importer and all other persons, including the United States, the political subdivisions of the United States, and the foreign principal participants in such transactions, is desirable to permit the final disposition of cases in an orderly manner.

The importer had a legal means to contest the classification decision but failed to do so within the time period permitted by the statute. To grant relief in this situation would be inequitable and would discriminate against the hundreds of other importers who have paid duty based upon a construction of the law which the courts have subsequently decided would be erroneous.

For these reasons, I return the bill without my approval.

DWIGHT D. EISENHOWER
THE WHITE HOUSE, September 7, 1957

PHILIP COOPERMAN, ARON SHRIRO, AND SAMUEL STACKMAN

H. R. 1733: I am withholding my approval of H. R. 1733, for the relief of Philip Cooperman, Aron Shriro, and Samuel Stackman.

The bill would provide that, for the purpose of determining the individual liability for income taxes for the taxable year 1951 of Philip Cooperman, Aron Shriro, and Samuel Stackman, the elections of said Philip Cooperman, Aron Shriro, and Samuel Stackman, sole stockholders of Queens Syndicate, Inc., which was liquidated pursuant to a plan of complete liquidation adopted on the first day of September 1951, to have the benefits of section 112 (b) (7) (A) of the Internal Revenue Code of 1939 would be considered as having been filed with the Secretary of the Treasury within 30 days after the date of adoption of such plan. The bill states that the benefits of section 112 (b) (7) were denied to the stockholders because the mailing of the elections was delayed, without negligence or fault on the part of the stockholders, until after the 30th day following the adoption of the plan of complete liquidation.

Section 112 (b) (7) provides a special rule in the case of certain complete liquidations of domestic corporations occurring within 1 calendar month for the treatment of gain on the shares of stock owned by qualified electing stockholders. The effect of this section is to permit deferral of tax upon unrealized appreciation in the value of the property distributed in liquidation. An election to be governed by section 112 (b) (7) must be filed by the shareholder or by the liquidating corporation with the Commissioner of Internal Revenue on or before midnight of the 30th day after adoption of the plan of liquidation. Essentially, H. R. 1733 would waive this requirement for the named taxpayers.

The records of the Treasury Department disclose that it was not involved in the timely filing by these taxpayers of the elections. These records show that on September 1, 1951, Queens Syndicate, Inc., adopted a plan of complete liquidation. On November 18, 1951, elections on Form 964, signed by the electing shareholders, were received by the Office of the District Director of Internal Revenue, Brooklyn, N. Y. Accordingly, the filing of the elections was delayed for more than 6 weeks after the 30-day pe-

CONGRESSIONAL RECORD — HOUSE August 30

period prescribed by law for the filing of such elections.

The granting of special relief in this case would constitute an unfair discrimination against other taxpayers similarly situated and would create an undesirable precedent which might encourage other taxpayers to seek relief in the same manner.

Under the circumstances, therefore, I am constrained to withhold my approval of the bill.

DWIGHT D. EISENHOWER
THE WHITE HOUSE, September 7, 1957

FEDERAL EMPLOYEE SALARY INCREASES
H. R. 2462 and H. R. 2474: I am withholding approval of H. R. 2462, bills providing increases in salary rates scheduled under the Classification Act of 1949, as amended, and the Postal Field Service Compensation Act of 1955, as amended, and providing salary increases for other Federal employees. H. R. 2462 would increase salaries under the Classification Act, by about 11 percent, the increases applicable to all except the most responsible jobs. H. R. 2474 would increase salaries in the Postal Field Service by $546. The increases would range downward from 19 percent for the less responsible jobs to 65 percent for the most responsible jobs.

I cannot approve these bills because, first, they are not justified by considerations of equity; second, they materially accentuate existing disparities in the pay scales; third, they would increase total Federal expenditures so as to make large supplemental appropriations necessary; fourth, they would increase the rate of Federal expenditure so as to require in all probability an increase in the statutory debt limit; and fifth, they would contribute unnecessarily to existing and incipient inflationary pressures in our national economy.

First, the claims that the increases provided for in these bills are justified by increases in the cost of living have not been sustained.

Second. Federal employees have the right to expect fair and equitable wage treatment in relation to each other and in relation to employees in private business. These bills disregard that fundamental principle. Both would widen existing disparities within the Federal establishment and aggravate existing inequities, and it has not been demonstrated that generally the present conditions of Federal employment are out of line with those of the millions of other citizens working in private industry.

Third, in the absence of any compelling justification on the merits, great weight must be given to the serious fiscal and economic implications of these bills. The bills would increase annual expenditures by about $850 million for increased base pay and increased benefits computed on base pay. To meet these increased costs, either drastic curtailment of postal services and programs covered by the Classification Act, or large supplemental appropriations would be necessary, notwithstanding our firm efforts to operate these Federal programs within existing resources.

Fourth, the bills, by increasing the rate of Federal expenditures in relation to taxes, would push upward to a point so dangerously close to the statutory debt limit that an increase in the limit would appear unavoidable. The undesirable economic consequences of an action that would demonstrate fiscal integrity, however hard the choices such a course may impose. There can be no doubt, moreover, that the health of our economy and the defense of the dollar require economic stewardship of employers and workers, public and private alike, in determining how much we as a nation pay ourselves for the work we do. Government cannot in good conscience ask the labor leadership to negotiate wage adjustments with full regard to the whole Nation's interest in price stability while we at the same time approving the enactment of these wholesale salary-increase bills.

My decision to withhold approval of these bills is made with firm belief that the Government's salary position must support recruitment and retention of able employees in the thousands of different occupations essential to our Federal operations. An inquiry into the need for any of the Federal Government's executive branch pay systems has been undertaken at my direction. In the event this inquiry demonstrates the need for logical, fair, and discriminating adjustments in the structure of executive pay, recommendations for appropriate action will be made early in the next session of the Congress.

DWIGHT D. EISENHOWER
THE WHITE HOUSE, September 7, 1957

KNOX CORPORATION
H. R. 2004: I have withheld my approval from H. R. 2004, for the relief of the Knox Corp., of Thomson, Ga., for the reason that it provides for a return by
the Government of fees to a private corporation which had been properly paid pursuant to a valid contract. In this case, there were fees of $7,809 paid by the Knox Corp. In connection with commitments by the Federal National Mortgage Association to purchase mortgages on housing to be constructed in the future.

The housing was not constructed. However, the Government was not responsible in any way for the failure to construct such housing. Accordingly, the commitments were terminated and funds were paid back by the Federal National Mortgage Association. This action was in accordance with the express terms of the contract and with the established procedure. There is no proper basis upon which an exception can be made in this case. Approval of this special relief bill would establish a highly undesirable precedent and result in unwarranted costs to the Government.

EXTENSIONS OF REMARKS

Address by Senator Lister Hill, of Alabama, at Dedication of Alben W. Barkley Room, Mary I. King Library, University of Kentucky

EXTENSIONS OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Friday, August 30, 1957

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered on May 27, 1957, at the dedication of the Alben W. Barkley room in the Mary I. King Library at the University of Kentucky.

There being no objection, the address was ordered to be printed in the Record, as follows:

ADDRESS BY THE HONORABLE LISTER HILL, SENATOR FROM ALABAMA, AT DEDICATION OF THE ALBEN W. BARKLEY ROOM, MARY I. KING LIBRARY, UNIVERSITY OF KENTUCKY, MAY 27, 1957

How fitting it is that we should dedicate this room in your beautiful library of the University of Kentucky as the Alben W. Barkley room, and place here for our benefit and for the benefit of those who come after us the papers, letters, and memorials of Alben Barkley.

Alben Barkley was my cherished friend, and for 6 years as Democratic whip of the Senate it was my privilege to serve as his assistant when he was majority leader of the Senate. How well I remember the many times we worked together. I recall the many times we had lunch in the office of the Secretary of the Senate, and planned our strategy, our work to be taken up in the Senate.

Alben Barkley worked hard; he always worked hard. But he knew how to relax. And he could relax with those. With his stories and his humor, Alben Barkley could relax the mind and refresh the spirit. It was good to be with him.

His fund of stories was inexhaustible. They flowed like the refreshing waters of one of your fine Kentucky springs. Alben Barkley had a story for each situation. And always there was an underlying wisdom in his stories. They were founded in his folklore.

The great thing about Alben Barkley was his love of everything around him. He loved Kentucky, her history, her traditions, and her people. He was proud that he was her son, and his first loyalty was to her people—her folks. He was flesh of their flesh and bone of their bone. Their strength was his strength.

In his papers and letters is written so much of the history of our country, of the epic story of America. As I said this morning, Alben Barkley's life overlapped four historic periods in the development of our Nation.