit it to exist. In all fairness, Mr. Speaker, it seems to me we should take this bill under consideration and either vote it up or vote it down.

I realize the House took action on the so-called Commission, or whatever it was, which was included in the bill, to strike it out, and that it is now back in the conference report, which I do not like. Mr. Speaker, the administration has been operating, just as previous administrations did, under the Trading With the Enemy Act. Although this is probably a correct power to operate under, some place, some time—and today, in my opinion—we should straighten this out so that the departments will know what they are going to do, and the administration will know, and the cattle hide people will know one way or the other.

Mr. Speaker, I would urge that we adopt House Resolution 1102 and then decide what we are going to do with this conference report. If the Members want to vote it down, then vote it down. Let us not play games this afternoon. Let us dispose of this. We have some other business to get to. We had a big night last night.

I would suggest and hope, Mr. Speaker, that the Members seriously consider this. I have never, in my 16 years here, and 11 years on the Rules Committee, misled any Member of this body. In my opinion this measure has to be disposed of one way or the other before we adjourn tonight.

I urge the adoption of House Resolution 1102.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to my friend, the gentleman from Massachusetts (Mr. BURKE); but, Mr. Speaker, I do so with one reservation; namely, that the gentleman does not pay me the dubious compliment which he did the other day when I yielded to him on the previous consideration of this matter.

Mr. BURKE of Massachusetts. Mr. Speaker, I want to thank my good and gracious friend, the chairman of the Rules Committee for yielding me this time.

It is not my intention to take up too much time in this debate. This is the same subject matter we discussed, I believe, about 24 hours ago. I was opposing at the time the rushing through of this type of legislation.

This is a very complex bill. I know the cattle people have been misled into believing that this legislation is going to help them. Actually, what this bill will do is set up a new advisory council, and we are going to have a new Henry Kissinger on the scene, I believe, in the person of Peter Flanigan.

Of course, if there is a change in the Presidency next year, the place of Peter Flanigan will be more likely taken by Pierre Salinger. So that is what you are confronted with here on some of the parts that have not been discussed in this bill.

I have nothing against Pierre Salinger or Peter Flanigan, but I will say this: We have enough advisory councils now.

This bill is really a far-reaching piece of legislation. The tanneries in my district tell me that if we can hold this bill up for a couple of weeks, they might be able to get a supply of hides in to continue their business. It almost puts them in a position where they can negotiate for high-grade hides that they cannot get now.

I am pleading with this House on behalf of the Members on the other side, about 20 of them, who are today down in Miami Beach trying to formulate the rules and guidelines for the Republican Party convention. Some of those Members would like to be heard on this legislation, but they will not have a chance. They are not going to have a chance. So I cannot see how any Member on that side can allow a bill like this to go through that will deprive them of their right to speak for their constituency.

I know there are enough spokesmen on the other side to speak on behalf of the 20 Members in Miami, but let us consider those Members anyway, and let us consider the other cattle people here who are being led around believing this legislation will help them.

This does not help you in any way, shape, or form. You have been misled. You have been misled by people who speak with forked tongues.

Mr. Speaker, we can get out of here by 3 o'clock this afternoon and we will be on our way back home and come here after the recess completely rested and with a new, fresh frame of mind and look at this legislation in its proper perspective. I do not know. I might even vote for it then. But I would be very hesitant to vote for it now.

Another question that comes up here is the jurisdiction of this type of legislation. I do not know what it is doing over in Mr. PATMAN's committee. This is a trade bill if I have ever seen one.

So there are a lot of questions that can be raised. I do not want to go on until midnight fighting this bill when we can get out of here by 3 o'clock. Let us vote down the rule, and when we come back after the recess we will deal with it in a very fair and equitable manner.

Mr. GROSS. Will the gentleman yield?

Mr. BURKE of Massachusetts. I yield to the gentleman.

Mr. GROSS. The gentleman's solicitude for the Republicans and their convention overwhelms me.

Mr. BURKE of Massachusetts. I want to point out to my good friend from Iowa I have a great deal of solicitude for the Republican Party, because I was the first Democrat in 100 years in my district, and if it were not for the Republican votes I received that year, I would never be here. So I always think of you fellows. I like you.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. BURKE of Massachusetts) there were—ayes 58, noes 21.

TELLER VOTE WITH CLERKS

Mr. CLEVELAND. Mr. Speaker, I demand tellers.

Tellers were ordered.

Mr. CLEVELAND. Mr. Speaker, I demand tellers with clerks.

Tellers with clerks were ordered; and the Speaker appointed as tellers Messrs. COLMER, BURKE of Massachusetts, SMITH of California, and CLEVELAND.

The Committee divided, and the tellers reported that there were—ayes 194, noes 111, not voting 127, as follows:

[Roll No. 347]

[Recorded Teller Vote]

AYES—194

Abbitt
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Arends
Ashley
Aspinall
Baring
Barrett
Belcher
Bennett
Bergland
Bevill
Blatnik
Bolling
Bow
Brademas
Bray
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson, Tex.
Burlison, Mo.
Burton
Byrnes, Wis.
Cabell
Camp
Carlson
Casey, Tex.
Cederberg
Chappell
Clausen, Don H.
Collier
Collins, Tex.
Colmer
Conable
Conover
Culver
de la Garza
Dellenback
Denholm
Dorn
Downing
Duncan
du Pont
Eckhardt
Erlenborn
Evans, Colo.
Findley
Fish
Fisher
Flowers
Foley
Ford, Gerald R.
Fountain
Fraser
Frenzel
Frey
Galifianakis
Gonzalez
Green, Oreg.
Griffin
Gross
Grover
Gubser
Gude
Haley
Hall
Hammer-schmidt
Hanna
Hansen, Idaho
Harsha
Hastings
Helstoski
Henderson
Hicks, Wash.
Hogan
Horton
Hosmer
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Kastenmeier
Kazen
Kee
Kyl
Landgrebe
Latta
Leggett
Lent
Link
Long, Md.
McCloskey
McClure
McCollister
McCormack
McCulloch
McFall
McKevitt
Mahon
Mailliard
Mallary
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Mikva
Mills, Md.
Minish
Mizell
Montgomery
Moorhead
Morgan
Mosher
Myers
Natcher
Nedzi
O'Konski
Patman
Pettis
Pickle
Poage
Poff
Powell
Preyer, N.C.
Price, Tex.
Purcell
Quie
Randall
Rees
Reuss
Roberts
Robinson, Va.
Roe
Rogers
Roncalio
Roush
Roy
Ruth
Sandman
Satterfield
Scherle
Schwengel
Sebelius
Shoup
Shriver
Sikes
Sisk
Skubitz
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Steed
Stubblefield
Sullivan
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Udall
Vander Jagt
Vigorito
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Winn
Wright
Wyatt
Young, Fla.
Young, Tex.
Zwach

NOES—111

Abzug
Adams
Alexander
Anderson, Tenn.
Ashbrook
Aspin
Begich
Biaggi
Biester
Bingham
Blackburn
Boland
Burke, Mass.
Byrne, Pa.
Byron
Celler
Chisholm
Clay
Cleveland
Conyers
Cotter
Crane
Daniel, Va.
Daniels, N.J.
Danielson
Davis, S.C.
Delaney
Dellums
Dent
Devine
Donohue
Dow
Drinan
Edwards, Calif.
Eilberg
Eshleman
Flood
Flynt
Fulton
Garmatz
Gaydos
Giaimo
Goldwater
Goodling
Grasso
Gray
Green, Pa.
Hamilton
Hanley
Harrington
Hathaway
Hechler, W. Va.
Heinz
Hicks, Mass.
Howard
Jacobs
Jones, Tenn.
Karth
Keating
King
Koch
Kyros
McKay
Madden
Mazzoli
Miller, Calif.
Miller, Ohio
Mills, Ark.
Mink
Mitchell
Monagan
Moss
Murphy, Ill.
Nix
Obey
O'Neill
Patten
Perkins
Pike
Pirnie
Podell
Price, Ill.
Pucinski
Rangel
Robison, N.Y.
Rodino
Rosenthal
Rostenkowski
Rousselot
Roybal
St Germain
Sarbanes
Scheuer
Schmitz
Seiberling
Shipley
Slack
Snyder
Staggers
Steele
Steiger, Wis.
Stratton
Symington
Teague, Tex.
Vanik
Wolff
Wylie
Wyman
Yates
Yatron
Zablocki

NOT VOTING—127

Abernethy
Abourezk
Addabbo
Anderson, Calif.
Annunzio
Badillo
Baker
Bell
Betts
Blanton
Boggs
Brasco
Broomfield
Burke, Fla.
Caffery
Carey, N.Y.
Carney
Carter
Chamberlain
Clancy
Clark
Clawson, Del
Collins, Ill.
Conte
Corman
Coughlin
Curlin
Davis, Ga.
Davis, Wis.
Dennis
Derwinski
Dickinson
Diggs
Dingell
Dowdy
Dulski
Dwyer
Edmondson
Edwards, Ala.
Esch
Evins, Tenn.
Fascell
Ford, William D.
Forsythe
Frelinghuysen
Fuqua
Gallagher
Gettys
Gibbons
Griffiths
Hagan
Halpern
Hansen, Wash.
Harvey
Hawkins
Hays
Hébert
Heckler, Mass.
Hillis
Holifield
Hull
Hungate
Ichord
Keith
Kemp
Kluczynski
Kuykendall
Landrum
Lennon
Lloyd
Long, La.
Lujan
McClory
McDade
McDonald, Mich.
McEwen
McKinney
McMillan
Macdonald, Mass.
Melcher
Metcalfe
Michel
Minshall
Mollohan
Murphy, N.Y.
Nelsen
Nichols
O'Hara
Passman
Pelly
Pepper
Peyser
Pryor, Ark.
Quillen
Railsback
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Rooney, Pa.
Runnels
Ruppe
Ryan
Saylor
Schneebeli
Scott
Springer
Stanton, James V.
Steiger, Ariz.
Stephens
Stokes
Stuckey
Talcott
Terry
Thompson, N.J.
Thone
Tiernan
Ullman
Van Deerlin
Veysey
Waldie
Whalen
Wilson, Bob
Wilson, Charles H.
Wydler
Zion

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 15, 1972.)

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with.

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

Mr. DENT. Mr. Speaker, reserving the right to object, I would like to ask a question. I do not object. All of us would like to leave because we have had a long week, but I would like to know if the chairman is prepared to give a few minutes or so to those of us who have something to say.

Mr. PATMAN. I will certainly be delighted to.

Mr. DENT. I thank the gentleman from Texas.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this measure returns from conference with two titles designed to promote American exports and increase employment here in the United States.

Title I of the bill extends and amends the Export Administration Act of 1969 and requires that the Secretary of Commerce act expeditiously to eliminate unilateral controls on the export of peaceful, nonstrategic goods.

The conferees adopted Senate provisions which would require the Secretary of Commerce to investigate which items should no longer be subject to export controls because they are not significant to the national security of the United States and require the President to remove unilateral export controls on items he determines are available in significant quantity and quality comparable to those produced here, except when he determines that the absence of controls would prove detrimental to our national security.

Another Senate provision adopted by the conferees requires that the Secretary of Commerce report to the Congress not later than 9 months after the date of enactment of this act concerning steps he has taken to reduce our unilateral controls, and a provision that the Secretary of Commerce shall report items and information subject to control procedures which are more burdensome than procedures of our allies.

The conferees also adopted a Senate provision which requires the Secretary of Commerce to establish technical advisory committees to assist in reducing both unilateral and multilateral export controls. The House receded to the Senate with an amendment which eliminated the requirement that the members of any such committee be compensated. The House conferees substituted a provision which authorizes the Secretary to reimburse any such member for travel and subsistence, when appropriate, upon request of the member.

The Senate provisions of title I agreed

to by the House constituted an explicit expression of the legislative intent indicated by your Committee on Banking and Currency in House Report 92-1260. In that report we indicated that the required reviews and revisions established in the 1969 act to be made by the Secretary of Commerce have not been made promptly and that consultations with industry have left much to be desired. The House report indicated that there shall be established technical advisory committees composed of representatives of relevant Federal agencies and relevant producers for each group of commodities which is subject to export controls because of its significance to national security and which is difficult to evaluate for technical reasons.

The House report further indicated that such committees should be activated expeditiously, with emphasis on commodity groups for which there is a significant export potential, and that such committee should have representatives from producers of the commodities to be reviewed. The House report further stated that consultative reviews should include the commodities under both multilateral control and unilateral control.

The House gave this expression of legislative intent in order to clarify the meaning of section 4(a)(1) and section 5(a) of the 1969 act. The Senate provisions agreed to by the House conferees are entirely consistent with the action taken by the House in consideration and passage of H.R. 15989.

Title II of the bill creates on a temporary, statutory basis until June 30, 1973, a Council on International Economic Policy in the Executive Office of the President. We are very hopeful that this Council can provide, on a statutory basis, an even better focus on solutions of U.S. trade, foreign investment, and monetary problems than has been the case until now.

The establishment of a linkage between the executive and the Congress in the forging of a more rational international economic policy, and in developing more consistency between domestic and international economic policy can be achieved with adoption of the title in the Senate bill.

The purpose of this Council is to provide for closer interagency coordination because there are many departments and agencies of the Federal Government operating in the international economic policy area, often at cross-purposes and because better coordination is needed between domestic and foreign economic policy.

The membership of the Council includes the President and nine Cabinet officers and executive office officials. The duties of the Council include advising and assisting the President in the preparation of an International Economic Report, reviewing the policies of the many agencies operating in the international economic policy area, and making recommendations to the President for improving and making more consistent our international economic policy.

The Senate bill provided that the President, with the assistance of the Council, shall submit an annual international economic report to the Congress.

The Senate bill further provided for a Council staff to be headed by an Executive Director. The Executive Director would be required to keep the appropriate committees of both the House and the Senate fully and currently informed regarding the activities of the Council.

The Senate bill authorized $1,400,000 for the Council for fiscal year 1973 and provided that the legislation creating the Council shall expire on June 30, 1973, unless specifically extended by legislation enacted by the Congress.

The House amendments contained no similar provision. Among the amendments to the Senate provision accepted by the House conferees there was the provision that, in connection with the duty of the Council to review the activities and the policies of the U.S. Government, there was stricken explicit reference to a specific international agreement and to specific trading partners. The conferees agreed that the remaining language was broad enough to allow the Council to review any such trade relationships.

In connection with the appointment of an Executive Director for the Council, it was agreed to delete the requirement that he be an assistant to the President.

The conferees unanimously agreed that the work of the Council and the report of the President shall include the following objectives:

First, strengthening the U.S. competitive position in world trade;

Second, achieving equilibrium in international payment accounts of the United States;

Third, increasing exports of goods and services;

Fourth, protecting and improving the earnings of foreign investments consonant with the concepts of tax equity and the need for domestic investment;

Fifth, achieving freedom of movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis;

Sixth, increasing the real employment and income of workers and consumers on the basis of international economic activity; and

Seventh, preserving the diversified industrial base of the United States.

Mr. CULVER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. CULVER. I thank the gentleman for yielding.

Mr. Speaker, I regret the complete retreat of the House conferees on the question of confirmation of the Executive Director by the Senate. In addition, in the colloquy this afternoon, I hope to clarify this question of appearances by the Executive Director before congressional committees and his availability for normal committee hearings. However, we did, in our action on the floor, provide one safety valve in the insistance that the authorized life of the Council not extend beyond June 30, 1973, unless there is affirmative renewal by the Congress. This will clearly put the burden on the Executive to prove and establish that the Council is the best mechanism for coordinating U.S. foreign economic policy, and on the Council and its Executive Director to, in fact, fulfill their declared intention of keeping the Congress fully and currently informed. The Subcommittee on Foreign Economic Policy will for one closely monitor the activities of the Council and will await the unstinted cooperation of the Executive Director and the other members of the Council.

The most appropriate administrative structure for the harmonization of foreign economic policy is a complex question and is currently the basis of hearings before the Foreign Affairs Committee. The recommendations from this inquiry will be available by the end of this Congress.

The results of these hearings should better equip Congress to carefully monitor the work of CIEP. In addition, it should help us make a judgment on the desirability of its existence as a statutory body and the discharge of its obligation to be accountable and responsive to proper congressional involvement in this extremely critical area of U.S. foreign policy.

In addition, Mr. Speaker, I realize the imperative necessity to act promptly on the provision in the legislation which repeals the Presidents order limiting the export of cattle hides. If this order is permitted to stand it would result in an increase in the cost of dressed beef to the consumer and a reduction in the return to the farmer on the hide.

Mr. WIDNALL. Mr. Speaker, I rise in support of the conference report and yield myself such time as I may consume.

Mr. Speaker, I rise to support the conference report. This bill extends and amends the Export Administration Act of 1969 and establishes a Council on International Economic Policy.

Title I of the bill amends the Export Administration Act and requires that the Secretary of Commerce move swiftly to end unilateral U.S. controls on the exports of peaceful nonstrategic goods. This will have the effect of promoting American exports and increasing jobs here in the United States by allowing our industries to better compete in the Eastern European market. Of course, we will still maintain controls on those goods of strategic and national security importance.

Title II of this bill gives a statutory imprint to a Council on International Economic policy within the Executive Office of the President. This Council, which was created by presidential memorandum in January 1971, has been in existence for the last 18 months, but has been crippled because of a lack of funds and because it did not have statutory approval. What the Congress is doing here is to give the Council legislative sanction and assuring that the Congress is in a better position to be informed of and to review the operations of the Council.

The legislation specifically requires that the appropriate congressional com-

mittees be kept fully and currently informed regarding the activities of the Council. This is a specific responsibility of the Executive Director of the Council.

Since there has been some misunderstanding as to what this provision requires, I would like to make the record clear.

The conference committee considered this question during three session which were held on the bill. It was agreed that the "fully and currently informed" provisions does not require the Executive Director to testify formally before congressional committees. The conference committee specifically rejected a proposition that the Executive Director be required to testify. It also rejected a proposal that such an understanding be included in the statement of managers.

Although the legislation does not mention that the Executive Director of the Council is to be an assistant to the President, it is a possibility that the President would appoint a Presidential assitant to that position as is the situation now. In such a case, it is not intended to alter the longstanding tradition that those who hold such a position and therefore have a personal and confidential staff relationship to the President do not testify.

However, as I stated earlier, it is understood that the Executive Director shall keep the enumerated committees fully and currently informed of the Council's activities. This will assure an adequate exchange of views and information. I have been assured that the Executive Director of CIEP will make himself available for informal meetings and briefings with Members and committees of the Congress.

Additionally, the annual report by the President on international economic matters which is required by the bill is another available means of keeping the Congress informed.

Beyond all this, however, Congress has retained direct control over the Council by giving it a short life. The legislation will expire in June of 1973. If the Council is not forthcoming during this period the Congress need not extend its life.

Fundamentally, what the conferees agreed to on this title is very similiar to the action the House took on August 3 before it struck this title from the bill. The only exception is that the House had agreed to an amendment by a voice vote which required Senate confirmation of the Executive Director. Since this was not in the Senate bill, it was not a point of discussion in conference.

Mr. Speaker, I believe the conferees have come up with a good bill. I think we will have a good relationship with the Council, and I certainly think we should give it a trial run.

I recommend that the House accept the conference report.

Mr. PATMAN. Mr. Speaker, I yield to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Speaker, I take this time simply to point out to the membership of the House that the items in disagreement between the House conferees and the Senate were very few.

As all of you know, the amendment which would diminish the control of agricultural exports was in both the House and Senate versions of this legislation. So, obviously, that was beyond the consideration of the conference.

The major item in disagreement was with respect to the statutory establishment of a Council on International Economic Policy.

Mr. Speaker, I would like to say to the membership that the House conferees sought to insist on the action taken by the House. Finally, it was the thought and the decision of the House conferees by a vote of some 6 to 3, the six being equally divided between the majority and minority party members, that the Senate version be retained. There were three that were in disagreement.

That was the only major item in disagreement. It was resolved, as you find expressed in the conference report.

The SPEAKER. The time of the gentleman has expired.

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

Mr. CULVER. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman.

Mr. CULVER. I appreciate the gentleman yielding. I have a question at this point in the debate, and that is I am concerned with the interpretation given to the conference report by the gentleman from New Jersey as well as remarks on the floor of the other body by one minority Senate conferee regarding the understanding of the conferees with respect to the issue of accountability to the Congress by the executive director.

As the gentleman from Ohio knows, I believe the House voted clearly and emphatically on this issue in the course of the debates a week ago.

I wonder whether or not the gentleman from Ohio a manager on the part of the House in the conference would be good enough to state his understanding concerning the obligation of the Executive Director to appear before the appropriate committees of the Congress enumerated in the conference report. Is this understood as an obligation on behalf of the executive director to appear before the committees in the regular course—or had that issue actually been considered and resolved as indicated by the statement earlier by the gentleman from New Jersey.

Mr. ASHLEY. It is my very firm understanding, I will say to my friend, the gentleman from Iowa, it was the consensus of the conferees, of both the House and Senate, that this issue be obviated by striking the Senate language that would have provided that executive director shall be a special assistant to the President.

Now there is nothing that would say an executive director, if he is simply appointed and holds no other position, should not appear before the appropriate committees of the Congress. Why on earth should he not?

The SPEAKER. The time of the gentleman has expired.

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

Mr. ASHLEY. We sought to obviate the issue of Presidential prerogative with respect to confidentiality and privilege by striking the language—"shall be a special assistance to the President." We simply placed the focus on the duties of an Executive Director, which we felt would embrace a task of considerable scope and importance.

But we did not—and I repeat—we did not resolve the question of the availability or the nonavailability of an Executive Director who prospectively might also be a special assistant to the President.

Now that is my firm understanding, notwithstanding the comments of the gentleman from New Jersey and of a minority conferee from the other body.

Mr. WYLIE. I think that would be the understanding of the gentleman from New Jersey.

Mr. ASHLEY. I will go further and say that it was the intent of all of the conferees that there be no explicit language requiring or exempting the appearance of the Executive Director formally before committees if he happens to be a personal assistant to the President.

Mr. PATMAN. Mr. Speaker, will the gentleman yield to me?

Mr. ASHLEY. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, I concur in the views expressed by the gentleman from Ohio (Mr. ASHLEY). It was the consensus of the conferees that they wanted this Executive Director to appear before congressional committees, and by using the title, "Assistant to the President"—it was felt that that language would be sufficient to excuse him. from testifying before congressional committees. In order to get away from that contention, we agreed to strike out that he would be "Assistant to the President," so he would not be Assistant to the President.

Therefore, although the law does not require him to appear before congressional committees, in striking out that language, "Assistant to the President," which it was insisted would exempt him from appearing, of course, that leaves him where he will have to appear before congressional committees. And if he does not, the law will expire 10 months from now, and I assure you that the President will have a difficult time getting an Executive Director who has refused to appear before congressional committees.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Speaker, I just want to ask a couple of simple questions. Basically it is what came out of our committee; would the gentleman from Ohio agree?

Mr. ASHLEY. Yes, it is.

Mr. J. WILLIAM STANTON. According to the report, 23 members of our committee voted for this bill?

Mr. ASHLEY. That is true.

Mr. J. WILLIAM STANTON. There were two who voted against, and one who was present.

Am I correct on that?

Mr. ASHLEY. The gentleman is correct.

Mr. J. WILLIAM STANTON. We got into a mixture of hides and leather, and all that business. Would the gentleman from Ohio agree that I led the fight against hides in the committee when the gentleman from Texas (Mr. GONZALEZ) brought it up? We fought hard, and we fought long, and we lost.

Mr. ASHLEY. We lost.

Mr. J. WILLIAM STANTON. I am going to vote strongly for this legislation today, Mr. Speaker. As the chairman mentioned, the other body passed the legislation, and we need the legislation; am I right or wrong?

Mr. ASHLEY. The gentleman is accurate.

(Mr. MAYNE, at the request of Mr. WIDNALL, was granted permission to extend his remarks at this point in the RECORD).

Mr. MAYNE. Mr. Speaker, I rise in strong support of the conference report. It is urgently necessary that it be adopted today before the beginning of the congressional recess. I am, of course, deeply concerned about the unsettling effect which uncertainty about this legislation's being enacted is having on the hide and cattle market. I therefore urge all Members to vote in favor of the report, which will make it clear once and for all that neither the Secretary of Commerce nor any other governmental official has the power to limit our free market in hides both at home and abroad, which is so essential to our livestock industry.

Surely the gentleman from Massachusetts (Mr. BURKE) cannot be serious when he states this salutary legislation is being hurried to a vote without sufficient consideration. This House debated all the issues before us today at great length when the bill first passed the House on July 15. It was again discussed at some length in debate on the rule on Wednesday of this week.

I am certain that we all realize that this Nation would have an even greater deficit in our balance of trade but for our export of American agricultural produce. Artificially limiting the export of our agricultural produce through embargoes, such as the embargo on export of hides, contradicts the established policy of this country to foster growth in our export markets and to promote freer trade between the nations. Limiting the export of hides gives one domestic industry advantages at the expense and detriment of another. We should be encouraging, not limiting, hide exports in order to improve our balance-of-payments picture and strengthen the dollar at home and abroad.

When the bottom dropped out of the hide market several years ago, our cattle producers had to develop new hide markets abroad at their own considerable effort and expense. Having now developed a flourishing export market abroad, they should not be deprived of the right to sell in a free market, even to foreign purchasers who outbid American domestic customers. The order to limit hide exports has already had a depressant effect on the market prices of cattle. Maintenance of healthy foreign export markets for American agricultural produce, including cattle hides, clearly has long-term benefits not only for the farmer and cattle feeder, but also for the consumer. Enactment into law of the Export Administration Act extension provisions as reported by the conference is essential if we are to see to it that no official can place a lid on exports of hides and other agricultural commodities. I strongly urge the House to vote for adoption of the conference report.

Mr. WIDNALL. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I thank the gentleman for yielding.

I appreciate the attitude of most of the Members, because I share your impatience with our being here again this week on a matter that was decisively voted on by the House on two previous occasions. I think it is proper that we do review for judgment what has led to this particular moment on the last day, practically the last hour in this session, when we are all anxious to get on about our business, either at the convention in Miami, or perhaps on our private vacations and other matters that would take us away from Washington.

The only occasion on which this House could have dealt with this legislation realistically and fairly was settled weeks ago when it first came up. On that occasion the House acted decisively and said: "We do not want that Trade Advisory Council." They said it so decisively that no one even bothered to ask for a vote, and that is the only time when the House could have exercised its judgment freely. But what has happened in the meantime?

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Is it not true that the conferees on the part of the House, despite the way the House spoke and in spite of the message we gave them, went over there and caved in in the fastest fashion in the history of this Congress?

Mr. BLACKBURN. I think it is fair to pronounce as a matter of fact that out of the 10 House conferees, only one conferee defended the position of the House on the floor of this House, and I happen to be that one. When we got to the conference, I said, "You fellows have the votes, and you can put through whatever agreement you want to, but when we get back to the House, if there is any way I can beat you, I will beat you again."

They have all the cards. They have an illegal Executive order over the heads of Members who have cattle producers in their districts. They say they will not enforce the rules unless we vote for their trade council. That is why we cannot have a fair vote. It is much easier to bring it up under these circumstances. They say, "You buy this bill or you who have cattle in your district will be hurting." That is why we are seeing people today voting exactly the opposite on the rule than they did on the floor the other day.

I do not submit to such treatment very kindly. Perhaps some others do.

Last night one of the issues on the bill we were voting on was the fact that if we would not agree on what the Senate wanted, the Senate said they would disagree and then the students would not be able to get their loans. I am proud the House said it wanted to put in its provisions and see what the Senate would do. The Senate caved in this morning in less than 2 minutes.

We are setting another precedent for the Senate today We are saying: Do not worry. We will stall around and submit eventually. I say what is at issue is not the International Trade Council and it is not the extension of the Act. It is the integrity of the House which is at issue today. That is why I have no reluctance to stand here and tell the Members I intend to vote against this conference report. It is the only way to send the message to the Senate or to the White House that the House does have a will and when it exercises its will it intends to stand behind it.

Mr. Speaker, I urge rejection of the conference report.

Mr. PATMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, I think we are neglecting the most important item before us. This is the strategic raw material which is limited in supply. No matter what the demand is, the supply cannot meet that demand and there is a question of balancing what we call payments against what is known to be the need.

The American hide industry, while being so important that it has to be regulated by the export-import control, still is given little importance in its position as a strategic limited material. No nation on the face of the earth allows any raw material to be exported until the demands of that nation are met. If this committee sincerely and if the hide people sincerely have the interest of this Nation and its people at heart, it is such an easy formula to follow. Hides are bought on futures. So if we establish a cutoff date for the purchase orders of futures by American consumers of hides, we could do it on the basis of our needs and requirements. We could do it at world prices, if you please, although most of us know who have made any study at all of the economics of trade, that sooner or later we are going to have to get into national parity prices on trade with the nations that deal with us and which we deal with. But here we are saying yes, we know we need hides, and we know we can get higher prices from foreigners, so we are selling 8 million hides at $160 million on a balance of trade. We are importing 360 million pairs of shoes.

Twenty pairs to the hide that is sold, plus the plastics.

We have forced ourselves in this country into making the shoddiest products that any nation makes. A backward nation does not make any more shoddy a product than we foist off.

Shoes, clothes, television sets, radios, automobiles—forced by the low-cost competition to reduce our quality and

produce a shoddy product, so that I am ashamed to say it makes me sometimes wonder what has happened to that pride so many people used to have when they said, "Made in America."

Shoes. Yes, I got shoes. You got shoes. All God's children got shoes. Thanks to Italy, thanks to France, thanks to Sweden, thanks to Brazil thanks, to Portugal, thanks to Spain, thanks to Great Britain we all got shoes.

Maybe they are trying to put us back on our feet—our bare feet.

Let me tell all the Members something. It took 110 years to build the shoe industry in America to an adequacy for the needs of this country. It took 110 years, and we have dissipated that in the last 20 years. And only because of hides.

On this floor less than 12 years ago I reported from my hearings on the impact of imports on employment. I told this House what would happen, and it is in the RECORD.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. PATMAN. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. DENT. I said that the day would come, within the next decade—and I am a few years out of line—that we would find the policy of our State Department, implemented by our Agriculture and Commerce Departments, sending salesmen all over the world, selling hides, loaning them the money to buy hides. With our money, that did not cost them anything, they started in the marketplace and outbid the American hide tanneries. We lost 87 or 88 percent of all the tanneries of the United States, and we gave them the hides. They started their tanneries and started their shoe factories.

I visited one of the highest price shoe factories in the world, in Italy, that ships ladies' shoes to the United States. Those shoes sell anywhere from $40 to $65 a pair. And the workers were earning 70 cents an hour.

Go ahead. This is what you have done. And I am guilty of it, and I plead before you to forgive me.

I transferred the interest of certain Members of this Congress on this legislation from what they conceded to be a very bad feature—I agree with them—the feature of the unaccountability of the Commission. That was shifted to hides, and they shifted their whole position on the bill, and have now crucified both my shoeworkers and themselves.

Mr. WIDNALL. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman from New Jersey for yielding me this time to speak in opposition to this conference report.

Mr. Speaker, the gentleman from Iowa (Mr. CULVER) asked about the accountability of the Executive Director of this new international economic agency. I believe if he will read the CONGRESSIONAL RECORD for August 15 during the Senate consideration of this conference report, which is reported on page 28242, there is light shed on the question. Mr. BENNETT, in presenting the conference report, said:

> It was agreed that the "fully and currently informed" provision does not require the executive director of the council to testify formally before Congressional committees. But I have been assured, he continues that the executive director will make himself available for informal meetings and briefings with Members and committees of Congress.

Well, is that not nice? Some of you will be able to have breakfast with the Executive Director and find out what is going on. There is no accountability provided for in the conference report, and Senator BENNETT recognized that and said so. This bill started out as a simple extension of the Export Administration Act, normally referred to as the Export Control Act, which expired on August 1, 1972. That bill was introduced last year. There appears to be no objection to extending the Export Administration Act to June 30, 1974, and I certainly would not have any objection to that. That bill would have passed easily and without fanfare.

But the other body had to add a title providing for a Council on Economic Policy, which would provide a new statutory Federal agency with an authorization of $1.4 million for the current fiscal year and the Banking and Currency Committee fell in line. I have consistently objected to this as a duplication which is not needed and would be a waste of $1.4 million of the taxpayers' money.

You will recall, as the gentleman from Georgia, Mr. BLACKBURN, mentioned, this House rejected the Council on International Economic Policy previously and on Tuesday again rejected by an overwhelming vote a resolution which would have waived the 3-day rule for all conference reports.

Those of us who have been keeping an eye on this bill were not fooled by that resolution on Tuesday. We knew S. 3726 would be back when it was defeated on Tuesday, and the advocates of that resolution, sure enough, went immediately to the Committee on Rules and came back with this special resolution today would apply only to one conference report.

This bill is like Hydra; every time you chop off a head two more pop up.

I think we should separate the Council on International Economic Policy from the Export Control Act and pass that act, which I am sure we can do very quickly, and vote up or down this Council on International Economic Policy.

The Senate added language which would also terminate the statutory life of this council on June 30, so its life is limited even before it is created. If the legislation is approved today—and it's almost certain it will be—the council must obtain an appropration for funding, and by the time that is accomplished it will have maybe 4 or 5 months to spend $1.4 million. Ther the members of the Council on International Economic Policy will be back before the Congress saying, "We have not had enough time to get our information and our reports together as to recommendations for a better understanding of foreign economic policy, so we are asking the Congress to continue the council for an additional so many years and we need an additional so many millions of dollars in order to do it." The Council on Economic Policy is not needed to accomplish anything additional—there is a council in existence at the present time by Executive order—except that it will provide 30 people with jobs, and I suppose there is something to be said for that.

Members of the House, I urge rejection of the conference report.

Mr. PATMAN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Speaker, I am very reluctant to take the time of the House today, but this is the way we are always presented with problems of this type.

I want to point out in the New England area 115 shoe factories closed since 1965, and we have tanneries closing up there. We have shoe factories today that cannot get the hides from the tanneries because the best grades of hides are being sent overseas for the highest prices they can get there. We have to start concerning ourselves in America with American industries and American jobs.

We are only pleading here to keep the American people working, and by passing legislation like this you are kiting up the welfare rolls of our Nation, you are depriving people who want the opportunity to work from getting a job, you are forcing them on welfare, and you are getting them accustomed to the welfare system.

We are facing a $7 billion deficit in our trade balance this year. There has been one devaluation of the dollar already, and we are going to face some more. And within 1 year some of the people who will vote for this bill today will be doing the greatest flip-flop in history trying to repeal it.

Now, everybody talks about the Burke-Hartke bill, and the only reason this bill was not before the Committee on Ways and Means—and, believe me, this is a trade bill from one end to the other—but, if this bill was ever considered in the House Committee on Ways and Means, I would have offered an amendment attaching the Burke-Hartke bill to it. I have said before that I filed the Burke-Hartke bill to bring to the attention of the American people the problems that we are faced with in our international trade.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman from Texas yield me some additional time?

Mr. PATMAN. Mr. Speaker, I would ask the minority side to use their time, we have only 4 minutes total remaining.

The SPEAKER. Does the gentleman from New Jersey desire to yield time to the gentleman from Massachusetts?

Mr. WIDNALL. Mr. Speaker, I yield back the balance of my time.

Mr. PATMAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Massachusetts (Mr. BURKE).

Mr. DRINAN. Mr. Speaker, will the gentleman yield?

Mr. BURKE of Massachusetts. Yes, I will yield to the gentleman from Massachusetts, but before I do so I wish to say that these are the types of tactics that

we are facing here. This is why America is losing the fight. They come in here and steamroll a bill through, ram it down your throat, and then America suffers a $7 billion deficit in trade this year and they will give us only a minute for debate.

I yield to the gentleman from Massachusetts.

Mr. DRINAN. Mr. Speaker, I am happy to associate myself with the remarks of the distinguished gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I concur in everything that the gentleman has said about the impact of this bill, and also about the tactics that are being utilized to push it through today.

Mr. PATMAN. Mr. Speaker, the gentleman from Massachusetts has no complaint, since we have yielded time to him three different times with the remaining time that we had.

Now, since the gentleman from New Jersey, (Mr. WIDNALL) has used his time, and we have used our time for all practical purposes, I will ask for a vote on the conference report.

Mr. BROOKS. Mr. Speaker, this conference report contains a provision of utmost importance to cattle raisers, shippers, longshoremen, and other workers throughout the Nation.

The provision revoking authority of the President to restrict hide exports under the Export Administration Act is not in controversy so far as the conference report is concerned. Both Houses of Congress have gone on record opposing the action restricting the export of cattle hides and revoking the authority that was used.

As I indicated in my statement on the floor on August 2 when this matter was before us, the sudden action by the Secretary of Commerce has resulted in a severe and unanticipated hardship, not only for the ranchers and farmers, but also to the shipping industry and related activities. In my own district, it will mean the loss of hundreds of thousands of dollars and a number of jobs in the maritime industry in a county that already has 6.8 percent unemployment.

Congress did not intend for this act or any other to be used to transfer unemployment from one section of the country to another. At this point, time is of the essence. Hides are waiting on the docks in Galveston. Transportation has been arranged. Purchasers are awaiting delivery.

The House should again join the Senate in telling the President that we do not approve of these export restrictions and that we are expressly revoking the authority to impose them, including the authority to issue the regulations under some other less specific statutory provision as he has attempted to do since the expiration of the Export Administration Act.

Even if this conference report is not adopted, there should be no question that Congress does not want the Executive to have the authority to continue this program. That provision is not in disagreement in conference. Incidentally, I understand that the administration is having great difficulty in initiating the proposed quota system and that even they would prefer to drop the program. To remove all doubt, the House should adopt this report today and send it to the President for signature.

Mr. VANIK. Mr. Speaker, I am voting against the conference report to accompany S. 3726 because I object to title II which would create a Council on International Economic Policy to create a costly bureaucracy under leadership which I seriously question.

Mr. PRICE of Texas. Mr. Speaker, it is most important that the House of Representatives take action upon the conference report relating to the extension of the Export Administration Act before we recess for 2 weeks for the Republican National Convention.

As we all know, the Department of Commerce has recently imposed controls on the export of cattlehides from the United States, and the extension of the Export Administration Act as passed by both Houses of Congress would legislatively remove these controls by the Department.

It is important that we take action on this legislation before the recess not only because I firmly believe this legislation to be fully justified, but in addition, any stalling or indecision on the part of the Congress until September would only create a chaotic situation in the entire cattlehide industry, both domestic and export.

The export control program as ordered by the Commerce Department is scheduled to go into effect September 1, 1972. After that time exporters will be required to purchase export tickets from a cattlehide producer and then to present the tickets to the Office of Export Control in order to obtain an export license.

Since the Commerce Department is planning to issue these export tickets starting August 17, 1972, the urgency of our taking final action on this legislation becomes completely apparent. Failure to do so will mean that cattlehide businessmen will be faced with the prospect of having to obtain export tickets which might or might not prove to be worthless, and these people would be forced to make business decisions in a state of complete uncertainty.

I also urge that action be taken before the recess on the Export Administration Act which has already lapsed, otherwise the export control program will be dependent upon the authority vested in the Trading with the Enemy Act. Since the Trading With the Enemy Act is very broad in its power and has a minimum of statutory safeguards or restrictions, I do not believe that its use should be continued for the purpose of general export control beyond the time or the occasions where it is really necessary. Furthermore, unlike the Export Administration Act, the Trading with the Enemy Act provides only for criminal penalties and does not provide for the imposition of monetary civil penalties.

Mr. Speaker, for the very important reasons I have cited, I strongly urge that we take final action upon the conference report on the Export Administration Act today, and that we pass this most needed piece of legislation to give justice to our cattlehide producers and exporters. In this time of a serious balance of payments deficit for the United States, it simply makes no sense to cut off the export of a valuable commodity which is helping the national income of this Nation.

Mr. FLOOD. Mr. Speaker, as all the Members know very well, my congressional district suffered unbelievable damage when Tropical Storm Agnes struck on June 23, with such force and devastation that the experts tell me that the total damages will reach $1 billion, including homes, businesses, public utilities, roads, bridges, farms and railroads. Just imagine; $1 billion damage in one congressional district. Hard to imagine but true.

And, as the saying goes, we need all the help we can get—and we need it now.

One vital segment of our economy is the shoe manufacturing industry. In fact, the State of Pennsylvania ranks either one or two nationally in the manufacturing of shoes. And it is very important in my congressional district.

Given the difficulties that I previously mentioned, if there is one thing we do not need it is a national policy that would depress the economic health of the shoe manufacturing industry.

I have specific reference to a policy that would ship the very best quality hides overseas, and leave the lower grade hides here. It is quite obvious that such an arrangement would place our shoe manufacturers in less than a fair and competitive position with those industries manufacturing overseas and shipping their products to this country for sale. Such an arrangement, also, would cost the jobs of many of our citizens who have spent the greater part of their working lives in our domestic shoe manufacturing industry. They must be protected and it is our responsibility as their Representatives in the U.S. Congress to do so.

For years I have been a cosponsor of the Burke-Hartke bill to protect our Nation's shoe manufacturing industry.

I rise today in support of it again. We should not do anything in this House that will cause economic grief to one of our major industries and one of our major employers—the shoe manufacturing industry.

Let us protect the industry and let us protect its workers.

Mr. HANNA. Mr. Speaker, it is unmistakably clear that the intent of the conferees is to free American business from unnecessary, outmoded, bureaucratic restrictions in trade with Eastern Europe. United States and CoCom controls which discriminate against Americans must be done away with immediately if we are to get our rightful share of trade in this vastly expanding market. With the adoption of this conference report, we now call upon American industry to contribute its technical and commercial experience to assist in creating a more balanced and realistic export control posture. Joint industry-Government technical advisory committees should, in accordance with the provisions and clearly stated objectives of this law, be formed as soon as possible in order to avoid fur-

ther losses to American businessmen, and further losses in our balance of trade.

PARLIAMENTARY INQUIRY

Mr. BURKE of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. BURKE of Massachusetts. Mr. Speaker, may I inquire how much time the minority side had left before they yielded back their time?

The SPEAKER. The Chair will state that the gentleman from New Jersey (Mr. WIDNALL) had 16 minutes remaining.

Mr. BURKE of Massachusetts. I thank the Speaker.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. BURKE of Massachusetts) there were—ayes 77, noes 36.

Mr. BURKE of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 183, nays 124, not voting 125, as follows:

[Roll No. 348]

YEAS—183

Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Ashley
Aspinall
Baring
Belcher
Bergland
Bevill
Blatnik
Bolling
Bow
Brademas
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burleson, Tex.
Burlison, Mo.
Burton
Byrnes, Wis.
Cabell
Camp
Carlson
Casey, Tex.
Chappell
Clausen, Don H.
Collier
Collins, Tex.
Conable
Crane
Culver
Davis, Ga.
de la Garza
Dellenback
Denholm
Dennis
Dorn
du Pont
Eckhardt
Erlenborn
Evans, Colo.
Findley
Fish
Fisher
Flowers
Foley
Ford, Gerald R.
Fountain
Fraser
Frey
Fuqua
Galifianakis
Gettys
Gonzalez
Green, Oreg.
Griffin
Gross
Grover
Gubser
Gude
Hall
Halpern
Hammer-schmidt
Hanley
Hansen, Idaho
Hastings
Heinz
Henderson
Hicks, Wash.
Hogan
Hosmer
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Kastenmeier
Kazen
Keating
Kyl
Landgrebe
Latta
Leggett
Lent
Link
McCloskey
McClure
McCollister
McCormack
McCulloch
McFall
McKay
McKevitt
Mahon
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Mikva
Miller, Ohio
Mills, Md.
Mizell
Montgomery
Moorhead
Morgan
Mosher
Murphy, N.Y.
Myers
Natcher
Nedzi
Obey
O'Hara
O'Konski
Patman
Perkins
Pettis
Pickle
Poage
Powell
Preyer, N.C.
Price, Tex.
Pucinski
Purcell
Quie
Randall
Rees
Reuss
Roberts
Robinson, Va.
Rogers
Roncallo
Roush
Roy
Ruth
Sandman
Scherle
Schwengel
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Stephens
Stratton
Stubblefield
Taylor
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Udall
Vander Jagt
Vigorito
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Winn
Wolff
Wright
Wyatt
Young, Tex.
Zwach

NAYS—124

Abbitt
Abzug
Adams
Alexander
Anderson, Tenn.
Aspin
Barrett
Begich
Bennett
Biaggi
Biester
Bingham
Blackburn
Boland
Broyhill, N.C.
Buchanan
Burke, Mass.
Byrne, Pa.
Byron
Carey, N.Y.
Celler
Chisholm
Clay
Cleveland
Conover
Conyers
Cotter
Daniel, Va.
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Donohue
Dow
Downing
Drinan
Duncan
Edwards, Calif.
Eilberg
Eshleman
Flood
Flynt
Fulton
Garmatz
Gaydos
Gialmo
Goodling
Grasso
Gray
Green, Pa.
Haley
Hanna
Harrington
Hathaway
Hechler, W. Va.
Helstoski
Hicks, Mass.
Horton
Howard
Hunt
Jacobs
Johnson, Pa.
Jones, Tenn.
Karth
King
Koch
Kyros
Long, Md.
Macdonald, Mass.
Madden
Mazzoli
Miller, Calif.
Mills, Ark.
Minish
Mink
Mitchell
Monagan
Murphy, Ill.
Nix
O'Neill
Patten
Pike
Pirnie
Podell
Poff
Price, Ill.
Rangel
Robison, N.Y.
Rodino
Roe
Rooney, Pa.
Rosenthal
Rostenkowski
Rousselot
Roybal
St Germain
Sarbanes
Satterfield
Saylor
Scheuer
Schmitz
Seiberling
Slack
Smith, Calif.
Staggers
Stanton, James V.
Steele
Steiger, Wis.
Stokes
Stuckey
Sullivan
Symington
Teague, Calif.
Teague, Tex.
Tiernan
Vanik
Whalley
Wilson, Charles H.
Wylie
Wyman
Yates
Yatron
Zablocki

NOT VOTING—125

Abernethy
Abourezk
Addabbo
Anderson, Calif.
Annunzio
Arends
Ashbrook
Badillo
Baker
Bell
Betts
Blanton
Boggs
Brasco
Bray
Broomfield
Burke, Fla.
Caffery
Carney
Carter
Cederberg
Chamberlain
Clancy
Clark
Clawson, Del
Collins, Ill.
Colmer
Conte
Corman
Coughlin
Curlin
Davis, S.C.
Davis, Wis.
Derwinski
Devine
Dickinson
Diggs
Dingell
Dowdy
Dulski
Dwyer
Edmondson
Edwards, Ala.
Esch
Evins, Tenn.
Fascell
Ford, William D.
Forsythe
Frelinghuysen
Frenzel
Gallagher
Gibbons
Goldwater
Griffiths
Hagan
Hamilton
Hansen, Wash.
Harsha
Harvey
Hawkins
Hays
Hébert
Heckler, Mass.
Hillis
Holifield
Hull
Hungate
Jonas
Kee
Keith
Kemp
Kluczynski
Kuykendall
Landrum
Lennon
Lloyd
Long, La.
Lujan
McClory
McDade
McDonald, Mich.
McEwen
McKinney
McMillan
Mailliard
Mallary
Melcher
Metcalfe
Michel
Minshall
Mollohan
Moss
Nelsen
Nichols
Passman
Pelly
Pepper
Peyser
Pryor, Ark.
Quillen
Railsback
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Runnels
Ruppe
Ryan
Schneebeli
Scott
Springer
Steiger, Ariz.
Talcott
Terry
Thone
Ullman
Van Deerlin
Veysey
Waldie
Whalen
Wilson, Bob
Wydler
Young, Fla.
Zion

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Boggs for, with Mr. Rooney of New York against.
Mr. Hébert for, with Mr. Addabbo against.
Mr. Van Deerlin for, with Mr. Moss against.
Mr. Ullman for, with Mr. Holifield against.
Mr. Nichols for, with Mr. Clark against.
Mr. Passman for, with Mr. Brasco against.
Mr. Davis of South Carolina for, with Mr. Dulski against.
Mr. Gibbons for, with Mr. Diggs against.
Mr. Abernethy for, with Mr. Dingell against.
Mr. Caffery for, with Mr. Evins of Tennessee against.
Mr. Thone for, with Mr. Collins of Illinois against.
Mr. Runnels for, with Mr. Badillo against.
Mr. Steiger of Arizona for, with Mrs. Griffiths against.
Mr. Hull for, with Mr. Hawkins against.
Mr. Fascell for, with Mr. Conte against.
Mr. Curlin for, with Mr. Devine against.
Mr. Colmer for, with Mrs. Dwyer against.
Mr. Hillis for, with Mr. Kluczynski against.
Mr. Rarick for, with Mr. Metcalfe against.
Mr. Ashbrook for, with Mr. Mollohan against.
Mr. Bray for, with Mr. Ryan against.
Mr. Cederberg for, with Mr. Waldie against.
Mr. Lennon for, with Mrs. Heckler of Massachusetts against.
Mr. Rhodes for, with Mr. Burke of Florida against.
Mr. Davis of Wisconsin for, with Mr. Clancy against.
Mr. Blanton for, with Mr. McKinney against.
Mr. Edwards of Alabama for, with Mr. Forsythe against.
Mr. Harsha for, with Mr. Annunzio against.
Mr. McEwen for, with Mr. Carney against.
Mr. Michel for, with Mr. Kee against.
Mr. Pelly for, with Mr. Frelinghuysen against.
Mr. Railsback for, with Mr. McDade against.
Mr. Scott for, with Mr. Coughlin against.
Mr. Springer for, with Mr. Frenzel against.
Mr. Talcott for, with Mr. Wydler against.
Mr. Veysey for, with Mr. Young of Florida against.
Mr. Whalen for, with Mr. Carter against.
Mr. Zion for, with Mr. Harvey against.
Mr. Del Clawson for, with Mr. Schneebeli against.

Until further notice:

Mr. Melcher with Mr. Arends.
Mr. Corman with Mr. Baker.
Mr. Abourezk with Mr. Keith.
Mrs. Hansen of Washington with Mr. Goldwater.
Mr. Hays with Mr. Bell.
Mr. Hungate with Mr. Jonas.
Mr. Landrum with Mr. Derwinski.
Mr. McMillan with Mr. Betts.
Mr. Pepper with Mr. Kemp.
Mr. Pryor of Arkansas with Mr. Kuykendall.
Mr. Reid with Mr. Lloyd.
Mr. William D. Ford with Mr. Broomfield.
Mr. Hagan with Mr. Dickinson.
Mr. Long of Louisiana with Mr. Lujan.
Mr. Anderson of California with Mr. Chamberlain.
Mr. Edmondson with Mr. McClory.
Mr. Gallagher with Mr. Esch.
Mr. Bob Wilson with Mr. McDonald of Michigan.
Mr. Peyser with Mr. Mailliard.
Mr. Quillen with Mr. Ruppe.
Mr. Nelsen with Mr. Riegle.
Mr. Minshall with Mr. Mallary.
Mr. Terry with Mr. Hamilton.

Mr. KOCH and Mr. BUCHANAN changed their votes from "yea" to "nay."

Mr. DENHOLM changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

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

H.R. 3413. An act for the relief of Dr. David G. Simons, lieutenant colonel, U.S. Air Force (retired);

H.R. 8549. An act to amend title 10, United States Code, to broaden the authority of the Secretaries of the military departments to settle certain admiralty claims administratively, and for other purposes; and

H.R. 10310. An act to establish the Seal Beach National Wildlife Refuge.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11185. An act to amend the Internal Revenue Code of 1954 with regard to the exempt status of veterans' organizations.

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S.J. Res. 260. Joint resolution to delay the effectiveness of certain amendments to the interest subsidy provisions of the guaranteed student loan program in the case of certain students.

The message also announced that the Senate had passed a bill and a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. 32. An act to amend the National Science Foundation Act of 1950 in order to establish a framework of national science policy and to focus the Nation's scientific talent and resources on its priority problems, and for other purposes; and

S. Con. Res. 94. Concurrent resolution providing for an adjournment of the two Houses from August 18, 1972, to September 5, 1972.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, D.C., August 18, 1972.

The Honorable the SPEAKER,
House of Representatives.

DEAR SIR: The Clerk of the House of Representatives received on August 17, 1972 from the U.S. Marshal by certified mail (812887) an unattested copy of the Summons in a Civil Action together with a copy of the complaint filed by Lewis Gene Freeman v. The United States Government, the United States Congress, the United States House of Representatives and others in Civil Action File No. 72 C 380 in the United States District Court for the Southern District of Indiana, Indianapolis Division.

The summons requires the Congress of the United States to answer the complaint within sixty days after service.

The summons and complaint in question are herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

WASHINGTON, D.C., *August 18, 1972.*

Hon. RICHARD G. KLEINDIENST,
Attorney General of the United States, Washington, D.C.

DEAR MR. KLEINDIENST: I am sending you a certified copy of a summons and complaint in a civil action (72 C 380) filed against the United States Congress and the United States House of Representatives and others in the United States District Court for the Southern District of Indiana, Indianapolis Division, and served upon me by certified mail (812-887) on August 17, 1972.

In accordance with 2 U.S.C. 118 I have sent a certified copy of the summons and complaint in this action to the U.S. District Attorney for the Southern District of Indiana, Indianapolis Division, requesting that he take appropriate action under the supervision and direction of the Attorney General. I am also sending you a copy of the letter I forwarded this date to the U.S. Attorney.

With kind regards, I am,

Sincerely yours,

W. PAT JENNINGS,
Clerk, House of Representatives.

WASHINGTON, D.C., *August 18, 1972.*

Hon. STANLEY B. MILLER,
U.S. Attorney for the Southern District of Indiana, Indianapolis, Ind.

DEAR MR. MILLER: I am sending you a certified copy of a summons and complaint in a civil action (72 C 380) filed against the United States Congress and the United States House of Representatives and others in the United States District Court for the Southern District of Indiana, Indianapolis Division, and served upon me by certified mail (812-887) on August 17, 1972.

In accordance with Title 2, U.S. Code, sec. 118, I respectfully request that you take appropriate action, as deemed necessary, under the "supervision and direction of the Attorney General" of the United States in defense of this suit against the U.S. House of Representatives.

I am also sending you a copy of the letter that I forwarded this date to the Attorney General of the United States.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

ADJOURNMENT OF THE HOUSES FROM AUGUST 18 TO SEPTEMBER 5, 1972

The SPEAKER laid before the House the Senate concurrent resolution (S. Con. Res. 94) providing for an adjournment of the two Houses from August 18, 1972, to September 5, 1972:

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Friday, August 18, 1972, it stand adjourned until 10 o'clock ante meridian on Tuesday, September 5, 1972.

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: Strike out in page 1, line four, "1972.", and insert the following: "1972, and that when the House adjourns on Friday, August 18, 1972, it stand adjourned until 12 noon on Tuesday, September 5, 1972."

The amendment was agreed to.

The Senate concurrent resolution, as amended, was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE AND SPEAKER TO SIGN BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until September 5, 1972, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

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

There was no objection.

AUTHORIZING PRINTING OF REPORTS BY COMMITTEES AUTHORIZED TO CONDUCT INVESTIGATIONS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the adjournment of the House until September 5, 1972, by committees authorized by the House to conduct investigations, may be printed by the Clerk as reported of the 92d Congress.

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

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until September 5, 1972, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

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

There was no objection.

DISPENSING WITH BUSINESS IN ORDER ON CALENDAR WEDNESDAY, SEPTEMBER 6, 1972

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, September 6, 1972, may be dispensed with.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. BURKE of Massachusetts) there were—ayes 58, noes 21.

TELLER VOTE WITH CLERKS

Mr. CLEVELAND. Mr. Speaker, I demand tellers.

Tellers were ordered.

Mr. CLEVELAND. Mr. Speaker, I demand tellers with clerks.

Tellers with clerks were ordered; and the Speaker appointed as tellers Messrs. COLMER, BURKE of Massachusetts, SMITH of California, and CLEVELAND.

The Committee divided, and the tellers reported that there were—ayes 194, noes 111, not voting 127, as follows:

[Roll No. 347]

[Recorded Teller Vote]

AYES—194

Abbitt
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Arends
Ashley
Aspinall
Baring
Barrett
Belcher
Bennett
Bergland
Bevill
Blatnik
Bolling
Bow
Brademas
Bray
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson, Tex.
Burlison, Mo.
Burton
Byrnes, Wis.
Cabell
Camp
Carlson
Casey, Tex.
Cederberg
Chappell
Clausen, Don H.
Collier
Collins, Tex.
Colmer
Conable
Conover
Culver
de la Garza
Dellenback
Denholm
Dorn
Downing
Duncan
du Pont
Eckhardt
Erlenborn
Evans, Colo.
Findley
Fish
Fisher
Flowers
Foley
Ford, Gerald R.
Fountain
Fraser
Frenzel
Frey
Galifianakis
Gonzalez
Green, Oreg.
Griffin
Gross
Grover
Gubser
Gude
Haley
Hall
Hammer-schmidt
Hanna
Hansen, Idaho
Harsha
Hastings
Helstoski
Henderson
Hicks, Wash.
Hogan
Horton
Hosmer
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Kastenmeier
Kazen
Kee
Kyl
Landgrebe
Latta
Leggett
Lent
Link
Long, Md.
McCloskey
McClure
McCollister
McCormack
McCulloch
McFall
McKevitt
Mahon
Mailliard
Mallary
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Mikva
Mills, Md.
Minish
Mizell
Montgomery
Moorhead
Morgan
Mosher
Myers
Natcher
Nedzi
O'Konski
Patman
Pettis
Pickle
Poage
Poff
Powell
Preyer, N.C.
Price, Tex.
Purcell
Quie
Randall
Rees
Reuss
Roberts
Robinson, Va.
Roe
Rogers
Roncalio
Roush
Roy
Ruth
Sandman
Satterfield
Scherle
Schwengel
Sebelius
Shoup
Shriver
Sikes
Sisk
Skubitz
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Steed
Stubblefield
Sullivan
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Udall
Vander Jagt
Vigorito
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Winn
Wright
Wyatt
Young, Fla.
Young, Tex.
Zwach

NOES—111

Abzug
Adams
Alexander
Anderson, Tenn.
Ashbrook
Aspin
Begich
Biaggi
Biester
Bingham
Blackburn
Boland
Burke, Mass.
Byrne, Pa.
Byron
Celler
Chisholm
Clay
Cleveland
Conyers
Cotter
Crane
Daniel, Va.
Daniels, N.J.
Danielson
Davis, S.C.
Delaney
Dellums
Dent
Devine
Donohue
Dow
Drinan
Edwards, Calif.
Eilberg
Eshleman
Flood
Flynt
Fulton
Garmatz
Gaydos
Giaimo
Goldwater
Goodling
Grasso
Gray
Green, Pa.
Hamilton
Hanley
Harrington
Hathaway
Hechler, W. Va.
Heinz
Hicks, Mass.
Howard
Jacobs
Jones, Tenn.
Karth
Keating
King
Koch
Kyros
McKay
Madden
Mazzoli
Miller, Calif.
Miller, Ohio
Mills, Ark.
Mink
Mitchell
Monagan
Moss
Murphy, Ill.
Nix
Obey
O'Neill
Patten
Perkins
Pike
Pirnie
Podell
Price, Ill.
Pucinski
Rangel
Robison, N.Y.
Rodino
Rosenthal
Rostenkowski
Rousselot
Roybal
St Germain
Sarbanes
Scheuer
Schmitz
Seiberling
Shipley
Slack
Snyder
Staggers
Steele
Steiger, Wis.
Stratton
Symington
Teague, Tex.
Vanik
Wolff
Wylie
Wyman
Yates
Yatron
Zablocki

NOT VOTING—127

Abernethy
Abourezk
Addabbo
Anderson, Calif.
Annunzio
Badillo
Baker
Bell
Betts
Blanton
Boggs
Brasco
Broomfield
Burke, Fla.
Caffery
Carey, N.Y.
Carney
Carter
Chamberlain
Clancy
Clark
Clawson, Del
Collins, Ill.
Conte
Corman
Coughlin
Curlin
Davis, Ga.
Davis, Wis.
Dennis
Derwinski
Dickinson
Diggs
Dingell
Dowdy
Dulski
Dwyer
Edmondson
Edwards, Ala.
Esch
Evins, Tenn.
Fascell
Ford, William D.
Forsythe
Frelinghuysen
Fuqua
Gallagher
Gettys
Gibbons
Griffiths
Hagan
Halpern
Hansen, Wash.
Harvey
Hawkins
Hays
Hébert
Heckler, Mass.
Hillis
Holifield
Hull
Hungate
Ichord
Keith
Kemp
Kluczynski
Kuykendall
Landrum
Lennon
Lloyd
Long, La.
Lujan
McClory
McDade
McDonald, Mich.
McEwen
McKinney
McMillan
Macdonald, Mass.
Melcher
Metcalfe
Michel
Minshall
Mollohan
Murphy, N.Y.
Nelsen
Nichols
O'Hara
Passman
Pelly
Pepper
Peyser
Pryor, Ark.
Quillen
Railsback
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Rooney, Pa.
Runnels
Ruppe
Ryan
Saylor
Schneebeli
Scott
Springer
Stanton, James V.
Steiger, Ariz.
Stephens
Stokes
Stuckey
Talcott
Terry
Thompson, N.J.
Thone
Tiernan
Ullman
Van Deerlin
Veysey
Waldie
Whalen
Wilson, Bob
Wilson, Charles H.
Wydler
Zion

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 3726) to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 15, 1972.)

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with.

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

Mr. DENT. Mr. Speaker, reserving the right to object, I would like to ask a question. I do not object. All of us would like to leave because we have had a long week, but I would like to know if the chairman is prepared to give a few minutes or so to those of us who have something to say.

Mr. PATMAN. I will certainly be delighted to.

Mr. DENT. I thank the gentleman from Texas.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this measure returns from conference with two titles designed to promote American exports and increase employment here in the United States.

Title I of the bill extends and amends the Export Administration Act of 1969 and requires that the Secretary of Commerce act expeditiously to eliminate unilateral controls on the export of peaceful, nonstrategic goods.

The conferees adopted Senate provisions which would require the Secretary of Commerce to investigate which items should no longer be subject to export controls because they are not significant to the national security of the United States and require the President to remove unilateral export controls on items he determines are available in significant quantity and quality comparable to those produced here, except when he determines that the absence of controls would prove detrimental to our national security.

Another Senate provision adopted by the conferees requires that the Secretary of Commerce report to the Congress not later than 9 months after the date of enactment of this act concerning steps he has taken to reduce our unilateral controls, and a provision that the Secretary of Commerce shall report items and information subject to control procedures which are more burdensome than procedures of our allies.

The conferees also adopted a Senate provision which requires the Secretary of Commerce to establish technical advisory committees to assist in reducing both unilateral and multilateral export controls. The House receded to the Senate with an amendment which eliminated the requirement that the members of any such committee be compensated. The House conferees substituted a provision which authorizes the Secretary to reimburse any such member for travel and subsistence, when appropriate, upon request of the member.

The Senate provisions of title I agreed

an increase no more frequently than once every 12 months.

RICHARD NIXON.

THE WHITE HOUSE, *August 31, 1972.*

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of August 17, 1972, the Secretary of the Senate, on August 18, 1972, received the following message from the House of Representatives:

The message informed the Senate that, pursuant to the provisions of section 2 (b), Public Law 89-491, as amended, the Speaker had appointed Mr. BURKE of Massachusetts as a member of the American Revolution Bicentennial Commission, vice Mr. DONOHUE, resigned

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3323) to amend the Public Health Service Act to enlarge the authority of the National Heart and Lung Institute in order to advance the national attack against diseases of the heart and blood vessels, the lungs, and blood, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 15474) to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Cooley's anemia.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution:

S. 3726. An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes; and

S.J. Res. 260. Joint resolution to suspend until March 1, 1973, the effectiveness of certain amendments made by the education amendments of 1972 to the guaranteed student loan program.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under authority of the order of the Senate of August 17, 1972, the Secretary of the Senate, on August 19, 1972, received the following message from the House of Representatives:

That the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

H.R. 3413. An act for the relief of Dr. David G. Simons, lieutenant colonel, U.S. Air Force (retired);

H.R. 8549. An act to amend title 10, United States Code, to broaden the authority of the Secretaries of the military departments to settle certain admiralty claims administratively, and for other purposes;

H.R. 9256. An act for the relief of Kyong Ok Goodwin (Nee Won);

H.R. 10310. An act to establish the Seal Beach National Wildlife Refuge;

H.R. 10713. An act for the relief of Wilma Busto Koch;

H.R. 11185. An act to amend the Internal Revenue Code of 1954 with regard to the exempt status of veterans' organizations, and for other purposes;

H.R. 15474. An act to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Cooley's anemia;

H.R. 15580. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes;

S.J. Res. 182. Joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in Farmfest—U.S.A. and the world ploughing contest in September 1972; and

S.J. Res. 213. Joint resolution to authorize and request the President to issue a proclamation designating October 6, 1972, as "National Coaches Day."

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of August 17, 1972, the following enrolled bills and joint resolutions were signed by the Vice President, on August 18, 1972:

S. 2166. An act to authorize the establishment of the Grant-Kohrs National Historic Site in the State of Montana, and for other purposes;

S. 3159. An act to authorize the Secretary of the Interior to establish the John D. Rockefeller, Jr., Memorial Parkway, and for other purposes;

S. 3726. An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes;

H.R. 755. An act to amend the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, to convert criminal penalties to civil penalties in certain instances, and for other purposes;

H.R. 2394. An Act for the relief of Antonio Benavides;

H.R. 2703. An act for the relief of Mrs. Concepcion Garcia Balauro;

H.R. 5158. An act for the relief of Maria Rosa Martins;

H.R. 5814. An act to amend section 2735 of title 10, United States Code, to provide for the finality of settlement effected under section 2733, 3734, 3734a, 3734b, or 2737;

H.R. 12392. An act to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation;

H.R. 12931. An act to provide for improving the economy and living conditions in rural America;

S.J. Res. 260. Joint resolution to suspend until March 1, 1973, the effectiveness of certain amendments made by the education amendments of 1972 to the guaranteed student loan program; and

H.J. Res. 1278. Joint resolution making further continuing appropriations for the fiscal year 1973, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of August 17, 1972, the following enrolled bills and joint resolutions were signed by the Vice President, on August 19, 1972:

H.R. 3413. An act for the relief of Dr. David G. Simons, lieutenant colonel, U.S. Air Force (retired);

H.R. 8549. An act to amend title 10, United States Code, to broaden the authority of the Secretaries of the military departments to settle certain admiralty claims administratively, and for other purposes;

H.R. 9256. An act for the relief of Kyong Ok Goodwin (nee Won);

H.R. 10310. An act to establish the Seal Beach National Wildlife Refuge;

H.R. 10713. An act for the relief of Wilma Busto Koch;

H.R. 11185. An act to amend the Internal Revenue Code of 1954 with regard to the exempt status of veterans' organizations, and for other purposes;

H.R. 15474. An act to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Cooley's anemia;

H.R. 15580. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes;

S.J. Res. 182. Joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in Farmfest-U.S.A. and the world plowing contest in September 1972; and

S.J. Res. 213. Joint resolution to authorize and request the President to issue a proclamation designating October 6, 1972, as "National Coaches Day."

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of August 18, 1972, the following reports of committees were submitted on September 1, 1972:

By Mr. CRANSTON (for Mr. HARTKE), from the Committee on Veterans' Affairs, with amendments:

S. 2108. A bill to amend chapters 17 and 31 of title 38, United States Code, to require the availability of comprehensive treatment and rehabilitative services and programs for certain disabled veterans suffering from alcoholism, drug dependence and alcohol or drug abuse disabilities, and for other purposes (Rept. No. 92-1084).

By Mr. HARTKE, from the Committee on Commerce:

S. 3945. An original bill to amend the Interstate Commerce Act, as amended, in order to make unlawful certain property tax assessments of transportation property of common or contract carriers, and for other purposes (Rept. No. 92-1085).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, August 18, 1972, be dispensed with.

Mr. JAVITS. Mr. President, reserving the right to object—and I shall not object—if the Senator from Montana will yield to me at this point——

Mr. MANSFIELD. I yield.

Mr. JAVITS. I shall seek at the earliest time a live quorum. I just wish to advise the leadership to that effect. I shall hope to bring that about before any action is taken on second reading of a bill which is over here and at the desk from the House, the so-called busing bill.

I thank the distinguished majority leader.

Amendments of 1972 to the Guaranteed Student Loan Program.

On August 20, 1972:

S. 484. An act to designate the Scapegoat Wilderness, Helena, Lolo, and Lewis and Clark National Forests, in the State of Montana; and

S. 3645. An act to further amend the U.S. Information and Educational Exchange Act of 1948.

On August 22, 1972:

S. 559. An act for the relief of Albinila Lucio Z. Manlucu;

S. 596. An act to require that international agreements other than treaties, hereafter entered into by the United States, be transmitted to the Congress within sixty days after the execution thereof;

S. 2704. An act for the relief of Rita Rosella Valleriani; and

S. 2854. An act to amend title 28, United States Code, relating to annuities of widows of Supreme Court Justices.

On August 25, 1972:

S. 2166. An act to authorize the establishment of the Grant-Kohrs Ranch National Historic Site in the State of Montana, and for other purposes; and

S. 3159. An act to authorize the Secretary of the Interior to establish the John D. Rockefeller, Junior, Memorial Parkway, and for other purposes.

On August 28, 1972:

S.J. Res. 182. Joint Resolution authorizing the President to invite the States of the Union and Foreign Nations to participate in Farmfest—U.S.A. and the World Plowing Contest in September 1972.

On August 29, 1972:

S. 3726. An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes;

S. 3824. An act to authorize appropriations for the fiscal year 1973 for the Corporation for Public Broadcasting and for making grants for construction of noncommercial educational television or radio broadcasting facilities; and

S.J. Res. 213. Joint resolution to authorize and request the President to issue a proclamation designating October 6, 1972, as "National Coaches Day".

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 3490. An act to authorize and request the President to issue annually a proclamation designating August 26 of each year as "Women's Rights Day"; and

S. 3755. An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such Act; to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes.

The message also announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 8215. An act to provide relief for certain prewar Japanese bank claimants;

H.J. Res. 135. Joint resolution to authorize the President to issue a proclamation designating the week in November of 1972 which includes Thanksgiving Day as "National Family Week";

H.J. Res. 1080. Joint resolution providing the observance of "Youth Appreciation Week" during the seven-day period beginning November 13, 1972;

H.J. Res. 1193. Joint resolution to provide for the designation of the week which begins on September 24, 1972, as "National Microfilm Week";

H.J. Res. 1227. Joint resolution approval and authorization for the President of the United States to accept an Interim Agreement Between the United States of America and the Union of Soviet Socialist Republics on Certain Measures With Respect to the Limitation of Strategic Offensive Arms; and

H.J. Res. 1263. Joint resolution authorizing the President to proclaim October 30, 1972, as "National Sokol U.S.A. Day".

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were severally read twice by their titles and referred, as indicated:

H.R. 8215. An act to provide relief for certain prewar Japanese bank claimants;

H.J. Res. 135. Joint resolution to authorize the President to issue a proclamation designating the week in November of 1972 which includes Thanksgiving Day as "National Family Week";

H.J. Res. 1080. Joint resolution providing the observance of "Youth Appreciation Week" during the 7-day period beginning November 13, 1972; and

H.J. Res. 1193. Joint resolution to provide for the designation of the week which begins on September 14, 1972, as "National Microfilm Week"; and

H.J. Res. 1263. Joint resolution authorizing the President to proclaim October 30, 1972, as "National Sokol U.S.A. Day"; to the Committee on the Judiciary.

H.J. Res. 1227. Joint resolution approval and authorization for the President of the United States to accept an Interim Agreement Between the United States of America and the Union of Soviet Socialist Republics Certain Measures With Respect to the Limitation of Strategic Offensive Arms; to the Committee on Foreign Relations.

OUTRAGE AT MUNICH OLYMPIC GAMES

Mr. SCOTT. Mr. President, the shooting at Munich is incredible. Holding citizens of Israel as hostages and attempting to halt the Olympic games so that the Arabs can get their way is unbelievable.

The actions by these irresponsible persons, coming during an event being watched by the free world and others, are vile and barbaric.

The Olympic games have been cast over the years as being nonpolitical. Representatives of other countries, whether in tune ideologically or on the other side, have always been able to put their differences aside to compete. This wholesome activity brings us closer to lasting peace.

But the shooting at Munich can set back all of these gains.

It is hoped that all nations will condemn this barbaric action.

Perhaps the United Nations can summon enough courage to join in condemnation of this inhumanity.

Mr. MANSFIELD. Mr. President, will the distinguished minority leader yield?

Mr. SCOTT. I yield.

Mr. MANSFIELD. I wish to join the distinguished Republican leader in the remarks he has just made, about the reprehensible and outrageous events which have occurred at the Olympic games in reference to the killing and detention of the Israeli athletes by Arab terrorists.

It is outrageous. It is reprehensible.

I would suggest most seriously that the Olympic games be canceled in memory of those who have been killed as a result of what has happened there.

Mr. JAVITS. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. Mr. President, I should like to associate myself both with the majority and minority leaders. This is piracy against the civilized world. The world simply cannot tolerate this kind of lawlessness. I say this without regard to the ideology or social order of any nation—Communist or free.

Mr. President, the last time a dread event like this occurred, the massacre at the Tel Aviv Airport, a high official in the Arab world expressed sympathy with the terrorists. This was hardly designed to discourage them.

I hope that the world will take careful note and hold strictly to account any nation—Arab or otherwise—which gives sanctuary or in any way gives implicit or express approval to these murderers—and that is all they are.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD my statement in the Senate Chamber last June 6 relating to the previous outrage.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF MR. JAVITS

I wish to note that this very morning a United States Air Force plane is bringing back to Puerto Rico the bodies of 16 murdered Puerto Rican Christians who were engaged in a religious pilgrimage to Israel. They were massacred by pro-Arab terrorists at the Tel Aviv airport. This is an outrage that resulted in more than 100 persons being killed or wounded. The citizens of Puerto Rico are American citizens. They serve in the armed forces of the United States, and they are part of our country as much as are the citizens of any State.

These 16 Americans were ostensibly protected by our flag. The responsibility which we have to Americans who travel abroad may well be proven to be devoid of real substance unless our Government does something to dramatize to other governments that we will not countenance airborne terrorism and that we will not countenance any explicit support for such terrorism by any country which has friendly relations with the United States.

I think that the world is appropriately appalled that any people, let alone any nation, would claim credit for such a dreadful and brutal mass murder as took place in the Tel Aviv airport. But credit is being claimed by

the existing federal and local investment in the present project which could be destroyed by a storm in excess of its capacity; and

"Whereas, The Santa Barbara County Board of Supervisors has advanced $30,000 for the preparation of necessary new bridge designs, which are now completed, and the Santa Barbara County Flood Control and Water Conservation District has funds available and will provide safety fencing for the entire project and will accept the responsibility for maintenance of the project upon completion; and

"Whereas, The City of Lompoc will provide funds for bridge betterments not covered by the Department of Water Resources allocation; and

"Whereas, Due to the foregoing there is an urgent need to immediately construct the necessary improvements for the expansion of the Miguelito Project; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the United States Soil Conservation Service to provide funds for the construction of necessary improvements to increase the level of protection of the Santa Ynez River Flood Protection Project—San Miguelito Watershed; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Administrator of the United States Soil Conservation Service, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Maryland; to the Committee on the Judiciary:

"RESOLUTION 34

"Joint Resolution ratifying a proposed amendment to the Constitution of the United States relative to equal rights for men and women

"Whereas, The 92nd Congress of the United States has passed a Joint Resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

"Whereas, This Joint Resolution passed the House of Representatives of the United States on October 12, 1971, passed the Senate of the United States on March 22, 1972, and now has been submitted to a vote of the states; and

"Whereas, The State of Maryland wishes to ratify this proposed amendment to the Constitution of the United States which, when ratified by the Legislatures of three-fourths of the several states, shall be valid to all intents and purposes as part of the Constitution of the United States, viz:

" 'ARTICLE

" 'SECTION 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

" 'SEC. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

" 'SEC. 3. This amendment shall take effect two years after the date of ratification.'

"Resolved by the General Assembly of Maryland, That the foregoing proposed amendment to the Constitution of the United States is ratified by the State of Maryland to all intents and purposes as a part of the Constitution of the United States; and be it further

"Resolved, That the Governor of the State of Maryland is requested to forward authentic copies of this Resolution, under the Great Seal of the State of Maryland, to the Secretary of State of the United States, to the presiding officer of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to the Administrator of General Services of the United States."

The petition of Ronald S. Burgess, of Newton, N.C., praying for a redress of grievances; to the Committee on Armed Services.

A resolution adopted by the National Association of Attorneys General, praying for the enactment of legislation relating to offshore revenue sharing by the Federal Government with coastal States and all other States; to the Committee on Finance.

A resolution adopted by the City Council of Los Angeles, Calif., praying for the enactment of House bill 16058; to the Committee on the Judiciary.

A resolution adopted by the board of directors of Credit Union National Association, Inc., Madison, Wis., expressing appreciation to the President and Congress for their action to provide assistance to Federal credit unions; ordered to lie on the table.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that, on August 18, 1972, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 2166. An act to authorize the establishment of the Grant-Kohrs National Historic Site in the State of Montana, and for other purposes;

S. 3159. An act to authorize the Secretary of the Interior to establish the John D. Rockefeller, Junior, Memorial Parkway, and for other purposes;

S. 3726. An act to extend and amend the Export Administration Act of 1969 to afford more equal export opportunity, to establish a Council on International Economic Policy, and for other purposes; and

S.J. Res. 260. Joint resolution to suspend until March 1, 1973, the effectiveness of certain amendments made by the Education Amendments of 1972 to the Guaranteed Student Loan Program.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that, on August 19, 1972 he presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 182. Joint resolution authorizing the President to invite the States of the Union and foreign nations to participate in Farmfest-U.S.A., and the World Ploughing Contest in September 1972; and

S.J. Res. 213. Joint resolution to authorize and request the President to issue a proclamation designating October 6, 1972, as "National Coaches Day".

ECONOMIC OPPORTUNITY AMENDMENTS OF 1972—REPORT OF A COMMITTEE (S. REPT. NO. 92-1086)

Mr. NELSON, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12350) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes, submitted a report thereon, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SCOTT:

S. 3946. A bill to grant a Federal charter to the American Golf Hall of Fame Association. Referred to the Committee on the Judiciary.

By Mr. TALMADGE (by request):

S. 3947. A bill to prevent the unauthorized manufacture and use of the character "Woodsy Owl," and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. HRUSKA:

S. 3948. A bill to establish a National Institute of Corrections for the purpose of providing Federal, State, and local corrections personnel with continuing education and guidance on methods of treatment and rehabilitation of criminal offenders. Referred to the Committee on the Judiciary.

By Mr. BAKER:

S. 3949. A bill for the relief of Mohan Deva Bhattarai. Referred to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 3950. A bill to permit the Capital Yacht Club of the District of Columbia to borrow money without regard to the usury laws of the District of Columbia. Referred to the Committee on the District of Columbia.

By Mr. HUMPHREY:

S. 3951. A bill to establish within the executive branch an independent board to establish guidelines for experiments involving human beings. Referred to the Committee on Government Operations.

By Mr. TOWER:

S. 3952. A bill to provide increased job training opportunities for people with limited English-speaking ability by establishing a coordinated manpower training program, a teacher training program for instructors of bilingual job training, and a capability to increase the development of instructional materials and methods for bilingual job training. Referred to the Committee on Labor and Public Welfare.

By Mr. SPONG (for himself and Mr. SPARKMAN):

S. 3953. A bill for the relief of Datronics Engineers, Inc. Referred to the Committee on the Judiciary.

By Mr. ROBERT C. BYRD:

S. 3954. A bill to amend the Internal Revenue Code of 1954 to permit the deduction of a portion of State sales taxes on motor vehicles which are imposed at a rate higher than the general sales tax rate. Referred to the Committee on Finance.

By Mr. DOLE:

S.J. Res. 263. A joint resolution to authorize and request the President to issue a proclamation designating a week as "National Welcome Home Our Prisoners Week" upon the release and return to the United States of American prisoners of war in Vietnam. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HRUSKA:

S. 3948. A bill to establish a National Institute of Corrections for the purpose of providing Federal, State, and local corrections personnel with continuing education and guidance on methods of treatment and rehabilitation of criminal offenders. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, I send to the desk a bill to establish a National Institute of Corrections within the Executive Office of the President. I ask that the bill be appropriately referred. In addition, I ask unanimous consent that the complete text of the bill be printed in