MY FRIENDS AND FELLOW CITIZENS:

This week I want to talk with you about several matters. As this session of the Senate moves along, the legislative activity is speeding up toward eventual adjournment, probably by the first of August.

During the past week the Senate considered the housing bill for 1958. I voted for the provisions which I considered to be moderate and reasonable.

In some phases of housing it is not possible or feasible for private enterprise to assume the entire responsibility. On the other hand, there are members of the Senate who appear to want to put private industry completely out of house-building.

My own position is that the Government should only supplement the efforts of private enterprise in the construction of adequate housing for the nation. Government should never become the dominant force in this field.

I tried to take these things into consideration as each issue was raised in the Senate during debate on the housing bill. I voted for the provisions which I believed to be best for all the people of the nation — taking into account home-ownership as well as the cost of taxation to support federal programs.
The Government Operations Committee of the Senate, of which I am a member, took action this week on three bills of importance, two of which I introduced.

Three members of the Committee were named to a special subcommittee to hold hearings on my two bills. I was appointed chairman and Senators Yarborough of Texas and Revercomb of West Virginia as members of the subcommittee.

One of the bills on which hearings will be held is S. 5, a bill to prevent the allocation of procurement contracts of the departments and agencies of the Federal Government to so-called distressed areas of the country. The present law permits agencies of the Federal Government to channel contracts, such as in the buying of textile products, to areas where there are labor surpluses or where disasters have occurred.

What I want to do is to protect the Southern States from such discrimination. Most of the channeling of contracts has been to so-called distress areas in States outside the South. I recall one instance where a manufacturer in South Carolina was informed that his bid for a contract would not be considered unless he was located in an area where there was a labor surplus or where a disaster had occurred.

I believe the Government should let contracts to the bidder who can qualify to perform the job.

I hope anybody who has had experience with this kind of discrimination will write me so that I can provide the committee with as many examples as possible of this unfair practice.
The second of my bills on which the subcommittee will hold hearings is S. 6. This bill would help the States to regain sales tax revenue now being lost because Federal Government agencies, such as the Atomic Energy Commission, can designate contractors to represent them and thus escape the sales tax which other citizens have to pay.

The Federal Government has invaded so many fields of taxation that it is difficult for the States to find sufficient revenue to operate State governments. I believe they should have authority to collect taxes from everybody alike and not have the Federal Government helping some to escape payment when representing the Federal Government.

The third bill to which I referred earlier was S. 434, introduced by Senator Kennedy. The Government Operations Committee reported this bill favorably to the Senate. It would provide for a new system of accounting in the Federal Government so as to show clearly how much of the taxpayers money was being spent each year not just how much was being appropriated that year. There is a difference because great amounts of funds are carried over from year to year. As I mentioned last week, the Federal Government is expected to spend between $143 and $150 billion in the year beginning July 1 -- not just the $71.8 billion included in the budget.

I hope the Senate and the House will approve this bill so the people of the United States can find out exactly how much tax money is being spent each year.

This is Strom Thurmond in Washington. Thank you for listening and this station for making this time available each week.

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