

entitled "An act to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes."

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 amendment of the House to the bill (S. 2888) entitled "An act to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans."

The message further announced that the Senate requests the House to return to the Senate the bill (S. 4071) entitled "An act to provide more effective price, production adjustment, and marketing programs for various agricultural commodities," asking a conference with the House thereon, and appointing conferees.

**THOMSON CONTRACTING CO., INC.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 438)**

The SPEAKER laid before the House the following veto message from the President of the United States:

*To The House of Representatives:*

I return herewith, without my approval, H. R. 5904, "For the relief of Thomson Contracting Co., Inc."

The bill directs payment to the Thomson Contracting Co. of \$48,966.36, a sum computed and recommended by the Judiciary Committees as the amount reasonably due this company for losses incurred in the performance of a contract with the Department of the Navy for certain construction work in the British West Indies.

The contract referred to was a fixed-price agreement, awarded after competitive bidding, and called for payment for the work in the amount of \$143,000. The record establishes that the Thomson Contracting Co., in this undertaking, suffered a succession of maritime accidents which occasioned losses and expenditures considerably beyond the price the Government was committed to pay. In each instance, the Department of the Navy accommodatingly extended the time for performance of the contract on the ground that the delay was unavoidable and without the contractor's fault or negligence.

It is unfortunate that this party to a Government contract lost money in fulfilling its part of the bargain. I can find, however, no sound justification for accepting the principle of this bill that the United States Government underwrite losses incurred by those who undertake to carry out contractual obligations with it. Every negotiated or fixed-price contract represents a risk voluntarily assumed, presumably for the purpose of profit. That is the rule traditionally associated with our free-enterprise economy. It seems to me that to depart from it would tend inevitably to bad practices and destruction of the advantages of competitive bidding. The mere fact that losses occurred is not a sufficient cause or support for a measure to restore the contractor at the expense

of the Government. Had this contract been with a private party and the situation been as here, the Thomson Contracting Co. would have had no recourse and would have been obliged to accept the loss as part of the risks of the business in which it was engaged. I do not believe it reasonable to expect the Federal Government to do more.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, August 18, 1958.

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection, the message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

**HOUSING BILL OF 1958**

Mr. RAINS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4035) to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes, as amended.

**CALL OF THE HOUSE**

Mr. BOW. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 173]

Baumhart	Hillings	Powell
Blich	James	Preston
Boykin	Jenkins	Prouty
Brooks, La.	Jones, Mo.	Radwan
Burdick	Kearney	Robeson, Va.
Colmer	Kilburn	Shuford
Dellay	Landrum	Siler
Dies	Latham	Spence
Doyle	LeCompte	Staggers
Engle	McIntire	Teague, Tex.
Friedel	Martin	Vanik
Gordon	Mason	Williams, N. Y.
Hale	Montoya	Winstead
Hébert	Moore	

The SPEAKER. On this rollcall 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

**HOUSING BILL OF 1958**

The SPEAKER. The gentleman from Alabama [Mr. RAINS] moves to suspend the rules and pass the bill S. 4035, as amended.

The Clerk read as follows:

*Be it enacted, etc.,* That this act may be cited as the "Housing Act of 1958."

**TITLE I. FHA INSURANCE PROGRAMS**

Sec. 101. (a) Section 8 (g) of the National Housing Act is amended by striking out "and (h) of section 204" and inserting in lieu thereof "(h), (j), and (k) of section 204."

(b) Sections 213 (e), 220 (f) (1), 221 (g) (1), 222 (e), and 809 (e) of such act are amended respectively by striking out "and

(j) of section 204" and inserting in lieu thereof "(j), and (k) of section 204."

Sec. 102. (a) (1) Section 203 (b) (2) of the National Housing Act is amended by striking out all that precedes the third semicolon and inserting in lieu thereof the following:

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed \$27,500 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or \$35,000 in the case of a 3- or 4-family residence."

(2) Section 203 (b) (2) of such act is further amended—

(A) by striking out "85 percent" and inserting in lieu thereof "90 percent";

(B) by striking out "\$16,000" each place it appears and inserting in lieu thereof "\$18,000"; and

(C) by striking out "70 percent" and inserting in lieu thereof "75 percent."

(b) Section 203 (b) (3) of such act is amended by striking out "30 years" and inserting in lieu thereof "35 years."

(c) Section 203 (b) (8) of such act is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following "Provided, That such 85 percent limitation shall not be applicable if the mortgagor and mortgagee assume responsibility in a manner satisfactory to the Commissioner for the reduction of the mortgage by an amount not less than 15 percent of the outstanding principal amount thereof in the event the mortgaged property is not, prior to the due date of the 18th amortization payment of the mortgage, sold to a purchaser acceptable to the Commissioner who is the occupant of the property and who assumes and agrees to pay the mortgage indebtedness."

(d) Section 203 (c) of such act is amended by striking out all that precedes the first colon and inserting in lieu thereof the following:

"(c) The Commissioner is authorized to fix a premium charge for the insurance of mortgages under this title but in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 percent per annum nor more than an amount equivalent to 1 percent per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments; except that the Commissioner may, in accordance with regulations prescribed by him, fix and compute the amount of such charge and collect the full amount thereof at the time of closing, including such charge as one of the closing costs, and such charge may be added to the principal obligation of the mortgage notwithstanding any limitation upon the maximum amount of such mortgage prescribed under subsection (b) (2)."

Sec. 103. Section 203 (i) of the National Housing Act is amended (1) by striking out "\$8,000", and inserting in lieu thereof "\$9,000," and (2) by striking out "and which is approved for mortgage insurance prior to the beginning of construction" and "the construction of."

Sec. 104. Section 207 of the National Housing Act is amended—

(1) by striking out "90 percent" each place it appears in paragraph (2) of subsection (c) and inserting in lieu thereof "95 percent"; and

(2) by striking out in paragraph (3) of subsection (c)—

(1) "\$2,250" in both places where it appears therein and inserting in lieu thereof "\$2,500";