

tax increases for highway purposes. The announcement of a highway fund cutback can have a damaging effect on such efforts.

Mr. Chairman, the Governors do recognize the national economic problems facing us today. And they would, of course, not place the interests of the highway programs above the national interests of economic stability or defense efforts. We feel, nevertheless, that other more direct means of curbing inflation ought to be explored. It would be unwise public policy, in our opinion, to extend the proposed fund reduction beyond the 1968 calendar year. We urge restoration of the deferred funds at the earliest possible date.

We must look to the future to see what can be done to prevent further cutbacks in highway trust fund allocations and obligations. The instability in highway programing, and the delays in project accomplishment which always result from such actions certainly were not within the intent of the Congress when it created the trust fund.

I trust this subcommittee will explore proposals for amending Federal laws to prevent such deferrals and withholding of funds from the highway trust fund. The total opposition of the Governors to this \$600 million deferral would indicate their strong support for such a measure.

Mr. Chairman, the highway needs of America are serious. They are related to our economy, our defense, and to the safety and welfare of our people. We must act responsibly and quickly to meet these needs. The States are ready to move. And we look forward to working in partnership with the Federal Government.

Thank you.

Mr. KLUCZYNSKI. Thank you, Mr. Jackson, for that splendid statement of the Governor's. You may send him our best regards, from the chairman and members of this committee. He has appeared before this committee many times.

Any questions to my right?

Any questions to my left?

Thank you, Mr. Jackson. It has been a pleasure to have you before this committee.

At this time I want to introduce to this committee one of our outstanding Members of Congress. I do not know whether it is "Black" or "Red" label, but he is the Congressman from New Mexico.

John, will you take the stand.

STATEMENT OF HON. E. S. JOHNNY WALKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. WALKER. Thank you, Mr. Chairman, members of the committee.

I will not give any testimony this morning. However, I do want to thank you and the committee for the privilege of introducing my friend, B. B. Armstrong, who is currently the president of the Associated General Contractors of America, from Roswell, N. Mex., who has a prepared statement for the committee, and I think pretty much represents the thinking of us today.

Mr. Chairman, I would like to introduce Mr. Armstrong.

Mr. KLUCZYNSKI. We will be happy to hear you.