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This Week In Congress Radio Address: Senate Finance Committee Report, 1955 March 9  
Speaker: Senator J. Allen Frear  
Transcribed by: David Cardillo

[00:00]

Announcer: The Week in Congress, recorded on March 4<sup>th</sup>, 1955, and played on WDOV on March 9<sup>th</sup>, 1955.

Mr. Wilson: From the nation's capital, transcribed, you will now hear United States Senator J. Allen Frear speaking to the people of Delaware on current, national, and international affairs. Senator Frear.

Senator Frear: Thank you, Mr. Wilson. The first several months of the new Congress are devoted primarily to the committees task of preparing legislative proposals for presentation to the full membership of both the Senate and House for debate and final consideration. A quick look at some of the activities that took place in my own committees during the past week will best illustrate the nature of this phase of congressional responsibility. Probably the most significant development in Congress during this period centered on the activities of the Senate Finance Committee. This committee, while considering an extension of the Corporate Income and Excise Rights rejected a House-approved twenty dollar tax credit for each tax payer and dependent by a nine to six margin. In the course of these proceedings, it was pointed out that a proposal to establish a fixed reduction of Federal taxes, or on the other hand, to levy a fixed increase in taxes, is a departure from long-standing precedent in this field. Heretofore, changes in the tax structure have been done on a graduated and a more equitable scale, commonly known as the Ability to Pay program. With this thought in mind, together with the belief that some tax concessions for those in the lower income brackets will provide our economy with a stimulus, I again proposed in committee an amendment to increase Federal Income Tax exemptions to six hundred and fifty dollars in 1956 and seven hundred dollars in 1957. Although this proposal was also defeated, I am sure we can expect to see similar amendments offered during the forthcoming debate on the Senate floor. Meanwhile, the Senate Banking and Currency Committee, which also plays a vital role in keeping a finger on the pulse of our economic conditions, launched hearings into the recent fluctuations of the stock market. I think it is worthwhile to note that Mr. Keith Funston [**phonetic, 03:08**], president of the New York Stock Exchange and first witness in the investigation, expressed a belief that America's confidence in itself and the future provided the necessary impetus for our present high market. At the same time, he also allayed some fears that America may suffer a repeat of the 1929 disaster by pointing to the

market's strict adherence to governmental regulations and the constant supervision and enforcement of its own protective policies. The realm of foreign affairs, with its ever-changing complexion, was given much attention recently on the occasion of the signing of the American-Chinese Defense Treaty. Secretary of State John Foster Dulles again warned the Chinese Communists that they must stand prepared to absorb the retaliatory power of the United States should they decide to attack nationalist-held islands off of the China mainland. This statement should dispel the many doubts that have been expressed from time to time over America's position in that area of world tension, and should also serve to clearly indicate the responsibility that the Red Chinese will have to accept in the event their aggressive attitude and actions are continued. A realization is indicated that I am not alone in hoping that a peaceful solution of this pressing world problem can be achieved in the very near future either through the efforts of the United Nations or the medium of other interested and peace-loving nations.

**[05:02]**

Mr. Wilson:

Thank you, Senator Frear. You have just heard United States Senator J. Allen Frear speaking to the people of Delaware in one of his weekly broadcasts. Senator Frear will be heard again next week at this same time.

**[End 05:23]**