loss or damage. Our savings-share accounts are insured commercially to $10,000.

Superior diversity: Local loans are made selectively in communities which are enjoying steady commercial and industrial development and extraordinary population growth.

Superior liquidity: Monthly repayment of short- as well as long-term loans, together with high interest rates and high reserves, assure a maximum of liquidity.

S A V E W I T H S A F E T Y F O R Y O U R F A M I L Y ’ S F U T U R E

How your family's savings earn 4½ per cent.

Loans are made only to responsible people for valid purposes. Our loans, amply secured by real estate and fully insured, are subject to competent examination and periodic revaluation. Local real-estate investments that are stable and productive assure substantial returns. Our dividends conservatively reflect these yields. Our short-term loans, repaid monthly in accordance with supervised schedules, keep our funds constantly productive and assure liquidity.

Based on conservative principles, our long-term loans are made to correspond with ability to pay and individual family needs. For both short-term and long-term loans, our underlying security are homes owned by local members which are fully insured against the risks inherent in real estate.

Fundamentally, current interest rates, our low operating expenses, and the productivity of our real-estate investments provide a rate of return which exceeds those earned by most other kinds of savings investments.

Why your family's savings grow.

Dividends are paid on dividends, so that, as added to your savings, they compound. Four and one-half percent compounded quarterly truly accelerates the growth of your savings. Indeed, $1,000 compounded quarterly at 4½ percent for 10 years yields an equal amount of insurance on your life up to age 65. As you add to your savings, you automatically add to your family's life-insurance coverage on your savings.

Automatic disability protection: In addition, in the event of total and permanent disability before the age of 55, your family's lost income will be replaced by insurance benefits equal to the amount you have in your share-account under the family savings plan. Maximum savings benefits: Regular savings helps your family both to meet its needs and to satisfy its wants. Dividends are paid from the balance remaining after funds have been set aside for dividends, or to open your share account. Under the family savings plan, your insurance grows automatically with your savings. Premiums, at a rate not to exceed 1 percent per year, are paid by the association for you from dividends earned by your savings * * * at no out-of-pocket expense to you nor any cash burden on your family's current budget.

The family savings association — compare service — save where service meets your family needs.

Save conveniently by mail. No notice required for withdrawals. No minimum balance required to earn dividends, or to open your share account. Special dividend of 8½ is credited to new accounts.

Our experience is at your family's service for counsel on financial matters. Our advice and counsel are directed to the management of family debt, the building of current and lifelong goals through adequate insurance programs, family investments and retirement plans.

Funds are made available on terms equivalent to commercial and home mortgage insurance coverage on savings accounts up to $10,000 through the Federal Savings and Loan Insurance Corporation, a Federal Government instrumentality. Commercially insured savings and loan associations, he said, do not have this insurance.

Some Utah, Maryland, and Arizona savings and loan associations, a bureau spokesman said, have advertised commercially insured accounts, adding that companies insuring some of these accounts have been based in Tangier and Morocco.

STAY IN REDUCTION OF SUPPORT PRICES—VETO MESSAGE (S. DOC. NO. 65)

Mr. MANSFIELD. Mr. President, I ask that the veto message of the President on Senate Joint Resolution 162 be laid before the Senate.

The PRESIDING OFFICER (Mr. Neuberger in the chair) laid before the Senate the following message from the President of the United States, which was read and, with the accompanying joint resolution, was ordered to lie on the table and to be printed:

To the Senate:

I return herewith, without my approval, Senate Joint Resolution 162. I have given earnest consideration to the many representations made to me both for and against it. It is my judgment that to approve this resolution would be ill-advised, from the standpoint both of the nation and our town. As well. It is regrettable that for the second time in 2 years the Congress has sent me a farm bill which I cannot in good conscience approve. Specifically, the resolution would have such consequences as these:

First, it would pile up more farm products in Government warehouses.

The Better Business Bureau of New York City cautioned the public yesterday against putting funds in out-of-State savings and loan associations that advertise higher-than-normal dividend rates and represent their accounts commercially insured to $10,000.

In Washington Representative ABRAHAM J. MALYES, Democrat of Brooklyn, said an amendment would be offered to the pending Financial Institutions Act to compel such savings and loan associations to disclose the true nature of such claims in their advertising.

Hugh R. Jackson, president of the Better Business Bureau, said that savers in about 3,700 recognized savings and loan associations throughout the country had insurance coverage on savings accounts up to $10,000 through the Federal Savings and Loan Insurance Corporation, a Federal Government instrumentality. Commercially insured savings and loan associations, he said, do not have this insurance.

The Senate Committee on Banking and Currency, in its report on the pending amendment to the Banking Act, of 1935, which was approved by the Committee on Banking and Currency, has previously set up a committee to study the matter of insurance for savings accounts.

The Better Business Bureau of Washington, D.C., in its report to the Senate Committee on Banking and Currency, has also recommended that a committee be appointed to study the matter of insurance for savings accounts.

The Better Business Bureau of New York City has also recommended that a committee be appointed to study the matter of insurance for savings accounts.

The Better Business Bureau of New York City has also recommended that a committee be appointed to study the matter of insurance for savings accounts.
Second. It would restrict the growth of the production system.

Third. It would postpone the day when agriculture can be released from the straitjacket of controls.

Fourth. It would bypass the problems of small producers who produce so little for sale that price supports have scant meaning.

Fifth. It would hold up the needed transition to modern parity and would in fact disregard the parity principle.

Sixth. It would be unfair to those winter-wheat growers who signed up under the 1958 acreage reserve program with the understanding that the price supports which had then been announced would be the effective rates.

This resolution would fix farm price supports and farm acreage allotments at not less than existing levels. The true need is to relate both price supports and acreage allotments to growing market opportunities.

We need to Government controls, what the farm economy needs is a thaw rather than a freeze.

Improvements have been made in farm legislation in recent years. The key to these improvements have been expansion of markets and greater opportunity for our farm people to exercise their own sound judgment.

Fears were expressed by some that farm prices might collapse when high rigid price supports were abandoned. These fears did not materialize. Instead, farm prices rose. This month the index of prices received by farmers is 9 percent above the level that prevailed in June of 1955 when high rigid price supports were last generally in effect. The parity ratio now stands at 97, up 5 points from a year ago.

Most of agriculture is without production controls and without price support. This is generally true of meat animals, poultry, and fruits and vegetables.

There is impressive evidence that farmers stand to profit from less rather than more governmental intervention. Unmerchandise crops of cattle and hogs are unusually strong.

Despite these bright spots, many farm problems remain to be solved. The price-cost-to-income ratios have not been advantageous to our farm people. Production restrictions impose a severe burden. Many of our farmers—those on farms not large enough to be profitable—are earning incomes which are below any generally accepted standard.

Cotton, wheat, corn, and other basic crops have major problems. Progress in solving them cannot be made in the wrong direction. We must continue in the direction which the Congress set in 1954 and endorsed in 1956—changes in the direction of greater opportunity for the farmers to best manage their farms according to their own sound judgment.

I said, prior to the passage of this resolution, that what it proposed would be a turn of 180° in the wrong direction. After reviewing the resolution in its final form, I adhere to this conviction.

For the 1957 crop, prices were supported, product by product, in accordance with the legislative considerations. The same was true in the establishment of acreage allotments, even when the law was altered, despite changes in demand, in supply, and in surplus stocks would be contrary to sound legislative procedures and would completely disregard economic facts.

Now, I want to turn to the progress that has been made through programs already in effect. In recent years a many-sided attack on farm problems has been launched. Substantial gains have been achieved:

Through the rural development program to help those at the low end of the income scale.

Through market-making exports which last year reached an all-time high.

Through providing needed credit to family farms.

Through sharing our abundance with the needy at home and abroad.

Through market development in cooperation with producer organizations and the food trade.

Through surplus reduction, which has cut down our stocks by more than a billion dollars.

Through stepped-up research to find new uses for farm products.

Through special programs to increase milk consumption.

Through expanded long-range conservation measures.

While it is necessary to reject the freeze embodied in this resolution, the Congress and the executive branch can be helpful in other ways.

A five-point program should be undertaken, involving various separate but related actions. Some of these are the responsibility of the Congress and some are administrative. Some call for legislation, while ample authority already exists for others.

1. The old basic law should be revised. On January 16, 1958, I sent to the Congress a special message on agriculture which recommended needed changes. Many of the problems will be alleviated if the Congress will act on these proposals in this session.

Authority to increase acreage allotments up to 50 percent, and to widen the range within which price supports may be provided, would be helpful.

Elimination of acreage allotments for corn, permitting all corn farmers to plant in accordance with their best management decisions, so that price supports would apply to all corn rather than, as the freeze bill would have it, to only about 1 acre in 7 in the commercial corn area.

Abolishment of escalator clauses in the law because these rigid provisions keep farm people continually under the shadow of price-depressing surpluses.

Extension of the Agricultural Trade Development and Assistance Act, with substantial increased authority to move surplus stocks abroad.

Shifting the price supports for cotton to the averages of the bale the same as for all other farm products.

There is opportunity to make these needed changes before fall seeding time if the matter is undertaken promptly.

2. When these necessary legislative changes have been made, 1959 acreage allotments will be established at levels as high or higher than those prevailing in 1958. Certain statutory provisions which place a floor under acreage allotments for cotton and rice are scheduled to expire after the 1958 crop. Producers of these crops may be caught by the law if the secret of Agriculture has been given the necessary authority to adjust price supports and acreage allotments he will set allotments at levels as high as those in use this year. For cotton and rice these allotments will be substantially above the levels which would otherwise prevail.

3. When necessary new authorization is provided in keeping with my legislative recommendations, the special export programs for our surplus crops will be enlarged. Opportunities exist to export, both for dollars and through special programs, large quantities of our staple commodities.

This is becoming better known to consumers abroad. Market development and promotional activities have made more people acquainted with the merits of our many export products. These commodities can be of greater and greater use, and should be so used.

4. Dairy products acquired under the price-support operation will be used outside the regular domestic commercial market. These products will not be offered for sale in such markets during the remainder of 1958 at less than 90 percent of parity. While freezing support would not be a useful step, we seek to help the dairy industry in other ways.

To strengthen markets, the butter, cheese, and dry milk acquired under price support will be donated to the school-lunch program, to charitable institutions, and to needy persons. Exports will be made when this can appropriately be done.

Such inventory management will serve to bolster the market.

Meanwhile, the administration will continue to support the special school milk and armed services milk programs. We will also support, and we urge dairy farmers, the accelerated brucellosis control program. Stepped up promotional activity will increase consumption.

Every constructive step available to us will be taken to increase the use of our wholesome dairy products.

5. An export program for cotton, corn, and other feed grains, similar to the present export program on wheat, will be put into effect. This can be done without legislation. The effect of this program will be to move these products directly from commercial markets to the export trade without running them through the Commodity Credit Corporation. Under the wheat-export program farmers have obtained good markets and substantial price benefits in the marketplace. Marketing efficiency has been promoted and the amount of wheat which has moved into Government channels has been reduced. The new program for cotton and feed grains is expected to have similar effects.
The facts available indicate that price rises reported in this latest release are the result of shortages of supplies, and not the result of expanded markets for these commodities.

In addition, it is inconceivable to me that any action directed towards lowering of price supports in any way could be based on increased prices occurring in only 1 month under the stress of unusual shortages of supplies.

Even a hasty reading of the President's message shows that the administration has definitely made up its mind to beat down farm prices even below the levels of this year, but above and beyond that is the fact that the President has done it again almost the same thing he did in 1956.

Senators will recall that in 1956, Congress passed and sent to the White House, a stop-gap farm bill which would have supported farm prices for the basic commodities at 90 percent of parity for 1 year only. The President vetoed this act, and in his veto message made much of the fact that the legislation involved an abandonment of the administration's flexible price-support program. Yet, in almost the same breath, he, himself, abandoned the sliding scale, and in an unprecedented move, announced an arbitrary high-level price support for the basics—a rigid price support—a 1-year price support, and—I might add—an election year price support.

In this veto message, the President has, in a sense, done almost the same thing. He has vetoed the bill which froze acreage allotments for 1959 at the 1957 levels. At the same time, he has held out a "carrot" to Congress and said that if we give Mr. Bensen the authority he wants to fix support levels at between 80 and 90 percent of parity, he, the President, will see that, and I quote:

"Nineteen fifty-nine acreage allotments will be established at levels as high as or higher than those prevailing in 1958."

In other words, Mr. President, if Congress freezes acreage, it is terrible, but if the administration freezes acreage, it is constructive.

Now, Mr. President, as to price supports, the President's message ignored these. He speaks in glittering generalities of the prosperity farmers will enjoy if only Congress makes it possible for price supports to be further lowered. Therefore, Mr. President, we can only assume that the President wants lower prices.

Now, let us take him at his own word. Let us assume that he gets what he wants. He has promised to give farmers at least the same acreage in 1959 as they had in 1958. Yet, he also says that price supports and acreage could not drop below 1957 levels. It merely proved that price supports and acreage could not drop below 1957 levels. In other words, all the bill did was place a floor beneath price supports and acreage.

I am most hopeful, Mr. President, that over the Easter recess, while Members of the Senate and the other body are at home, their constituents will discuss with them the President's action. I am sure that if this is done, it will be possible to override the President's veto. At any rate, I think the effort should be made.

The President is wrong; the Congress is right.

At this time, Mr. President, I ask unanimous consent to print the memorandum I have prepared, dealing with the President's veto message, be incorporated in the Record at this point.

There being no objection, the memorandum is printed in the RECORD, as follows:

MEMORANDUM
Today the President returned Senate Joint Resolution 162 to the Senate with a veto. It is notable that the reasons he gave are very unfavorable points which compel him to exercise his veto.

Specifically he stated that:

It would pile up more farm products in Government warehouses. My comment is that this short-term legislation could not