

House of Representatives

THURSDAY, MAY 14, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 55: 3: *Incline your ear and come unto me; hear and your soul shall live.*

Eternal God, our Father, who art the nearest of all companions and the wisest of all counselors, we rejoice that Thou art always responsive to our many needs when we approach Thee with a humble spirit and a contrite heart.

Enable us by Thy grace to be more impervious to those devastating fears and anxieties which so frequently assail us and disturb our peace.

Grant that Thou wilt strengthen the life of our Republic and cause it to be more firmly rooted in those spiritual ideals and principles of the Founding Fathers who took God into account and sought to reverence and obey those divine laws which cannot be broken.

May we have men and women at the helm of the Ship of State who are not steering her by the rush candles of expediency and self-interest but by the eternal stars of lofty idealism.

Hear us in Christ's name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2772. An act to amend the Alaska Omnibus Act.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

MAY 13, 1964.

The Honorable JOHN W. McCORMACK, Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Government Operations.

Respectfully yours,

ALBERT W. JOHNSON.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT TO COMMITTEE

Mr. ARENDS. Mr. Speaker, I offer a privileged resolution (H. Res. 723) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That IRENE B. BAKER, of Tennessee, be, and she is hereby, elected a member of the standing Committee of the House of Representatives on Government Operations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR WEEK OF MAY 18

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I ask for this time in order to ask the majority whip if he will inform us of the program for next week.

Mr. BOGGS. Mr. Speaker, in response to the request from the distinguished minority whip, the program for the House for the week beginning Monday, May 18, is as follows:

Monday is Consent Calendar day. In addition to that, we have four suspensions: First, H.R. 11037, amending the Alaska Omnibus Act providing funds for the public administration of certain facilities there.

H.R. 9653, extension of authority of Postmaster General to lease real property.

House Joint Resolution 1020, a gold medal for Henry J. Kaiser.

House Joint Resolution 889, commemorating the golden anniversary of the Naval Air Station at Pensacola, Fla.

S. 920, which will be considered under an open rule with 1 hour of general debate. This deals with international reciprocity for amateur radio operators.

On Tuesday, the Private Calendar, to be followed by H.R. 11202, Department of Agriculture appropriations, 1965.

On Wednesday, the 1965 appropriations for the independent offices.

On Thursday and the balance of the week, the late distinguished Member from Missouri, Mr. Cannon, will be eulogized, followed by H.R. 10041, the Hospital and Medical Facilities Amendments of 1964. That will be considered under a rule with 3 hours of general debate.

Conference reports will be in order at any time.

Mr. ARENDS. I thank the gentleman from Louisiana.

Mr. BOGGS. In addition to that, Mr. Speaker, the Committee on Ways and Means have reported eight bills unanimously, and the chairman of that committee informs me he may seek permission to call them up at some time during the week. They were reported unanimously, as I said, by the Committee on Ways and Means. I will put the numbers and description of the bills in the Record.

Mr. Speaker, I ask unanimous consent

that when the House adjourns today it adjourn to meet on Monday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, with reference to the bills out of the Committee on Ways and Means, will we have some notification prior to their being called up?

Mr. BOGGS. Yes. It will be put in the Record. If the gentleman would like, I will be very happy to read them now.

Mr. GROSS. No. I do not ask for that.

Mr. BOGGS. Yes. It will be made a part of the Record as of now.

Mr. GROSS. But I would like to know when they are to be called up on the floor. If the leadership could give us some indication the day preceding that, it would be helpful to us to know.

Mr. BOGGS. I am certain that the distinguished chairman of the Committee on Ways and Means will be glad to do that.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The bills referred to are as follows:

BILLS REPORTED FROM COMMITTEE ON WAYS AND MEANS

H.R. 4198, SHELLEY: Free importation, instant coffee.

H.R. 9688, BALDWIN: Responsibility for placement and foster care of children.

H.R. 10463, GRIFFITHS: Suspension of duty, metal scrap.

H.R. 10465, MILLS: Personal and household effects.

H.R. 10466, MILLS: Assistance for returning nationals.

H.R. 10468, MILLS: Suspension of duty, shoe lathes.

H.R. 10473, KING of California: Foster care in child-care institutions.

H.R. 10537, HARVEY of Michigan: Suspension of duty, natural graphite.

ADJOURNMENT OVER TO MONDAY, MAY 18

Mr. BOGGS. Mr. Speaker, I renew my request and ask unanimous consent that when the House adjourns today it adjourns to meet on Monday next.

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

There was no objection.

COMMITTEE ON RULES

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file various reports.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

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

There was no objection.

THE SUGAR ACT

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

Mr. BARRY. Mr. Speaker, within the next few months this Congress must come to grips with the vital national problem of the foreign sugar supply provisions of the 1962 Sugar Act.

Just how Congress deals with this sugar problem will have a direct impact on business and thousands of union jobs.

If there is an increase in the beet sugar allocation this would entail loss of thousands of jobs in cane sugar refineries in eastern industrial States and might force the closing of at least one major refinery. It would also increase the price of sugar for consumers and impair the balance of U.S. imports and exports which would directly affect many American industries.

When the Sugar Act was up for amendment 2 years ago, the mainland producers agreed with the rest of the sugar industry that their quotas would not be changed before 1967. The law, passed by Congress in 1962 and now in effect, was based on that agreement.

The domestic beet sugar producing industry has recently announced a drive to amend the law at this session of Congress in order to increase its share by at least 750,000 tons or about 28 percent of their present quota. This increase would mean a corresponding loss to the domestic cane sugar refining industry which would otherwise refine and market this tonnage.

HOW THE SUGAR ACT OPERATES

The Sugar Act apportions the American sugar market between domestic and foreign suppliers, approximately 60 percent to domestic and 40 percent to foreign. The domestic share is in turn apportioned among the beet sugar area, the mainland cane area—Louisiana and Florida—and the three offshore producing areas, Hawaii, Puerto Rico, and the Virgin Islands. The foreign share is divided among 25 countries which are assigned specific quotas in the law and a global quota. The global quota is an amount reserved for Cuba whenever diplomatic relations with that country are resumed; until such time, this global quota is made available to other foreign countries, with a preference for Western Hemisphere countries and countries that purchase U.S. agricultural commodities.

Prior to the beginning of each year, the Secretary of Agriculture is obliged to announce a national consumption estimate for that year. This sets the total amount which is apportioned under the quota system. Last December, the Secretary announced a national consumption estimate for 1964 of 9.8 million tons. This resulted in the following breakdown among suppliers:

Domestic:	
Beet sugar area.....	2,698,590
Mainland cane area.....	911,410
Hawaii.....	1,110,000
Puerto Rico.....	1,140,000
Virgin Islands.....	15,000
Subtotal domestic.....	5,875,000
Foreign:	
25 quota countries.....	2,420,659
Global quota.....	1,504,341
Subtotal foreign.....	3,925,000
Grand total.....	9,800,000

Whenever the Secretary determines that a country, or a domestic producing area, cannot meet its quota, he is empowered to reallocate the amount of the deficit. The law assigns nearly one-half of any such deficits to the Philippines and opens up the remainder to countries of the Western Hemisphere on a first-come, first-served basis with special consideration to those purchasing U.S. agricultural commodities.

This is the basic system of marketing quotas. As a means of apportioning domestic production among individual sugar growers, the law also provides for acreage allotments, or "proportionate shares." Total acreage allotted is calculated on the basis of what is required to produce the amount of beet and cane sugar which can be sold under the respective marketing quotas.

To offset the higher production costs of domestic production and thus enable domestic producers to compete with foreign producers, the Sugar Act provides for payments to growers according to the tonnage of sugar produced. These payments are financed from a tax of one-half cent per pound levied on sugar processed or imported for domestic consumption. When the price of imported sugar remains under the domestic price, an import fee equal to the difference is imposed upon the importer and returned to the Treasury.

BENEFITS TO LABOR AND BUSINESS

Of what actual importance is this to business and organized labor? The port of New York is the largest center of cane sugar refining in the world. Raw cane sugar ranks second in tonnage among the commodities imported through the port—by far the most important food product. In 1962, more than 1,500,000 tons of sugar moved into New York, requiring some 150 ships.

This sugar was destined for five of the Nation's largest refineries—the Brooklyn plant of the American Sugar Co.—Domino sugars—the Long Island City plant of the National Sugar Refining Co.—Jack Frost sugars—the Brooklyn plant of SuCrest Corp.—SuCrest sugar—the Yonkers plant of Refined Syrups & Sugars, Inc.—Flo-Sweet sugars—and the liquid sugar plant of the Pepsi-Cola Co. in Long Island City.

The raw sugar imported into the port of New York was valued at more than \$190 million. According to the latest studies, the one and a half million tons of sugar imported generated an estimated \$80 million more in business for the New York area.

New York's sugar refining industry has played an important role in the progress of the business community of the city for more than 300 years. The five refineries, alone, provide direct employment for nearly 5,000 individuals and maintain an annual payroll of approximately \$25 million. In addition, there are hundreds of home office employees of sugar companies whose jobs depend on the importation of sugar.

Another segment of New York labor also benefits from imports of raw cane sugar. For example, each year over 3 billion pounds of sugar products move out of these refineries by barge, truck, and rail providing many man-hours of employment to transportation workers alone.

Housewives buying small packages of sugar; the industrial users—bakers, confectioners, canners, bottlers, ice cream manufacturers, and other food processors—located in New York, New Jersey, and the other surrounding States rely heavily on New York sugar refineries to fill quickly their divergent sugar needs at reasonable prices. New York and New Jersey, with a total sugar consumption of more than 2.6 billion pounds annually, is the Nation's most important sugar-consuming market.

DIRECT IMPACT OF LABOR AND BUSINESS

What would be the direct impact on business and labor concerned with the importation of sugar into the port of New York if 750,000 tons of sugar quota were taken away from the foreign suppliers?

First of all, there would be a loss of incoming cargo. Second, there would be a loss of outgoing cargo due to a reduction of exports. Here is why:

The sugar-producing nations depend on the sale of raw sugar to the United States to help earn the dollars needed to import manufactured and agricultural goods from the United States. The goods, \$4.2 billion worth in 1962, must flow out through U.S. ports.

Any drop in U.S. imports of raw sugar will, most assuredly, be followed by a decrease in U.S. exports to sugar-producing nations. Sugar is the third most important dollar earner for all of Latin America.

New York and New Jersey, in 1961, exported an estimated \$455 million worth of manufactured and farm goods to the sugar-producing nations, most of it through the port of New York. These exports of everything from highly intricate electronic equipment to clothes and malt provided an estimated 50,000 jobs and \$275 million in wages and farm income. In New York State alone, 86 cities export goods to sugar-producing countries. In New Jersey, 88 cities are exporters to these countries.

DIRECT IMPACT ON REFINERY WORKERS

There would definitely be a reduction of jobs at the five New York cane refineries. It is true that sugar taken away from the foreign suppliers and given