

Also, petition of Yula Scott and A. Lind, of Denver, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals: to the Committee on Ways and Means.

By Mr. LINTHICUM: Petitions of sundry citizens of Baltimore, Md., against House bill 9248, relative to real estate values and rentals in Washington; to the Committee on the District of Columbia.

Also, petition of the commander of General S. M. B. Youngs Camp, United Spanish War Veterans, favoring pension for widows and orphans of Spanish War veterans; to the Committee on Pensions.

Also, petition of employees of monotype section of Government Printing Office, asking increase in pay; to the Committee on Appropriations.

Also, petition of Surry Lumber Co., against proposed eight-hour law for laborers; to the Committee on Labor.

Also, petition of Charles Bagley, of Harford Medical Association, favoring passage of House bill 9563, relative to officers in Medical Corps; to the Committee on Military Affairs.

Also, petition of maritime committee of the Baltimore Chamber of Commerce, favoring passage of House bill 7913, relative to Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

Also, petitions of Thomas S. Cullen, Charles W. Soper, and J. F. Soper, all of Maryland, against increase in second-class postage; to the Committee on Ways and Means.

By Mr. LUNDEEN: Petition of the railroad men of Minnesota, by W. W. Royster, chairman Minnesota legislative board, Brotherhood of Locomotive Engineers, favoring no time limit to return the railroads to private ownership; to the Committee on Railways and Canals.

Also, petition of the Minneapolis terminal clerks, by Edwin Boutwell, petitioning Congress to pass House bill 3831, having for its object the retirement of superannuated civil-service employees; to the Committee on the Post Office and Post Roads.

Also, petition of the Clima Western Oil Co., asking Congress to leave power with the Interstate Commerce Commission to regulate rates; to the Committee on Railways and Canals.

By Mr. SNOOK: Memorial of 40 postal employees of Defiance County, Ohio, favoring increase in pay; to the Committee on the Post Office and Post Roads.

By Mr. STINESS: Petition of the board of directors of the Providence (R. I.) Chamber of Commerce, favoring the passage of the Dyer bill (H. R. 9563) fixing the grades of the commissioned officers of the Medical Corps and of the Medical Reserve Corps of the United States Army on active duty, and for other purposes; to the Committee on Military Affairs.

By Mr. TAYLOR of Colorado: Petition of First Methodist Episcopal Church of Grand Junction, Colo., favoring passage of the chaplains bill; to the Committee on Military Affairs.

SENATE.

SATURDAY, March 2, 1918.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, in time of our national peril we think most of the spiritual qualities of our men, and we look to Thee for that divine ministry that can heighten, refine, and glorify the qualities of manhood that are consecrated to the highest ideals of a Christian civilization. Grant that in this Senate and in all the departments of Government we may hold as our most sacred trust those high ideals of hearts that love God and love humanity and that work together for the establishment of Thy truth among men. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

CALLING OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gerry	Lewis	Nugent
Beckham	Gronna	Lodge	Overman
Borah	Hale	McCumber	Owen
Brandeggee	Henderson	McKellar	Page
Colt	Hollis	McLean	Pittman
Culberson	Johnson, S. Dak.	McNary	Poindestox
Curtis	Jones, N. Mex.	Martin	Ransdell
Dillingham	Jones, Wash.	Nelson	Reed
Fletcher	Kendrick	New	Saulsbury
Gallinger	Kirby	Norris	Shafroth

Sheppard	Smith, Mich.	Sutherland	Vardaman
Sherman	Smith, S. C.	Thompson	Wadsworth
Shields	Smoot	Tillman	Wolcott
Simmons	Sterling	Trammell	
Smith, Ga.	Stone	Underwood	

Mr. McNARY. I desire to announce the unavoidable absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

Mr. GRONNA. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness in his family.

Mr. NORRIS. I desire to announce the absence of the Senators from Iowa, who are in attendance upon the funeral of the wife of the senior Senator from that State.

Mr. SUTHERLAND. My colleague, the senior Senator from West Virginia [Mr. GOFF] is absent owing to illness.

Mr. ASHURST. I desire to announce that my colleague, the senior Senator from Arizona [Mr. SMITH], is absent by reason of illness.

Mr. CURTIS. I wish to announce the absence of the junior Senator from Maryland [Mr. FRANCE], the junior Senator from New York [Mr. CALDER], and the junior Senator from Minnesota [Mr. KELLOGG] on official business. I will let this announcement stand for the day.

Mr. BECKHAM. I desire to announce that my colleague [Mr. JAMES] is absent on account of illness. I will let this announcement stand for the day.

Mr. HOLLIS. I wish to announce that the Senator from California [Mr. PHELAN] is necessarily absent. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Fifty-eight Senators have answered to their names. There is a quorum present.

RAILROAD CONTROL—CONFERENCE REPORT.

Mr. SMITH of South Carolina. I ask that two additional members of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, be appointed on the part of the Senate.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and names as additional conferees on the part of the Senate the senior Senator from Arkansas [Mr. ROBINSON] and the senior Senator from Iowa [Mr. CUMMINS].

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the joint resolution (S. J. Res. 92) providing additional time for the payment of purchase money under homestead entries within the former Colville Indian Reservation, Wash., with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes;

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes; and

H. R. 10027. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

PETITIONS AND MEMORIALS.

Mr. FLETCHER. Mr. President, a telegram was submitted yesterday by the Senator from Idaho [Mr. BORAH] and some comments were made on it by the Senator from Washington [Mr. JONES]. It had to do with the matter of shipments of fruits and vegetables. I have received somewhat similar telegrams bearing on the same subject, and I submit one and ask to have it printed in the RECORD. There seems to be an ample production of vegetables and that sort of thing, but the difficulty seems to be to get them to market. I present this telegram as an illustration of those I am getting on the subject, and ask that it be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

Hon. D. U. FLETCHER,
Washington, D. C.:
LEESBURG, FLA., March 1, 1918.

The South has been urged to grow foodstuff. We have answered the call and now have plenty of early vegetables, lettuce, cabbage, etc., which have been produced at great expense for fertilizer, seed, and labor. On account of slow transportation these perishable goods arrive at destination practically worthless, taking from 9 to 15 days from here

to New York. Our Nation needs this produce. Can you not assist us by taking the matter of quick transportation up with Messrs. Hoover and McAdoo?

J. C. LEE,
President Leesburg City Council.

Mr. GRONNA. I have several resolutions adopted by the Sweet Clover Grange, No. 635, of Valleyford, Wash. The resolutions set forth very vividly and very clearly, I think, some facts as they exist. I wish to have the resolutions printed in the Record without reading.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Whereas our country is at war and the Nation is in need of extraordinary supplies of food, clothing, fuel, minerals, and lumber to maintain our Army and to succor our allies; and

Whereas it devolves upon the laboring class of our country to furnish the man power of the Army and Navy and to produce the necessary supplies in raw material and manufactured articles for ourselves and our allies; and

Whereas to a very great degree the burden falls upon the farmers of the Nation to furnish the men and material to win this war; and

Whereas our Government has called upon all producers of foodstuff to put forth every effort to the end that a maximum supply may be had; and

Whereas our Chief Executive has seen fit and through an act of Congress has been empowered to regulate prices on all commodities, even to the taking over and operating of the railroads, mines, and factories, at his discretion, in order to get better results through efficient service and the elimination of waste, even to the regulation of the profits that may be allowed to obtain; and

Whereas the Executive has seen fit to exercise his prerogative in the setting of a price on the farmers' wheat and also endeavors to maintain a relative value on hogs through the Food Administrator; and

Whereas the Food Administrator, acting through and under authority vested in him through the Executive, has at the same time endeavored to have the manufacturing and other corporate interests of the country to agree to and undertake to maintain through patriotic principles certain low, definite profits; and

Whereas these manufacturing and corporate interests have in most instances not only failed to cooperate in maintaining the basis of profit and lower prices for their product as agreed, but have in many cases openly violated the confidence and trust placed in them by the administration and wantonly boosted the prices of foodstuff and manufactured articles to such an extent as to not only place a burden on the producing classes through the inequitable condition thus created, but also have actually curtailed the productiveness of labor and also the food production by causing the disposition of breeding stock through the unwarranted prices charged for feed, making it impossible in many instances to even get feed for maintenance of such animals; and

Whereas it is necessary for the farmers of the Nation to resort to power machinery (to replace the man power taken from the farm to bear arms) in order to produce the food necessary for the successful prosecution of the war; and

Whereas the price of farm machinery has been advanced to as much as 30 per cent in some instances since the price was set on wheat and hogs; Now, therefore, be it

Resolved, That Sweet Clover Grange, of Spokane County, Wash., hereby protests against these unfair conditions and respectfully calls the attention of our Food Administrator and the National Council of Defense to the fact that the millers of the Nation are taking a profit of approximately \$1 per barrel over the 25 cents agreed upon for the milling of flour, and that manufacturers of farm implements and power machinery are demanding prices up to 30 per cent more now than they did August 1, 1917, and this, too, in face of the fact that prices of steel and iron have been forced down by Federal regulation on an average of approximately 60 per cent in the same time; and be it further

Resolved, That we not only protest against this unpatriotic practice by big business, but that it is also a great hindrance to the farmer in his undertaking of feeding the world, and if allowed to continue, will work out to the very great disadvantage of the Nation in feeding and clothing its Army and Navy; and be it further

Resolved, That in allowing these corporations to extort from the farmer in this manner, after having set a price on what the farmer has to sell, is not only unjust, but a discrimination, and not in accordance with the laws of our country and the Constitution of the United States, but is foreign to democratic principles of government; Therefore be it further

Resolved, That inasmuch as the man power of the Nation has been conscripted to win the war for the Nation, and in order that producers may not be called upon to fight out the financial cost of the war after the war has been won by it, we demand that all wealth be conscripted, beginning with \$250,000, and so graduated on a 5 per cent basis as to take all wealth in excess of \$500,000, personally, either in private or corporate enterprises, and that all profits accruing either to private individuals or corporations be fully conscripted by the National Government; and that the income tax be so amended that all incomes, from whatever source, in excess of \$5,000 a year be taxed 100 per cent, leaving the present rate of income tax on all incomes of \$5,000 or less; and that we condemn the practice of the Government control of industries on a guaranteed basis of profits as unfair and not democratic, inasmuch as wealth is not thus called upon to contribute to war necessities to the point of sacrifice, as is labor.

[SEAL.]

SWEET CLOVER GRANGE, No. 635,
Mrs. ELLA E. STANLEY, Secretary.

VALLEYFORD, WASH.

Mr. GRONNA presented a petition of North Dakota Branch, Railway Mail Association, of Grand Forks, N. Dak., praying for an increase in salaries of railway mail clerks during the period of the war, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the congregation of the First Methodist Episcopal Church of Starkweather, N. Dak., remonstrating against the use of foodstuffs in the manufacture of alcoholic drinks, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Woman's Christian Temperance Union of Cando, N. Dak., praying for the repeal of the present zone-system rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. NELSON presented a resolution adopted by the City Council of Minneapolis, Minn., favoring the fixing of prices on all foodstuffs and other products essential to the prosecution of the war, which was referred to the Committee on Agriculture and Forestry.

Mr. TILLMAN presented a resolution adopted at a meeting of the farmers of Lexington County, S. C., relative to the scarcity of labor on the farms and requesting that some means be adopted to relieve the present situation, which was referred to the Committee on Education and Labor.

REPORTS OF COMMITTEES.

Mr. JONES of New Mexico, from the Committee on Indian Affairs, to which was referred the bill (S. 2120) for the relief of the Wisconsin Band of Pottawatomie Indians, and for other purposes, reported it with an amendment and submitted a report (No. 293) thereon.

Mr. WARREN, from the Committee on Military Affairs, to which was referred the bill (S. 3011) for the relief of Winfield S. Solomon, reported it without amendment and submitted a report (No. 294) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER:

A bill (S. 4005) providing for the survey of public lands remaining unsurveyed in any of the surveying districts of Florida, with a view of satisfying the grant in aid of schools made to said State under the act of March 3, 1845, and other acts amendatory thereof; to the Committee on Public Lands.

By Mr. JONES of New Mexico:

A bill (S. 4006) for the relief of Capt. H. C. Smith; and
A bill (S. 4007) for the relief of Bernard S. Rodey; to the Committee on Claims.

A bill (S. 4008) granting a pension to Arthur H. Loomis; to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4009) granting an increase of pension to Magna Samson; to the Committee on Pensions.

By Mr. TILLMAN:

A bill (S. 4010) to promote the efficiency of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. JONES of Washington:

A bill (S. 4011) relating to admission to the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. OWEN:

A joint resolution (S. J. Res. 135) to exempt from the draft skilled labor on the farm during the year 1918; to the Committee on Military Affairs.

ALSACE-LORRAINE.

Mr. OWEN. Mr. President, I ask to have printed in the Record a statement by Foreign Minister Pichon, in which he refers to certain documents bearing upon the German Government taking over Alsace-Lorraine. It is a very important historical statement by Minister Pichon.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

GERMAN DETERMINATION TO FORCE WAR ON FRANCE AND TRUE REASON FOR LORRAINE'S SEIZURE REVEALED—FOREIGN MINISTER PICHON BARES DOCUMENTS OF HOLLWEG AND EMPEROR WILLIAM I—FORMER ORDERED DEMAND FOR TUL AND VERDUN IF FRENCH STAYED NEUTRAL—OLD KAISER WROTE TO EUGENIE THAT HE TOOK ALSACE-LORRAINE TO PREVENT THEM BEING A "JUMPING-OFF PLACE."

PARIS, March 1.

Two historic documents, one showing the German Government's determination to force war upon France and the other setting forth the reasons which induced Germany to take Alsace-Lorraine, were made public to-day by Stephen Pichon, the French foreign minister. The minister was speaking at the Sorbonne upon the anniversary of the protest made by representatives of the national assembly of Alsace-Lorraine against annexation to Germany.

"I will establish by documents," said M. Pichon, "that the day the Germans deliberately rendered inevitable the most frightful of wars they tried to dishonor us by the most cowardly complicity in the ambush into which they drew Europe. I will establish it in the revelation of a document that the German chancellor, after having drawn up, preserved carefully, and you will see why, in the most profound mystery of the most secret archives.

SIGNED BY BETHMANN-HOLLWEG.

"We have known only recently of its authenticity, and it defies any sort of attempt to disprove it. It bears the signature of Bethmann-Hollweg, German imperial chancellor at the outbreak of the war; and the date July 31, 1914. On that day Von Schoen, German ambassador

in France, was charged by a telegram from his chancellor to notify us of a state of danger of war with Russia and to ask us to remain neutral, giving us 18 hours in which to reply.

"What was unknown until to-day was that the telegram of the German chancellor containing these instructions terminated with these words:

"If the French Government declares it will remain neutral, your excellency will be good enough to declare that we must, as a guaranty of its neutrality, require the handing over of the fortresses of Toul and Verdun; that we will occupy them and will restore them after the end of the war with Russia. A reply to this last question must reach here before Saturday afternoon at 4 o'clock."

GERMANY'S "SELF-DEFENSE."

"That," said M. Pichon, "is how Germany wanted peace at the moment when she declared war. That is how sincere she was in pretending that we obliged her to take up arms for her defense. That is the price she intended to make us pay for our baseness if we had had the infamy to repudiate our signature as Prussia repudiated hers by tearing up the treaty that guaranteed the neutrality of Belgium."

"Our mortal enemy in the war of 1871, Von Moltke, declared on the morrow of the treaty of Frankfurt," added M. Pichon, on taking up the question of Alsace-Lorraine, "that it would require no less than 50 years to wean the heart of her lost Provinces from France."

M. Pichon contrasted the German acceptance then that the Provinces were in reality French with the reiterated pretensions of German statesmen since, especially the assertions of former Chancellor Bethmann-Hollweg and the present chancellor, Count von Hertling, that most of the Provinces were always German.

WORDS OF WILLIAM I.

The foreign minister made public for the first time the full text of a letter written by William I, the grandfather of the present German Emperor, to Empress Eugenie. The letter is dated Versailles, October 26, 1870.

"After the immense sacrifices for her defense," read M. Pichon, "Germany desires to be assured that the next war will find her better prepared to repel the aggression upon which we can count as soon as France shall have repaired her forces and gained allies. This is the melancholy consideration alone and not a desire to augment my country, whose territory is sufficiently great, that obliges me to insist upon the cession of territories that has no other object than to throw back to the starting point the French armies that, in the future, will come to attack us."

HERTLING'S CLAIMS DESTROYED.

After reading this passage M. Pichon asked:

"Can one better destroy the legend Von Hertling tries to establish that the annexation of Alsace-Lorraine had for its origin in the minds of its authors the wish to return to Germany German Provinces of which she had been dispossessed by French usurpation?"

The foreign minister pointed out that Prince von Bismarck in subsequent conversations with the Marquis de Gabriac, the French chargé d'affaires at Berlin, confirmed what his sovereign had written in his own hand. M. Pichon then cited the words of Frederick II when entering Silesia: "I take possession first. I shall always find pedants to prove my right," and M. Pichon added:

KNOWN AS FRENCH.

"But the rights of the German over our Provinces have never been proved by any pedant, because it can not be done." M. Pichon recalled that from the time of Louis XIV Alsace-Lorraine had been generally known as French, and he quoted the words of Gen. Maximilien Foy, 150 years later, when he said:

"If ever the love of all that is great and generous weakens in the hearts of the inhabitants of old France, it will be necessary that they cross the Vosges, come to Alsace and temper again their patriotism and their energy."

"What was true under the restoration," added M. Pichon, "is none the less true now."

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had on the 1st instant approved and signed the act (S. 3389) to authorize and empower the United States Shipping Board Emergency Fleet Corporation to purchase, lease, requisition, or otherwise acquire, and to sell or otherwise dispose of improved or unimproved land, houses, buildings, and for other purposes.

COLVILLE INDIAN RESERVATION, WASH.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 92) providing additional time for the payment of purchase money under homestead entries within the former Colville Indian Reservation, Wash., which were, on page 1, line 4, after "of," to insert "not longer than"; on page 1, line 11, to strike out all after "purposes" down to and including the word "manner," in line 13; on page 2, line 2, to strike out "last"; on page 2, line 6, to strike out "four" and insert "five"; and on page 2, line 11, to strike out all after the word "extended" down to and including the word "extended," in line 13.

Mr. JONES of Washington. I move that the Senate concur to the amendments of the House.

The motion was agreed to.

HOUSE BILLS REFERRED.

The following bills were read twice by their titles and referred to the Committee on Military Affairs:

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes; and

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes.

H. R. 10027. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

WAR FINANCE CORPORATION.

The PRESIDENT pro tempore. The morning business is closed.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of the unfinished business, Senate bill 3714.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. OVERMAN. I wish to ask my colleague if he will let me call up the conference report on House bill 6361, known as the soldiers and sailors' civil rights bill. I do not think there is any objection at all to it. The only change made by the conference report is as to verbiage.

Mr. SIMMONS. I am willing to lay the unfinished business aside for 5 or even 10 minutes if necessary for the consideration of the conference report; but if the debate upon it should require a longer time, I feel that I should insist on the regular order.

Mr. OVERMAN. If it takes longer than 10 minutes, I will let it go over.

The PRESIDENT pro tempore. The Senator from North Carolina asks unanimous consent that the unfinished business be laid aside. Is there objection? The Chair hears none.

SOLDIERS AND SAILORS' CIVIL RIGHTS—CONFERENCE REPORT.

Mr. OVERMAN. I ask the Chair to lay before the Senate the conference report on the bill (H. R. 6361) to extend protection to the civil rights of members of the Military and Naval Establishments of the United States engaged in the present war.

The PRESIDENT pro tempore. The Chair lays before the Senate the conference report. The question is on agreeing to the conference report.

Mr. REED. Mr. President, what changes have been made in the report?

Mr. OVERMAN. Practically no changes except some of verbiage. There has been no material change made.

Mr. REED. With that statement I have no objection to agreeing to the report.

Mr. SMITH of Michigan. Let me ask the Senator from North Carolina, does it deal with the question of a soldier's moratorium?

Mr. OVERMAN. Yes; this is a moratorium bill.

Mr. SMITH of Michigan. I wish to ask whether the bill includes any exemptions of a soldier from filing an income-tax return while he is in the Army and away from his home in the service of the country?

Mr. OVERMAN. There is no provision in the bill about that at all.

Mr. SMITH of Michigan. Does not the Senator think that a word or two for that purpose could with perfect propriety be placed in a law of this kind?

Mr. OVERMAN. It could not be done on this bill, because this is only a conference report.

Mr. SMITH of Michigan. Let me ask the Senator, the acting chairman of the Judiciary Committee, what is the situation in which a soldier finds himself who is in the service and unable because of his absence from home to obtain any data which would enable him to make a return?

Mr. OVERMAN. The Secretary of the Treasury has a right to extend the time. It can be done by regulations of the department, I understand.

Mr. SMITH of Michigan. The time has been extended 30 days already to all citizens, but it seems to me a soldier who is in France or a soldier in any other part of the world ought not to be amenable to the penalty which would ordinarily follow because of his inability to make an income-tax return.

Mr. OVERMAN. I agree with the Senator; but that matter was not called to our attention, and it could not, of course, come up on this conference report. I think there is no question but what the Secretary of the Treasury or the President would be

able to extend the time. It has been extended for 30 days, and they can extend it for 12 months or whatever period they deem necessary.

Mr. SMITH of Michigan. Is this a final agreement on the bill?

Mr. OVERMAN. It is.

Mr. SMITH of Michigan. It would not be appropriate to ask that the conferees might take up that phase?

Mr. OVERMAN. No; that could not be done in conference.

Mr. SMITH of Michigan. But I have been here long enough, and so has the Senator, to know many things get into conference reports that have not been, strictly speaking, submitted to Congress. However, I ask for no irregularity. I simply desired to emphasize the fact that soldiers who are amenable to the income-tax law can not comply with the law and should be relieved from its operations during the war.

Mr. OVERMAN. The Senator ought to have brought that to our attention when the bill was under consideration. I agree with him fully that it ought to be done.

Mr. SMITH of Michigan. It ought to be done, and I shall avail myself of another opportunity to meet this situation.

Mr. President, I should like to ask the Senator from North Carolina if he thinks there is discretionary power enough in the Treasury Department to waive a return under the income-tax law as to soldiers who are now in the Army?

Mr. OVERMAN. I think, Mr. President, that if the department could extend the time 30 days in favor of civilians they could certainly extend it 60 days, or even 90 days, for the soldiers, and that they would do so.

Mr. SMITH of Michigan. Of course, I would not care to delay the adoption of the report, but I am sorry that the subject was not thought of before. I do want to impress upon my colleagues that it is really an important matter and one which should have attention.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. REED. Mr. President, I desire to make a brief examination of this report. I do not like to delay the Senate, but I should like to be allowed about five minutes in which to examine the report.

Mr. BORAH. Mr. President, I desire to speak briefly upon this report while the Senator from Missouri is examining it.

Mr. President, I called attention a few days ago to the situation in the country with reference to farm labor, and particularly as to the effect which the next draft would have upon the farm-labor conditions. After those remarks were made in the Senate I received a letter from Gen. Crowder discussing the matter, and I feel disposed to say another word this morning in regard to it. I think it is not perhaps receiving sufficient attention by reason of the absence of knowledge of the facts as they actually exist.

When I formerly discussed this subject, I stated that if the next draft had the same effect upon the depletion of farm labor as the last draft had had it would leave the farm situation in a very serious condition. The statement which Gen. Crowder made was that there had been a comparatively small per cent of farm labor taken in the draft as compared with other industries, and so forth. So far as the per cent is concerned, that may be true; but we must bear in mind, Mr. President, that other industries have been drawing from the farms for the past 10 years, and particularly for the last 3 or 4 years, until the supply of farm labor has been reduced to a minimum, and the taking of any portion of that, unless there was some other means to supply the places of those taken, works a great detriment. Farm labor being reduced to a minimum it is perilous to draw from it if we are to keep up in any degree our production. To my mind the man who produces food is on a par in winning the war with those who serve their country in any other way. Measured in sacrifice it is not so great a service, but measured in importance it ranks with any other service.

Mr. President, I read from an editorial in the New York Times, based upon a report of the New York Board of Trade and Transportation. This report of the New York Board of Trade and Transportation has been epitomized, and, as abbreviated, states:

Maine: Great shortage of farm labor; acreage probably will be reduced by one-fourth or one-third. Texas: More labor needed than ever before, but supply is much below normal. North Dakota: Alarming shortage; farmers discouraged and can not plant for normal crop. Vermont: Shortage means a cut in production. Massachusetts: Serious situation; farmers can not go ahead with only the help of boys and untrained workmen. Connecticut: Depressing conditions; farmers may try to raise only enough for their families. Rhode Island: Many will not plant as much as last year. New Jersey: Farmers think that planting of even the usual acreage will be very hazardous. Pennsylvania: Very great shortage of skilled farm labor; the exodus from farms has been continuous. Delaware: Unless relief comes, the usual acreage can not be prepared. Maryland: Labor situation is acute.

Virginia: Lack of labor, and acreage reduced accordingly. Georgia: Impossible to cultivate as much land as last year's area. Florida: Affected by loss of negro workmen drawn to the North; hope the Government will bring Porto Ricans. Ohio: Farmers discouraged and at their wits' ends. Indiana: Probably a reduction of acreage. Illinois: The number of idle acres will be increased.

Commenting upon this, the board says the present prospect is "that acreage this year must be greatly reduced, with consequent short crops, meaning still higher food prices." A farm census taken by the New York Food Commission shows for the year a loss of 35,000 full-time workers, 15,000 of whom have gone into military service. But the addition of women and boys, with the return of about 14,000 men, makes the net reduction 8,000. It is encouraging to be told that in New York there will be no loss of cereal acreage, but an addition of 110,000 acres for corn.

Mr. CURTIS. Mr. President, may I interrupt the Senator from Idaho there?

Mr. BORAH. Yes.

Mr. CURTIS. I have had letters from every section of the State of Kansas, in which the writers advise me that there is a shortage of farm hands in their locality; and in one county alone—a small county—in the western part of the State 5,000 acres of wheat land were abandoned because the farmers could not get the labor to enable them to attend the land.

Mr. BORAH. Yes.

Mr. OWEN and Mr. SMITH of Michigan addressed the Chair.

Mr. BORAH. I yield to the Senator from Oklahoma.

Mr. OWEN. I desire to confirm the report in regard to farm labor which comes from Oklahoma. The farmers are finding a very serious shortage of farm labor there.

Mr. SMITH of Michigan. Mr. President, if the Senator from Idaho will permit me, I desire to make the same observation regarding farm-labor conditions in Michigan. I do this because it does not seem to have been stated in the report which has been read, and I do not want the impression to prevail that we have a surplus of agricultural labor in Michigan. That is very far from the fact.

Mr. BORAH. Mr. President, I have a letter here from Kansas which is written by the editor of what is called the Horse and Farm Review, in which he states:

Allow me to say that if the next draft operates as did the first one, in this section of Kansas the farmers will be unable to operate their farms to anywhere near full capacity. In short, the present prospective wheat crop, if it matures as expected from present conditions, will find the supply of farm help so scarce that I hardly know how it will be harvested or thrashed and taken to market. What I write concerning this small town and its immediate vicinity is true through all those portions of Kansas and Nebraska that I have visited in a business way since last fall, when the first draft took away so many boys and men from the farms. We have a town here of 870 people. Our country population is not as heavy as 10 to 20 years ago, as so many men have added to their holdings of land. Formerly a family resided on practically every quarter section; now the farms are hardly ever smaller than 320 acres, and from that up to 1,000 acres.

Mr. President, I am perfectly aware that it is a very difficult matter for the executive departments to deal with, yet it was supposed to be one of the virtues of the selective draft to enable the Government to protect those industries which were really as essential to the prosecution of the war as the putting of men in uniform. The farm boy and the laborer on the farm, of course, are under the same obligation to serve their Government, and undoubtedly are just as willing to serve their Government, as men in any other walk of life; but the thought which I desire to impress upon those who may be interested in the matter is that if these boys must be taken from the farm there ought to be a labor program devised to provide some method or means by which to supply their places when they are so taken.

One particular point which is impressed upon my mind by reason of correspondence received this morning is the uncertainty as to what the next draft law will do and as to when it will be put into execution. That is deterring men from planting their acreage now. This letter says:

We have about 400 boys in this county who are in class 1 of the next draft. Most of these boys are farmers, as you know this is a farming community.

I am the food and fuel administrator of the county, and a number of these men have asked me to try to find out, if I could, when the next draft would be drawn. These boys are on the anxious seat, in suspense, not knowing what to do about making arrangements for putting out a crop. If they knew they would have time to put the crop in, they would be glad to do it, and if they knew they would not have the time they would make other arrangements.

It is the uncertainty which is producing the disturbance in this instance.

Mr. VARDAMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Mississippi?

Mr. BORAH. I yield.

Mr. VARDAMAN. If the learned Senator will permit me just at this point, I desire to say that I have received from my constituents in Mississippi not less than 25 letters on the subject referred to in the letter which the Senator has just

read. These men are pleading with me to ascertain, if I can, whether or not it will be possible to obtain for them a furlough that they may return home to plant and cultivate their crops. I have heard from others who have been drafted and they have universally said to me that on account of the scarcity of labor they are unable to employ men to work their farms and the consequence would be that their farms would lie fallow during the present year. This presents a problem that the wise and prudent statesmen can not overlook at this time. Ample food for Americans and our allies is an indispensable prerequisite to the successful prosecution of this war.

I am glad that the able Senator from Idaho is calling attention to what seems to me a fatal oversight. The well-trained, industrious farmer will produce on the farm more than a half a dozen untrained men from other vocations of life. The man from the cities and towns can take the place of the farmer in the ranks of the Army, but he can not perform the duties or take the place of the farmer on the farm. The town man can keep time in the drill, but he can not keep step with the mule in the furrow. And I submit that it will be a wise economy—an act of great generalship—to permit the men accustomed to agricultural pursuits to remain on the farm, or go back to the farm, and produce the things necessary to feed and clothe the women and children at home and maintain our soldiers and our allies in foreign lands.

Mr. SMITH of Georgia. Mr. President—

Mr. BORAH. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. We brought this subject to the attention of the office of the Provost Marshal General, and were advised that no definite order had been issued; that we would be safe in answering correspondents and saying that the War Department had under consideration a plan to care for the difficulty presented, and that farmers needed to plant the spring crops and care for them until harvest need have no great apprehension in this regard.

Mr. BORAH. Mr. President, I am glad to have that information, and particularly glad to have it stated publicly, so that we may all avail ourselves of it.

Mr. SMITH of Georgia. I wired that to Georgia two or three days ago, and stated that the Provost Marshal General's office felt that the farmers need not hesitate to plant their crops and hoped they would do so.

Mr. BORAH. I assume that when the order is issued it will be a general order applying to the entire country.

Mr. SMITH of Georgia. I have no doubt a general order will be issued when the subject is finally determined. I think it has been delayed on account of some legislation that is pending—just what I do not know—but I may be wrong about that. I feel confident, however, that it is the desire of the Provost Marshal General's office that the men, even in class 1, who have farm work to do should go ahead planting their crops, and it seems probable that such men will be allowed to continue planting.

Mr. GORE. Mr. President—

Mr. BORAH. I yield to the Senator from Oklahoma.

Mr. GORE. I wish to express my approval of what the Senator has suggested, and to emphasize the importance of a liberal policy of exemption with respect to farm labor. I do not know whether the Senator from Idaho has made the statement or not, but I would like to have it go into the Record at this place that last year England exempted, or released from Army service, 25,000 skilled farm laborers and 25,000 unskilled farm laborers; that, in addition to that, she released 20,000 laborers during the harvest season, and, in addition even to that, has organized what is called a "woman's land army," consisting of 250,000 women to render service upon the farms. The figures sound small to an American, but in comparison with English farming they form a considerable ratio to the requirements of farm labor.

If the Senator will permit me further, I will say that, in proportion to the registration, a larger percentage of farm hands and farmers have been accepted than from any other class in the United States. I intended to bring the statistics here, but 8.47 per cent of all who registered assigned their business as farming, forestry, and live-stock raising. They stand at the head of the list in percentage, while I believe that certain professional classes only sent some six and a fraction per cent. I will furnish the exact figures before the Record goes to press.

The last letter I dictated, only a few moments ago, was in reply to a farmer stating that he had been placed in class 1 and that he would have to shut down his farm and sell his stock if he should be called. I have many letters of similar import.

Mr. BORAH. Mr. President, I read in the news reports a few days ago that the Labor Department was of the opinion that there was really no shortage of labor, but that the difficulty arose out of the inability to fairly distribute the labor in the different parts of the country according to the needs or

demands of particular sections. I trust that that is true, Mr. President; and one of the reasons for calling attention to this situation is that those who have in charge the question of mobilizing the labor of the country and distributing it according to the demand may understand that, whatever the reports to the contrary may be, there is an actual shortage of labor upon the farms throughout the entire Middle West and far West, and that there ought to be an assurance to those communities that labor will be forthcoming to take the place of any man who may be taken from the farm hereafter to serve in the Army. The farmer needs labor and he needs to know definitely that he is going to have it.

Those of us who represent farming communities—agricultural communities, particularly—make no plea in this Chamber or elsewhere for exemption of our men from the service which they may be called upon to render along with their fellow countrymen, wherever it may take them; but we realize, as everyone realizes, that the food supply can not with safety to the cause be diminished, and if they are called upon to serve their country in the capacity of soldiers, there must necessarily be some program which will supply their places upon the farm; otherwise the productive capacity of the country will be diminished to such an extent as to be destructive.

Mr. STONE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Missouri?

Mr. BORAH. I yield to the Senator from Missouri.

Mr. STONE. What the Senator says, of course, is important and it is accurate in the effect stated upon the food supply of the country and of the world. As I understood the Senator, he said, in substance, that a farmer ought not to be drafted and taken away for the military service unless some program could be devised to have him replaced by some other workman. That is very interesting if it can be done; but has the Senator in mind or has he worked it out sufficiently to make a suggestion as to how that could be done? I confess it is confusing to me. I approve the thing if it is possible or practicable, but I do not see how it is.

Mr. BORAH. I base my belief upon the proposition that it may be done upon facts and figures which have been presented through the press from the Labor Department, that there is not a shortage of labor in the country as a whole; that if it is known where the labor is short and where there is a demand for it, it may be had.

The draft law only covers men of a certain age, and there are plenty of men beyond that age in the country who are not earning a dollar or doing anything. These are times, Mr. President, when a man ought not to be permitted to eat unless he performs whatever service he can perform to the community. Last fall on my way East, after being in the West, I stopped over in one of the great cities of the country, and, having been informed to some extent as to the scarcity of labor in that part of the country, I made it my business to inform myself as to the possibility of securing labor from that particular city, men who are practically doing nothing; and there are hundreds, and I think hundreds of thousands, of men beyond the draft age who ought to be at work.

Mr. STONE. It has been proposed, as the Senator knows and as all of us know, and widely discussed, that some program or policy should be entered upon to draft workmen, laborers, as well as soldiers. That is, compulsory labor, of course, on the farms or in the shops or shipbuilding establishments, or whatever the place may be. Now, if we are prepared to enter upon that program and can constitutionally maintain it, it may be the solution. What does the Senator think of that?

Mr. BORAH. Mr. President, I do not think the time has arrived when the conscription of labor is necessary. However, so far as I am concerned, I have no hesitancy in saying that the time may come when the idler in this war will have to heed his country's commands and help to feed the soldier who has offered his life for his country. If the situation ever comes when that is necessary, I think we will be able to enforce it in this country, but I do not think it is necessary yet to do that. As I said a moment ago, the Labor Department has stated that it has the data, the information, and the means by which to supply this labor if it can be known where it is needed.

Mr. McCUMBER. Mr. President—

Mr. BORAH. I yield to the Senator from North Dakota.

Mr. McCUMBER. I think the Senator will recognize that there are two practical questions involved in his theory of securing labor for the farm. The first and the most important one is the question of wages. How are you going to take laborers from the city, where they can get four and five dollars a day for working seven or eight hours a day, and get them onto a farm, where the labor certainly would be more than eight hours

a day, and where farm prices will not justify the payment of those prices to labor?

No farmer in my State, for instance, can raise wheat at \$2 or \$2.50 a bushel and pay his labor \$90 to \$100 a month and board. That is what labor is demanding in our State to-day—\$90 a month and board, which would be equivalent to about \$130 a month. That seems to me the real trouble; and the only way that I see to get out of it now is for us to apply our draft so that we will not take so many of our soldiers from the farm lands during the year 1918, at least not until after the crop is harvested.

Mr. BORAH. Mr. President, I think the suggestion of the Senator may be the practical solution of the matter. It is up to those who have to deal with the situation to determine whether or not labor can be supplied to take the place of those who are drafted. If it is not possible to do so, it is as clear as can be that they ought not to be drafted, because the food supply is just as essential to the situation as the man power upon the western front; and, of course, if its place can not be supplied it ought not to be taken away from the farm.

Mr. WADSWORTH. Mr. President—

Mr. BORAH. I yield.

Mr. WADSWORTH. I simply desired to ask permission to interrupt the Senator, because I was interested in the remark which the Senator from North Dakota made, that the way to get out of the difficulty was to do something by way of changing the draft. I was going to ask the Senator from North Dakota if he did not think a very much larger measure of relief would be afforded to the wheat growers of North Dakota if the law of supply and demand were permitted to operate with respect to wheat?

Mr. McCUMBER. Mr. President, I admit that we would be in very much better condition, because under the present situation we allow the law of supply and demand to operate in the labor field, and allow the labor to secure whatever the demand may be, while in the production of wheat we say that the farmer shall not receive more than a certain amount per bushel, \$2.20 a bushel being the price fixed for the 1918 crop.

Mr. RANDELL. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Louisiana?

Mr. BORAH. I yield.

Mr. RANDELL. I should like to ask the Senator if, in his judgment, we might not relieve the situation somewhat by applying to the unskilled labor on the farms the rule which I understand, in the practical application of the draft law, is applied to the skilled labor? I understood that the skilled labor would not be required to be taken under questionnaire 1; that the necessary managers of farms and the skilled, expert labor on farms would be exempt, or at least they would not come under questionnaire 1, but that the unskilled labor would. Now, why could we not put all farm labor in the same class and not call them in the first draft? Would it not be wise to do that at the present time, when such tremendous demands are being made on us to produce food?

Mr. BORAH. I am willing to leave that part of it to the executive department, Gen. Crowder, and those who have to deal with it, if they know the actual facts. The general seemed to be under the impression that there was not the shortage upon the farm that some of us thought existed. I am quite sure that he understands as readily as any of us the necessity of keeping up the supply upon the farm; and if he ascertains that fact, certainly some method will be arranged by which either to leave the man on the farm or to furnish some one to take his place. I think, so far as the practical results are concerned, that you had better leave him there, because he knows more about the business than anybody that you are likely to send there.

Mr. HOLLIS. Mr. President—

Mr. BORAH. I yield.

Mr. HOLLIS. I wanted to ask the Senator from Idaho, who is a man of liberal views, a deep student, and philosophical in his handling of these matters, if he does not see a very great difference between drafting a man to fight for his country, where he is given his living by his country, is paid by his country, is under the command of trained officers who are responsible to higher officers for the treatment of the men, and drafting a man and setting him to work on a farm or in a shop under a private man, for the benefit of that man, to earn profits for that man, to be paid as the man chooses, and to be paid or not according as the man is responsible? I think the Senator will see a very great difference.

Mr. BORAH. Undoubtedly there is a difference, Mr. President; and yet, at the same time, if the time ever comes in this country when we can not have a sufficient food supply without

putting men to work who now refuse to work, men who are living off the community and in no wise aiding the community, so far as I am concerned I am willing to try out the experiment. I have said, however, that I do not think the time has arrived. It is about the most serious step that we could take in this situation, and it ought not to be taken until all other means have been exhausted. I doubt if the time ever comes when it will be necessary to do so; but the preservation of the country is infinitely more important to me than the right of a man to live in a community to which he is in no sense contributing to the general welfare. Soldiers will not be permitted to go hungry while idlers loaf at home. It is not laborers who I complain of, but idlers, pure and simple.

Mr. JONES of Washington. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Washington?

Mr. BORAH. I yield.

Mr. JONES of Washington. Does not the Senator think that we ought to get our draft in such shape as to be able to operate it in such a way as to take into the Army the men whom the Senator has just described as idlers and doing nothing, and leave the men who are working until a last resort?

Mr. BORAH. That would be a very good solution. If they feel that they do not want to be drafted for labor, let them be drafted to fight. It is a time of common service. The common country calls for support and every man must do his duty. If there be those so blind to the great issues involved in this conflict, so heedless of the consequences of defeat, so unmindful of their country's need that they will not serve, then they must be directed by their country, by the Government, where to fall into line.

Mr. CURTIS. Mr. President, I was very greatly pleased with the statement made by the Senator from Georgia [Mr. SMITH] that he had had information from the Judge Advocate General's office with reference to labor being permitted to remain on the farm this spring; but I wanted to suggest that if additional legislation is needed, I hope the committee in charge of that subject will report the bill out as soon as possible.

Last fall the labor situation was so serious upon the farms in Kansas that a delegation was sent on here, headed by the former governor of our State, Mr. Stubbs. I arranged a meeting with the Secretary of War, and we called upon the Secretary, and presented very fully the question as to the situation in our State, and showed the shortage of labor on the various farms in every section of the State. The Secretary of War requested that committee to make a full and complete showing in writing, which I am informed was done; and when I called up the department a few days ago no final action had then been taken. I was not advised at that time that additional legislation was needed. If the Senator who has taken up this question with the Judge Advocate General will take it up again and find out what legislation is needed, I shall be very glad to have him do so.

Mr. SMITH of Georgia. Mr. President, I think I understand the bill to which they referred, but I do not desire to mention it. I think it will be passed within a few days.

Mr. CURTIS. If the Senator knows what legislation is required, and what bill is referred to—

Mr. SMITH of Georgia. The Senator repeated my statement a little more strongly than I made it myself.

Mr. CURTIS. I did not intend to.

Mr. SMITH of Georgia. I am sure of that; but I do not wish to place the Provost Marshal General's office in any false position.

Mr. CURTIS. Neither do I.

Mr. SMITH of Georgia. I am sure of that; and if the Senator was doing that, it was due to my misleading him. The information we got, and the statement I have made in consequence of it, was that I could say to those in the first draft who had a crop ahead of them that the wise thing for them to do was to go ahead and plant the crop; that it was not believed that they would be called to camp in a way to prevent it; and it was hoped that provision could be made later, also, even to gather it.

Mr. OWEN and Mr. McCUMBER addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Kansas yield, if to anyone?

Mr. CURTIS. I want to answer the Senator from Georgia first, and then I will yield the floor.

Mr. SMITH of Georgia. It was no complete committal; but I concluded that the probabilities were so great that I sent the information at once to my own State, with the advice to go ahead and plant their crops.

Mr. CURTIS. I want to assure the Senator that, so far as I am concerned—and I think I can speak for all the Senators

from the farming States—if that bill is reported, we will assist in getting it through as soon as possible.

Mr. McCUMBER. Mr. President, what I wanted to ask the Senator from Kansas, or any other Senator who can answer the question, is concerning the next draft. Has there been any time fixed for making another draft upon those who are registered?

Mr. CURTIS. Mr. President, I have no personal information on that point, but I read in the newspapers, I think, yesterday or the day before, that the draft was likely to be put in force in June.

Mr. McCUMBER. In June?

Mr. BORAH. There was a statement published, seeming to be authoritative, that it would be put into execution in June.

Mr. McCUMBER. What are we to do with them after we have drafted them? We will put them in cantonments, of course; I appreciate that; but after they have been drilled, then what are we going to do with them?

Mr. BORAH. I do not know. I did not venture upon that uncertain sea. All I know is that if they are drafted and taken into the Army, we shall be badly injured. Whatever the War Department sees fit to do with them, whether it can utilize them or not, is a thing to which I have not given any consideration. I assume that they had reason for taking them or they would not take them, but the injury to which I was addressing myself would have been achieved.

Mr. McCUMBER. I understand the Senator, but I can not for the life of me see any occasion for drafting any soldiers between now and next fall. Secretary Baker stated that he had an Army now of 1,500,000 ready to send to France. Secretary Baker also testified that he did not have the ships, and further, that he did not know where he was going to get the ships to transport them, and to support them.

Now, as a matter of fact, we know that with the most optimistic view that we can give of the shipping situation we can not put 500,000 soldiers over in France during 1918. That being true, inasmuch as we have already a million that we can not put over there with the present situation, then tell me the necessity of taking another three or four or five hundred thousand men from the farms in the United States during the summer of 1918. There is no occasion for it. We can not use them. We can not send them over there. The whole crux of the matter is the question of shipping, and that is the matter to which we ought to give our attention now. Let us get the ships to take over the men that we have here before we think of drafting another army of 1,500,000.

Mr. OWEN and Mr. JOHNSON of South Dakota addressed the Chair.

Mr. CURTIS. So far as I am concerned, I yield the floor, unless the Senator desires to ask a question. I have made the statement I desired to make.

Mr. OWEN. Mr. President, I merely wanted to call attention to an instance which seemed to negative the idea that the farmers would not be called in the first class. I was appealed to a few days ago by a constituent who was farming 400 acres, and had 160 acres of wheat, who was summoned to go into camp, and he was not subject to be relieved because of having this crop on his hands. He has 400 acres of ground, but still he was called away from the administration of that farm. He was in the first selective draft.

Mr. SMITH of South Carolina. Mr. President, I desire to call the attention of the Senator from Oklahoma, right at this juncture, to the fact that there are two things operating right now to cause this uncertainty as to the crops. One is the question raised about when you are going to have your next draft. I know farmers down in my State who are afraid to contract with certain labor for fear that about the time their crops are planted, and the working season comes on, their labor will be drafted. Therefore they are hesitating about employing this labor for fear that they will have a crop left on their hands that they will be unable to work after they have gone to the expense of preparing the ground and buying fertilizer and stock to work it. In addition to the uncertainty as to when the draft is going to be made, there is also the uncertainty as to who is going to be drafted. It seems to me the two things to be settled are, if we are going to have another draft, when it is to be, and what is to be the character of those who are going to be drafted? I think it is very clear that we ought now to determine when the draft is going to be, if possible, or ascertain when it is going to be, and whether or not farm labor is going to be exempted, and then provide that the quota shall be drafted out of those who are not needed on the farms.

In my State, which is almost purely an agricultural State, practically the entire draft will come from the farm laborers, or at least a large percentage of it; so that we are affected

now. Men are hesitating right now about planting a crop, and this is planting time with us. We begin to plant corn in March, and the other crops will come on up to about the 1st of May or perhaps the middle of May. Now, as a farmer, I do not know myself whether to employ labor of a certain age, for fear that labor will be interfered with by the draft. It seems to me that if we are going to make a supply of food it is essential for us to go at this thing in a wise way, so that these uncertainties may be eliminated. It is not enough to say that we do not know whether or not the draft is going to be made at a certain time, because upon that depends the contract; and I was a little surprised—

Mr. VARDAMAN. May I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Mississippi?

Mr. SMITH of South Carolina. I do.

Mr. VARDAMAN. Does not the present law vest in the Chief Executive the discretion in the matter the Senator has just been discussing? Has not the Chief Executive under the law the power to exempt from the draft and permit to remain on the farm the man who owns or works the farm? I thought the President's power was plenary—well-nigh unlimited—in such matters.

Mr. SMITH of South Carolina. That was my impression; but that does not seem to be quite the impression that exists here, and I think at this juncture it ought to be forcibly brought to the attention of those who have this matter in charge that the support of the Army itself is largely dependent upon the discretion they use in this matter.

Mr. VARDAMAN. That can be done, in my judgment, without additional legislation, if I understand correctly the law. The power is already vested in the Executive in conscripting the Army—perhaps it might be more euphonious to say selecting the Army—and to exempt from military service the man on the farm who is so much needed to produce the things necessary to feed and clothe the Army, the men, women, and children of America, and our allies across the waters. I have always understood that the selective feature was the crowning virtue—the excuse, in fact—for giving conscription preference over the old American system of volunteering.

Mr. SMITH of South Carolina. I merely wish to state to the Senator that I was a little surprised to hear the Senator from Georgia speak so optimistically as to what they propose to do here. The expectation is exactly to the contrary. I went to one of the chief heads and had some discussion with him and called his attention to the fact I am now drawing the attention of the Senate to, and his reply was that we would have to go to work and have these men drafted and train them, because we do not know at what time we may need additional trained men, and they are within the draft age. I came away with the impression that they were going to take the pro rata of all, regardless of their occupation.

Mr. SHERMAN. Will the Senator yield?

Mr. SMITH of South Carolina. I yield to the Senator from Illinois.

Mr. SHERMAN. The Senator from Idaho has started, I think, a very useful discussion this morning, and the Senate will probably take time on the subject. My files are filled to bursting with correspondence on this subject from the western country, from my State and adjoining States.

I have among my constituents, Mr. President, in what is known as the loop district in Chicago, a number of ultimate consumers who are living in a state of chronic unproductive idleness. I should like to join with the Senator in devising some remedy—they are within the draft age—and make them bear some useful part in this crisis. I do not know how we will do it. We are losing what mechanics would call a lost motion in very large quantities. We are taking men off the farms, and we are beginning to bring men from the city on the farms in some cases, through labor agencies, Federal and State; and after they are there they meet the difficulty the Senator speaks of, and we are losing one season of profitable work if we undertake to make out of the city man a farm hand. No novice can do that work. It requires artistic ability to do the work. A city man can not develop that in one summer.

Mr. SMITH of South Carolina. I think the whole matter could be summed up in getting before these officers the necessity of drafting just the kind of men the Senator from Illinois refers to until we fill the next draft quota, and allow those who are actually engaged in farming, because it takes some skill, to raise wheat and cotton and corn. A novice can not do it. It takes some skill to use a hoe properly. A novice can not do it. Therefore, in order to get to a maximum crop you must leave your farmer who understands farming on the farm and take those who are nonproductive to fill out the quota.

Mr. KIRBY. Mr. President, I am somewhat interested in this phase of the discussion. It seems to me that Congress might very well provide for a new draft for soldiers and extend the age to 35 or 40 and require men over the age of 31, all unmarried men and all childless married men and all other men in cities whose occupation is not absolutely necessary to the successful prosecution of the war, to go to the firing line, bring them into camp, and make soldiers of them, and to say that a man who is on the farm and stays on the farm and produces stuff shall remain there. Congress might very well do that, and I think it would relieve the conditions, if they are as bad as reported.

There is another thing, Mr. President, that I do not like to hear discussed in the way we hear it discussed. There is a suggestion from the Senator on the other side in the question, "What will we do with these men if we draft them?" There is a like suggestion from a Senator on this side in saying, "If we have another draft." The time has come when we must quit talking about if we have another draft or what we are going to do with these men when drafted. My impression is that you will have 10,000,000 men in camps in this country before the war is successfully finished and over 3,000,000 of them across the sea.

It is time that we realized the condition as it is, time that we got down to business and began to perform something toward its accomplishment. These men must be put in the cantonments; they must be trained; and they can and will be sent to France inside of a year, more than 1,000,000 of them; and there will be another draft and yet another draft, and in my opinion we will draft enough to make 10,000,000 men in camp before we finish the war successfully.

It is time to quit talking about if we are going to do this and if we are going to do that. We are going to do it. We have embarked on the enterprise, and it is necessary that these things must come to pass. Then, let us meet it as the situation demands and quit talking about if we will and if we can.

Mr. OWEN. Mr. President, I think the difficulty in the administration of this draft act is that it is at last in the hands of local committees that are scattered all over the United States and the heads of the department were authorized to pass finally upon appeal cases. It does not, as a matter of fact, control the selection of these men. They are selected by the local committees, and their appeals to the local committees are not heard. The local committees are, as a rule, men living in the towns, and they would prefer to distribute the drafted men in the towns and in the country, just as it may happen. They do not want to send all the men from the towns and leave all the men in the country; they want to distribute them. But it is obviously necessary that we provide the allies with foodstuffs and with raw material, and therefore men on the farm are just as necessary as men in the trenches.

That being true, I think Congress ought to adopt a concrete scheme and not merely talk about the matter. I think the men on the farm who understand farming and have been trained as farmers ought to be left where they are, at least for this crop season.

Mr. VARDAMAN. There is a scarcity of workmen on the farm now, the deficiency exists now, and it can only be supplied by returning to the farms men who have been conscripted up to date and taken away from the farm. The deficiency will not be supplied by mere failure to take away more men. The deficiency may be increased, the scarcity enlarged, by future drafts. But the needs existing now can only be supplied by returning the men, whose taking away caused the deficiency, back to their accustomed vocation. You will not improve the situation materially by prohibiting further conscription of the farmers.

Now, Mr. President, I would not in any way weaken our Army by taking the farmer from the ranks if it were necessary and really strengthened our lines to keep him there. But I realize, and every other Senator realizes, that his place in the Army can be supplied by men taken from other walks of life and thereby permit him to go back and work his farm and produce the needed crops. We will have more men left after the agricultural element shall have been taken from the Army and sent back to their homes than we will have ships to carry them to Europe in the next 12 months or 18 months. There is no wisdom or economy in organizing a great Army to be sent to Europe when there is no means of transportation to get it there, and I submit it will not give strength to the Army or efficiency to our forces to train them in the art of warfare when there is nothing with which to feed and clothe them. The strength of an army consists not only in the accuracy of marksmanship and the use of the great cannons, but the first and most important element is something to eat and clothes to cover their nakedness.

Mr. OWEN. I think it would suffice if we did not take any more men from the farms, at least, but we are going on taking them from the farms. The farms have already been much depleted. I was talking to the head of the Farmers' Union only to-day, and he was telling me of a meeting of twelve or thirteen hundred men, and at that meeting of farmers the question was put to them, "How many of you have the same amount of labor that you had a year ago?" Only two or three arose. "How many of you can get along for the year with the labor that you have?" Several hundred arose. "How many can not get along with the labor that you have?" and all the remainder of them stood up, showing that there were at that particular meeting four-fifths or more of the farmers unsupplied with proper labor.

Mr. VARDAMAN. Mr. President—

Mr. OWEN. I yield to the Senator.

Mr. VARDAMAN. If the able Senator from Oklahoma will permit an interruption, I would like to suggest that a great many of the men now in the Army have been taken from the industrial life of the country, many of them compelled to abandon their farms and take up arms in defense of the Nation's flag. It is well known that their places on the farm can not be taken or supplied by men from the cities. As I have heretofore stated, the man accustomed to city life is wholly untrained and inexperienced in the matter of performing the duties of the farmer. As little as we think about it, there are no more skilled, artistic, and, in many instances, scientific laborers in the land than the successful tiller of the soil. The successful farmer must not only understand handling agricultural implements but he must know something of the nature and growth of plants, the effect of the change of the season; he must know something about the character of his soil, its deficiencies, and the sort of fertilizer needed to produce an abundant yield. The manner of cultivating the plants, the time to plow, and how to plow are scientific problems which the seasoned farm laborer alone understands. He must also be familiar with the habits, the nature, and general disposition of the live stock upon the farm. To be a successful farmer—and when I use the word "farmer" I mean the laborers upon the farm as well as the director of the farm labor—it requires a lifetime study of experimentation and intelligent observation.

So, Mr. President, in consideration of all of these things, I think if this matter were called seriously to the attention of the Executive and those administrative officers around him charged with the serious duty of conducting this war there is no doubt but that the President, having the power now, to order these bona fide farmers back to the farm and supply their places in the ranks of the Army with other men from the cities or elsewhere, I repeat there is no doubt about such an order issuing forthwith. The necessity for it is manifest. You can supply the place in the ranks of the Army now filled by the farmer boy with town men or professional men, but I insist that you can not supply the place of the trained farmer on the farm with the city-bred, inexperienced man. As I have heretofore stated, I think nothing will contribute more to the cause we are all so deeply interested in now as sending these men back to the farm and permitting them to remain there until they shall make a crop—produce the stuff necessary to clothe and feed the Army, which we now have, and the army yet to be organized. This seems to be one of the most important questions that has engaged the attention of this body for some time. The Congress can not afford to make a mistake in a matter of such far-reaching and vital concern. If you want to strengthen the Army and support our allies, there must be food and clothing for all; and we can not have food and clothing for all unless the man power is supplied to produce it. Talk is cheap and verbal patriotism is all right unless it should mislead us into some serious error of omission. But if this war is to be won it is to be won by the combined use of bullets and bread, clothing and courage, prudent action and heroic determination.

Mr. OWEN. I think the power does exist in the hands of the Executive, but that does not relieve the legislative branch of responsibility.

The PRESIDENT pro tempore. The question is on agreeing to the conference report on the so-called soldiers and sailors' civil-rights bill. Is there objection to the report?

Mr. HOLLIS. Mr. President, I have been told by somebody connected with the Government that it is expected to work out relief for the farmers through furloughs, but that additional legislation is needed before the proper authority is granted. The distinguished general in charge of the draft has done a most admirable piece of work. His chief object was to get an Army and he has gone out and gotten it. The rules that we laid down for his guidance were interpreted by him rather strictly, so that he did not encourage exemptions. For instance, among railroad employees the rule laid down was that a man

must show that he was personally indispensable for conducting the operations of the railroad. The result was that no man could show that he was indispensable, as for running the Boston & Maine Railroad in my part of the country. But 1,800 of them have been drafted and the 1,800 were indispensable for the proper operation of the railroad, and it is largely because of the lack of young and active men of draft age who know the business thoroughly that the railroads have fallen into their present state of inefficiency. It is very largely due to that fact.

Among the farmers I am having complaints, as other Senators are, constantly of men who are indispensable for running a particular farm, but the members of the exemption board live in the villages and towns, as the Senator from Oklahoma [Mr. OWEN] says, and the State board is not composed usually of farmers. The result is that there have been very few exemptions of farmers.

Now, if the farmer knows enough he may appeal to the State board and he may appeal to the President, but the President of the United States should not be charged with deciding on cases of exemption for farmers. That duty should be submitted by Congress to some one who can investigate a case and exempt a man when the facts justify it. But a better way is this, and it will solve largely the labor difficulties that have been suggested here. Draft men, and draft them liberally. Then, if a man is willing to go to work on a farm for some one else give him a furlough. If he is not willing to work there, take him back and let him drill.

Answering the Senator from North Dakota, these men must be taken and trained first. There will be another draft, I assume, if they have not enough men under training now to satisfy the requirements, but if after the men are trained or during training there is a necessity for farm labor, the right should be given somewhere in the department to investigate a particular case and say this man or this company or this group of men shall be granted a furlough during the planting season or the haying season or the crop season. We in that way would give relief, and it is up to the Military Affairs Committee to give us legislation in that particular.

Mr. McCUMBER. The Senator would give them furloughs?

Mr. HOLLIS. I would give them furloughs, and then they would be subject to call.

Mr. McCUMBER. Mr. President, I wish to reply most briefly to the very earnest statement made by the junior Senator from Arkansas [Mr. KIRBY] that we should cease talking about what are we going to do with these men, and so forth, and that we are going to put 3,000,000 men over in France and to have an Army of 10,000,000 men. Mr. President, in my State among the Indians we call that "much big talk." But that big talk is not going to win the war. We have got to have some character of arrangement whereby we can concurrently with the raising of our army also secure ships to take care of that army. That we have not done so far. In 1917 we promised our allies that we would furnish them 6,000,000 gross tonnage of shipping. We did not give them 2,000,000 gross new tonnage afloat in 1917. We promised that we would get nine or ten million tons in 1918. The present outlook is not for half of that.

Now, we want our army. I wish we could put 5,000,000 men over in France, and I would love to support a provision of that character, but I know that we can not put them there until we get our shipping; and all our energy and all our talk should be given first to securing a sufficient number of ships to take care of the million men whom we have now in our cantonments before we attempt to raise another army, with a certain knowledge staring us in the face that it would be two years before it would be possible for us to secure the amount of shipping to take care of the million we already have. That is all I am in hope of securing; and we are not going to put 3,000,000 men over there before that time.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. WILLIAMS. Mr. President, the observation of my friend the Senator from New Hampshire [Mr. HOLLIS] about "giving men furloughs while they go home and harvest a crop" or run home and load the trucks or relieve a railroad congestion, or something of that sort, reminds me of the old story they used to tell of Gov. Joe Brown, of Georgia, during War between the States. It was said that he wrote a letter to Jeff Davis and said, "My dear Mr. President, why do you keep the farmer boys away from home in camps all the time? Why do you not let them stay at home and make a crop until you are about to fight a battle, and then tell the boys to come, and they will all go there and fight it? I know the Georgia boys will." Mr. President, we can not carry on war in that sort of a way.

Now, what is this situation? Whom have we drafted? Have we drafted all the men in the United States? By no means. We have drafted the men between 21 and 31 or the men who have arrived at 21 and arrived at 31. Do you mean to tell me that if all the men between 21 and 31 were to die to-morrow America could not raise food enough for itself and food enough to export? That it would be a great inconvenience, there is no doubt. That it would be a hardship, there is no doubt. That it would be a serious hardship, there is no doubt. But if they all died, so far as the farms of this country are concerned, there would be plenty of men left to work them under 21 and over 31 to make foodstuffs enough to feed the American people.

Now, Mr. President, I am getting a little tired of this "patrioteering" business. I love patriotism, but I have been reading the last two numbers of the Saturday Evening Post and a couple of poems on patrioteering that I found there, and if any Senator has not read them he ought to read them. Men go out and exploit themselves about "meatless Tuesdays" and "wheatless Thursdays," and they seem to think they are doing something very patriotic. The whole Confederacy lived without wheat at all for I do not know how long—about three years, at least, in the coast and southwest departments and the southern department; they had none. I as a boy in the Confederacy did not see anything made out of wheat from the early part of 1862 until the surrender, except now and then we would plant a little patch of wheat and grind it on a corn mill and sift it as best we could in the kitchen for the purpose of making Christmas and birthday cakes.

Then we were confronted with the fact that we did not have any sugar for the cakes, and we had to make them with molasses for "sweetening."

What is the use of talking about the "hardships" of the American people? They have not suffered any hardships. You have not put your front toe into the anteroom of the temple of Mars. You have thus far done nothing except to complain, and to complain again, and to repeat complaints about the efforts of those who are as patriotic as you or I in attempting under official oath and high responsibility to do what they can to win the war. Read those two poems on patrioteering. They are worth reading. I wish I had them here; if I had them, I would read them with proper emphasis right now.

Every man between 21 and 31 years of age who is a common farm laborer, or who is merely a farmer, can, if absolutely necessary, be spared; but is it absolutely necessary? It ought not to be even under these circumstances; unless you find that a man presents an exceptional case. I know an instance of a boy who is running a motor tractor, for example, and cultivating 150 acres of land in corn and peas and oats and soy beans, and with them feeding hogs and cattle. If he lived farther north he would be cultivating it in wheat. He ought not to go out to bear a musket if he claims exemption. This particular boy did not claim it, but he ought not to have been sent, because he could have done infinitely more good with that motor plow than he could do with a musket, even if he killed a German every time he went into the trenches, which is, upon the average, once in four days.

Another class of men ought to be exempt—even of those who are between 21 and 31 years of age—and they are the skilled mechanics, carpenters, and miners of the country. Luckily most of the miners are aliens. One of my boys in command of a battalion had in his command 90 men, I think it was, though may be it was 60, who could not speak English. They were Hungarians, Poles, Bohemians, Italians, Slovaks, and Slavonians and Slovenes. One of the first things the boy had to do was to try to teach his soldiers English with what little help he could get. Added to the duty of trying to teach his officers French, he was pretty full of work besides his ordinary drill work.

Every one of those men came from the mining district of Pennsylvania, and they ought to have been left there. But that is an exceptional case. Those mines present an exceptional case, because coal is at the basis of it all, whether in peace or war. If you can not run the transportation and the factories, you can not clothe and ammunition and gun the men. Therefore, there ought to be a special rule for miners and for skilled mechanics for steel and wooden ships.

One more word, Mr. President. It requires just two things to win a war; there is nothing else under God's sun which can do it. Presidential proclamations can not do it; congressional resolutions can not do it; public patriotic addresses can not do it. It takes men and guns and food and transportation; men and guns and food constituting one side of the proposition and transportation constituting the other.

When I say food I mean for the soldiers and sailors. The men and women at home will find food enough to live on for

the next three years even under hysterically anticipated conditions. Men over 31 and under 21 will make it and women can help. So when you want to win a war the thing you have got to do is to get hold of the men first and train them, and do it as rapidly as you can; transport them to the scene of actual operations as rapidly as you can; train them for special work adapted to the locale as rapidly as you can; put them under fire as rapidly as you can; follow them with food and accompany them with the guns and the ammunition, unless you can buy guns and ammunition cheaper and in greater quantities in the locale than you can at home. If you can, then, you will save transportation by buying them there.

I am sometimes afflicted with the utmost pessimism when I hear men talking about the lack of certain supplies to accompany soldiers to France to fight, when I hear men complaining that this or that or the other regiment did not have a hot "food-warming" stove, when I hear men complaining that overcoats were lacking, when, even if a sufficient number had been furnished in the first place, boys, with their carelessness, would have lost or misplaced or sold or pawned a great many of them and more would have had to come from the Quartermaster Department; when I hear men complaining that soldiers and sailors had no sleeping cars to ride on when they were being transported to the point of duty.

Why, do you know, Mr. President, a story was once told me, which I have every reason to believe to be true, that there was a company in the Confederate Army which at one time, in 1864, had but one skillet? The captain wanted it, and he found out that the first lieutenant had it, and he sent for it. The first lieutenant reported that he was sorry, but the sergeant had borrowed it, and they found that the sergeant was washing his feet in it. [Laughter.]

What do you know about war? What do you know about the sufferings of war? Are you going to sit down here dilettante fashion and talk all the time—talk about peace at one end of the avenue and talk about war at the other end of the avenue? What you want is men in France—men in France. What you want to put them there is ships, and what you want to go along with them is something with which to shoot. All the balance of it is secondary. If you can not put up with the hardships that are mere incidents to the first three demands, then you are unworthy of your forefathers; you in the South are eminently unworthy of yours, because if there is anything in God's world that they understood it was hardship, suffering, endurance, fortitude, standing out to the bitter end so long as a man could stand.

What is the use of all this patrioteering camouflage? Why, you have not even done what you ought to have done long ago. You ought to have called the boys of 19 and 20 into the service, not to go to France to fight, but for those 19 years of age to be trained two years until they are 21, so as to be ready for fighting, and for the men of 20 to be training for one year until they are ready to fight.

You have shown the most remarkable instance of American capacity to understand and to adapt itself to a situation that has ever been shown in the history of any country. What was it? When you turned these boys loose—most of them college boys—into the training camps, to make our officers out of them; and you have made thousands of the best subordinate commissioned officers that the world knows to-day, in three months' training. Often they had to take three more months, even better training, while they are training and teaching their men. You have done that. I say "you"; no, it is not you; oh, no. It was not you; it was not the legislating part of the United States, although you laid the foundations wisely; it was the boys; they have done it. They are ready to go; they are ready to put up with some hardships. They do not expect buckwheat cakes for breakfast. This reminds me of what I heard during that "Chickamauga War"—the War with Spain—when a good part of the Army never got any further than Chickamauga. There was a row raised down at Chickamauga because the troops did not have enough to eat; and old Maj. Pat Henry, of Mississippi, came to me and said, "My God, JOHN, I have examined into it, and do you know what they are complaining of, chiefly? They are complaining that they do not get pie over twice a week." He said, "JOHN, if we could have given the Confederate Army pie once a month, it would have had Washington captured in less than six months." [Laughter.]

People suffering on account of the war! Labor suffering! Labor never had as much money in the life of the world, here or anywhere else. Farmers suffering! They never made as much money out of their cattle and corn and oats and wheat and cotton and hogs since agriculture came into existence, here or anywhere else, as they are making now.

There are employees of the Government "suffering" and howling for an increase of pay, "all on account of the war."

Howling for an increase while objecting to working eight hours a day—the dream of carpenters and operatives, while most Senators work not less than 12! Everybody is howling for increased pay, "all on account of the war." It is even whispered around the cloakrooms now and then that Senators and Representatives ought to have increased pay "on account of the war." It is said prices are charged you for a mutton chop this big [indicating] that would fit the market value of a lamb in a New York or Washington restaurant, and we are told it is "all on account of the war." We have got to have negro woman suffrage, "all on account of the war" [laughter]; we have to have nation-wide bone-dry prohibition, "all on account of the war." [Laughter.] Such another verbal display of patriotism and such another lack of any real hardship or suffering or sacrifice was never witnessed by any great people engaged in a great war as is witnessed right now in our own land.

Why, people flock into Washington every day to get office, and when they get here come to us and tell us, "My heavens, I can not rent anything nor buy anything; buy me something, rent me something"—"all on account of the war!"

Some of them say, "I have been in the habit of keeping an automobile, a Ford"—and, by the way, that is a luxury that I was never able to indulge in, not even a Ford—and I remember my admiration for those machines when one of them was made a present to the Senator from Michigan; but there are employees down here who keep Fords, and they absolutely tell us that if we do not raise their wages they "can not keep a Ford"—"all on account of the war!"

Where is the spirit of the men that lived and starved and froze with George Washington at Valley Forge? Has it disappeared? Where is the spirit of the men who ate rats and mice and mule meat at Vicksburg? Has it gone? Where is the spirit of the men who suffered at Petersburg, and even upon the day before the surrender won the last brilliant little skirmish of the war? Are their sons degenerate?

Oh, the hardships of the draft upon individuals and upon industry and upon life! Sometimes, Mr. President, when I think of the boys that have got to go "over there," some of them to be killed by poison gas, some of them to be the victims of trench diseases, some of them to be blown into eternity without time to say a paternoster, then think of us living here in luxury—because even the way I live is luxury for three-fourths of mankind, and the way that nine-tenths of you live is luxury compared even to the way I live—when I think of it all it sometimes seems to me that after a man reaches the age of 60—and I have reached that age and passed it—while the Philadelphia doctor is not right in saying that we ought to be chloroformed and "put off," it is a great pity that we can not be either put to something useful, somehow, or else quit pretending that we are doing anything sacrificial for our country.

I suppose most of you are like me. What have you done? I have given all the spare revenue I could get to the country; I have bought bonds; I have put in my little \$1,000 for war savings stamps—all the Government will allow you to take of that kind of security. I am collecting from every source that I can in order to lend the money to the Government at 4 per cent, when I can get 6 per cent for it in Mississippi. I am not doing it, though, with any idea that I am making any sacrifice after I have done it all. What have I sacrificed? Just a few luxuries; that is all. Perhaps I will have to smoke cheaper cigars, and I will have to do without a few things that I would like to have—a new suit of clothes right now, for instance, when this one is dingy. What of it? If we lose the war we lose all; if we win, we win much that is better than clothes or cigars or money or bonds. But what of it? What have we done in comparison with the boys who are going "over there"? They have got to stand. What do they want? First, they want reinforcement just as rapidly as you can give it to them; next, they want ammunition and guns; and, third, they want food. "Third," I say, not "first." They will manage to get food some way for a while, if they have to live on the corn in the field. Stonewall Jackson's men made the great valley campaign upon corn gathered from the field. I do not say that is the best way, but I say the first thing is men, the next thing is munitions, and the third thing is food.

Do you imagine that there is no food in France and none in Switzerland or Spain or the Argentine or Cape Colony or India, and none in England? Do you imagine that ours is the only country in the world with any food? What is all this talk I hear of danger of Americans starving? Does anybody believe it? Suppose we have to take a beefsteak less now and then, or a mutton chop less here and there, or a cup of chocolate less in another place, or a little bit less of sugar, would we be any less healthy or strong or wise or good? I think there has been too much of that talk; that hysteria, in fact; and it has given

too much comfort to the enemy. I picked up the other day what purported to be a translation of an editorial in a Berlin paper, and it went on to tell that the "entire transportation system of the United States had broken down," which was not true, but partially true; that the American Government was going to "ration its citizens" pretty soon or "else they would not have food enough"; which was not true in any sense of the word; and that the Americans were "dependent altogether upon the English and French for big guns and ammunition," which was not true at all, even ab initio. The only reason we ever bought any from them at all was because they begged us to do it, and because they could sell them to us cheaper than we could buy them, and save transportation; and yet that article, purporting to be a translation of an editorial in a Berlin newspaper, went on to prove its every assertion by quotations from debates in Congress and from American newspapers!

Then what came to all this investigation business? If you take a great, big glass and look at the sun it does not look like anything but a collection of specks, but it shines all the same, and it shines with a good heat in December and a lurid heat in August, and there are just as many specks on it in August as there are in December; but the main fact is that the sun is shining and that every genial spring that comes it recreates the earth, and that for every living human being it gives food and sustenance, and, through its evaporation of water to the clouds, it gives water to drink, and with these everything else.

I ask you what effect it has all had, except this: It has just simply discouraged, disheartened, frightfulized, cowed a few American mothers and sisters and wives by making them think that a sporadic and exceptional case here and there out of 750,000—so exceptional as to be absolutely remarkable—was the rule of the service, when you knew it was not, and I know it was not, and the men who exploited it on this floor knew that it was not, and all of them knew that the sun of patriotic efficiency was shining, and shining with American effulgence and American warmth and American life-giving properties.

What is the American life-giving property to the whole world? It is the spirit of a *measured democracy*, liberty conjoined with order; and what is threatening it in this world to-day? Prussianism on the one extreme and Russianism on the other—autocracy and bolsheviki; militarism and wild men who do not know what the history of the world has already proven, and are willing to try an experiment over for the forty-first time that has failed already 40 times. We must meet these two things or they will meet and murder our measured democracy. Either can do it unless we "play the man"—not later but to-day.

How have we been attempting to meet most of our difficulties? Why, in a perfectly impracticable way. We have been trying to fix prices. You can no more fix a price than you can moderate the warmth of the sun by a legislative decree. You do one of two things. You fix the price, yes, in a certain sense, because you may keep a fellow from selling higher by threatening him with jail; but if you fix the price too low, you decrease production; if you fix it too high, you breed speculation; and unless you are as wise as God Himself you can not fix it exactly right. There you are, all in a nutshell; just one of these two results—none other possible.

I voted for all of these things, or most of them, because I did not want anybody, even my worst enemy, to suspect that I was lagging anywhere along the line; but I did it when I knew it was not going to do any good—that part of it. I also knew that nothing but the experiment would satisfy and convince Congress and the people. Now, let supply meet demand; let the American people know what the demand is; let prices take care of themselves, and then production will take care of itself, and there will not be any trouble about enough coal nor food nor anything else, though there may be difficulty about prices, except with a few things that the Government itself controls, like postage stamps, and things of that sort.

Suppose we here and now center ourselves upon winning the war, and suppose we center ourselves upon the idea of putting men in France, putting men in France, putting men in France; letting the men carry ammunition, carry ammunition, carry ammunition. Danton said, "What is the first way to win the French Revolution? First, audacity. What is the next? Audacity. What is the third? Audacity—'encore l'audace.'" So it is with this thing. The way to win this war is men in France with guns, more men in France with more guns, more men in France with more guns, as well trained as you can get them; if you can not get them trained to suit a West Point graduate, then trained well enough to do their part, at any rate.

Mr. President, I started to say I had said enough. I believe I have said too much.

Mr. GORE obtained the floor.

Mr. OVERMAN. Mr. President, before the Senator goes on I hope he will let this report be adopted. He can proceed with his remarks then just the same.

Mr. GORE. I am not going to make any extended argument. I desire to put in the Record the figures to which I referred a while ago. I merely want to observe that I think there is no dearth of audacity in the country, certainly none in the Senate. I am as well convinced as anyone that you can neither win this war nor feed the Army by mere eloquent phrases. All that fine phrases and bad names can do to win the war has already been done. We must have recourse to other engines of war.

I adverted a few minutes ago to the fact that Great Britain, in the planting season last year, released 25,000 skilled farm hands and 25,000 unskilled hands, and that during the harvest season she released 20,000 more, in addition to an army of 250,000 women which she had organized for labor on the farms.

I have here the figures to which I adverted then, which I did not have at that time. The statement has been made that in this country only 1 per cent of the farming population has been drawn. Mr. President, that takes into account the entire farming population. I stated—and I have the figures here, the accuracy of which I do not doubt—that a larger percentage of farm registrants were drawn than from any other class of people in the United States. I say that because I do not think the farmers are whining, neither are their friends whining, and I do not think they are mistaken when they assert that bread is as important as bayonets to military success.

I might say, adverting to the last Senator's remarks—I do not know just how material it is—that my father was in the Confederate service for four years and was in prison for six months. He had three brothers in the Confederate Army. One of them is still at Fishing Creek. I think that the sons of Confederates and the sons of Union veterans and everybody else are willing to do their full duty, are willing to bear every necessary burden, are willing to make every necessary sacrifice essential to the winning of this war. But, Mr. President, it is not a test of heroism, neither is it a proof of statesmanship, to permit the bearing of unnecessary and avoidable burdens, or to permit the making of unnecessary and avoidable sacrifices. It is the part of statesmanship to obviate every possible burden and to obviate every possible sacrifice. I believe there will be burdens enough, there will be sacrifices enough, which can not be avoided, without permitting those which can by any possibility be avoided.

I wish to have read here a table of percentages, first showing the ratio of farm hands and other classes drawn, from page 95 of the hearings before the Senate Committee on Agriculture and Forestry.

Then, on page 96, I wish to have read into the Record another table or statement; because, while a larger percentage of farm hands have been drawn than from any other class of registrants, that still does not tell the full story, because in the agricultural States of the West 77 per cent of the registrants passed the physical examination. Some of the States went higher than that. In the great industrial States some of them fell as low as 53 per cent. In Pennsylvania the number who passed the physical examination was only 53, in Connecticut it was only 53, in Vermont it was 56, whereas in North Dakota it was 79 per cent, in Nebraska 78 per cent, and the average was around 77 per cent, except in some of the extreme Southern States where there is a large colored population.

I ask to have read first the marked place on page 95 and then the marked place on page 96.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

I have gone through all the classes, and here is what I have found: Agriculture, forestry, and animal husbandry, total registered, 2,564,133; total accepted, 217,285; per cent taken of this registration, 8.47 per cent. Actors, artists, showmen, etc., 7.85 per cent. Breweries and other liquor factories, 8.38 per cent. Banking, brokerage, insurance, 6.83 per cent. Textile mills, 6.30 per cent. Barbers, bartenders, saloon keepers, etc., 7.99 per cent.

Here are the figures by States: South Dakota, 85.87 per cent of those that were called to be examined passed.

Senator PAGE. Of the farm boys?

Mr. SIMPSON. No; of the State; it is an agricultural State. Nebraska, 79.85; Wyoming, 78.47. Those were the three highest. Then I took the three lowest: Pennsylvania, 53.33; Connecticut, 53.70; Vermont, 56.18.

Senator GRONNA. Have you gotten North Dakota there?

Mr. SIMPSON. All the agricultural States run about 77 per cent, except these three that were exceptionally high, and when you get down in the extreme Southern States, down among the negroes, they run a little lower. But the manufacturing and mining States all run much lower.

The PRESIDENT pro tempore. The question is on agreeing to the conference report on the soldiers' and sailors' civil-rights bill.

The report was agreed to.

WAR FINANCE CORPORATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. SIMMONS. Mr. President, I think when we adjourned yesterday the Senate had under consideration an amendment offered by the Senator from Oklahoma [Mr. OWEN].

The PRESIDENT pro tempore. The Chair is informed that the amendment under consideration is that offered by the Senator from New Hampshire [Mr. HOLLIS] to the committee amendment on page 9 of the bill.

Mr. HOLLIS. Mr. President, I believe that is the amendment that I offered on behalf of the Senator from Colorado [Mr. THOMAS]. The Senator is now present.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. On page 9, line 20, after the word "whose," it is proposed to insert "bonded indebtedness is not in excess of its actually invested capital and assets, and whose."

Mr. HOLLIS. Mr. President, I may say that without the authority of the Senator from Colorado I permitted to be inserted yesterday the words "and assets." I did not think they were necessary; and I now ask the permission of the Senate to withdraw them, so that the amendment may be turned over to the Senator from Colorado as he gave it to me.

Mr. THOMAS. Mr. President, since the Senator from New Hampshire was so kind as to look after this amendment during my necessary absence yesterday, I shall be bound by whatever suggestion or arrangement he may have made regarding it.

Mr. HOLLIS. Mr. President, I did not commit the Senator or myself. I said I saw no objection to the insertion of those words, but I did not feel at all sure the Senator would not object; and I shall be glad to ask unanimous consent, which probably will be granted, to have them stricken out, if that is not entirely satisfactory.

Mr. THOMAS. Mr. President, I want to express my obligation to the Senate for permitting this amendment to go over until to-day, because of my detention in a very important committee meeting, although I have no doubt that the discussion of the amendment under the direction of the Senator from New Hampshire was quite as illuminating to the Senate as any explanation that I can make of the purpose of the amendment.

I am not satisfied, Mr. President, with subsection "(d)," even with the amendment which I have offered to it. The vast range of authority which it confers upon the new corporation will undoubtedly be exercised for the purpose of safeguarding the interests of the Government at all times; and yet we know that where too much is left to the discretion of an administrative body, appeals in individual cases sometimes are so plausible and so earnest as to mislead or confuse the judgment, resulting in more or less injury to the public interests.

This subsection, as I understand it, is designed to invest the Finance Corporation with authority to deal with enterprises, mostly public utilities, whose financial condition absolutely requires relief, and who are unable to obtain it in any other direction or from any other source. They are not in proper condition to receive advances from their usual sources of borrowing. They are unable to meet and tide over the maturity of obligations the default of which threatens them with complete disaster. At the same time, we assume for the purposes of the bill that the character of the business with which they are occupied and which they are conducting is essential to the prosecution of the war. The cessation of it will therefore tend to impede the progress of the prosecution of the war, or at least make the possibilities of efficiency less than would otherwise be the case.

I concede fully, Mr. President, the essential necessity, if we are to legislate at all upon the general subject of the bill, of making provision to meet such cases when they become urgent, but it is an unfortunate fact that during the days when speculation was rife and investments were easily secured many of the public utilities of the country issued securities which frequently were in excess of the actual value of the property.

To use a common expression of the trade, many of them capitalized the future, capitalized their so-called intangible

wealth, and transformed it into real money by placing these huge issues upon the market and selling them sometimes at par and more frequently at much less than par—sometimes at par with a bonus of common stock. Fundamentally the practice is indefensible. I might go further and say that it is dishonest.

I do not believe, Mr. President, that the Government should come to the rescue of those speculative concerns which in defiance of good business ideas and of common sense have yielded to the temptation offered by an easy market of placing bond issues upon the country in excess of the actual capital invested. If concerns of that sort get into trouble because of our present stringent financial war conditions, the chances are 100 to 1 that the trouble has resulted from their misconduct and not from any other cause whatever.

Mr. HOLLIS. Mr. President—

Mr. THOMAS. I yield.

Mr. HOLLIS. Would the Senator extend the principle for which he is contending to earnings made by the company and put back in the property and represent it, say, by stock dividends? That raises, I assume, this question. Would the Senator go as far as that?

Mr. THOMAS. If the amount of earnings placed into the capital as stock dividends has become sufficient in amount to offset the difference between the original capital invested and the amount of bond issue, yes; but I do not believe that there are many such cases.

The Senator from North Carolina [Mr. OVERMAN] during the first day's discussion of the bill said that the traction company, the trolley company, operating the street railways in his city represented an actual investment of \$100,000, but that the bond issue of the company which had been negotiated was 400 per cent of that amount; that is to say, \$400,000. Now, that is a typical case. Unfortunately it is not a unique one. It has its imitations as well as its precedents from one end of this country to the other. I might refer to one or two, perhaps, in my own State, but that one illustration is sufficient.

Now, why should a concern like that be permitted to fall back upon the generosity of the Government and obtain relief from the condition which it now finds itself in because of its improvidence? I want and always have wanted to discourage that sort of wildcat financiering conducted on the part of men who know better or on the part of those who can with some propriety plead ignorance, and I know of nothing that would encourage the continuation of such practices more than the knowledge of the fact that if trouble comes the Government will put its powerful shoulder to their little wheels and lift them out of the ruts.

Concerns of that kind, Mr. President, generally speaking, meet disaster sooner or later even in the most prosperous times, and that means receivership. I can not conceive of any of those enterprises whose existence is a necessity to Government purposes which would not be run as well if not better by the companies if they are in the hands of a receiver. Of course, something depends upon the competency of the official appointed to fill that position, but surely there is nothing urgent in the event of the translation of the company's affairs from the hands of the concern to those of the court.

So I think this amendment is desirable, and I am willing to limit it to those companies whose earnings have been invested in their capital to the equivalent of the difference between the original capital and the bond issue. But I think we should safeguard the Government as to this very important matter, for when the mass of these companies is concerned it is not a small matter; it is liable to run into the millions, as everything else does at the present time.

I think, Mr. President, that I have completed all that I care to say upon the amendment, and I am quite willing to submit it to the judgment of the Senate.

Mr. HOLLIS. I ask unanimous consent to withdraw the change I made in the amendment. I believe I have a right to do that.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Senator has that right.

Mr. THOMAS. As I understand the Senator's amendment, it would cover the point about which he just interrogated me, and I am willing to accept it.

Mr. SHAFROTH. I should like to have the amendment read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 9, line 20, in the committee amendment, after the word "whose," insert the words "bonded indebtedness is not in excess of its actually invested capital and assets, and whose."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the amendment of the committee as amended.

Mr. SAULSBURY. Mr. President, I had printed and laid on the table a suggested amendment, which I called to the attention of the chairman of the committee and asked him to carefully consider.

Mr. THOMAS. Is the Senator speaking about the amendment which I offered?

Mr. SAULSBURY. No, sir; I am speaking of an amendment which I offered to this same amendment of the committee which has been amended on motion of the Senator from Colorado.

Mr. THOMAS. It is another amendment the Senator is speaking about?

Mr. SAULSBURY. Another amendment. I wish to call the attention of the chairman to the proposed amendment, which has been printed, and to state the object of the amendment, which I think will assist the object intended to be accomplished by the bill. I do not suppose that any of us would be likely to vote for a bill of this character except as a war measure, and I conceive its chief object is stabilizing the money market during the time the Government has practically monopolized the money market for its own benefit.

The clause we have under consideration is intended undoubtedly to relieve the condition in which the many public-utility companies of the country have found themselves, in many cases entirely through their own fault, in some cases, of course, without their own fault. We all know there has been almost for the last generation a tremendous capitalization of public-utility companies. That has caused the heaping of mortgages on top of other mortgages, which have not been in all cases very well secured.

But there are many mortgages issued by these public-utility companies as underlying liens, and afterwards the company has been sold out to some other company and has been recapitalized, leaving the underlying mortgages perfectly good. In the present condition of the money market it is not possible as the bonds secured by the underlying mortgage fall due to get renewals of the lien or to get extensions from the obligation holders under those mortgages.

The amendment which I suggested for the consideration merely of the chairman of the committee would operate by means of what might be called a temporary stay during the period of the war, where security holders seem to be unreasonable and where the obligor company or its successor is willing to make a fair arrangement with the bondholders. In such case the directors of the finance corporation created by the bill could withhold a certificate from, we will say, the committee of bondholders seeking to foreclose the mortgage, and in that way through the amendment which I have proposed foreclosure proceedings could not be prosecuted during the period of the war on the mortgage which secured the bonds. My idea, Mr. President, is that the question of the reasonableness of the proposed terms of extension during the war of the bonds secured by these underlying mortgages might be safely left to the directors of this business corporation.

Mr. SIMMONS. Let me see if I understand the Senator. Does the Senator mean that no foreclosure proceedings would be entertained by the court unless the plaintiffs in that proceeding had a certificate of this committee that the foreclosure would not be against the public interest?

Mr. SAULSBURY. That is the suggestion of the amendment, and I want to call the attention of the chairman of the committee to this fact—

Mr. SIMMONS. Then the Senator of course means the alternative of that. If they said it would be against the public interest, they would issue no certificate at all.

Mr. SAULSBURY. They would issue no certificate. The certificate would be a prerequisite to the foreclosure of any mortgage exceeding \$1,000,000 in amount. Of course, if the chairman of the committee sees fit to adopt this amendment I am perfectly willing we should make that amount anything reasonable. I put in the amount of \$1,000,000 because that would practically cover all the serious securities that are falling due the present year.

I wish to call the attention of the chairman to the fact that the effect of this amendment would be very greatly to aid the object of the corporation, which is created, by preventing demands coming into the money market in large amounts where a very little inconvenience would occur to the holders of bonds under the mortgages by the stay from bringing their suits during the war.

It is not a great hardship on me if I hold obligations secured by a mortgage and have held those obligations for years to say to me you may have exactly what you have been getting in the way of interest. The companies, as a rule, are quite willing to make better arrangements, for example, to increase the rate of interest from 5 per cent to 6 per cent in order to obtain the credit during this time of stress in the money market, where the Government is taking up available funds which may be invested.

I shall not press this amendment unless it appeals to the good judgment of the chairman of the committee, but I suggest to him that it would very greatly aid, in my opinion, the end aimed at by the bill.

Mr. SIMMONS. Mr. President, what the Senator proposes is nothing more nor less than a moratorium. He proposes to vest in this committee the power of determining for the court the question whether it shall be permitted to proceed in a foreclosure proceeding instituted by the holder of the bonds of any corporation. It is not only a moratorium but it vests the power of determining whether that drastic course shall be pursued in the committee. I voted for and Congress has passed a moratorium so far as suits against enlisted men, men who are out of the country and engaged in the service of the country and in its defense, are concerned, but I do not think we have yet come to a point when we ought to declare a moratorium of any kind against the collection of obligations.

Of course, I appreciate the purpose which the Senator from Delaware has in view. I appreciate that in this situation it would afford very great relief to a very great many concerns in this country which are in dire need of relief, but I think it is rather a remedy that ought not to be resorted to except in very extreme conditions, and I do not think those conditions have yet been reached in this country. How soon we may have to come to it I do not know. I think we have not come to it yet, and if this bill shall pass I think it will afford such relief in the financial crisis with which we are now apparently threatened that probably we will be able to get along without having even later to resort to any such remedy as the one proposed by the Senator from Delaware. I have talked with several of the members of the committee about it, Mr. President, because I understood the very generous attitude of the Senator from Delaware with reference to myself and his willingness to withdraw his amendment if I would express myself against it. I did not wish to take that responsibility myself and I have talked with a number of the members of the committee about it. I am not speaking now for myself alone but for the committee. We do not feel that we can accept the amendment offered by the Senator from Delaware.

Mr. SAULSBURY. Mr. President, under those circumstances I shall not press the amendment. I am glad the committee have considered this matter, because my impression is that the committee may feel it incumbent upon them later to introduce an amendment of this character to the present act, which I think the Senator incorrectly characterizes as a moratorium. It is merely a stay in a very limited number of cases where the directors of this finance corporation themselves would determine that it would be for the public interest. But I withdraw the amendment.

The PRESIDING OFFICER. The Senator from Delaware withdraws his amendment.

Mr. THOMAS. I gave notice day before yesterday of another amendment to subsection (d). It is the insertion of the word "adequate," on page 10.

Mr. SIMMONS. That has already been adopted.

The PRESIDING OFFICER. That amendment has been agreed to, the Chair is informed.

Mr. THOMAS. It was done during my absence.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

Mr. HALE. I wish to offer an amendment.

Mr. HOLLIS. The parliamentary situation is that we are now considering the committee amendment at the bottom of page 9 and the top of page 10, and amendments to that amendment are now in order to the exclusion of other amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLIS. The purpose of subdivision (d) found on page 9 is to extend direct help to corporations owning or controlling railroads or other public utilities and to firms, corporations, or associations whose operations are necessary or contributory to the prosecution of the war. The bill as it came to the Finance Committee made these beneficences applicable to persons as well as to firms, corporations, or associations. The Finance Committee evidently thinks that persons conducting just as big a business as anyone else are not entitled to the same relief as corporations.

I wonder if this was called to the attention of the chairman of the Finance Committee, and if it was intended to exclude men who might need relief and who are doing just the same class of business as corporations. I tried to study out some reason for it. The only reason I can think of is that it was intended to exclude farmers. Farmers are conducting a business that is more important to the Nation than anything else, except the production of munitions of war. It does not make any difference if it was the distinguished Senator from North Dakota carrying on thousands of acres perhaps of wheat farming, a most essential industry, whereas some little corporation with \$10,000 worth of capital stock and no real assets might come to this corporation and get relief; individuals could not.

I shall move, first, to insert, in line 19, before the word "firm" the word "person." Then later I shall move to insert the word "person" in line 16. I now offer the first amendment, on page 9, line 19, before the word "firm" to insert the word "person."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire to the amendment of the committee.

Mr. SMOOT. Mr. President, I will say that the committee did consider that question very carefully, and they thought that the word "person" covered such a multitude of people, many with a capital of but a few dollars, that at any time can secure assistance from the regular channels of business and are provided for—

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Washington?

Mr. SMOOT. I yield to the Senator.

Mr. POINDEXTER. Does the Senator think that the word "person" takes in any wider range of business in a material sense than the word "corporation"? Every imaginable business in the world is within the corporate powers of corporations, and there are all kinds of corporations, some of them promoting wildcat propositions and as totally without merit as any individual business ever engaged in.

It seems to me as far as that section is concerned that the discretion vested in the corporation to pass upon these applications for financial assistance is just as wide under the present bill as it would be if the word "person" were inserted, except that it would be confined to corporations and exclude those that were not incorporated. Yet it would cover business without merit as well as business with merit and business of every imaginable class.

Mr. SMOOT. I will say to the Senator that leaving out the word "person," as I said before, would limit the number who could appeal direct to this corporation for assistance and receive bonds from the corporation upon securities that they may offer. If the word "person" were put into this paragraph, there would scarcely be a person in the United States who could not appeal to the corporation for assistance. We do not want to break the law down. Appeals could be made, and no doubt would be made, where no public interest was at stake. Political reasons, financial reasons, and other reasons would be brought to bear upon the directors, and the time of the board would be consumed in listening to such appeals.

Mr. POINDEXTER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield further to the Senator from Washington?

Mr. SMOOT. In just a moment I will yield.

It is not the intention of the framers of the bill to allow the corporation to issue as low an amount as \$100 worth of bonds in one transaction. It is only in special cases that the advances could be made, and they should be made only in a case where it is to the public interest to advance money, and where the parties wanting an advance can not secure the money from any other source and in amounts that can not be secured from the usual sources. Now I yield to the Senator from Washington.

Mr. POINDEXTER. I have no particular reason to interrupt the Senator or to participate in the debate, except that I was present and heard the Senator's answer to the proposition of the Senator from New Hampshire [Mr. Hollis], and it struck me as being very unsound, if the Senator will pardon me; I mean from a logical standpoint. Does the Senator mean to say that the magic name of corporation will exclude applications for political purposes or due to political influences? Does the Senator mean to say that you can avoid that by forming a corporation?

Mr. SMOOT. Mr. President, you will cut out at least 99 per cent of them. I do not say that members of a corporation could not use political influence—I have not made such a statement—but when the door is thrown open to every person in the United States and invite every person to make a direct application

for an advance, no matter how small the amount, I think it is going too far.

Mr. POINDEXTER. I agree with the Senator that there ought to be certain guards and certain precautions which would prevent the abuse of the power of this corporation in the use of the credit and finances of the Government, but I fail to see how the Senator can even contend that you are going to avoid abuses by limiting it to a corporation. There is not any abuse in financial business that has ever been perpetrated by an individual in business that has not been perpetrated by a corporation, and if the Senator wants a measure of some kind to distinguish the bad from the good and to confine the operation of this Government finance corporation to sound business propositions, he will have to find some other distinction merely than the difference between a man, a natural person, and an artificial person called a corporation. There is not any possibility of accomplishing the object the Senator says is in view by using that test. You will have to get some other test.

Mr. SMOOT. The Senator from Utah has not tried to differentiate between a person and a corporation as far as the abuses that may come under this bill are concerned other than this, that where there is one corporation that would make an application for assistance there would be hundreds of persons who could and no doubt would do it; and if you use the word "person," as I stated, and if the person wanted \$100, under such a provision he could apply to the corporation. We have already provided in paragraph (b) that all such cases can be taken care of, and the Government will be a great deal better secured if the corporation does not advance 1 cent to others than the banks of the country, for the banks are compelled to put up 25 per cent more security than the amount of money which is advanced to them.

This paragraph of section 6 does not make any such requirement. It was supposed that it would take care of exceptional cases; but in the way it is now drawn, I want to say to the Senate, if the word "person" is inserted, I do not know what the result will be.

Exceptional cases, in the first place, were to take care of the public utilities and the railroads of the country. The public utilities of the country almost universally to-day are losing money. Their expenses run from 60 to 100 per cent more than they did three years ago; and yet the rate they are allowed to charge for the service has been in only a very few cases increased. It was thought by the framers of this bill that unless there was relief given to these public-utility corporations, and given in a special way, as provided for in this paragraph, very few of them could exist much longer.

During the year 1918 there is to be refunded by public-utility corporations \$233,000,000. The securities that they gave for the existing bond issue, and falling due this year, are not as good as they were when the bonds were first issued, because the earning capacity of these corporations has been greatly decreased. As I before stated, few of them are making expenses.

In the case of persons or of corporations other than public-utility corporations, they have the right, whenever the cost of producing their product increases, to advance the price of the product and they have done so in nearly every instance of which I have heard. As the cost has increased, so has the price to the consumer been increased, but that is not the case with a public-utility corporation. I want to say to the Senator from Washington [Mr. POINDEXTER] and to the Senate that I have no doubt, if this war goes on for a couple of years more, there will be advances made to public-utility corporations in this country upon securities that at the time the securities are offered will not be worth the amount of money advanced on them; and if the Government of the United States were forced to realize on the securities in cases such as I have mentioned they could not get their money back.

Mr. POINDEXTER. Then the Senator from Utah admits that there is no absolute guaranty of safety merely by the name of a corporation?

Mr. SMOOT. By the name of a public-utility corporation?

Mr. POINDEXTER. Yes.

Mr. SMOOT. No, Mr. President, not under this paragraph; but there would be in paragraphs (b) and (c), the paragraphs referring to the banks.

Mr. POINDEXTER. The Senator does not contend that we can avoid the difficulties he mentions by favoring corporations over others?

Mr. SMOOT. No; but you would multiply the difficulties by thousands.

Mr. POINDEXTER. It is not a question of numbers. There has got to be some discrimination in the administration of this law. It is just as easy for a board of directors to tell whether

a business conducted by an individual is a sound business as it is to tell whether one conducted by a corporation is a sound business.

Mr. SMOOT. Mr. President, I ask the Senator from Washington to consider the case just as it will be presented to this corporation. The Senator knows that if there was an application made by any person in the United States for an advance, say, of \$100, it would require the expenditure of \$100 on the part of the corporation to make an investigation, if they should decide to do so, as to the security offered. The board would not know the individual's financial standing or responsibility, so there would have to be an investigation in order that the board might ascertain whether or not the security which the person offered was adequate, and it would cost perhaps as much to make the investigation as the amount the individual would desire to have advanced. If we go further than the committee has gone, I am quite sure there will be tens of thousands of such cases; and it would be a physical impossibility for this corporation to pass upon a tithe of them.

The Senator from North Dakota [Mr. GRONNA] suggests that the corporation is not compelled to make the loans to these persons; but what would be the result if a hundred thousand such applications were made and no action should be taken? Of course, there would be an outcry against the corporation throughout the United States. I myself think that the corporation would do everything it could to obviate just such a position as they would be placed in under such circumstances.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the senior Senator from North Dakota?

Mr. SMOOT. Yes; I yield.

Mr. McCUMBER. Did I understand the Senator to say that the question of either inserting or leaving out the word "person" was considered by the committee?

Mr. SMOOT. Certainly it was, Mr. President.

Mr. McCUMBER. I will say it was not considered at any time when I was present.

Mr. SMOOT. That may be.

Mr. McCUMBER. I submit to the Senator that I can not see that the insertion of that word would do any particular harm. Let me call the Senator's attention to this: There are two purposes in subdivision (d); one is to extend these advantages directly to the corporation controlling directly or through stock ownership any railroad or other public utility. That is one of the purposes. The second purpose is:

But any firm—

And I call the attention of the Senator from Washington to the fact that it does not refer to corporations only; that it is not limited to corporations, because it includes—

any firm, corporation, or association conducting an established and going business—

Then—

whose operations are necessary or contributory to the prosecution of the war.

I understand that was to cover certain cases. For instance, there might be a munition plant, or something of that character, that might not be incorporated at all. In attempting to get parts for our ships, we might have one plant making bolts of a certain size and another little plant making bolts of a different character, and such plants might be scattered all over the country, and some of them might be owned individually. If such an individual needed funds in order to expand his business in order to meet the requirements of the Government under subdivision (b), he would be entitled to apply, provided it tended directly to affect the Government in its war work. I notice in the very beginning of the bill that it provides—

That for the purpose of affording financial assistance, either directly or indirectly—

The provisions use the same words—

to persons, firms, corporations, and associations.

It seems to me that this other provision was intended to be just exactly as broad as the first subdivision; and I, myself, can not see any reason why we can not trust the same corporation, the same officials, to make the distinction of what is proper and what is improper in one subdivision as we would trust them in the other. After all, it is a power that may be subject to abuse, as are all of these extraordinary powers, but I can see no good reason why the word "persons" should not be included. I do not think there is any more danger of abuse in this case than there is danger of abuse under the first section of the bill.

Mr. SMOOT. Mr. President, as I now recall, the Senator from North Dakota [Mr. McCUMBER] was not present at the committee meeting at which this matter was finally decided; but,

as I have stated, the question was discussed by the committee, and the committee decided that it would be unwise to include the word "persons" in this paragraph. This paragraph is not the same as paragraph (b) because in that paragraph it specifically states what the amount of the security shall be, and not only the amount of security, but that it shall pass through the regular banking channels of the country, and the whole credit of the bank will be behind every one of the securities offered to the corporation for the purpose of securing the credit asked for.

Mr. President, there is no question that it is the intention of the administration or of the framers of this bill to interfere with the regular course of business just as little as it is possible to do, and yet not to allow the business concerns of this country to fall on account of the Government having monopolized the money market; but if the Senate wants to invite and authorize every person in the United States to come directly to this corporation, and for this corporation to issue its bonds for any amount an individual may want—I care not how small the amount may be—then, of course, we should include the word "persons." I desire to say to the Senate, however, that if that is done, it will be a very dangerous proposition, and that, instead of the directorate of this corporation being 5 in number, we had better make it about 105, for the applications will come to it by the hundreds of thousands.

I do not know that I have anything more to say upon this subject. Mr. President, except to repeat that I think it would be unwise to include individual persons in this provision.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New Hampshire [Mr. HOLLIS] to the amendment reported by the committee.

Mr. HOLLIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Norris	Simmons
Bankhead	Hollis	Nugent	Smoot
Beckham	Jones, N. Mex.	Overman	Sterling
Forah	Jones, Wash.	Owen	Stone
Colt	Kendrick	Page	Sutherland
Curtis	Kirby	Polk Dexter	Swanson
Fernald	Lodge	Pomerene	Thomas
Gallinger	McCumber	Ransdell	Thompson
Gerry	McKellar	Reed	Tillman
Gronna	McNary	Robinson	Trammell
Hale	Martin	Saulsbury	Warren
Harding	Nelson	Shafroth	Watson
Hardwick	New	Sheppard	Williams

Mr. OVERMAN. I desire to announce that the Senator from Utah [Mr. KING], the Senator from Delaware [Mr. WOLCOTT], and the Senator from South Dakota [Mr. STERLING] are detained on business of the Committee on the Judiciary.

Mr. ROBINSON. The Senator from Arizona [Mr. SMITH] is absent on account of illness.

Mr. KENDRICK. The junior Senator from Mississippi [Mr. VARDAMAN] is absent on official business.

The PRESIDING OFFICER. Fifty-two Senators having answered to their names, a quorum of the Senate is present. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. HOLLIS] to the amendment reported by the committee.

Mr. HOLLIS. Mr. President, before this amendment is rejected I want the Senate, or at least a quorum of the body, to know what it is. It has been charged that this bill is to be passed for the benefit of a few distressed millionaires. Now, on the confession of the Senator from Utah [Mr. SMOOT], it appears that it is being passed for the benefit of corporations, and not for the benefit of persons. The bill as it came from the Treasury Department to the Finance Committee provided that direct advances could be made to persons, firms, corporations, or associations. The Finance Committee has seen fit to withdraw that privilege from persons even in essential industries, so that no farmer, no matter how large his business may be, no matter how many thousands of acres he cultivates, if he is in distress can come to this war bank for relief; and the Senator from Utah airily says, "Well, he can go to his bank; he is not a corporation, and no one but a corporation can expect this assistance under this bill." I have seen a good deal of legislation passed in recent years where corporations were discriminated against, but this is the first attempt I have seen since I have been in the Senate to discriminate in favor of corporations.

There is no magic in the word "corporation." It has an alluring sound to hungry mortals; it is likely to have officers with large salaries; it may or may not have; but in my part of the country there are a good many private persons who organize public utilities, waterworks, electric-light plants, and so forth,

and they are just as much entitled, yes, more entitled, to advances from this corporation as is some one who organizes a corporation.

Now, why do individuals organize corporations? Usually to avoid individual liability; for the same reason that some men put their property in their wife's name so that they can do business, and, if they fail, they will have something left. A corporation is not entitled to as good credit as an individual. Many things can be done by corporations in the way of irregular finance that an individual can not do without running the risk of getting into jail.

I have not heard any reason why persons should be discriminated against under this bill. The Senator from Utah said because there are so many of them. Well, I hope that the benefits of this bill are not to be narrowed down to the few capitalists who took enough interest in it to come here to Washington and testify before the Finance Committee. I hope that the amendment will be adopted.

Mr. HARDWICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Georgia?

Mr. HOLLIS. Yes.

Mr. HARDWICK. I want to ask the Senator if there is any reason whatever why, if aid is to be extended under this bill at all, it should not be extended just as well to a person conducting an established business whose operations are contributory to the prosecution of the war as to a corporation under similar circumstances?

Mr. HOLLIS. I can not see any reason. I think the reason is even stronger in the case of individuals, because corporations, if they have such fine credit, can go to the banks and get credit when persons can not. There is no reason for the discrimination, and none can be pointed out.

Mr. HARDWICK. Mr. President, I agree with the Senator from New Hampshire [Mr. HOLLIS] that, if a person is conducting a business that is contributing to the success of the war, that person ought to have just the same measure of aid from the Government or from the Government finance corporation as a corporation ought to have, subject to exactly the same limitations as to the amount, kind, character, volume, and soundness of security; and, to my mind at least, in spite of the very plausible argument of my friend from Utah [Mr. SMOOT], there is no reason whatever for the distinction between them. I think the bill as originally drawn by the Secretary of the Treasury is right in that regard.

But, Mr. President, I am opposed to this bill in its entirety. I am opposed to the principle on which it rests. I am opposed to the things that it seeks to accomplish; that is, to their accomplishment in the way and manner suggested and proposed by this bill; and, if the Senate were in a frame of mind to weigh an argument on this question, I would have some hope of my ability to convince it that this measure is totally unnecessary, for the present at least; but it seems to me, Mr. President, that we are rapidly getting into, if we have not already arrived at, that feverish state of mind where when somebody can point out an evil only one remedy will be considered for that situation and that the remedy suggested by administrative officers, whatever view the legislative branch may have as to the proper remedy to be applied.

What is this bill? Where does it come from? What does it propose? Whatever the evils that it seeks to remedy and whatever methods it employs in the effort to meet and cure those evils, this bill has a double-barreled purpose—first, to provide for a change indirectly in our banking laws, and, second, to provide for the licensing of everything that might be termed "big business" by the National Government, the second proposition being wholly unheard of under the American system of government, wholly dangerous to the liberties of the American people, and wholly unnecessary for the adequate and vigorous prosecution of this war.

The report submitted by the Finance Committee is practically nothing except the printing of Mr. McAdoo's statement in support of this bill. The committee does not venture to give us any independent reasons that it may have of its own or any independent views, if, perchance, it entertains any, about the subject, but merely concludes, with some discretion, I reckon, considering what this bill really is, that it will justify it in the words of its able proponent, and therefore gives us Mr. McAdoo's argument in support of the bill.

Mr. McAdoo says this is the reason for the bill:

In Europe—

And you must remember in these days that it is fashionable to model everything we do on Europe and European institu-

tions, instead of being true to American principles. Mr. McAdoo says:

In Europe central banks are permitted to grant to banks and bankers loans upon stocks and bonds upon certain well-defined terms. The Federal reserve act does not provide for these, and the war finance corporation is designed as a war emergency to fill this gap.

Mr. NELSON. Mr. President, will the Senator yield to me?

Mr. HARDWICK. I will; yes, sir.

Mr. NELSON. This bill conveys one lesson to us. When the Monetary Commission made their report—I do this with the permission of the Senator from Georgia—

Mr. HARDWICK. I yield, of course.

Mr. NELSON. When the Monetary Commission made their report, they recommended one central bank. That report was ignored when the Democratic Party came into power. It said that it was dangerous to create one central bank; that we must have the banking systems distributed into 12 regional banks; that we must not adhere to the system that they have in Europe, of having one central bank. Now, what is this? This is simply supplying the lack of that legislation and attempting to supply it in rather a clumsy way by creating a central bank for the whole country to do what none of these 12 reserve banks could do; that is all.

I am not saying that I am opposed to the bill; but the very principle on which this bill is based, and the justification of it, is that none of the reserve banks are competent to perform this function; that we need a central banking institution to do that work that was omitted in the currency legislation.

Mr. HARDWICK. Mr. President, the Senator from Minnesota undoubtedly has abundant ground for that statement. When we enacted the Federal reserve banking law I did not delude myself for one moment about what we were doing. After denouncing for years Senator Aldrich and his commission we were practically adopting, with some modifications, the Aldrich idea. The result was the Federal reserve banking system, which has been the subject of extravagant encomiums, of praise that to some extent was justified and to some extent, in my opinion, was extravagant, from one end of this country to another, until the country rang with the praises of this marvelous institution which had been recently created. And yet what do we now find? When the very first test comes for the much-vaunted and much-praised Federal reserve banking system its advocates and proponents, almost without exception, lay down and surrender their arms without firing a shot and admit that it is utterly inadequate to carry us in stormy weather, however valuable it was in sunshine.

Mr. HOLLIS. Mr. President—

Mr. HARDWICK. I yield to the Senator.

Mr. HOLLIS. I wish to say that the real friends of the Federal reserve act, so far as I have heard them express themselves, are opposed to this bill. The Federal reserve act was intended to ride like a ship in time of storm, and now that the storm has come they are throwing over the ballast and putting on more sail.

Mr. HARDWICK. Exactly. The statement of the Senator from New Hampshire does him credit, and I am glad to hear him make it on the floor, for he has been one of the stalwart champions of that system, and it is to his credit that he is unwilling to throw it overboard when the first storm comes. I wish as much could be said for the position of other Senators and other Members of another body who were strong in their advocacy of that banking system, and who once contended that it was amply sufficient for times of storm as well as for periods of sunshine.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. HARDWICK. Yes; I yield to the Senator.

Mr. SMOOT. Just for the Record I wish to say to the Senator that the Secretary of the Treasury and two members of the Federal Reserve Board appeared before the committee in behalf of this legislation. I will say to the Senator that I am not enamored with it, but I wish to say, further, that in private conversation with members of the Federal Reserve Board I have been told that the members of that board are in favor of this legislation. It does seem to me that the members of that board, particularly the governor and the Secretary of the Treasury, are certainly friendly to the Federal reserve banking system, and the statement made by the Senator from New Hampshire must apply to some friends of the system outside of the members of the board and the Secretary of the Treasury, if they are unfriendly to this legislation.

Mr. HOLLIS. I am talking about Members of Congress in both branches.

Mr. HARDWICK. Now, Mr. President, if I may proceed for just a moment, it is demonstration complete. The words of the

Secretary of the Treasury afford it. What does he say is the reason for the passage of this bill?

In Europe central banks are permitted to grant to banks and bankers loans upon stocks and bonds upon certain well-defined terms. The Federal reserve act does not provide for these, and the war finance corporation is designed as a war emergency to fill this gap.

That is what he says; that is what he means; and that is what it is. Fill this gap? Why not fill it by amending your banking law? If these stocks and bonds and securities must be admitted as collateral upon which the Federal reserve banks can make loans, why could you not do it by amending your banking laws? And if your banking system is worth a cent, if it is worth the paper it is written on, to say nothing of the extravagant campaign encomiums that have been heaped upon its devoted head, it looks to me like you would do that instead of throwing it away the first time even the appearance of a squall darkens a corner of the sky.

No; but it is not fashionable to do that in these days. Instead of making a simple amendment to the banking laws changing the kind of securities that these banks may accept for loans we have got to have a great Government corporation, with thousands and thousands of employees and millions and millions of expense and billions and billions of bond issues, until old John Law, if he were alive to-day, would roll his eyes in envy at the very sight of it, to take the place of a simple proposition to amend the banking laws.

We have got to have a Shipping Corporation, the Government running the railroads, the Government running business credits in this country; we have got to have centralization at the expense of State governments, centralization at the expense of individualism in this Republic, until we have heaped upon our people a system of laws that when the sum total is carefully weighed is just about as obnoxious as the system under which the Russians lived before they got rid of the Czar.

Mr. REED. Otherwise it is all right, I suppose? [Laughter.]

Mr. HARDWICK. No; otherwise it is all wrong.

Now, let us see. The Secretary gave a few more reasons; and the further you go into the reasons, if you feel like you have got any right to an opinion of your own, the stronger your opinion gets that there is very little reason back of it all, except the desire of certain people to grasp a great deal more power in every line and in every direction, whether it is really necessary to have it in order to prosecute this war or not.

The Secretary told us what the primary purpose of this legislation was. I want to give it to you again, from "Secretary McAdoo on purpose":

The bill has been drawn with the double purpose of restricting unnecessary capital expenditures and of providing facilities for aiding those industries whose operations are necessary or contributory to the prosecution of the war. Broadly speaking, all these are "war industries." The bill is purely a war measure; designed to conserve the supply of labor and materials for the purposes of the war, and to help supply the war's financial requirements, and to give them a first claim on capital seeking investment in like manner as the war's material requirements have been given a first claim on productions. By the term "war industries" is meant not only those industries turning out the actual munitions of war but also all those supplying any of the other elements of production or distribution in an industrial structure designed to meet the diversified requirements of the war. The bill is not intended to interfere with the continued existence and operation of existing industries, even though not remotely contributory to the prosecution of the war.

Yet I will show you in another place where he says the very reverse of that is true:

Such industries should not, however, be permitted to assert a first claim on fresh capital or be considered until the requirements of the Government and of the "war industries" have been fully met.

The proposed bill creates the War Finance Corporation to regulate the sale of new issues of securities and to make loans of its funds or its credit in aid of "war industries." It prohibits any person, firm, corporation, or association from selling or offering for sale any securities issued after the date of the approval of the act unless a license for such sale or offering (if required by the corporation) shall have been obtained from the corporation. Through its regulation of security issues the corporation will be able to keep the field somewhat clear for the borrowing operations of the Government, and at the same time will stand ready and able to aid "war industries" whose financial requirements may be rendered difficult if not impossible to meet in competition with Government loans. This regulation of security issues will also tend to prevent the further diversion of labor and materials into nonessential industries.

Mr. President, it is plain from the remarks of the Secretary that this bill is based on almost, if not quite, the identical principle on which the railroad bill was bottomed, namely, to use the expression that was used on this floor yesterday by the Senator from Utah [Mr. Smoot], I think, on the proposition that the Government, through its necessity to float these liberty loans, had practically commandeered the money market; therefore that the Government, having commandeered the money market for war loans, must afford some substitute for the forms of business which otherwise would be injuriously affected. I think I have stated that proposition fairly.

Well, now, let us see if that is true. Does the necessity to float these immense war loans permanently disarrange the money market? It does temporarily, I admit; and some change in the banking laws may be necessary, and doubtless is necessary. Some liberalizing of those laws with respect to the kind of security that is to be accepted during the war by the Federal reserve banks may be, and probably is, necessary; but further than that there is no necessity. This money that we spend on these great war contracts is not burned up. It is not consumed in fire. It is not subtracted from the sum total of the national wealth. Not even any considerable proportion of it now goes abroad. I think we have gotten through with paying off "our allies"—I hope so, at least for a time. Most of it is spent in this country. It circulates from hand to hand; it is paid out on Government contracts, and the contractors spend it for meat and bread and heat and light, when they are allowed to buy heat, and light if it is not interfered with, and everything else that mortal man needs. It is simply swapping dollars and changing hands. It is in the country all the while; and business, subject to the prior necessities of these people and of these Government securities, will readily and promptly readjust itself to that condition.

Some statement has been made somewhere by somebody on this floor, I think, to the effect that this bill is modeled on something that has been done in England. I am not sure but that one of the Senators on the Finance Committee made that statement. If so, I want to take issue with him. Not yet has such a tremendous power over English business been authorized by any law that anybody has dared to suggest to the English Parliament; not yet. They have some sort of an arrangement regulating the kind and character of loans that shall be made, that is voluntary among the business men in England, which may have the indorsement of boards of trade, of great banks, and of other financial institutions; but not yet in an English-speaking land, among a people who are not thoroughly Prussianized, has any such drastic suggestion for the life-and-death control of Government over business and finance been presented to an English Parliament. We are pioneers along that delightful line.

Section 7 of this bill, Mr. President, is, to my mind, the most monstrous proposition in this bill or in any similar bill that ever was suggested for the consideration of a legislative body that was representing a free people. I want to call your attention to just what it does, just what can be done under section 7, and to the potentialities for evil, for ruin, for despotism, that lurk and lie in it:

That for the purpose of assisting in the prosecution of the war—

And, by the way, no matter what it is desired to do, everything is to assist in the prosecution of the war. Whether it is really for that purpose or not, whether it is really or even moderately connected with that purpose or not, it is fashionable now to hang everything on a provision like that, and to start off with a prelude like that—

and providing for the public security and defense through the restriction of unnecessary capital expenditures—

That is a pretty drastic proposition for a free people—that if a man has capital he will not be allowed to expend it if he wants to, or to invest it in whatever way he pleases, or to throw it away if he wants to. That is a new and novel position to take among a free people, even in time of war—

there shall be appointed by the Federal Reserve Board, with the approval of the Secretary of the Treasury—

By the way, I think it would have been much wiser to have this committee nominated by the President and confirmed by the Senate than the other one that the bill provides for, because this is the committee that is to hold the sword of Damocles over American business, that is to exercise the power of life and death over American enterprise; and it strikes me that they had better be appointed by the President and selected by and with the advice and consent of the Senate if you are going to have such an institution at all in this free land of ours.

But I will read the bill as it is—

there shall be appointed by the Federal Reserve Board, with the approval of the Secretary of the Treasury, a capital issues committee, to consist of five members, of whom at least three shall be members of the Federal Reserve Board, which may, under rules and regulations to be prescribed by such committee, with the approval of the Secretary of the Treasury—

Why is that necessary if he is a member of the committee? Is he to have a veto power over it all?—

investigate and license, or refuse to license, the sale, or offering for sale or for subscription, of securities, as hereinafter provided.

Senators, what is that proposition? That an institution in my State or in your State, local to Georgia or local to New York, not engaged, as far as the requirements of the law are concerned, in interstate commerce at all, subject, if the dual form of govern-

ment still survives in America, to local regulation and to local regulation alone, shall not even offer a share of stock for sale unless some Secretary of the Treasury and his board up here in Washington agree and assent thereto.

Such committee shall, however, grant licenses—

It seems that you are going to put this country on the license basis for and during the term of the war, with the hope that we will be able to get it off as soon as the war is ended.

Such committee shall, however, grant licenses for any such sale, or any such offering for sale or for subscription, which it shall determine to be consistent with the foregoing purposes. The terms during which the several members of such committee shall respectively hold office shall be determined by the Federal Reserve Board, with the approval of the Secretary of the Treasury, and the compensation of the several members of such committee who are not members of the Federal Reserve Board shall be \$7,500 per annum, to be paid by the corporation. No person, firm, corporation, or association—

You will remember this dispute about "person" and "corporation." When it comes to prohibiting anybody from selling anything they propose to make it "person, firm, corporation, or association," so that the prohibition on American business is as broad as language can make it, even if the privileges to American business are to be narrower and more restricted.

No person, firm, corporation, or association shall sell, or offer for sale or for subscription, any issue, or any part of any issue, of securities hereafter issued, the par or face value of which issue shall be in excess of \$100,000, except in accordance with such rules and regulations as such committee, with the approval of the Secretary of the Treasury, shall prescribe, nor, when required by such rules and regulations, except as permitted by licenses granted by such committee.

I am not going to read all of that section, but I want to call your attention to one more provision in this remarkable bill before I proceed to a somewhat general analysis of it in addition to the remarks I have already submitted.

Section 8 provides:

That whoever shall willfully violate any of the provisions of this act—

Well, that would be going very far, when you consider that this is an act for the regulation of civil business, but it it does not stop there:

That whoever shall willfully violate any of the provisions of this act or of any license, or of any rule or regulation issued and duly published hereunder, or whoever shall willfully violate, neglect, or refuse to comply with any such license or of any rule or regulation issued and duly published hereunder, shall, upon conviction in any court of the United States of competent jurisdiction, be fined not more than \$1,000, or, if a natural person—

And you see here again the natural person is at least not discriminated against—

imprisoned for not more than one year, or both.

So that you propose, after clothing the Secretary of the Treasury with this remarkable and unprecedented power, absolutely without precedent or parallel in the annals of a free people, to provide not only that whoever violates any provision of the law itself shall be guilty of a felony and put in the penitentiary, but whoever violates any rule or regulation issued under the act; and not only that, you do not confine it to violations, but you say that whoever fails affirmatively to carry out any license or rule or regulation—and he may not know how to carry it out, or his judgment about carrying out the principle involved may differ from that of the committee or the Secretary—shall be punished as a common criminal.

Mr. President, if that is not the very limit to which what I might call legislative tyranny can go, I am totally in error. Not only do we provide that people who violate the law—a civil law, a business regulation—shall go to the penitentiary, but we provide that people who violate, either positively or negatively, any of the rules or regulations of this corporation shall go to the penitentiary.

Mr. OWEN. Mr. President—

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Georgia yield to the Senator from Oklahoma?

Mr. HARDWICK. I yield to the Senator.

Mr. OWEN. I think it worth while to call the Senator's attention to the fact that such a committee as the Capital Issues Committee was a voluntary organization in England, and it functioned perfectly without any drastic imprisonment accompanying it.

Mr. HARDWICK. I thank the Senator for that. I have just made that statement; and in all other countries, as far as I am advised, or so far as my limited investigations of this subject have permitted me to go, the same thing is true. This is the first country—America, free America!—where any such provision as this, or where any such law as this, has been solemnly and deliberately offered to a lawmaking body.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. HARDWICK. I yield to the Senator from New Hampshire.

Mr. GALLINGER. It is perhaps proper that I should say, being a member of the committee, that some of us were very much opposed to this provision, believing that if we went into this matter at all it ought to be left to a voluntary organization, as it is in other countries.

Mr. HARDWICK. I thank the Senator for that contribution, for that defense of the liberties of the country; and I think the Senate ought to rise up and rebel against any such business as this. What are we here for? Simply to carry out orders? There is not one of us who has studied this question who does not know that by amending the banking laws and by appealing to the patriotism of our business men and of our banks, after we give the banks the tools to work with, we can accomplish every purpose sought to be accomplished by this bill that ought to be accomplished.

If so, why enact this legislation? If so, why lie down in the face of our lifelong principles to the contrary, when we know that there is no necessity for it, when we know that this Federal banking system with some very slight amendments, supplemented by the voluntary and patriotic spirit of the banking and business institutions of this country, will be just as sufficient in this country as they have been in England or anywhere else?

Why do it? Why, my colleagues on this side, let me invite your attention to the fact that for years we have reproached our opponents who sit on the other side of the Chamber with the charge that under their administration of the Government the links were too close between big business and the Government.

Mr. TOWNSEND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. HARDWICK. I yield to my friend from Michigan.

Mr. TOWNSEND. I have not heard all that the Senator has said; but I was wondering if he was aware of the fact also that there is already in existence in the United States a voluntary board, composed of members of the Federal Reserve Board and others, who are attempting to regulate this matter, and who, according to the testimony, have never had one of their recommendations violated?

Mr. HARDWICK. I thank the Senator for that contribution. The Secretary of the Treasury states it very well in his statement to the Senate committee, which is incorporated in the report. The Government would lose nothing. There would not be the slightest trouble whatever about getting the recommendation carried out under which the Secretary would adopt what he says: "We ought not to depend upon voluntary action in matters of this sort."

Ah, my colleagues, as I said a moment ago, we have charged the other side repeatedly, in campaign after campaign, with establishing and maintaining too close a connection of Government with big business, and we have demanded, all of us from our peerless leader on down, in campaign after campaign, in thunder tones, that Government and big business be divorced. Yet we are called on here to-day to help remarry them after we claimed that they were finally divorced. I say they ought to be divorced, and not temporarily divorced but permanently divorced. Yet if this law is enacted you have every business man in this country who has what even may be termed a middling business at the mercy of these officials established by this law. If he wants to borrow money, no matter how meritorious his enterprise, he can not get it unless they so wish. If he wants to issue stock and bonds and sell them to the investing public, he can not even offer them unless they consent.

Now, I ask you in all candor, in all fairness, is that right, or ought any administration or any party or any Government be subjected to a temptation of that character or left in a situation of that kind? I say not. I have protested against it in the past when I felt like too much of it was being quietly and clandestinely done when a party other than my own was in power. I thought it was wrong then and I think it is wrong now. We had better keep big business divorced from the Government. Of course, it is better, I reckon, that the Government should run big business interests than that big business interests should run the Government, but neither one of them presents a situation which appeals to me or that is best for the country.

Politics? Yes; as long as human nature remains unaltered. I do not care what party is in power or who is President of the country or who is Secretary of the Treasury, and I make no exception from the general character of this statement, there is danger, grave danger, that power of this sort will be abused, and that it may lead to awful trouble in this country. It is a power that ought not to exist in a free country and among a free people anywhere. There is nowhere where it can be safely lodged. It ought to be lodged, therefore, nowhere.

Now, in the first place, I say that the situation in my judgment, and I have tried to consider this question with all the intelligence I am capable of, is not such as to justify the method in which this bill is being rushed to what its friends hope is an early and easy passage.

Although the Government is demanding and will demand vast amounts of money for its loans in order to prosecute the war, that money is not therefore destroyed, carried out of circulation, burned up, but it is circulating around in the country and coming into other hands, and will be available in a circular and continuous process from whatever hands it is in, and will be ready to help all these enterprises month in and month out, year in and year out. But we need, according to the word of the Secretary of the Treasury, some changes in this banking law, some liberalizing of the kind and character of securities these banks will accept for loans, and that is what we ought to do. Give them just that, instead of creating one more gigantic corporation to put a whole lot of unnecessary power into somebody's hands. My judgment is that when the bill came to the Senate, if the Senate had such a committee, it ought to have been referred to the Committee on Election of President and Vice President instead of the Finance Committee.

Mr. GALLINGER. Mr. President, will the Senator permit me?

Mr. HARDWICK. I yield.

Mr. GALLINGER. I was much interested in the legislation that created the Federal Reserve System, and I recall the roseate pictures that were presented to us as to the great results that would follow the establishment of that system. I knew, of course, it was based largely upon the Aldrich-Vreeland recommendations when the Republicans were in power, and I have noticed that the Senator from Oklahoma [Mr. OWEN], who took great interest in that legislation, has offered a good many amendments to that statute which have been agreed to by the Senate, and I believe the Senator has some amendments pending.

Mr. GRONNA. There are about a dozen amendments pending.

Mr. GALLINGER. There are about a dozen amendments pending, I am told. I am going to venture in the time of the Senator from Georgia to ask the Senator from Oklahoma whether or not he thinks that that statute could be so amended as to accomplish substantially the same results that are aimed at in the bill now under consideration, if the Senator from Georgia will permit the interruption.

Mr. HARDWICK. I yield for that purpose.

Mr. OWEN. Mr. President, in reply to the Senator from New Hampshire, by the courtesy of the Senator from Georgia, I will say that the Federal reserve act in its essential principles was based upon the German statute which permits quick currency against commercial bills under a penalty. The German statute itself grew out of the English instance of 1866, where the Bank of England was authorized by ministerial permit to make legal-tender money with the printing press in order to stop a panic, which it did stop in 24 hours.

Now, the Federal reserve act has had the effect, as it had the intention, of gathering together all the reserves held by the various member banks into a common fund of gold or its equivalent, which should be a constantly available safeguard, first, to the depositors of the member banks, and second, should be available for the purpose of quickly expanding the currency in the case of our industrial life requiring it. In any ordinary time that system would fully meet the exigencies of the case now. It will meet the exigencies of the case now as to all current commercial requirements. The difficulty we are faced with is that there are falling due many very large bond issues, and to refinance those bond issues when the Government is calling for all the available credit has proven difficult, if not in some cases impossible. The purpose and effect of this bill is to put the Government of the United States behind those institutions to which, because of the Government demand in seeking all available credit in the market, there is not left available for the maturing issues of bonds a proper market. I think the bill is justified on that ground.

There are some features in the bill which I have adverted to which I think could be improved, and ought to be improved, and I agree with the Senator from Georgia that the drastic imprisonment provision for disregarding a rule or regulation or a license is highly inexpedient. It is contrary to a proper administration of the government of a free people. I do not think it ought to be in the bill.

Mr. HARDWICK. Now, Mr. President, I want to conclude in a very few moments what I have to say about this bill, because I am afraid if I should go much further I might fully express my real opinion of it and tell the Senate how very much opposed to it I am.

Mr. GALLINGER. Will the Senator further permit me?

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from Georgia yield further to the Senator from New Hampshire?

Mr. HARDWICK. I yield.

Mr. GALLINGER. The question I propounded to the Senator from Oklahoma was not answered in the direct way that I think it ought to have been answered. It may be said after this bill becomes a law, if it does, that there was a better method and we could have reached the same result through an amendment of the Federal reserve act. That is the question I asked the Senator, because I know he is an expert and has given great study to that system, whether or not in his judgment we could meet the emergencies that now exist by an amendment of the Federal reserve act. I advance no opinion of my own, but I ask him whether we could meet the emergencies that now exist by an amendment to the Federal reserve act?

Mr. OWEN. I should go so far as to say that from the information which I have, I believe we might possibly do it, but I think it is inexpedient to subject the business of the country to the serious hazard in case available funds were not found to renew the bond issues which we know are maturing.

Mr. HARDWICK. Mr. President, in answer to the Senator's opinion I can quote the Secretary of the Treasury to the contrary. I called the attention of the Senate to it a few moments ago. The Secretary, in answer to the precise question, put in another way, as that propounded by the Senator from New Hampshire, said this:

In Europe central banks are permitted to grant to banks and bankers loans upon stocks and bonds upon certain well-defined terms. The Federal reserve act does not provide for these, and the War Finance Corporation is designed as a war emergency to fill this gap.

That answers it. All you have got to do is to change the Federal reserve act so as to provide for the very thing that the Secretary of the Treasury recommends and, according to his own words, you have the purpose accomplished.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from North Carolina?

Mr. HARDWICK. I yield.

Mr. SIMMONS. I desire to call the attention of the Senator from Georgia to the fact that the Federal reserve banks have no power to loan to member banks or issue notes upon anything except commercial paper and bonds of the United States.

The governor of that bank appeared before the committee, and after giving his approval to this measure discussed the limitation imposed upon Federal reserve banks. He said the purpose of it was to secure quick credits, to keep the funds of the bank liquid. He announced that the fundamental principle of the Federal reserve bank was that its funds should be liquid, and in order to carry out that fundamental principle their note-issuing powers, their lending powers, were limited to commercial paper running not more than 90 days and United States bonds.

Now, if you give them permission to loan or to issue notes upon long-time security, such security and only such security as these corporations whose maturities have been referred to here are able to give; in other words, if you remove the limitation which now exists and which was put there for the specific purpose of making the funds of this concern liquid at all times and extend their powers of loaning and of issuing notes to long-term paper, you will destroy—and that was the point made by the governor of the bank when he appeared before the committee—you will destroy the very foundation principles of the reserve bank system. Now, I ask the Senator from Oklahoma if that is not true?

Mr. OWEN. Mr. President, it, of course, is the principle of the reserve banking system that the reserves should be kept liquid. There was a very important concession made in the reserve act that loans might be made by the reserve bank with Government bonds as a security, because it was assumed that the Government bonds were always easily marketable.

Mr. SIMMONS. And liquid.

Mr. OWEN. And would serve the function of a liquid paper, although it was an investment. It differs in that respect from other forms of investment in having a larger and more readily available market.

Of course, this particular bill has provided that the bonds of this corporation should be given a like function, and that I confess I regret, because the only extent to which the Government really underwrites these bonds is to the extent of the loan of \$500,000,000 of ready capital out of the Treasury in the first instance.

Mr. SIMMONS. That makes it for the purposes of the bank payable in Government bonds.

Mr. OWEN. These bonds might not prove to be as liquid as the Government bonds, although I should hope so, and would really expect so.

Mr. SIMMONS. But the point I wish to impress upon the Senator from Oklahoma is this: I assume that in limiting the powers of these banks as loaning institutions and note institutions to commercial paper and Government bonds, the thought was not that it was necessary that their assets should be liquid.

Mr. OWEN. That is, of course, true.

Mr. SIMMONS. Now, if you permit them to loan upon all the long-term securities of the country without discrimination and to issue notes upon the long-term securities of the country just as you do upon commercial paper and Government bonds, will you not destroy that fundamental principle of the Federal reserve bank?

Mr. OWEN. The Federal reserve act expressly provides against loans upon investment securities for that reason, because investment securities are not always readily marketable.

Mr. HARDWICK. Mr. President, if I may now be permitted to conclude, I just want to suggest to the Senator from Oklahoma that there are more ways to kill a dog besides choking him to death on butter, and what is the difference with these banks if they take these same securities and pass them through a Government-owned corporation and make them the basis of Federal reserve loans.

Mr. SIMMONS. You do not make the notes the security basis.

Mr. HARDWICK. Oh, yes; you do.

Mr. SIMMONS. No; the Senator is entirely mistaken. Not a single solitary security of any corporation, firm, association, or individual can be taken under this bill to the Federal reserve bank and money borrowed upon it or a note issued upon it.

Mr. HARDWICK. If the Senator will pardon me—

Mr. SIMMONS. I do not mean that not a single one of them can be taken to the banks and discounted or notes issued against them. If they reach the bank at all under the present banking law or under this bill they have got to be presented by a member bank. There is a provision allowing certain corporations to go directly to the Finance Corporation and secure advances, but the bonds which are issued to raise the money to make those advances have got to come to the Federal reserve bank through the intervention of a member bank.

Mr. HARDWICK. I did not dispute that.

Mr. SIMMONS. Therefore, if the Senator will pardon me, it is true that we have in no way interfered with or disturbed the present Federal banking system except to make a certain class of bonds, to wit, those of the Finance Corporation, available or eligible for advances.

Mr. HARDWICK. Undoubtedly, but the exception is the kernel of the whole matter. Undoubtedly you have not disturbed the Federal bank reserve system except in providing that the bonds of these industrial corporations that go through your Government corporation and then through the Federal reserve in most instances into a member bank shall be received at the Federal reserve bank as a basis for loans and as a basis for this currency.

Mr. NORRIS. Mr. President—

Mr. HARDWICK. Just one moment, if the Senator will let me finish the sentence, and then I will yield. It is the difference between tweedledum and tweedledee. You do not change the proposition one iota, because you create a Government corporation, and say that the reserve shall go through it, but when they go through it they go through the member bank and finally into the Federal Reserve System and shall be there accepted as a basis of loans by the Federal reserve banks. In other words, you enlarge the volume of securities and you change the character of security upon which the Federal reserve banks may make loans. Now, you have done it indirectly through the intervention of this highly unnecessary corporation. If you are going to do it indirectly through the intervention of this corporation, why could you not do it directly by changing the law? That is the question that I have asked throughout my remarks, and that is the question to which my mind has been directing itself throughout my consideration of this entire bill, and the questions revolving about it and that are represented in it. Now, I yield to my friend from Nebraska.

Mr. NORRIS. The Senator is asking a question that has troubled me ever since I have given any consideration to this bill, and since it has been under debate. He has practically answered the question I wanted to ask. In answer to the question of the Senator from New Hampshire, why we could not have amended the Federal reserve act and avoided this intermediary corporation, the answer is made by the Senator

from Oklahoma, that the Federal reserve bank wants to be liquid, and consequently can not handle these bonds. As I understand the pending bill, it would not have much if any virtue left in it if there was not an indirect way by which the bonds of this corporation will eventually get into the Federal reserve bank and currency be issued on them.

Mr. HARDWICK. Undoubtedly; which is an indirect way instead of doing it directly.

Mr. NORRIS. Instead of doing directly the thing which they say is going to be done without injury to the Federal reserve banks.

Mr. HARDWICK. They say you can not do it directly, because you impair the liquidity of the Federal Reserve System, but you can do it indirectly through this governmental system and not impair the liquid character of the Federal reserve securities. I say it is utterly absurd, with all respect to the gentlemen who make the contention.

Mr. NORRIS. What is the advantage of the \$4,000,000,000 of bonds that this corporation is authorized to issue unless eventually those \$4,000,000,000 of bonds, or whatever amount may be issued, will reach the Federal reserve banks and Federal reserve notes be issued for them?

Mr. HARDWICK. That is the purpose of it. There can be no question about it.

Now, Mr. President, I want to conclude. I have said really more than I intended to say about the bill, and, as I said just now, I am afraid if I keep on I will express, before I get through, my real sentiments about it. I am utterly opposed to it. It is wholly unnecessary. No man can bludgeon me into supporting a proposition like that on the ground and for the reason that it is necessary to do it in order to win the war. My mind revolts as a matter of common sense against any such contention as that. If we are going to comply with somebody else's views about what is the best way to do this, it may be necessary to create another governmental corporation, with more employees, with more power; and it may be necessary for the Government to dip its fingers still further in the conduct and control of business from another and different angle; it may be necessary for people who want to build up on every line and from every angle autocratic administrative powers; but from my standpoint, opposed as I am to that movement and believing as I do that the time has come and has been here for some time when it ought to be checked, to some extent at least, it is utterly impossible for me to accept any such contention as that or to support any such measure. I do not think that even John Law, the canny Scotchman who once dazzled and bamboozled France, ever dreamed of a scheme quite so Utopian and quite so full of financial possibilities as this measure is, and my own idea is that it could have been born in no other brain except the fertile brain of a trained Wall Street promoter.

Mr. SIMMONS. Mr. President, I think the matter pending before the Senate is the amendment offered by the Senator from New Hampshire [Mr. HOLLIS].

The PRESIDING OFFICER. That is the pending question.

Mr. SIMMONS. I have conferred with some members of the Finance Committee, and after a conference with them, and especially with the Senator from Utah [Mr. SMOOT], who had somewhat vigorously opposed the amendment, I am authorized on behalf of the committee to accept the amendment offered by the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. HOLLIS] to the amendment of the committee.

Mr. HARDING. Let the amendment be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 9, in the committee amendment, line 19, before the word "firm," the first word in the line, insert the word "person" and a comma, so as to read "to any person, firm, corporation, or association."

Mr. GALLINGER. Mr. President, before the amendment is disposed of I want to say that, as a very humble member of the Committee on Finance, it never occurred to me that the committee was legislating for the capitalists of the country as against the common people of the country, nor do I think that the exclusion of the word "persons" would bear out a charge of that kind.

There is a great deal in this bill which is designed to benefit the people of small means in the United States. I called attention the other day to the fact that there are almost \$5,000,000,000 of money deposited in the mutual savings banks of this country, and that there are in those banks about 9,000,000 depositors. I called attention also to the fact that in all the savings institutions of the country, mutual and otherwise, there are over \$16,000,000,000 of money; and if the same proportion exists as to depositors there are 36,000,000 individual depositors, all of

whom it was designed should be benefited by the passage of this bill; and they will be benefited to an extent that is very desirable.

Mr. President, that is an important consideration, showing that the committee were mindful of the interests of the people of small means in the United States. These 36,000,000 depositors, if there are that many—and, mathematically considered, there must be nearly that many—have deposited between \$400 and \$500 each in the savings banks; and they are taken care of.

As a member of the committee I did not notice particularly that the word "persons" was stricken from the bill; but I assume that it was done upon the assumption that, as there are, outside of these 36,000,000 depositors, about 75,000,000 other persons in the country, if it were left open for every citizen to make a raid upon this corporation there would be a great deal of disappointment; that it would be utterly impossible for the corporation to yield to the demands; and I can see no reason for keeping the word out. I do not think it will do much harm one way or the other, and I have great faith that if this bill becomes a law, in whatever form it may ultimately assume, the men who are at the head of this corporation will have sense enough to use wise discrimination, and that they will not expend the money of the Government, which must ultimately come from the pockets of the taxpayers, in aiding unworthy persons who perhaps are wanting to secure money for speculative or other purposes of that kind. So I am rather glad that the chairman of the committee, after consultation with some members of the committee, has concluded that it is wise to accept the amendment offered by my colleague [Mr. Hollis].

Mr. SMITH of Michigan. Mr. President, the Federal Reserve System, in my opinion, is performing a tremendously useful function to the country. I will say that gladly, because I did not vote for the law, and yet I believe it has really been of tremendous use to the country, especially in this crisis. I think if I were to denominate the most important law as a matter of national defense which has been passed by Congress in several years, I would have to place the Federal reserve law first.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER (Mr. McKellar in the chair). Does the Senator from Michigan yield to the Senator from New Hampshire?

Mr. SMITH of Michigan. I do.

Mr. GALLINGER. As I recall the matter, the Senator from Michigan was very warmly and earnestly in favor of the so-called Aldrich-Vreeland Act, which really was the basis for the Federal reserve act.

Mr. OWEN. Mr. President—

Mr. SMITH of Michigan. I thank the Senator from New Hampshire, who recalls our efforts to set the national financial house in order.

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Oklahoma?

Mr. SMITH of Michigan. I shall yield in just a moment. If Senators will recall, I had something to do with stripping the emergency currency act of one of its great weaknesses, which was the provision allowing the Secretary of the Treasury to take certain bonds of railroads and to capitalize them into liquid money. I made a fight on this floor against this unwise discrimination; and if that provision disappeared from the bill, I will take my share of responsibility for it. But—and I will yield in just a moment—we have 12 Federal reserve banks, every one of them competently managed. We are now proposing to take away from those 12 banks the judgment and the experience and the sound sense which has given to that system an excellent reputation, and we are forcing obligors under certain contracts throughout the country to go to one source for money. I heard—I think I heard, but I will take it back if I am wrong—I think I heard the Senator from Oklahoma [Mr. Owen] say many times while we were discussing the Vreeland-Aldrich bill that his criticism of the measure was due to the evident purpose of the act to monopolize credits and control, through a single bank, the money market. Am I wrong? The Senator from Oklahoma did not favor one central bank; and yet this proposed legislation centralizes more power in a gigantic financial corporation than could be found in the centralized national bank that Mr. Aldrich and Mr. Vreeland advocated. Yes, many times more; and yet do we look upon it with equanimity.

Mr. OWEN. Mr. President—

Mr. SMITH of Michigan. I yield to the Senator from Oklahoma.

Mr. OWEN. I rose to correct what I thought was an error in the statement of the Senator from New Hampshire [Mr.

GALLINGER] that the Federal reserve act was based on the Vreeland-Aldrich Act. The Vreeland-Aldrich Act had one merit; it did provide for a quick expansion of currency against assets. Its objections were pointed out by me in 1908 on this floor in a three-hours' discussion of the bill.

Mr. SMITH of Michigan. I recall the Senator's attitude.

Mr. OWEN. But the beginning of that element in American history, so far as I know, was in a measure which I myself drew in 1900, and which was presented on the floor of the Senate by James K. Jones—a record of which I put into the CONGRESSIONAL RECORD in 1908. The merit of the Vreeland-Aldrich Act was that it adopted that principle, a principle, however, which comes really from the Imperial German Bank, which, as a matter of statute, permits the issuance of quick money against assets under penalty.

Mr. SMITH of Michigan. Why, Mr. President, the Senator from Oklahoma and no other Senator on this floor could compare the proposed Vreeland-Aldrich Act in its power of monopoly in monetary affairs with the power which is proposed to be conferred by this bill.

Why do we not amend the Federal reserve act? It could be easily amended. The Senator from North Carolina [Mr. Simmons] talks about that act dealing with liquid assets. Of course it deals with liquid assets. Congress can, however, enlarge its scope and broaden its field of usefulness to meet present necessities. Why do you propose to force these people to come to the Secretary of the Treasury and to four other men? Is it to give the Secretary of the Treasury supervisory power over the industrial and commercial affairs of our country? And he has unlimited power in this bill. I am not criticizing the present Secretary of the Treasury; I would speak of any other Secretary of the Treasury in similar vein. I am talking of the office. The unblushing truth about the matter is that it is desired to concentrate this tremendous power in that office.

I would prefer to spread the power out among the 12 Federal reserve banks of the country, the regulation for the conduct of whose business is made by this board sitting in Washington. Yes, as the Senator from Utah [Mr. Smoot] says, the original bill shows that the Secretary of the Treasury wanted this vast power, for in the bill, as it came down from the Treasury Department, it contained vastly more power of control over business men than it does now and provided for giving a regulatory veto upon the enterprise and the initiative of citizens by saying that they can do no business until they have obtained the permission of the Secretary of the Treasury, which is such a restraint upon business as I believe will have a most unfavorable and unfortunate effect upon the country.

Mr. President, I want to go along and do the appropriate thing to maintain the national solidarity, to help in every possible way to maintain the national credit; but, really, I think that this is a tremendous and far-reaching power. I think it could, with great propriety, be left to the men who are now engaged in sifting from among the assets of borrowers the good from the bad, bringing experience and sound judgment to the task; and yet, while I did not rise to address myself at any length to this provision, I favor amending the Federal reserve act for this purpose and delegating the authority to extend these credits to the regularly organized Federal reserve banks.

Mr. SIMMONS. If the Senator will allow me to interrupt him, I will say that that is a mere phase of it; that is not the fundamental question here at all.

Mr. SMITH of Michigan. It is the fundamental question.

Mr. SIMMONS. It is not the fundamental question. The fundamental question is, Where are you going to get the money to loan to these institutions?

Mr. SMITH of Michigan. I am frank to say to the Senator from North Carolina that I do not know.

Mr. SIMMONS. That is the question.

Mr. SMITH of Michigan. I do not know; it must be found by some one to avoid ruin.

Mr. SIMMONS. It has got to be found in this way.

Mr. SMITH of Michigan. It has got to be found somewhere, that is certain.

Mr. SIMMONS. The Government has either got to loan these people money directly out of the Treasury or it must establish a corporation of this character for the purpose of performing a function which it would be inconvenient for the Treasury to perform.

Mr. SMITH of Michigan. I differ with the Senator as to detail.

Mr. SIMMONS. If the Senator will pardon me, of course the Government can get the money into the Treasury by taxation or by selling its bonds, and loan it to these people directly; but I do not believe anybody would think it desirable for the Government to make loans to the private industries in this

country. The purpose of this act is largely to set up an institution which can act for the Government, without requiring it, through the Treasury, to act as a securities broker.

Mr. SMITH of Michigan. Well—

Mr. SIMMONS. Now, if the Senator will pardon me, in order to carry out that theory we start this corporation by appropriating \$500,000,000 out of the Treasury and putting it into the hands of this corporation. This act authorizes the corporation to issue and sell its bonds for the purpose of getting money to supplement the \$500,000,000 and as additional funds are needed.

We have argued, and it is true, that just at this time the banks are discriminating against the character of security these essential war industries and corporations are able to offer, and in favor of commercial institutions not doing war work but whose securities are of a more liquid character.

Mr. SMITH of Michigan. On short-time paper.

Mr. SIMMONS. On short-time paper. Now, the banks can get credit on this from the reserve banks, on the commercial paper, but not on the long-time paper of these industries.

Mr. SMITH of Michigan. But they can get it.

Mr. SIMMONS. They can get credits and funds to buy liberty bonds and to carry on the ordinary commercial business of the country, and this bill provides a way for them to get credits on long-term paper also.

Mr. SMITH of Michigan. But they can get the money, and they can get it from the Federal reserve bank if the act is amended.

Mr. SIMMONS. No.

Mr. SMITH of Michigan. If we will authorize the Federal reserve banks to loan to member banks upon this kind of security, they can get the money, and the loans will be supervised by men of skill and experience in 12 different geographical subdivisions of the country. No bank would like to borrow for 90 days on a long-time unliquid security.

Mr. SIMMONS. Let us see if they can. Suppose you do that, if the Federal Reserve Board should authorize the Federal reserve banks to issue up to the limit, to issue as much money as they may issue under the present law under the gold-reserve limitation, does the Senator think the amount would be sufficient to meet the demand? Besides a bank would hardly think it safe to give it 90-day obligation secured by long-term unliquid securities.

Mr. SMITH of Michigan. I think that is where you are ultimately going to land.

Mr. SIMMONS. No.

Mr. SMITH of Michigan. I think you are going to land in the present national banking system in spite of yourselves if you get any liquid money with which to do business. I do not know where else you can go.

Mr. SIMMONS. I am not able to say just at this moment exactly what amount of note issues the gold reserve would cover. The Senator from Oklahoma [Mr. OWEN] knows that the Federal reserve bank has no authority to issue notes against any kind of paper unless that paper is covered by 40 per cent of gold. Is not that true?

Mr. OWEN. Yes.

Mr. SIMMONS. Now, my understanding is that there is not enough gold in the Federal reserve banks to allow of the issue of probably more than a billion and a quarter dollars of notes by the Federal reserve banks.

Mr. SMITH of Michigan. If that is so, we are approaching a period of the wildest kind of inflation.

Mr. SIMMONS. The Senator says that these industries can take their paper to the Federal reserve bank and get the money. This paper will amount probably to \$4,000,000,000 or \$5,000,000,000. They will have to have that amount; and the Senator says they can take these notes, amounting to \$5,000,000,000, and go to the Federal reserve bank and get the money. I say they could not do it if the act were so amended as to allow it, not only because of the limitation as to the gold reserve but because of the unliquid character of the securities. But suppose the Senator is right, suppose the gold reserve is sufficient to float four and a half billions of dollars, reserve-bank notes, and that that amount of currency should be issued on these securities, does not the Senator think that would be dangerous inflation of the currency?

Mr. SMITH of Michigan. I do; and I would be very sorry to see it done; but I am not going to run so far away from the question of issuing asset currency against good bills for short time as to bring about any such situation as the Senator describes. I think we are straining the gold reserve tremendously under the plan we are now pursuing, and I think this bill will strain it further. We will be obliged to resort to some form of monetary expansion, but I do not want that done on the ipse dixit of the Secretary of the Treasury and one or

two other men. I would rather have the sifting process performed by the regularly established Federal banking system of the country.

Mr. SIMMONS. Let me ask the Senator this question: Is it not true that the banks of the country at this time are in a condition that makes it impossible for them to adequately finance the business of this country?

Mr. SMITH of Michigan. I think the banks have gotten along very well with it thus far.

Mr. SIMMONS. Does not the Senator know—

Mr. SMITH of Michigan. Wait a moment. I think they have gotten along very well with it thus far. I think perhaps, unless the Government finds it necessary to put out a form of security drawing a larger rate of interest than banks now pay for deposits, that they may be able to hold their deposits and meet the ordinary, indeed the extraordinary, demands upon them for money; but why put this added weight upon the bent shoulders of the Secretary of the Treasury. I am willing that they should make the regulations; I am perfectly willing that this board should make any regulations necessary, but I should like to have the sifting process go on through the regular banking channels and not become the object of the personal desire and favoritism of any political officer of the Government. The country must not lose faith in the Treasury Department; why tempt it into these untried fields, the end of which no man can foresee? I think the Secretary is doing his best, the problems are new and vexatious, why should we not distribute this responsibility and thus quicken public confidence?

Mr. OWEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Oklahoma?

Mr. SMITH of Michigan. Certainly; I am through.

Mr. OWEN. I think it quite important, in considering the matter which the Senator has been discussing, to determine what is the volume of the maturing obligations. I do not really know; but I understand it is about seven hundred million or eight hundred million dollars altogether.

Mr. SIMMONS. No; I think it is about \$1,000,000,000, though I am not quite sure.

Mr. OWEN. What is the authority for that statement?

Mr. SIMMONS. The testimony before the committee.

Mr. SMITH of Michigan. That does not include railroad bonds.

Mr. SIMMONS. I do not think it includes railroad bonds.

Mr. SMITH of Michigan. It includes only public-utility and public-service bonds. If you add the railroad bonds maturing, you will get several billion dollars.

Mr. SMOOT, Mr. SIMMONS, and Mr. WATSON. Oh, no!

Mr. SMITH of Michigan. Well, I am talking about the full scope of this act, which includes munition plants, copartnerships, and individual obligations the country over, coming within the broad scope of this bill.

Mr. SIMMONS. The railroad bonds will add two or three hundred million dollars more.

Mr. SMOOT. They will add much more than that.

The PRESIDING OFFICER. To whom does the Senator from Michigan yield?

Mr. SMITH of Michigan. I yield to the Senator from Oklahoma, because he rose first.

Mr. OWEN. I was merely making the inquiry with regard to the actual amount which would be required, because the bill provides for eight times as many bonds as the original amount of the capital, which would make a total of \$4,500,000,000.

Mr. SMOOT. The testimony shows—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Utah?

Mr. SMITH of Michigan. Certainly.

Mr. SMOOT. The testimony shows that the maturing bonds of all railroads, public-utility corporations, and institutions known to issue bonds regularly for their going business amount to two billion five hundred and odd million dollars.

Mr. SMITH of Michigan. Coming due when?

Mr. SMOOT. Within the next two years.

Mr. OWEN. I think, however, that institutions in the regular business of issuing bonds for their going business ought to be cut out of this.

Mr. SMOOT. It is well enough to say that they ought to be cut out of this, but they would not have been cut out if the Government had not monopolized the money market. They must have credit in order to refinance those bonds, and they can not get the money to do so.

Mr. OWEN. It was not refinancing the Senator referred to.

Mr. SMOOT. Oh, yes.

Mr. OWEN. Oh, no; I beg the Senator's pardon.

Mr. SMOOT. That is what I referred to.

Mr. OWEN. I beg the Senator's pardon. The point I was making was that those institutions that were merely issuing bonds for the expansion of their business ought not to be included in this.

Mr. SMOOT. I had no reference to new issues at all; I had reference to bonds that were already issued and that would mature in the next two years.

Mr. SMITH of Michigan. Now, the Senator is taking public-utility and public-service corporation bonds.

Mr. SMOOT. And railroad bonds.

Mr. SMITH of Michigan. But he has not taken the obligations of any firm, corporation, or association conducting an established and going business whose operations are necessary to the prosecution of the war. It will be necessary to add the amount they require to this tremendous sum; and I want to tell you, Senators, that rather than place that power in the hands of two or three individuals, who may exercise their personal whim and favoritism, I would prefer to have this whole question sifted in 12 Federal reserve banks scattered throughout the country, who have the power and the capacity and the organization to pass upon these questions. Why do we ignore them in an important matter like this, when we have sought to concentrate our entire monetary strength in the Federal Reserve System? I do not know why it is done. Do other Senators? There is the possibility of the most intense favoritism under this bill.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. SMITH of Michigan. Certainly.

Mr. SMOOT. Mr. Warburg, of the Federal Reserve Board, testifying as to the obligations that would fall due for the year 1918, made this statement:

Mr. WARBURG. The total of maturities for this year amounts to \$799,000,000.

Senator GORE. That is, in the year 1918?

Mr. WARBURG. Yes, sir; in the year 1918. Of that, \$214,000,000 are railroad, \$224,000,000 are public utilities, \$182,000,000 are industrials, \$120,000,000 are State, county, and municipals, and \$58,000,000 are companies in Canada, Cuba, and Mexico, a total of about \$800,000,000.

Then, on the following page, he states the months in which the amounts will fall due and the amounts which will fall due each month. Then, in another exhibit that was presented to the committee, he made this statement:

The best available figures showing the totals of financial issues in the United States exclusive of foreign loans, for the four years prior to America's entry into the war, are as follows:

Corporate financing, \$1,864,000,000; State, county, and municipal financing, \$696,800,000; or a grand total, on the par value of 1916, of \$2,560,800,000.

Mr. OWEN. That is just of financial issues, of course?

Mr. SMOOT. Yes.

Mr. OWEN. But I am astonished to see that the total amount of these maturities during the year 1918 is only \$800,000,000, while this bill provides for \$4,500,000,000. What is the explanation of that?

Mr. SMITH of Michigan. The bill authorizes the issuance of bonds to the extent of eight times the capital stock of the corporation, or \$4,000,000,000; would it not be better to send this whole matter to the reserve banks?

Mr. SMOOT. Why, Mr. President, there has to be, and is going on to-day, a great expansion of the industries of the United States. Congress has already passed a law authorizing the War Department and the Navy Department to advance one-third of the contract price for the manufacture of munitions of war and war material.

Mr. OWEN. That is, in addition to this.

Mr. SMOOT. In addition to this.

Mr. OWEN. How much is that?

Mr. SMOOT. No one can tell, Mr. President.

Mr. OWEN. I thought the Senator knew.

Mr. SMOOT. No; no one can tell, because there has been no report made yet.

Mr. SMITH of Michigan. It runs into many billions; I said a few minutes ago several billions. I think it is somewhere near right. I know it will run into large figures very fast.

Mr. SMOOT. I will say to the Senator that the object that the Secretary of the Treasury has in advocating the passage of this bill is to do away with all of these advances to contractors, and that all of the institutions of the United States that have to be assisted in the way of expansion to provide the necessary requirements of the Government for war materials of any kind shall receive assistance through this corporation.

Mr. SMITH of Michigan. Mr. President, I am not going to continue to occupy the floor because I do not feel that I ought to; but I will repeat, in a way, what I said when I rose—that this power to make advances directly does not appeal to me at all. I think there is great danger in it. There is great chance of favoritism in it. There is too much power over

private business in it, in my judgment, to be vested in any single tribunal. I should much prefer to see the entire situation met in another way, and that by amendment of the Federal reserve bank act, which, I think, could be done in one day's time here if the personal ambitions of men could be subtracted from this situation.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from North Dakota?

Mr. SMITH of Michigan. Certainly.

Mr. McCUMBER. The Senator has voiced a very fine eulogy upon the management of the Federal reserve banks. Two of the directors of the Federal reserve banks came before the Committee on Finance, and both of them testified to the necessity of a law of this character. Both of them regarded the subject as too great to be handled by the Federal reserve banks under the present condition.

A great deal has been said about giving the Federal reserve banks the power to issue their money, and so forth, upon these ordinary long-time credits and to loan money upon them. The Senator knows that the experience of the banking business for 200 years has demonstrated the danger of long-time securities. The Government can carry those securities. The bank, if there is a run on it, can not reach its hands into the pockets of the people and get their money. The Government can. The bank must depend upon paper which it can liquidate in a very few days, something that will quickly become due. The Government does not have to do that, because it can, by tax law, say to the people, "You must give us that amount of money," and it will take it from them. You can not make a run upon the Government; you can upon a bank.

The point that I want to make is this: In the present condition of the money market, in view of the fact that the Government has preempted that market for every possible dollar that can be obtained for the purpose of selling its bonds, it was thought absolutely necessary by the Secretary of the Treasury, upon the advice of the very men that the Senator is extolling—the members of the board of directors of the Federal reserve bank—that some such measure as this should be enacted.

Mr. SMITH of Michigan. I will answer the Senator. In the first place, I was not referring to the general board of the Federal reserve bank at all. They make rules and regulations, but their function is generally a supervisory one. I was talking about the units composing the system, men of banking experience and experienced in credits, who are thereby enabled to pass upon the securities and paper offered for discount. I have nothing to say in criticism about the general board; they are honorable, able men; but I would very much prefer to leave these discounts to the Federal reserve banks.

With reference to long-time paper, the Senator knows that under our State banking laws about one-half, I think, of the deposits of State banks are invested in long-time securities; and we are obliged to do it under the law.

Mr. McCUMBER. The national law extended it so that they could take, I think, 25 per cent.

Mr. SMITH of Michigan. The national law has been changed; but in the States we loan upon real-estate mortgages practically, and they run for a long time. The longer they run the better they are. If the security in the first instance is good; so that the liquid character of that form of assets can not be questioned.

Now, I want some relief for these people. I am as anxious for it as anyone else. I want to maintain our monetary structure in all its strength and security, but I do not want to open the door to special favoritism. I do not want to leave in two or three hands the discretionary power to loan \$4,500,000,000. I dislike to leave that in the hands of two or three people, and I think the same result could be accomplished in a better way.

Mr. McCUMBER. I agree with the Senator, if he will allow me. None of us would wish to vote for a bill of this kind. We have had to put very many measures through the Senate and the House which we never would have put through except under a most urgent condition, where we have had to centralize power. I certainly would not vote for a bill of this kind if I did not think it was necessary; and, while it does not in all respects conform to my own views, I believe that in the present financial condition, with the necessity for not only raising enormous sums of money by taxation but in addition to that raising billions upon billions by the sale of bonds, we have so monopolized the market that there will need to be something to steady that market and to hold up the credit of the country in such a way that we will be able to sell at par our long-term bonds bearing a low rate of interest.

Now, I would not be governed by my own judgment. I am governed by the judgment of the Secretary of the Treasury, which is supported by that of practically all of the financial

men in the country, and especially those in charge of the great Federal reserve banks. I believe it is necessary.

Mr. SMITH of Michigan. Mr. President, the Senator from North Dakota is one of the soundest men in this Chamber, and has a reason for everything he does, and I respect him very highly. I have gone along with him in meeting this extraordinary crisis in the country's affairs in a liberal and a broad and, I was almost going to say, a reckless way. But when we come up to a situation like this, dealing with the money of the country and its credit, I must say that I approach with a great deal of trepidation a proposition with such possibilities in it as there seem to be in this measure. This corporation may loan eight times its capital—\$4,500,000,000. When you go to that board and ask for money, what are they going to give you? They have got to give you something with which to pay your debts. They can not give you the morning Post or the Evening Star. They have got to give you money, and they have got to give you current money that will pass for taxes and for other obligations. Where are they going to get that money; where are they going to get it?

Mr. McCUMBER. Mr. President, may I answer that question?

Mr. SMITH of Michigan. Certainly.

Mr. McCUMBER. They will not, in all instances, have to give money.

Mr. SMITH of Michigan. Then there will have to be a moratorium.

Mr. McCUMBER. The fact is that the only money they have to give is the \$500,000,000 which we vote, and such sums as may be paid back again. That is all the money they have to spend. But, now, here is an institution. It has a certain character of paper—paper that it can not possibly take to the bank. It may be too long-term paper. It can not take it to even the Federal reserve bank and get currency on it.

Mr. SMITH of Michigan. Or it may be for too large an amount.

Mr. McCUMBER. Now, just let me explain. What will the Treasury do? "If you need a million dollars and take a million dollars of these bonds, we will take those bonds in trade for your paper."

Mr. SMITH of Michigan. That is, the corporation's bonds.

Mr. McCUMBER. Yes; the corporation's bonds. Then, the corporation's bonds can be taken by the institution to a Federal reserve bank, and the Federal reserve bank can issue currency thereon. In that way, and in that way only, can they get currency on the bonds.

Mr. SMITH of Michigan. How much of this kind of obligation does the Senator think will be presented to the Federal reserve bank?

Mr. McCUMBER. Of course the limit would be \$4,000,000,000; but in addition to that limit, as has already been explained by the chairman, there is another limit, that the issue altogether must be supported by 40 per cent in gold. Therefore, for each billion dollars that they can issue there would have to be in the Treasury of these banks \$400,000,000 in gold, and if they issue the full extent of \$4,000,000,000 they must have 40 per cent of that, or \$1,600,000,000, in gold in the treasury of the Federal reserve banks.

Therefore I do not think it possible that there can be an inflation of \$4,000,000,000 upon these bonds, because the entire amount of gold in the United States, I think, is only a little over a billion dollars now.

Mr. SMITH of Michigan. Mr. President, the Senator is in fairly good health and he has a new certificate of election. I prophesy that before very much time goes by Congress will change the present necessary gold reserve to a new basis, and you will change it before very long. We can not protect our monetary system from inflation and exercise the full powers provided in this bill. When once the door is open for big borrowers to get relief from the Federal Treasury there will be no limit to their desires, and each step will make it more difficult to stay their hand. I think we are courting trouble and that bad results will follow our action. Other and better methods should be employed to aid these people.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from New Hampshire to the amendment of the committee.

The amendment to the amendment was agreed to:

Mr. GERRY obtained the floor.

Mr. HOLLIS. Mr. President, if the Senator from Rhode Island will pardon me, there is one other amendment that I said I would offer if this was adopted, to the same effect.

At the beginning of the paragraph, where the word "corporation" occurs, I move to insert, before the word "corporation," the words "person, firm," and then, after the word "corporation," the words "or association."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. In line 16, page 9, before the word "corporation," it is proposed to insert the words "person, firm," and, after the word "corporation," to insert the words "or association," so that, if amended, it will read: "to any person, firm, corporation, or association owning or controlling (directly or through stock ownership)."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon the committee amendment as amended.

Mr. HALE. Mr. President, I have an amendment to offer to the committee amendment.

The PRESIDING OFFICER. The Chair will say to the Senator from Maine that the Senator from Rhode Island [Mr. GERRY] has already been recognized, and yielded merely for the purpose of having this amendment agreed to. The Chair now recognizes the Senator from Rhode Island, and the Senator from Maine will be permitted to offer his amendment just a few moments later.

Mr. GERRY. Mr. President, when the Senator from New Hampshire [Mr. HOLLIS] was discussing this bill the other day he referred to the revenue bill which was passed last October, and objected because he said only one-third of the revenue was raised by taxation, and he did not think that was a sufficient amount.

In the New York Times of to-day there is an article on the first page which shows that the cost of running the war for the past three months has averaged about a billion dollars a month, and that one-third of that amount in January was the amount expended for our allies. I find upon investigation that during the past eight months of the fiscal year about \$7,000,000,000 has been expended, and that three billion and something over three hundred million dollars of this amount was loaned to the allies. Therefore, I think it is safe to assume, as the Senator from New Hampshire did, that our total expenditures for the fiscal year ending in June will amount to \$12,000,000,000. Out of that amount about one-third is money that will be loaned to our allies for their expenditures, making the amount paid by this Government for its own account about \$8,000,000,000. If we raise \$4,000,000,000 in taxation, as the Senator from New Hampshire suggests—and I think he is right on that; in fact, I think he is conservative; we will probably raise more than that—these figures clearly show that we shall obtain at least 50 per cent of our expenditures in this country from taxation alone. That is a greater amount derived from taxation than any other country has attempted in this war, and, in fact, a greater proportion than I believe has ever been raised by any country in any war.

Mr. HOLLIS. Mr. President—

The PRESIDING OFFICER. The Chair has stated that he would recognize the junior Senator from Maine to offer an amendment.

Mr. HOLLIS. I understood that this question was addressed to me. I can answer it in two minutes, or give my idea of it. I do not desire to engage in any controversy, but merely to make a reply to the Senator.

The income of a Government is like the income of a person in that it depends upon what he is earning and what he can borrow.

The amount that he can borrow depends upon the amount that he is earning—that is, upon his income. A bank will loan a large amount of money to a man who is in business with but little capital if he can show that his earnings are high.

Now, it makes no difference in financing the war whether we raise money and spend it for the purposes of our own Army and Navy, or whether we raise it and loan it to other countries to spend for their purposes when they expend it in our country. Therefore, if we spend for both purposes \$12,000,000,000 in this year and raise \$4,000,000,000 in taxes, we are raising one-third of the total expenditure; and that that is not enough is shown by the fact that we can not borrow at a reasonable rate as much as is necessary to carry out our intentions in this war.

Mr. GERRY. Mr. President, if the Senator will yield, he will admit that our allies will pay us back this \$4,000,000,000 that they have borrowed from us.

Mr. HOLLIS. I do not admit it. I hope so; but we will get it back so late that it will not do us any good. If they could pay us back at once, they would not be borrowing from us. We are spending that money just as much as if we hired their armies and their navies and paid the bills. It is just as hard for us to get it; and when we need such a vast sum over and

above what we get in our income, we have to pay more for it than we ought to pay.

Mr. GERRY. The Senator will admit, then, that we may have to pay more at the present time, but that that money will be paid back, and that what he really is recommending is that we should have a higher percentage raised by taxation than 50 per cent.

Mr. HOLLIS. No; because when we loan it to our allies to spend it is exactly the same as if we spent it ourselves. I have a certain amount of money. It does not make any difference whether I spend it or give it to my family to spend; it will be spent, and I have to borrow more to take its place. It may be that at some time my son will be able to support me in my old age and pay it all back; but it is just as hard for me to borrow it now as if he never were going to.

Mr. GERRY. The Senator does not think that when we loan money which is to be repaid us in the future it is the same thing as giving it away?

Mr. HOLLIS. I hope we are not giving it away. We have given away several hundred millions to Russia. I hope we are not; but it will not do us any good as a quick asset when we get it back in 20 or 30 years.

Mr. SMOOT. Mr. President, in that connection I simply want to say that if we had placed a greater tax upon the industries of this country than we have already placed, we would simply have to advance more money through this bill, if it becomes a law, than we otherwise would. So, Mr. President, it only amounts to this—whether we shall make these loans to the institutions of this country, or whether we shall by direct taxes take money from the institutions of this country when it is absolutely impossible for them to run under present conditions with the tax already imposed.

Mr. HOLLIS. Mr. President, this is a fruitful topic for discussion. I will yield now to the Senator from Maine.

Mr. HALE. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to add, at the end of the words proposed to be inserted by the committee, on page 10, at the end of line 7, the following words:

And provided further, That the corporation shall file quarterly reports with the Secretary of the Senate and Clerk of the House of Representatives, giving the name and place of business of the firm, corporation, or association to which such advances have been made under the provisions of this subdivision, the amount advanced, the terms, and the security accepted therefor.

Mr. GALLINGER. Mr. President, the Senator ought to put in the word "person," I think, as we have amended the bill.

Mr. HALE. Yes; the word "person" should be inserted.

The PRESIDING OFFICER. Without objection, the amendment will be modified so as to include the word "person."

The SECRETARY. So as to read: "That the person, firm, corporation, or association," and so forth.

Mr. HALE. Mr. President, I do not think it is necessary to make any explanation of this amendment, and unless some Senator desires to discuss it I shall not speak further upon it. The chairman of the committee, I understand, is willing to accept it.

Mr. SIMMONS. Mr. President, on behalf of the committee I will accept that amendment.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Maine to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. Mr. President, before we adjourn I want to put in just a brief statement by the governor of the Federal Reserve Board with reference to this bill. It is very brief, and I will read it.

Speaking of this particular bill, he says:

This particular bill has never been sent to the Federal Reserve Board for its consideration, and the board, therefore, has not taken any stand regarding it, either favorable or otherwise. The board, however, is interested in the objects which the bill seeks to attain, and is impressed with the importance of some measure of relief for the securities market.

Mr. OWEN. Mr. President, who was making that comment?

Mr. SIMMONS. Mr. Harding, the governor of the board.

Mr. OWEN. That this bill was never sent to the Federal Reserve Board?

Mr. SIMMONS. He says that the Federal Reserve Board has never acted upon this bill.

Mr. OWEN. I see.

Mr. SIMMONS. He says:

Some time ago the board adopted a resolution putting itself on record that some governmental intervention was necessary in order to take care of this situation, and it threw out the same idea in its annual report to Congress, which was submitted about two weeks ago.

The CHAIRMAN. Do you mind giving us the benefit of your individual opinion as to the necessity for legislation of this sort?

Mr. HARDING. I think that legislation providing for Government aid is absolutely essential.

Mr. President, I do not think it is a question whether the banks can finance the situation, because I do not understand that anybody familiar with the financial situation of the country believes for a minute, even if the powers of the Federal reserve banks with reference to the discount of paper and issue of notes were broadened as far as can safely be done, that the banks would be in any position to take care of the present financial situation. I think the Senator from Michigan and others who have spoken this evening have entirely misunderstood the general purpose of this legislation. This legislation is based upon the theory that it is necessary for the Government to come to the relief of the money market of the country and to loan the money that is necessary to finance these institutions that can not secure relief through the banks. The question, therefore, is simply one whether the Government shall issue Government bonds, put them on the market and sell them, and thereby further contract the abilities of the banks and the general investment security market to meet the situation, or will the Government extend this necessary aid through the intervention of a corporation of which it is the sole stockholder, authorized to issue bonds, and put them upon the market and sell them for the purpose of getting money.

It is not intended that all these bonds shall be exchanged for securities. Nobody proposes that. There is lodged in this corporation the authority to sell its bonds upon the market—the bonds, it is true, of a corporation, but of a corporation of which the Government is the sole and exclusive stockholder. So the Government is not legally bound for those bonds like its bonds issued through the Treasury Department. It is morally bound, and that moral obligation in this case is as strong and good as the legal obligation. Through the sale of those bonds money can be secured to add to the \$500,000,000; but if the corporation is not able to sell its bonds, if an institution comes asking for aid, then the corporation can say, "I can not furnish you the money; the money is not in the Treasury, but I will furnish you my bond."

I merely wished to make that statement.

Mr. OWEN. Mr. President, I wish to ask the Senator a question. He says, very properly, that these bonds are a moral obligation of the Government. I wish to ask him, that being true, and it being true that the Government would be obliged by that moral obligation to have these bonds in case anything should happen with regard to the security of a corporation of an untoward character, would it not be better simply to put in a guaranty of the bond by the Government in the first instance, so as to give them the highest market quality possible?

Mr. SIMMONS. Mr. President, I do not think the guaranty of the Government would add anything to the value of these bonds. If the Government is going to guarantee the bonds, it would be just about as well to lend them in the first instance.

Mr. OWEN. The Senator makes a distinction between a bond which is a moral obligation of the Government and a bond which is a legal obligation of the Government. If the Senator makes that distinction, then these bonds ought not to be used by the Federal reserve banks as a basis of issuing currency.

Mr. SIMMONS. I said that while that was a distinction it was practically a distinction without a substantial difference so far as the soundness of the obligation was concerned.

Mr. OWEN. There is a very substantial difference because, where the moral obligation exists it would necessarily lead to an appeal by the bondholders at some future time to the Government to make good any deficiency. But if the legal obligation exists in advance that matter is settled, and it will affect the market value of the securities. It would convert these bonds into what would be practically a quick asset, and there is always a good market for Government bonds at some reasonable figure.

Mr. SIMMONS. I do not share the opinion of the Senator that the Government would attach any more importance to a bond that it was legally liable for than to a bond it was morally liable for.

Mr. OWEN. The Senator misunderstands my position.

Mr. SIMMONS. I am afraid I do.

Mr. OWEN. I am not speaking about the significance which the Government would attach; I am speaking of the significance which the purchaser in the open market would attach to a bond which would be a legal obligation of the Government and a bond which merely had a moral claim on the Government.

Mr. SIMMONS. I do not think there will be any trouble about these bonds of the corporation. There is the moral responsibility of the Government behind it, commanding a price

in the market probably not as great but substantially as great as that of the bonds of the Government itself.

Mr. OWEN. I hope this matter will not take the attitude of being a mere difference of opinion between Senators on the floor, because this is a thing which will affect the Federal Reserve System in a serious way, and it ought not to be dealt with merely as a casual difference of opinion among Senators. It ought to be analyzed, and its consequences ought to be fully weighed before this legislation goes upon the statute books.

Mr. SIMMONS. I do not agree with the Senator that it will affect the Federal Reserve System in any harmful way. I think, however, what some Senators have suggested here this evening, to wit, to amend the Federal Reserve System so as to make these long-term notes eligible for discount, would very seriously impair the Federal Reserve System.

Mr. OWEN. That is another question entirely from the one I was raising on this particular bill. These bonds are put upon a parity with Government bonds as a basis of loan by the Federal reserve bank, and when that is done in this bill and then afterwards it proves that the market does not attach to these bonds the same quality it attaches to other bonds, the Federal reserve banks might have their assets impaired.

Mr. SIMMONS. I do not wish to prolong this colloquy. I think I understand the Senator's idea. His idea, as I understand him, is to have the Government guarantee these bonds. If the Senator desires to discuss that matter on Monday or when the bill is taken up again I shall be very glad to hear his views upon the subject. Now, merely upon the statement of the Senator, I do not think it would be advisable; but when the Senator elaborates his views about it and analyzes it, as I understand he intends to do, he may change my views about it.

Mr. OWEN. I realize the condition.

Mr. SIMMONS. I move that the Senate take a recess—

Mr. GALLINGER. Before the Senator makes that motion, may I suggest that he ask that the bill be reprinted with the amendments that have already been agreed to, so that we can see what shape it is in?

Mr. SIMMONS. I shall be very glad to do so. At the suggestion of my colleague on the committee, I ask unanimous consent that the bill be reprinted as amended.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

RECESS.

Mr. SIMMONS. I move that the Senate take a recess until 12 o'clock on Monday.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until Monday, March 4, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, March 2, 1918.

The House met at 12 o'clock noon.

Rev. John Huddle, D. D., of St. Paul's English Lutheran Church, Washington, D. C., offered the following prayer:

Out of the wreckage of dismembered nations and blighted civilization, a war-weary world, O God, cries unto Thee. O Lord, hear our cry.

In the midst of smoke and blood make bare Thy mighty arm, and confuse the intelligence and paralyze the force of all antagonism to human rights, and give to men everywhere the prerogative to govern themselves according to their own desires and standards, unhindered by the subtle devices of a designing and selfish ambition.

We praise Thee for the purity of America's purpose, for the unselfishness of her motive. We covet no man's gold, no nation's territory. We are responding to humanity's appeal for government of the people, for the people, and by the people, and we plead, O God, for Thy directing wisdom and almighty power.

Bless the legislators and executives of our land in this gigantic undertaking. Strengthen the bodies and inspire the souls of the men in uniform, in the air, on the sea, and in the trench. Vouchsafe unto them the continuance of the splendid courage they have so far displayed, and hasten the time when they, with their brave allies, shall win for the world a righteous and permanent peace.

Bless the loved ones here who are in sorrow, and others to whom grief will come as the days go. Help their patriotism to rise as far as possible above personal attachment, and comfort them with the thought that "greater love hath no man than this, that a man lay down his life for his friend."

Bless all the tender ministries of grace and mercy that bind up the wounded, and fire the hearts of the discouraged with new faith and fortitude. Abide Thou, O God, in all the hospitals, camps, and battle fields of earth, and may men everywhere in this crucial hour find Thee not an empty name, but an all-satisfying reality, giving a peace and a power that pass all understanding.

O Thou Lamb of God that takest away the sins of the world, remove our sins, individual and national, as far as the east is from the west, so that naught may insulate us from the spiritual energies and influences of Him who hath all power in heaven and on earth and is from everlasting to everlasting. In His name we ask it.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 123. Joint resolution providing for the calling into military service of certain classes of persons registered and liable for military service under the terms of the act of Congress approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The message also announced that the Senate had passed the following order:

Ordered, That there be appointed by the President pro tempore two additional members of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, and that in compliance with the above order the President pro tempore had appointed Mr. ROBINSON and Mr. CUMMINS as such additional conferees on the part of the Senate.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 123. Joint resolution providing for the calling into military service of certain classes of persons registered and liable for military service under the terms of the act of Congress approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States"; to the Committee on Military Affairs.

HOUSING FOR WAR NEEDS.

Mr. CLARK of Florida. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 10265, known as the housing bill.

The SPEAKER. The gentleman from Florida asks unanimous consent for the present consideration of House bill 10265, which the Clerk will report.

The Clerk read the title of the bill, as follows:

A bill (H. R. 10265) to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs.

Mr. GILLET. Mr. Speaker, did the gentleman ask unanimous consent to consider this now?

The SPEAKER. That is what he did.

Mr. BYRNS of Tennessee. I shall have to object to that, Mr. Speaker.

The SPEAKER. The gentleman from Tennessee objects.

VACANCIES IN THE HOUSE.

Mr. EMERSON. Mr. Speaker, I ask unanimous consent for the present consideration of House resolution 261.

The SPEAKER. The gentleman from Ohio asks unanimous consent for the present consideration of House resolution 261. The Clerk will report it.

The Clerk read as follows:

Whereas there are several vacancies in this House, caused by the death and resignation of Members, and it is of vital importance to the country during this war that all districts be represented; and Whereas the governors of the States of New York and Illinois have called special elections to fill the vacancies in those States, but that the governor of Ohio, although requested, has failed to call a special election to fill a vacancy now existing in the fourteenth district of the State of Ohio—

Mr. GARRETT of Tennessee. I object.

The SPEAKER. The gentleman from Tennessee objects.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, known as the legislative, executive, and judicial appropriation bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, known as the legislative, executive, and judicial appropriation bill. The question is on agreeing to that motion.

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that my resolution be printed in the Record.

Mr. FOSTER. I object.

The SPEAKER. The gentleman from Illinois objects. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Virginia [Mr. SAUNDERS] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman from Wisconsin [Mr. STAFFORD] use some of his time?

Mr. STAFFORD. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. AUSTIN].

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. AUSTIN. Mr. Chairman, I listened yesterday, along with my colleagues, with a great deal of interest to the able Representative from Missouri [Mr. BORLAND]. It was in reference to changing the existing law and writing upon the statute book a compulsory eight-hour provision as it affected the clerks in the various Government departments in Washington City.

Of course, we have listened to many speeches on that same subject delivered by our colleague from Missouri. It has been a continuous performance at every session of Congress, almost upon every appropriation bill carrying pay for Government clerks in times of peace as well as during the war. The gentleman has been here actively in season and out of season riding his hobby. He has become such an expert in hobby riding that I think seriously of commending him to the President for appointment to a high commission in the Cavalry service.

Now, what a severe arraignment was it of the present national Democratic administration, an administration elected upon a platform pledged to economy and the abolition of waste and useless and unnecessary offices! The administration not only obtained power and the confidence of the American people upon a pledge of that kind five years ago, but the pledge was repeated in the last campaign; and here is a gentleman who has been in Congress for nine years, elected as a representative of the Missouri Democracy, a champion of the Wilson administration, in the President's confidence, giving to Congress and the American people a certificate to the effect that the national Democratic administration has failed to keep its pledge of economy.

How often did the gentleman tell us yesterday that Congress was throwing away, by not adopting his oft-repeated amendment, \$7,000,000 a year; \$7,000,000 a year, and his administration pledged to economy, having controlled public affairs for seven years in the District of Columbia, is a total waste of \$35,000,000, according to the testimony furnished by the able Representative from Missouri.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. AUSTIN. A little later on.

Mr. BORLAND. Will not the gentleman yield right there?

The CHAIRMAN. The gentleman declines to yield now.

Mr. AUSTIN. The Republican Party was arraigned for being wasteful and extravagant with the people's money, and creating,

increasing, and continuing unnecessary and useless offices. After being intrusted with power five years it is not necessary for any Member on the Republican side of the House to point out this glaring failure on the part of a Democratic national administration to redeem its solemn pledge. We have as our leading unimpeachable witness the gentleman from Missouri [Mr. BORLAND]. And by and by, when our congressional election is on, it will only be necessary to say "we submit to you, voters of America, the statement of a leading Democratic member of the Committee on Appropriations, who says that for five years, without a protest, without an effort on the part of the President or any of his advisers, no attempt has been made to save this money."

Mr. SEARS. Will the gentleman yield?

Mr. AUSTIN. I am dealing with my beloved friend from Missouri now, and I ask my colleague from Florida to excuse me. I entered this body, was elected at the same time with this great critic of the Democratic national administration. We were both first elected to the Sixty-first Congress. Well do I remember that fortunate day which gave me my first introduction to him. It was in the great city of St. Louis nine years ago. We had assembled there on an invitation to join the President of the United States, the members of his Cabinet, United States Senators and Members of the House of Representatives, governors of the respective States, to go on that great trip on the father of waters—the Mississippi—from St. Louis to New Orleans.

What a magnificent trip it was. The boats were all beautifully decorated representing the various States and cities along the banks of the Missouri and the Mississippi Rivers. Everything was free. There was no bone-dry law in existence on the Mississippi River and the café ran night and day. Bands, music, and speeches on board the boats and at the various landings where the multitudes had gathered to meet these distinguished representatives of the American people from President Taft down.

It was on this wonderful excursion I first met the able and genial gentleman from Missouri. He had in his equipment, as I now recall, a large supply of magazines with a splendid article on Kansas City, Mo., pointing out its matchless attractions and great possibilities. And along with it a great and convincing argument in favor of the Government expending from twenty to thirty million dollars on the improvement of the Missouri River from his town, Kansas City, to the Mississippi River.

The CHAIRMAN. The time of the gentleman has expired.

Mr. AUSTIN. Can the gentleman give me a little more time?

Mr. STAFFORD. I yield to the gentleman 10 minutes more.

Mr. AUSTIN. I was soon captured by the persuasive arguments and the genial smile of the gentleman from Missouri, and pledged my support early to the \$20,000,000 Missouri River proposition. Along with it was a proposition for a 14-foot channel on the Mississippi River from St. Louis to New Orleans. When the Army engineers got through with that proposition, they said it would cost in the neighborhood of \$200,000,000, and they reported against it. I was told that the Missouri River was so shifting and changeable and so fickle that when a man went to bed at night on the bank of the river the chances were the river would be out of sight the next morning.

Mr. MADDEN. Over in the next State. [Laughter.]

Mr. AUSTIN. But I committed myself to his project, notwithstanding the enormous cost. The gentleman was so persuasive in his argument about the improvement of the Missouri and Mississippi Rivers that I have been voting for every river appropriation for the past nine years. The impression made upon me was lasting, and no sum staggered me at all. During this long period at no time, even when the gentleman as a member of the Committee on Appropriations was sending in bills here that carried countless billions of dollars, without any safeguard as to how it should be expended, whether contracts should be let to the lowest bidder or not, I voted for them until my head swam and I was dizzy. [Laughter.]

A little later on I was honored by a position on the joint commission for the construction of national highways. One night we were charmed and enlightened and made happy by the appearance of my colleague from Missouri [Mr. BORLAND] at the head of a western delegation in favor of building great national highways.

On January 3, 1918, of this year, when we need money so badly for the war, according to his statement of yesterday, the gentleman from Missouri introduced a bill which provided for constructing a highway over every scout and Indian trail known during the Revolutionary or colonial days. While not fully committing myself to the great, enormous, and far-reaching expenditure of the people's money for that purpose, I fail to

find my own State or district named in it, so I shall offer an amendment at the proper time. Mr. BORLAND, on January 3, 1918, introduced the following bill, which was referred to the Committee on Roads and ordered to be printed. It is to be known as the Daughters of the American Revolution old-trails act, to provide a national ocean-to-ocean highway over the pioneer trails of the Nation:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

Then it provides for building a highway beginning on the Atlantic Ocean, going through to the Pacific, with side lines, I suppose, to Alaska, Honolulu, and the Philippines. [Laughter.] That is the bill that this great economist introduced in a war period, when he says we ought to economize by increasing the hours of labor in Washington City.

Mr. LOBECK. Will the gentleman yield?

Mr. AUSTIN. I can not yield.

Mr. LOBECK. I simply wanted to ask if this road came by Omaha.

Mr. AUSTIN. Now, under existing law every member of President Wilson's Cabinet by a stroke of his pen can extend the hours of labor over Government clerks in the city. This proposed law is absolutely unnecessary. It does not require a law. It only requires an order issued by the department to extend the time to eight hours.

Now, I am sure that every member of President Wilson's Cabinet, appreciating and realizing how he obtained office by a platform pledged to economy and the abolition of waste and useless offices, that if he thought it was needed would issue the necessary order and extend the working hour. The gentleman from Missouri has consumed hours of the time of the House of Representatives which might be used to prosecute the war to a speedy termination. We are to delay the signing of the treaty of peace and the closing of this horrible and bloody war, until the gentleman from Missouri can ride his hobby up and down and before the House of Representatives on every appropriation bill from now till the final adjournment of Congress. I appeal to the gentleman in all seriousness, for we are all very fond of him. He is big enough, according to the Missouri standards, to be a Senator from that great State—not according to the Tennessee standards, but according to the Missouri standards. [Laughter.] He has had the training and the experience, he is able, full of energy, trained, tried, and I commend to him to take up a great big proposition which will measure up with his talents, his ability, and his experience.

Mr. BORLAND. I thought the gentleman mentioned three or four big propositions that I had taken up.

Mr. AUSTIN. But the gentleman has abandoned them, and he is now making war upon some old women and men in various departments of this Government. I saw one of them yesterday on crutches trying to get to his office, and I actually saw one of these old men who had perhaps served in the Army actually pulling himself up the balustrade by all the strength that he had, pulling himself along the stairway leading into the entrance of the department to go to his desk.

Mr. BORLAND. It was on pay day that he was there, was it not? [Laughter.]

Mr. AUSTIN. Oh, no; and there is not a department of this Government, on account of our failure to pass a wise and just retirement bill, that is not filled with old, faithful, worn-out superannuated Government officials, and they are compelled to go there daily, some of them driven there by their loved relatives in the morning, and helped to their desks, and here is a great Democratic leader from the imperial State of Missouri spending his time asking us to delay legislation until he can crowd upon these old, withered, and palsied people an extra hour of labor. What has the war done for Washington? It has made this one of the greatest congested centers in the country.

Everything has advanced in price, all the necessities of life, everything that a Government clerk has to purchase has advanced in price. Everything has advanced except the salary of the Government clerk, fixed a half century ago, and there has been no general rearrangement or readjustment or equalization or advancement in Government salaries for a half century, but all during these 50 years every article which he must have for the home, every luxury, every necessity, every want for his loved wife and children has advanced, and he has become the victim of unfortunate circumstances here in the Capital City of his country incident to this great war. The gentleman from Missouri, not thinking of this, not appreciating this, not considering it at all, is here attempting to have his colleagues place upon these people greater and harder burdens and responsibilities. I object to it. He says that we are fighting a world war for democracy, but here is a great Capital City

with three or four hundred thousand people, without a voice in Congress, actually being taxed without representation.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. AUSTIN. Mr. Chairman, I will ask the gentleman to give me five minutes more, in which time I think I can finish.

Mr. STAFFORD. Mr. Chairman, I think we are all touched by the graphic narration of conditions in respect to the old, decrepid, and, in the language of the gentleman from Tennessee, withered employees of the Government in the District, and I feel compelled, even though my time is limited, to yield to the gentleman's entreaty and give him five minutes more.

Mr. AUSTIN. Mr. Chairman, here is this great Capital City without representation in Congress, and we are taxing its inhabitants. They have no voice in the selection of their local, municipal, or District officials, and yet we are sending our boys abroad for world-wide democracy, to establish and enforce the rule of the people everywhere in the world, except in the District of Columbia.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. AUSTIN. Yes; I yield to my handsome friend from Chicago.

Mr. MADDEN. Does not the gentleman from Tennessee think that he ought to withdraw a part of the promise he made to the gentleman from Missouri [Mr. BORLAND] in respect to the expenditure of these vast sums of money in this shifting stream that moves from one State to another overnight and ask the aid of the gentleman from Missouri for an increase in compensation of these very worthy employees of the Government in the District of Columbia?

Mr. AUSTIN. Mr. Chairman, that is a very good suggestion, and now, while the gentleman yesterday devoted some of his remarks to profiteering and attempting to get something from the Government by these humble clerks who are without a defender on the floor of the House of Representatives in the shape of their own chosen Representative, I commend to him the hearings of the various committees on Hog Island, on contracts for military camps, for war supplies, where his own committee has voted without a string to it millions of dollars without restrictions as to how they should be expended, without safeguarding the appropriations in reference to the letting of contracts, and I commend to him that he devote some of his talents to that important and far-reaching work if he seriously wishes to champion the interests of the taxpayer and save him money and for the time being give a rest to the Government clerks, to the watchmen, to the messengers, to the scrub women in the various departments of the Government, leaving to the Democratic members of the Cabinet to determine when public business requires an order to extend the hours of labor in the various departments of the Government. Although not a member of his party, but a partisan Republican, I shall not use my time and voice for a condemnation and indictment of the Democratic President and Democratic members of the Cabinet. I yield that honor to the gentleman from Missouri [Mr. BORLAND]. [Applause.] I yield back the remainder of my time.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. OLDFIELD having taken the chair as speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6361) to extend protection to the civil rights of members of the Military and Naval Establishments of the United States engaged in the present war.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

The committee resumed its session.

Mr. STAFFORD. Mr. Chairman, I yield 20 minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, I ask the attention of the Members to a War Department regulation, which I hope will soon be changed as a matter of justice to soldiers who are properly enlisted, and who are discharged in less than 90 days for disability. I desire also to call attention to some war-risk insurance problems. The people demand that this Nation be fair and just in its treatment of its soldiers and sailors. As a rule, the United States has been fair and just, and I am pleased to report that one unfair regulation is now being adjusted. Recently I received some complaints that soldiers taken into the new Army, who had developed tuberculosis or other disease within three months after enlistment, were being discharged because of disability not incurred in line of

duty. I reported one of these cases to The Adjutant General and received the following statement:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington, February 20, 1918.

Hon. ALBERT JOHNSON.

DEAR SIR: In response to your letter of the 12th instant relative to Pvt. Gavin H. Bayne, Company M, One hundred and sixty-second Infantry, I have the honor to advise you that the tuberculosis in the case of this soldier was shown to exist within less than three months after his entry into service, and that under the rules of the Medical Department his disability must therefore be considered to have not been contracted in line of duty.

As this case is like many others, the same action must be accorded all, and no exceptions can be made to rules adopted.

Regretting that I am unable to advise you favorably in this matter, I remain,

Very respectfully,

H. P. MCCAIN,
The Adjutant General.

Mr. MADDEN. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. MADDEN. Did this man pass the physical examination before he entered the Army?

Mr. JOHNSON of Washington. Yes. If the gentleman will permit me, I am coming to that. There is a desire on the part of the Medical Department to remedy this situation.

This man, after having been properly examined and enlisted, was found to have developed tuberculosis, and was promptly set out of the Army, the United States refusing to accept the liability it had incurred.

Manifestly, I could not stop with this statement from The Adjutant General, which is based on a regulation made at a time when men were being taken into the Army with great care, and after severe medical examination. I took the matter up with the Surgeon General, and have received the following letter, which will be of interest to the Members of the House and to the public generally:

WAR DEPARTMENT,
OFFICE OF THE SURGEON GENERAL,
Washington, February 27, 1918.

Hon. ALBERT JOHNSON.

DEAR SIR: In reply to your letter of February 23, addressed to Gen. Gorgas, the Surgeon General directs me to say that the ruling quoted by The Adjutant General is the ruling which has heretofore obtained, the principle being that men who manifest a chronic condition in less than three months after entering the service must obviously have had the disability before entering the service. It is not believed, therefore, that this ruling is an unfair one.

However, steps have been taken to change the ruling, and the Surgeon General has recently recommended that in all cases a man who has once passed the examination for entering the Army shall be considered to have contracted any subsequent disability in the line of duty.

Yours, very truly,

(Signed) G. E. BUSHNELL,
Colonel, United States Army, Retired.

It will be noted that the Surgeon General has recommended that—

In all cases a man who has once passed the examination for entering the Army shall be considered to have contracted any subsequent disability in line of duty.

Clearly such a recommendation must be approved by the War Department.

I sincerely hope that the recommendation will be considered and accepted. I presume that every Member has had cases of this kind.

Mr. WALSH. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. WALSH. I did not hear the first part of the gentleman's statement. Do I understand this is the case of a young man drafted who developed tuberculosis?

Mr. JOHNSON of Washington. Yes.

Mr. WALSH. Who is held not to be entitled now, under the ruling made, to the provisions of the benefits that we have provided?

Mr. JOHNSON of Washington. Yes. He was drafted into the Army and passed the medical examination, but within three months this disability was discovered, and it is held that it was not incurred in the line of duty, so he receives his discharge for disability received outside the line of duty.

Mr. WALSH. But there is nothing in the law requiring that.

Mr. JOHNSON of Washington. This is a regulation, nevertheless. These official letters are dated within the last two or three days.

Mr. ROBBINS. How does that affect the war-risk insurance that the man took out when he entered the service?

Mr. WALSH. He gets his benefits.

Mr. JOHNSON of Washington. I am coming to war-risk insurance matters.

Mr. ROBBINS. There are a number of similar cases all over the country.

Mr. JOHNSON of Washington. No doubt of it. I suppose every Member has had numerous cases. I might add that as

war-risk insurance problems develop every Congressman will find his office work increased greatly beyond its present heavy run.

Mr. Chairman, the case of discharge I have mentioned refers to the Army, and is based on a regulation. Now, let me tell of a discharge case which I have which has been running in the Navy since last summer. It is this:

From southwestern Washington a boy 18 years old, after seeing and reading the alluring posters inviting enlistment in the Navy, enlisted regularly in the Navy out there, went to Puget Sound, and was put on a warship. He was taken down the far side of the Pacific coast through the Panama Canal into the Atlantic Ocean, and the vessel brought up at Pensacola, Fla., where that boy was discharged for undesirability and set ashore without even a street car ticket in his pocket; 18 years old and 4,000 miles from home, without bed or bread—the position of a tramp. That boy wrote a letter from Pensacola to his mother out in the State of Washington saying that he would try to work his way home and that he would go through New Orleans. His mother's friends telegraphed me to see why he had been discharged. I wrote to the Navy Department asking for the reason, and received a short, sharp letter saying that he was discharged "because he was undesirable and dirty." I could not send any such letter to that mother, who has another son in the service of the United States in the Army. I went down personally to investigate. I found that this boy, in the course of that trip in the service, about four months in the Navy, in coming through the Panama Canal had developed an extreme case of dysentery, had run way down in weight, had been unable to keep himself clean, had become sick and helpless, and was set ashore at Pensacola, discharged as undesirable, left there without a 5-cent piece in money, and was informed that he owed the Government \$20 for his naval uniform. The boy reached New Orleans by dead-beating his way. With the aid of the Bankers' Association of the United States detectives were employed and that boy discovered and money was handed him to make his way home, where he arrived sick and helpless. The Navy Department afterwards admitted that a mistake had been made and that the boy should have been transferred back to the Puget Sound naval district before they discharged him. My contention is that once the Navy enlisted that boy and took charge of him this Government was in fact his guardian and he was its ward, and it was its duty to feed and clothe him and care for him in sickness and that instead of discharging him he should have been sent to a United States marine hospital. That boy, in my opinion, has a claim against this Government for money expended by kind-hearted friends in locating him and in sending him home and a further claim for the damage to his health.

Now, that is only one case. I have waited months to hear something further from the Navy Department, which has shown some interest in the matter, and I sincerely believe that the commander of that vessel who set that boy ashore deserves to be punished and reduced in numbers.

Mr. MADDEN. He ought to be dishonorably discharged from the service for doing such a thing.

Mr. JOHNSON of Washington. I have withheld a statement of this kind because we are at war, and I do not want to do one thing to embarrass the Government, but we can not have our parents believe that their boys are not receiving the best possible attention from those we have placed in charge of them, and officers who do not properly care for soldiers and sailors need to be punished.

Now, to get back to this war-risk insurance discussion. The wife of this soldier, sick with tuberculosis, whose case I just described, has been unable up to date to secure the allotment that this soldier undertook to make to her. Neither has she secured the Government allowance for dependence to which she is entitled, and her case is no different from that of many others in the far West, due, no doubt, to the great distance and the general confusion in connection with the organization of a great bureau. I want to say that before long the Bureau of War-Risk Insurance will be as large as the Treasury Department was before the war began. It is a bureau which was confronted on its very first day with a tremendous amount of work. These facts are responsible for a lot of this confusion. I make no criticism of the bureau, but it needs and will need much more help.

I have another case where a wife was receiving her allotment from the War Department up to the time that the Bureau of War-Risk Insurance was established. Her soldier husband is now in France.

When the War-Risk Insurance Bureau was established the allotment which she got under the law was dropped until trans-

fer could be made, after a new application by her husband. That soldier is far away in France, her allowance is cut off, and a long space of time has occurred in an effort to find that boy in France so as to get a new statement formally made. It has not come yet. That woman is without money.

Mr. FORDNEY. Will the gentleman yield?

Mr. JOHNSON of Washington. I will.

Mr. FORDNEY. I am not differing with the gentleman, but let me give the reason for this. I have had considerable experience in the same line. The War-Risk Insurance Bureau has no authority under the law to pay to a widow any portion of the soldier's salary until they have received an order from that soldier.

Mr. JOHNSON of Washington. I agree to that, of course. I contend that the transfer should have been automatic. This man dealt with the War Department before the war-risk law was enacted.

Mr. FORDNEY. Wait a minute, please; on the other hand, suppose the soldier withdraws that allotment to the family. Suppose he is in France and draws the money over there—

Mr. JOHNSON of Washington. That is true.

Mr. FORDNEY. If the law compels him to pay to his wife any portion of his money, that is one thing—

Mr. MADDEN. It does compel every soldier to allot to his wife.

Mr. FORDNEY. They have no authority to pay the money until they receive an order from him, law or no law.

Mr. JOHNSON of Washington. This man in good faith made an allotment as far as he knew under the law and then went to France. Now, let us see what really happened.

Mr. MADDEN. The law compels the allotment, it is compulsory.

Mr. JOHNSON of Washington. Let us see what really happened in this particular case. Here is a letter from Director Delaney, of the War-Risk Insurance Bureau, and he advises as follows:

Under the act of October 6, 1917, every enlisted man is required to fill out and file an allotment statement, and unless he does, the bureau is powerless to make an allotment and allowance of his pay to his dependents. A careful search of the records in this bureau has failed to show that said Frank D. Wickersham has filed such an application. The \$15 already received by Mrs. Wickersham, as referred to in her letter, evidently came from the War Department before this bureau went into operation under the act of October 6, 1917, and payments from November on are made through this bureau, provided the enlisted man files an allotment statement.

Mr. FORDNEY. Here is where the War-Risk Insurance Bureau's hands are tied. Suppose a man is in France and has a wife who left him and he does not want to allot any more and she has got some right to a portion of his income.

Mr. JOHNSON of Washington. If a man makes an allotment month by month she should receive it until he serves notice that she should be cut off.

Mr. FORDNEY. The gentleman will find that the order of every soldier in every instance is for a specific time.

Mr. WALSH. Will the gentleman yield?

Mr. JOHNSON of Washington. I will.

Mr. WALSH. Is it not true that the law provides that the soldier is compelled to allot that to his wife, and also there is a provision in the law where he is living apart from his wife, she is also entitled to an allotment?

Mr. JOHNSON of Washington. I think so.

Mr. HAMLIN. If the gentleman will permit, in case this soldier refuses to permit the making of an allotment the wife may apply herself and get it.

Mr. JOHNSON of Washington. It runs arbitrarily. Now, a word as to delay in payments. In the far West the delay in making allotments under the system of the organization has been fearful. The delay has caused me to receive a very heavy mail. Almost every day lately I receive a telegram from some commercial organization or municipal organization in my district reading like this one:

VANCOUVER, WASH., March 1.

HON. ALBERT JOHNSON,
Washington, D. C.:

We have men here who were drafted and have now been in the service almost five months who have families and children, and whose pay has been held back because of the allotment to the wife, whose families are now destitute because the allotment due the family held out of the soldier's pay has not been paid. Their families are virtually dependent on charity for houses in which to live and are without credit at the stores, and some of them are in actual want. Something must be done. Why can not the allotment due the families be paid? Applications have been coming to us daily in cases of this kind, and we can not provide for all of them.

W. G. DROWLEY,
President Commercial Club.

Mr. ROGERS. Will the gentleman yield?

Mr. JOHNSON of Washington. In a moment. I wish to call attention to still one more case out in my district. In this case

a soldier boy was killed. He was the sole support of a mother who was divorced. That mother was not a widow within the meaning of our generous congressional act of October 6, 1917, as interpreted by the Bureau of War-Risk Insurance. She is not entitled to her dead boy's insurance, which was meant for her and for no one else.

Mr. ROGERS. Will the gentleman yield?

Mr. JOHNSON of Washington. I will; yes.

Mr. ROGERS. The Secretary of the Treasury, in his formal communication, which he sent to the Senate some days ago, said that he expected the work of the war-risk insurance would be right up to the minute by the last week in February. Does the gentleman know whether that statement was correct?

Mr. JOHNSON of Washington. I hope it is correct. If it was up by the last week of February that would mean one week later on the Pacific coast.

Mr. ROGERS. Certainly, but is not the great delay, when we reduce it to the lowest terms, owing to the miles intervening between us and the American Expeditionary Forces?

Mr. JOHNSON of Washington. I realize that and I am not making a criticism of the bureau. I am suggesting an amendment of the law. Of course, the War-Risk Insurance Bureau is working hard, night and day, trying to catch up.

Why they have 2,400 employees down there, and they need a whole lot more, and yet we read in the papers right now that another great bureau, the Shipbuilding Corporation, is just about to establish a weekly newspaper, another governmental newspaper. If I had my way I would order all these embryonic editors over into the War-Risk Bureau to help it catch up, and do it right quick, too. [Applause.]

Mr. ROGERS. Does the gentleman know that the Bureau of War-Risk Insurance has recently perfected a plan by which a wife can receive the allotment to which she is entitled from the Government, even though the soldier's allotment for her had not been received?

Mr. JOHNSON of Washington. I have no doubt they are perfecting a plan to do it, but I am afraid there will be a lot of red tape about it, and in the meantime I dislike to read telegrams from chambers of commerce and others saying that they can not take care of the dependents.

Mr. ROGERS. I am not trying to defend the bureau, but I think the difficulties are enormous.

Mr. JOHNSON of Washington. I admit that. The bureau needs no defense, but I think we should make some changes in the law.

Mr. WALSH. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. WALSH. Of course the gentleman appreciates the fact that this is an entirely new venture on the part of the Government, and that they have to take care of hundreds and hundreds of thousands of cases, and they have to start in anew and get them perfected.

Mr. JOHNSON of Washington. Of course. I say that they started on their first day with a tremendous business in front of them, and I say they need thousands of more clerks, and I contend that we should cut down during the war any and every inactive or dispensable bureau of the Government. For instance, the Geological Survey, suspend it and transfer the clerks over there where they are needed. And I am also inclined to think that before we perfect the War-Risk Insurance System we will be forced to set up a branch in every one of the States.

Mr. HAMLIN. Will the gentleman yield?

Mr. JOHNSON of Washington. I yield to the gentleman.

Mr. HAMLIN. You spoke a while ago about this divorced mother not being able to draw the insurance of this son. Does the gentleman understand that the soldiers name the beneficiaries?

Mr. JOHNSON of Washington. In this case it was automatic insurance. A letter which I started to read shows that.

Mr. HAMLIN. I will be glad to hear it.

Mr. JOHNSON of Washington. This is from the War-Risk Insurance Bureau of the Treasury Department, and is as follows:

FEBRUARY 26, 1918.

HON. ALBERT JOHNSON.

MY DEAR CONGRESSMAN: I beg to acknowledge receipt of your favor of the 12th instant in the matter of the claim for automatic insurance filed by Mrs. _____, of Tacoma, Wash., inclosing certified copy of the claimant's decree of divorce from her husband, _____, and in reply would advise that inasmuch as Mrs. _____ had been granted an absolute decree of divorce from her husband prior to the death of her son, she was not a widowed mother within the meaning of the term as used in the act of Congress of October 6, 1917, and as interpreted by this bureau.

If she should be able to prove the decree of divorce granted her was merely an interlocutory decree, which had never been made final, and if she could also prove that the deceased's father, _____, is actually

dead as a matter of fact, we would be glad to reopen the matter and give consideration to such proof, but as the case now stands Mrs. _____ is not entitled to automatic insurance on account of the death of her son.

It does not seem probable that the Kreider bill, H. R. 8644, if enacted by Congress, would have any effect upon this claim.

Sincerely, yours,

WILLIAM C. DE LANOT, *Director*.

Mr. HAMLIN. Now I think I understand that. I think the gentleman will remember that they made an order that all soldiers or drafted men or enlisted men who happened to die before the 1st of November, as I remember it now, would automatically come in under the law as we passed it.

Mr. KEARNS. The law provides that it shall be payable to his estate if he has named no one.

Mr. JOHNSON of Washington. That is correct; but here is a case of a soldier boy whose mother deserves her insurance and does not get it. Why, I understand that the mother of the first American boy killed in France is unable to get that boy's insurance because she was a widow who had remarried. That is the J. B. Gresham case—one of the three boys killed in the first German raid on our trenches. His was automatic insurance. My colleague, the gentleman from Indiana [Mr. DENTON], has the matter in hand.

In this bill there are some clauses pertaining to the method of payment of clerks to Congressmen. So far as I have been able to observe, most Members of Congress use more clerk hire than allowed to them by the Government; and I will venture the assertion that as this war-risk business goes on every Member will need an additional clerk. This matter has hardly started. From my State a large number of soldiers were sent very early to France on account of their knowledge of forestry, and my mail is loaded with problems and questions arising out of the insurance bill, the automatic insurance, and the allotments and allowances.

Mr. HAMILTON of Michigan. Has the gentleman any experience in the delay in the transmission of things sent to the boys in France?

Mr. JOHNSON of Washington. That is mostly accidental, with some cumbersome regulations in the way.

Mr. HAMILTON of Michigan. Not accidental.

Mr. JOHNSON of Washington. A registered letter can not get beyond New York to a boy in France, and neither can an insured parcel-post package.

Mr. HAMILTON of Michigan. Every once in a while a condition arises which is an absolute outrage. I am weary of that condition.

Mr. JOHNSON of Washington. Some of the little things are going wrong, but the big things are going right.

Mr. SNOOK. I would like to ask the gentleman from Washington what officer it is that has the right to say the final word on this regulation with regard to discharge of sick men?

Mr. JOHNSON of Washington. The Adjutant General, first, I presume.

Mr. MADDEN. The Adjutant General has no power over it. It is the President of the United States.

Mr. JOHNSON of Washington. Well, I think the Secretary of War. Finally perhaps it would run to the President.

Mr. FESS. Will the gentleman yield for a moment?

Mr. JOHNSON of Washington. Yes.

Mr. FESS. In reference to that feature of the compulsory allotment, may I not read the law?

Mr. JOHNSON of Washington. I will be very glad to hear it.

Mr. FESS. It says:

SEC. 201. That allotment of pay shall, subject to the conditions, limitations, and exceptions hereinafter specified, be compulsory as to wife, a former wife divorced who has not remarried and to whom alimony has been decreed, and a child, and voluntary as to any other person; but on the written consent of the wife or former wife divorced, supported by evidence satisfactory to the bureau of her ability to support herself and the children in her custody, the allotment for her and for such children may be waived, and on the enlisted man's application or otherwise for good cause shown, exemption from the allotment may be granted upon such conditions as may be prescribed by regulations.

Mr. JOHNSON of Washington. That is the law, of course, but the questions I have presented deal with the transfer of automatic insurance, the position of widows in connection therewith; and principally the discharge of soldiers who become sick during their first 90 days of service, which is not a war-risk insurance matter at all.

Mr. STAFFORD. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. EMERSON].

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. EMERSON. Mr. Chairman and Members of the House, the resolution which I sought to have adopted here by unanimous-consent request reads as follows:

House resolution 261.

Whereas there are several vacancies in this House, caused by the death and resignation of Members, and it is of vital importance to the country during this war that all districts be represented; and

Whereas the governors of the States of New York and Illinois have called special elections to fill the vacancies in those States, but that the governor of Ohio, although requested, has failed to call a special election to fill a vacancy now existing in the fourteenth district of the State of Ohio: Therefore, be it

Resolved, That the Speaker of this House write the governor of Ohio, requesting him to call a special election to fill such vacancy.

That was all my resolution called for—that the Speaker of this House should write to the governor of Ohio requesting him to call a special election in the fourteenth district of Ohio, which was represented by Congressman Bathrick, now deceased. Unless there is a special election called, the fourteenth district of Ohio will be without a Congressman for over a year, because the Congressman that is to be selected this year will not take his seat until the 4th day of March 4, 1919.

Mr. FESS. Mr. Chairman, will my colleague yield?

Mr. EMERSON. No; I can not yield now.

The CHAIRMAN. The gentleman declines to yield.

Mr. EMERSON. To this, my application for unanimous consent for the consideration of this resolution, some Democrat objected. I do not know what was in the colossal mind of a Democrat to object to the passing of a simple resolution of this kind. The Speaker of this House wrote the Republican governor of New York asking him to call a special election in the districts of that State that were without representation, and that Republican governor did it.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. Yes.

Mr. WILLIAMS. The districts in New York are Democratic districts. Has that escaped the gentleman's notice? The district in Ohio is a Republican district.

Mr. EMERSON. It does not make any difference whether the district is Republican or Democratic. That district ought to be represented, and a resolution calling upon the governor to call a special election ought to be adopted by this House.

Mr. FESS. Will my colleague yield?

Mr. EMERSON. Yes.

Mr. FESS. Has my colleague any information as to why the governor refused to call a special election?

Mr. EMERSON. I wrote to the governor two weeks ago requesting him to call a special election in the fourteenth district. I did that upon the request of some residents of that district. He never gave me the courtesy of a reply. Four days ago I telegraphed the governor of Ohio, asking him why he did not answer my letter. I have never received even the courtesy of a reply to that message.

Now, here is what the Speaker of this House said in his letter to the governor of New York:

In these troublous times we need a full membership. Can't you help us out by calling special elections in the New York districts?

Now, if that is true in New York, why should it not be true in Ohio? Why should not the fourteenth district of Ohio be represented on the floor of this House? Whether by a Republican or a Democrat, it makes no difference. And why should a Democratic Congressman object to a unanimous-consent request for the immediate consideration of that simple resolution?

Mr. DILL. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. Yes.

Mr. DILL. Does a special election in New York State apply to all the districts, including the one of the Congressman now in the Army?

Mr. EMERSON. I do not know how many districts there are. It does not make any difference. Every district should be filled on the floor of this House during this war.

Mr. DILL. I simply asked that for information.

Mr. EMERSON. Every Congressman from the State of Ohio has been called upon to perform the duties that the Congressman from this district should perform and would perform if he were here.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. Yes.

Mr. HAMLIN. I do not know who it was who objected to the consideration of the gentleman's resolution. May it not have been prompted by the idea that if you would go to the Speaker and make a request that he write to Gov. Cox you would accomplish the same thing?

Mr. EMERSON. I will say to my friend that no one has more respect for the Speaker of this House than I. Possibly the Speaker would have written the letter if I had asked him; but after I had written the governor himself two weeks ago and he did not give me the courtesy of a reply, I felt that a letter from the Speaker of this House, backed up by a reso-

lution of this House, might penetrate his stubborn brain. That is the way I thought about it. [Applause.]

Mr. HAMLEN. I think the gentleman could accomplish the same thing by speaking to the Speaker privately about it.

Mr. EMERSON. That may be true.

Section 4829 of the statutes of the State of Ohio provides: "When a vacancy to the office of Representative to Congress or senator or representative to the general assembly occurs the governor, upon satisfactory information thereof, shall issue a writ of election directing that a special election be held to fill such vacancy in the territory entitled to fill it on the day specified in the writ."

There is nothing but politics in the refusal of the governor to call a special election. The fourteenth district, although it was represented by a Democrat, is normally Republican. The governor is undoubtedly afraid of the political effect of the election of a Republican Congressman from this district. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. STAFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. ROGERS].

The CHAIRMAN. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. ROGERS. Mr. Chairman, some weeks ago the House passed a resolution calling upon the Postmaster General for information concerning the Postal Service between the United States and the members of the American Expeditionary Force in France. The Postmaster General replied in due course, stating, in substance, that the usual time for the transmission of mails from the United States to the soldiers in France was from 15 to 30 days. Subsequently to that time I made some remarks in the House in which, I think, I proved from my personal knowledge and experience that the Postmaster General had been misinformed when he made that statement, and that the average time was far in excess of 15 days; indeed, far in excess of 30 days, which the Postmaster General had cited as the maximum of the usual time in transit.

As a result of that speech in the House I have been flooded with letters from all parts of the country, some from as far as San Francisco, and from practically every State of the Union, giving me specific instances of the accuracy of my statements and of the misinformation contained in the report of the Postmaster General. I have time to read but one of those letters. I read it because I think it is typical of conditions which prevail throughout the United States:

I have recently read with interest of your remarks in relation to lost and delayed mail to our forces overseas. In substantiation of your claim I would like to state my own case, which I have every reason to believe is not unusual among those whose relatives are abroad with the American armies.

Since the middle of September, when my husband, who is a major of the Regular Infantry, went to France, I have sent not less than three letters to him each week, one package of magazines each week, and during the past months have sent innumerable packages containing toilet articles, tobacco, cigarettes, and such eatables as are not barred by regulations—shelled nuts, prepared coffee, chocolate, etc. I have adhered strictly to postal regulations in every particular and have put my return address on every package. In a recent letter from my husband, written January 19—

And at that time, it will be noticed, he had been in France something over four months—

he tells me but two letters reached him which were written by me during the month of November (which means about 15 were lost, written that month alone), and he had received but two packages of magazines—absolutely no tobacco, though I have sent pounds and pounds; not one package of toilet articles, though dozens have been dispatched. On November 15 I sent by American Express to New York a Christmas box, value upward of \$30. This was taken by transport to France with promise of delivery by Christmas. January 19 it had not reached France, or rather had not been delivered, at least.

My husband writes he worries much about us at home, lest I am ill or the children are not well. Why do I not write? Why do I not answer his questions?

Our officers in France have too much responsibility and too much else to concern them to be annoyed in this way.

And I may say that every man in France, whether he be an officer or an enlisted man, has too much on his mind to be bothered about things of this kind—

I am now sending as many as five or six letters each week, hoping he will get part at least, and am registering some of them.

This letter incloses a copy of an article which appeared in the Paris edition of the Chicago Tribune in January, and which I think is of interest because it presents from the point of view of the soldiers who are in France the conditions as they are prevailing across the ocean at this moment:

Although more than six months have elapsed since the first units of the American Expeditionary Force arrived in France there seems to be very little improvement in the mail service between the various units of the forces now in this country, while the mail service between soldiers and their relatives in the United States surpasses anything America ever has seen before in red-tape inefficiency and callousness to improvement.

Mail between units of the forces in France now requires from three days to three weeks for transmission. The French Government transmits mail over the same respective areas in from one to three days, and in rare cases four.

The Army Edition—

Which is the name by which the Paris edition of the Chicago Tribune is known—

has been keeping a careful check on the mail it receives in its shopping department, where from 50 to 300 letters are received each day from soldiers in Europe. Most of these letters come through the Army post office, but a few from isolated units come by way of the French Government post. Almost invariably from three to four times the amount of time is consumed through the American Army post office.

The Army Edition made it the practice to send purchased goods to the soldiers through the American Army post, but several packages have not yet been delivered after one and two months, if they have not been lost altogether. Now an effort is made to send the goods by French express to some town where the buying soldier can call for the goods. In this case the goods are delivered in from one to four or five days.

The reason for the almost insufferable mail conditions in the American Expeditionary Force lies at the door of the Post Office Department in Washington; indeed, of Postmaster General Burleson himself. The Expeditionary post office in Paris does the best it can to handle the mail placed before it, but the force employed is hardly half the number which the volume of business requires.

The officials whom Washington still permits to direct the home postal affairs, seem unable to realize the unusual conditions with which the Expeditionary post office must cope in France. The Paris post-office headquarters never sees a day or a night with the work before it half done. Not only must it handle the mail with an inadequate force but it must turn the mail over to French conveyances. The two systems naturally do not coordinate.

The Army Edition has received several letters from residents of the United States asking us to trace certain soldiers from whom no word had been received for from four to five months. On investigation it was found that some of these soldiers had been writing home regularly, and in two cases had been sending money ever since their arrival in France. There is no way to discover whether or not these letters have been lost or are lying "somewhere in the mails."

Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has one minute.

Mr. STAFFORD. At this juncture I will yield to the gentleman five additional minutes.

Mr. MADDEN. Will the gentleman yield for a suggestion?

Mr. ROGERS. Yes.

Mr. MADDEN. I made something of an investigation of this mail situation as a member of the Post Office Committee, and I think it might be illuminating to tell the story, if I may be permitted.

Mr. ROGERS. I should think it would be of extreme value if the gentleman would tell the story, but will he not do so in his own time? I have only six minutes.

Mr. MADDEN. I thought it would be just exactly where the gentleman would like to have it.

Mr. ROGERS. I have only six minutes.

Mr. MADDEN. The gentleman does not want information, then?

Mr. ROGERS. I certainly do, but I have only six minutes.

Mr. MADDEN. I thought perhaps if the gentleman wanted information I could give it to him, and explain the case he describes.

Mr. ROGERS. How long will it take?

Mr. MADDEN. I do not want to do it now.

Mr. ROGERS. If I can get more time, I shall be glad to yield.

Mr. STAFFORD. I shall be very glad to yield time to the gentleman from Illinois, so that he may give this information, which is of value to all Members of the House.

Mr. ROGERS. Mr. Chairman, I am not able to vouch for the accuracy of the article which I read from the Paris edition of the Chicago Tribune. I have quoted it here to-day largely because I assume it is believed to be accurate by the people across the sea, and because it is probably accepted as gospel by our soldiers who very generally read this particular paper to the exclusion of other papers, as it is the only one that contains the sort of news in which they are interested, and which they get fresh from the press. I recognize that the Post Office Department is fully conversant with the deficiencies of the mail service, and is seeking to improve them. I think it is working hard in order to bring about an improvement. I am inclined to think that on the whole the responsibility is not primarily with the Post Office Department, but is at least coordinately shared by some other department of the Government. Of course, the Post Office Department does not deliver the mails actually into the hands of the soldiers.

But we are not told what the Post Office Department is doing. We are not informed what plans it is maturing in order to bring about an improvement. I wish that the Postmaster General felt at liberty to take the House of Representatives and the country into his complete confidence as to where the difficulty lies and as to what steps are being taken in order to improve the service. The service really is execrable, and it is an important matter to the waging of this war. There is no question that the morale of the soldiers rises or falls in

accordance with the excellence or the deficiencies of the Postal Service to France.

Mr. Chairman, the Committee on Expenditures in the Post Office Department has begun an investigation of this question. I do not know how much progress it has made or is planning to make. There are two requests for rules pending before the Committee on Rules which, if reported out, would mean an investigation of this subject. To me it is a question upon which the best minds of the country should be at work in order to bring about a better condition of affairs. I hope that the House of Representatives may take up the matter and may seek to assist the Post Office Department in making conditions very much better than they are to-day. [Applause.]

I yield back the remainder of my time.

Mr. EVANS. I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Chairman, I was unfortunately detained out of the Chamber for a few moments and did not hear all of the remarks made by the gentleman from Ohio [Mr. EMERSON] just preceding the last speaker. I came in near the conclusion, however, and caught enough to understand that the gentleman was indulging in some criticism of me because I had objected earlier in the day's proceedings to the consideration of a resolution that he presented and asked unanimous consent to consider, calling upon the governor of Ohio to call an election to fill a vacancy which exists in one of the congressional districts in that State. I have simply asked for this time, therefore, Mr. Chairman, to state the reasons why I made that objection.

The Constitution of the United States provides that where a vacancy in representation occurs the executive authority of a State shall issue writs of election to fill such vacancy. I do not know that I quote the exact language, but that is the substance of it. That is a matter which addresses itself to the discretion of the executive authority of the State in which the vacancy occurs, and it seemed to me, and seems to me now, that it would be an unwarranted interference, or attempt at interference, with the discretion of the executive of a sovereign State for this body officially to pass a resolution calling upon that executive to perform that function. It occurs to me that it would be an improper encroachment, or attempt to encroach, upon that discretion for this body to take any such action. I think it would be in extremely bad taste. It was for that reason and that reason alone that I made objection.

Mr. STAFFORD. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. STAFFORD. Would it not be deemed by the governor of Ohio as simply advisory?

Mr. GARRETT of Tennessee. Oh, of course it could not be any more than that. There would be no way by which to compel the governor to do it. But the point I make is that it is in extremely bad taste to essay that advice to the executive authority of a sovereign State.

Mr. STAFFORD. Will the gentleman yield further?

Mr. GARRETT of Tennessee. Yes.

Mr. STAFFORD. The honorable Speaker of the House addressed a letter to the governor of New York requesting him to call a special election to fill vacancies, when, according to newspaper report, the governor was not going to call a special election to fill four vacancies.

Mr. GARRETT of Tennessee. My recollection is that that letter was addressed to the governor of New Hampshire, but possibly he addressed both the New Hampshire and New York governors. Let me say that I do not think there was any bad taste in that. That was the action of Mr. CLARK of Missouri as an individual making a suggestion to the governor.

Mr. STAFFORD. As the titular head of this body.

Mr. GARRETT of Tennessee. I do not so understand it. He was not then Speaker of the House except as he held over from a prior term. His action was that of an individual Member and in an advisory capacity, expressing his views in an effort to have some action.

Mr. STAFFORD. In the letter addressed to the governor of New York he was at that time Speaker of the House of Representatives and acting in the particular capacity of Speaker, and his individual views reflected the judgment of the House.

Mr. GARRETT of Tennessee. I do not remember when the letter was written, whether during the session of Congress or whether it was after the Sixty-fourth Congress had adjourned sine die; but it does not matter either way, because the gentleman from Missouri [Mr. CLARK] signed the letter, and not the Speaker of the House. It was, I understand, signed simply "CHAMP CLARK." But I see a very great distinction between one writing as an individual making a suggestion to the executive authority and this body itself passing a resolution and

thus attempting official action. That is all I care to say upon that point. Now, if the gentleman from Tennessee will yield me three minutes more, I want to say something about the matter referred to by the gentleman from Massachusetts [Mr. ROGERS].

Mr. BYRNS of Tennessee. I yield to the gentleman three minutes.

Mr. GARRETT of Tennessee. I simply wanted to make this statement. I presume I violate no confidence in making the statement. I had occasion upon yesterday to have an interview with The Adjutant General of the Army, Gen. Henry P. McCain, in behalf of a mother who had written me asking me to aid her, if I could, in looking up her son, a second lieutenant in the Reserve Artillery Corps in France.

I presented the situation to The Adjutant General, and he said, in substance, "I am in a position to sympathize deeply with this lady. I have myself a son, a captain in the Artillery in France, from whom I have not heard since December last, and an effort to locate him by cable has failed."

Mr. MADDEN. Will the gentleman from Tennessee permit me to state something in reference to the situation which the gentleman from Massachusetts declined?

Mr. GARRETT of Tennessee. Yes; at the end of this sentence. The fact is, in my opinion, the delay in hearing from these young men is not due to faults of the Mail Service. Of course, I have no doubt that there are some inevitable conditions, but that there is wanton and willful neglect no one could convince me, and the very fact that The Adjutant General of the Army himself could not even by cable ascertain the whereabouts or hear from his own son would seem to me to be sufficient evidence that the fault is not in the Mail Service. Now, I yield to the gentleman from Illinois.

Mr. MADDEN. Mr. Chairman, my investigation discloses this situation. Until recently all of the mail sent to the soldiers in France was handled by the French Government, and no attempt was made to distribute or deliver the mail to the soldiers. Buildings under the jurisdiction of the French Government were literally filled with mail, piled up without even being unpacked.

But no such condition has arisen, I think, since the American Government organized and installed the Postal Service for the Expeditionary Force. That activity has been placed under the Second Assistant Postmaster General, who has jurisdiction over the transportation of the mail, and also over the handling of the mail after it reaches France. To-day the mail is sent to the soldier whose name must be written on the envelope, with his unit, care of the Expeditionary Forces in France, and handled by the postal employees of the United States Government, who are delivering the mail to the regimental headquarters for each regiment. The mail is distributed to the soldiers of the regiment by the organization of the regiment.

There ought not to be any difficulty about delivering the mail now, and I do not think there is any serious difficulty. All the complaints that have heretofore been made or the dissatisfaction which existed was due entirely to the fact that the delivery of the mail was supposed to be attempted by the French Government, but no attempt was made by the Government to deliver that mail. Thousands of men have been permitted, as my investigation shows, to go into buildings where the mail is piled up mountain high, and try to pick out their own mail, and you might as well look for a needle in a haystack. Since we have taken jurisdiction I do not believe there is any just cause for complaint, but, of course, the mail is not delivered as quickly as it could be across the street.

Mr. ROGERS. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. ROGERS. When did this improvement begin?

Mr. MADDEN. We have only had the organization a little more than a month, and it could not have begun until recently.

Mr. ROGERS. I had two letters this week postmarked in France December 18.

Mr. MADDEN. There is no trouble about getting the mail here.

Mr. ROGERS. There was in that case.

Mr. MADDEN. From all I can learn, they get the mail here as promptly as they could expect to receive it, considering the irregular movement of the ships.

Mr. STAFFORD. Mr. Chairman, I yield one minute to the gentleman from Massachusetts [Mr. GILLET].

Mr. GILLET. Mr. Chairman, I have had a great many letters complaining, as other Members doubtless have, of the inexcusable delay in the mail of our soldiers in France. I had one this morning from a constituent stating:

I have just received a letter from my brother, dated February 7, advising me that he has not received any mail from his people here at home. We have been sending him letters, papers, and packages regularly since December 1, and it seems as if most of it should be delivered by this time.

That is just a specimen letter. I have received many similar letters and have referred to some of them before in the House.

Mr. MADDEN. Mr. Chairman, I want to say to my friend that a great many letters came back from soldiers whose parents had sent them letters, and they were handed to me, and that caused me to investigate this situation, and I am just as well satisfied as one can be from investigation that every effort possible is being made to make deliveries of mail now.

Mr. GILLETTE. I hope so.

Mr. MADDEN. And that all of the delay up to within the last month was caused by the failure of the French Government to handle the mail.

Mr. WHITE of Maine. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I have not the floor.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. EVANS. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. Cox].

Mr. COX. Mr. Chairman, I intend to support the bill under consideration with the exception of possibly two or three items in it. Recently there has been considerable criticism in the press of the country and by men in high political positions here in Washington of the War Department for its failure to come up to the ideal standard of certain people in the country. It is not my purpose in these few minutes to open that controversy or to enter into it now, but I believe the time has come when all criticism should cease, and we should all join harmoniously in trying to bring this war to as speedy a conclusion as possible by one and all, young and old, joining in the war against the Kaiser and not warring among ourselves.

Mr. JOHNSON of Washington. Mr. Chairman, the gentleman does not refer to criticism of the kind that I made a few moments ago, which was directed at legislation in accordance with war measures?

Mr. COX. Oh, no; I do not refer to that at all. What the gentleman said was not criticism but constructive pure and simple. I refer to recent criticisms made by a Senator at the other end of the Capitol. Criticism is one thing and constructive legislation is quite another. I never in my life have had much use for an out-and-out critic. I never had much use for a theorist. I have always all my life endeavored to deal with facts. It may be that has come to me as a result of my profession, dealing in cold-steel facts that surround a given proposition. I have never in my life taken very kindly to simply criticism unless the critic at the time of making it was able to substitute a constructive program that would supersede the other that was being criticized.

My friend from Massachusetts [Mr. ROGERS] a moment ago said that he wished the Post Office Department would take the Members of the House into its confidence. I had an occasion the other day to say that the Post Office was not only ready but willing and anxious to take every Member of this House into its confidence, and if the Members of the House will only go down and consult the Postmaster General about the delay in the mail between here and the fighting line in France I am sure they will get the information they desire.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. COX. Yes; for a short question.

Mr. ROGERS. Did not the Postmaster General in his report say there were no delays?

Mr. COX. I do not remember just what his report did say.

Mr. ROGERS. May I read just one short sentence—"The time required"—

Mr. COX. Oh, no; I object to that. The gentleman can put that into his own speech. As a matter of fact, there are some delays in the delivery of mail to the soldiers in France. There is no question about that. The gentleman from Illinois [Mr. MADDEN] hit the keynote. I think the mail is going to the soldiers in France and is being distributed as rapidly as possible. This follows, and will rapidly improve—as fast as the soldiers are definitely settled in their commands. Every foreign government fighting on French soil to-day had for months and months the same trouble that we are having. I had occasion to talk to a man from England the other day who had to do with the delivery of the mails to English soldiers in France for two years, and he told me that they had the same trouble in England getting the mail to and from the soldiers that we are having, and that their trouble lasted six months before they were able to overcome it.

Mr. JOHNSON of Washington. And Canada had the same trouble.

Mr. COX. I think that is true. We must remember that down to this time the soldiers are not permanently stationed

over there unless it has been within the last 30 days. They are being moved from place to place and shifted around from point to point. Mail is constantly following the soldier on his rounds from the place where he was shifted to the place where he is going finally to land. I know how trying it must be to fathers, mothers, or wives who are trying to get letters delivered to their boys or husbands, but if people will be a little patient I am sure the Post Office Department will finally work that out, because I happen to know that the Post Office Department is exerting its utmost not only to expedite the mail to our soldiers but to deliver it as expeditiously as possible. Enough of that.

Mr. Chairman, I do not have much respect for theorists, and my idea and my knowledge of warfare is altogether theory. I am unable to offer any constructive legislation to the War Department in order to improve conditions, because I know nothing about it. My whole training in life has been in a different direction. Recently we had some rather unjust and stringent criticisms delivered in the Senate against the operation of the War Department. We have had able replies and answers made to it, not only in the other end of the Capitol but here. But the criticism of the way the War Department is handling the affairs of our country to-day, in a large way, is theoretical, and the men who answered the criticism here and in the Senate, though they are able, are again theorists. I would rather take the word of a man who was on the firing line, who is in the camps training, in the cantonments, on the submarine chasers, or on our dreadnaughts, detailing conditions surrounding those things, than to take the word of the critics, however much more eloquent their word may be than the language of the men who actually know the facts.

There went from my district last summer a young man, a volunteer, a soldier who heard the patriotic call of his country, uneducated except in the school of experience, a graduate with the saw in one hand and a hammer in the other, but imbued with all the fires of patriotism. He has been in the service of his country since last June or possibly last May. This soldier, who has never had the opportunity of becoming a graduate of a school or college, except, as stated, in the school of hard experience, wrote me a letter recently from Camp Shelby, Miss., in answer to some of the criticism that is being made now against the War Department, and in my own time, Mr. Chairman, I ask that this letter be read and made a part of the RECORD.

In one short letter, in his own language, in his own way, and in his own thoughts, he has made a complete answer to all the would-be critics of the Secretary of War. Remember this answer comes from a plain soldier in camp, drilling day in and day out to enable him to do his duty and defend his country when the crucial and acid test comes for him to look into the muzzle of a Krupp gun in the trenches of France in defense of the flag of his country.

The CHAIRMAN. The Clerk will read the letter in the gentleman's time.

The Clerk read as follows:

ON THE RANGE, February 17, 1918.

Hon. W. E. Cox, M. C.,
Washington, D. C.

MY DEAR SIR: It is some time since last I bothered you with a letter, but feel like a letter from me at this time in regard to what I've to say may interest you.

Firstly, I will say that our training course is advancing rapidly and I believe our regiment will soon be ready for service abroad, as soon as we can be shipped. I note with great disappointment that many so-called leading statesmen are causing much embarrassment to our military heads with their criticisms of the way our armies have been equipped. Let me tell you, from my own observation in this Camp Shelby, I never seen one case of suffering due to lack of equipment, and as far as ordnance is concerned we have been fully equipped, as far as I can learn, long ago, with the exception of machine guns; and, take it all in all, consider the enormous amount of work to gather, equip, and house this immense army we have gathered in less than a year and send hundreds of thousand across the pond in the orderly and quiet way in which all this miracle was wrought, my words are only those of thanks, praise, and thanksgiving toward the wonderful leaders we are serving under.

I want also to call to your attention that the majority of soldiers are very grateful for the thoughtful way in which our Government prepared ways for them to send part of their pay back home through the allotment process.

And also how deeply thankful we all are for "the war-risk insurance." It truly is the greatest piece of legislation ever enacted for soldiers of any nation in the world, and its liberality is so fine that my poor education makes it impossible to do it justice. It does all it claims and more for the men for whom framed. I can not feel as I do, a penniless man offering the only thing I have to my country, namely, my life and good health; and when I think that this insurance insures my mother and younger brothers a protection in case I may make the supreme sacrifice, and in case I come back a helpless cripple I am independent of a hated pension system, which in my eyes was unjust and graft ridden; and when one considers what this assurance means to men like me, why, I say, some day these men will bless this insurance bill as the greatest thing ever done for mortal man; and let me assure you

that the bill was so popular in our company that every man in it took out \$10,000 worth, and they will all bless the day they did this; and I am glad I was the instrument that made some of these same men take it after first passing it up as a scheme. Some day I may be able to relate many humorous incidents in regard to same.

But there are other more weighty reasons on my mind why I take the liberty to write you, and it is this confounded peace talk that seems to be sweeping our country like wildfire, and our foolish people and press seems to be taking it up and shouting and proclaiming it so loudly from the house tops that I fear it is even doing our Army harm. Why I've had countless brushes with some of these half-brained drafted men who hear so much peace talk that their little brains are not in their training, but planning to go home in three or four months, so you can see what damage, untold damage, this damnable and continuous peace talk is doing. It's dividing our people's attention between preparation for a long hard struggle and a speedy peace. And these same people claim they are very patriotic, and yet fail to see that a peace within a year means nothing else than an insecure peace, for Germany in her present position is using all her energy to get the world to talk peace while yet she sits on her dizzy heights of countless victories, and these people are helping this damnable Kaiser yell peace. My God, are they going to let them yell peace until it actually happens, and leave the world insecure in the hands of these heartless barbarians and autocratic beasts? Are we going to "holler" peace and find ourselves in Russia's plight? Or are we going to stop talking peace and sternly face the long years of bitter struggle that are in front of us, to drive these barbarians from power, and really and truly immortalize those noble words of our great President that democracy might be safe for the world?

Our Government is doing its work so nobly and grand that even the meanest partisans can find but few crumbs to chew upon, but isn't it the duty of every preacher, teacher, and writer, and every professional man to start in a campaign to counteract this peace talk that the Kaiser and his agents are spreading here in America.

You have lots to worry and not too much time to waste, but you, through your influence, can turn many people to talk preparation of a long hard war, of great sacrifice from our people, to really and truly crush out this monster, so, therefore, I took this liberty, hoping you will not think me a dreamer, or will not think it a presumption, but hoping you see it in my light.

I remain, your very grateful and respectful friend,

LEO FISCHER,

*Corporal, Company I, One hundred and fifty-second Infantry,
Camp Shelby, Miss.*

P. S.—We are on the rifle range at present and our regiment had a very beneficial shooting course. We are almost through, and move back to camp soon. Wishing you every success.

LEO FISCHER.

[Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield the gentleman from New York—how much time?

Mr. LONDON. I do not know; 10 minutes.

Mr. BYRNS of Tennessee. I yield the gentleman 10 minutes.

Mr. LONDON. Mr. Chairman, I regret that the gentleman from Missouri [Mr. BORLAND], who has been tin panning so long about the eight-hour day, is not here. Either the gentleman from Missouri is a great watchdog of the Treasury, a great statesman and the only statesman and the only man who takes care of the Treasury of the United States, or the head of every department and every member of the Cabinet who has failed to increase the hours to a minimum eight-hour day is an accomplice in a form of graft. I would not have talked about this proposition if an insidious effort had not been made to bring about the permanent lengthening of the working day under the guise of war emergency. Every rule of efficiency requires a shortening of the working day instead of the lengthening of it. The shallowness of the reasoning of the gentleman from Missouri appears in his own words. He has characterized himself better than anyone possibly could when, in reply to the question by the distinguished gentleman from Wisconsin [Mr. COOPER], the question being this:

Does the gentleman think what is paid by private employers necessarily constitutes a fair criterion as to what the Government ought to pay?

The gentleman from Missouri replied:

Then the gentleman is condemning the American Federation of Labor, which is a private employer with the same class-of-office force in the District of Columbia. Why, of course what private employers pay is a criterion, because it fixes the standard of wages. What men pay in the market for potatoes fixes the price of potatoes.

Now, that is exactly what the man who refuses to learn would be expected to say. He would have human labor, he would have the value of human effort, he would have the work of men and women determined by what he calls "the law of supply and demand" supposedly regulating the price of potatoes. He would reduce the human being to the value of a commodity, of an inanimate article, and subject man to the law of supply and demand. I deny that there is a law of supply and demand in which the human agency does not enter as a factor. Every trust, every monopoly limits the operation of the law of supply and demand, and every law, every act of social legislation, every attempt to assert the collective conscience of the people in the direction of an ethical basis in the practices between man and man limits, qualifies, and curbs the operation of the law of supply and demand. There is nothing more absurd than to attempt to apply the law of supply and demand to human relations. There is nothing more iniquitous

than to say to the laboring man, "I shall subject you to the law of supply and demand. If a thousand men apply for a job, I will have them work 14 hours and will pay them \$1 a day, but if 2,000 men apply for the job I will have them work 18 hours a day and pay them 50 cents a day."

It is this law of competition, as it relates to the labor market, that the American professor, Richard T. Ely, designated as the law of the meanest employer. It is the law of the unthinking and unfeeling man. I would recommend the gentleman from Missouri, if that is all the political economy he knows, that so far as the expression "the law of supply and demand" goes the less he will use that expression the better off he will be. It is a rule to which there is no exception that efficiency is brought about by limiting the hours of labor. When you take one hour and multiply it by 8 it does not mean that you have increased the product by 8. It does not mean that in the eight-hour day the eighth hour you can work as effectively, as productively, as diligently, and as fruitfully as during the first hour of the day. You study the law of efficiency—by the way, there is a very scholarly work on the subject by a woman, Josephine Goldmark's *Fatigue and Efficiency*, in which she has compiled opinions from the best authorities in the world on the subject of the result of fatigue upon efficiency. Study statistical tables with respect to accidents and you will discover that accidents occur mostly in the afternoon, and the greater number of accidents occur during the last days of the week. It is in the morning when you are fresh, when you apply yourself with new vigor to your work, that you are most effective. The question is not whether a Government employee works seven or eight hours a day. The question is whether within those seven hours he does the work required of him. That is the question. And, judging even by Mr. BORLAND's own standard that what people will ordinarily do in a community constitutes the standard, the seven-hour day which has existed in the District of Columbia since 1898, has by the practice, custom, and habits of 20 years become the standard of this community, and any attempt to lengthen the working-day is going backwards, is retrograding.

That seems to be the only thing a Democrat can do. If he moves at all, he moves backwards. Let him not claim to be the savior of the Treasury—a great statesman. Noise! Noise! "BORLAND, the savior of the Treasury." He will save Uncle Sam \$7,000,000 a year, while every head of the Cabinet and the head of every department refuses to save to the Treasury these \$7,000,000.

It is about time for the gentleman from Missouri to learn something, to realize that we are not making progress by going backward; that the world's forward march is for shorter hours and higher efficiency and better treatment of every man, and that the Government surely can not afford to be a mean employer.

The only men that will support the gentleman from Missouri in lengthening the hours of labor are those employers who look upon the movement for the reduction of hours of labor as a movement which will ultimately destroy them, the powers of plutocracy, the powers that would destroy every man who sympathizes with the cause of the men and women who work for a livelihood.

You know from your own experience that when you are at your best you are doing in 3 or 4 hours what will take you 8 or 10 hours to do when you are in a state of fatigue, when you are exhausted, when you are tired. Do not measure the value of human labor by the figure "8" or the figure "7." And the contribution which the employee of the Government makes by his seven hours is by the industry, by the intelligence, and the conscientiousness with which he performs the work for which Uncle Sam pays him.

Mr. KEARNS. Why do you say seven hours for the Government clerks. Some of them work 8 or 10 hours.

Mr. LONDON. I am speaking of those departments where they work seven hours to-day. That custom has existed in this city since 1898. It is the custom of the community. It is the practice. It is the standard to which they have become accustomed.

Mr. KEARNS. There is no custom of seven hours in the departments.

Mr. LONDON. I understand that in all the departments in which the gentleman from Missouri [Mr. BORLAND] tries to make a change there is.

Mr. KEARNS. His statements do not accord with the facts entirely. The facts are they have to do the work there whether it takes 6 hours or 10 hours or 12 hours.

Mr. LONDON. The work is and should be measured by the product and not by the length of hours taken to perform the work. It is exactly what I am trying to argue; and the

man who pretends he is going to confer a benefit upon the American people—

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LONDON. Mr. Chairman, I ask for two minutes more.

Mr. GOOD. Mr. Chairman, I yield two minutes more to the gentleman.

Mr. LONDON. And the man who pretends he is going to confer a benefit upon the American people or save the money of the Treasury by increasing the hours of labor is talking hot air.

Mr. KEARNS. I happen to know that in the Post Office Department here in Washington there has been an order issued to about 200 girls to come back after 6 o'clock in the evening and work until 10 or 11 o'clock at night. Now, that order has been issued—

Mr. LONDON. Because they are short of help.

Mr. KEARNS. And they are not getting 1 cent additional pay, either.

Mr. LONDON. And I suppose that every one of them does the work willingly, realizing that they are called upon to do this work because of the extraordinary situation in which the country finds itself.

I suggest to the gentleman from Missouri [Mr. BORLAND] that he begin studying the labor problem. And let him please do away with the talk about supply and demand governing the price of potatoes becoming the law in the relations of human beings. [Applause.]

Mr. GOOD. Mr. Chairman, the gentleman from Wisconsin [Mr. STAFFORD], who is temporarily absent from the Chamber, has requested that I yield 20 minutes to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming is recognized for 20 minutes.

Mr. MONDELL. Mr. Chairman, on yesterday the gentleman from Illinois [Mr. RAINEY] delivered a most interesting address, splendidly expressed, with regard to the coal production of the United States, with some reference to transportation conditions, and the vast increase of exports. Carefully listening to his statements, I gained the impression that most of this was to be accredited to the industrial shutting-down order issued by Dr. Garfield, head of the Fuel Administration, a short time ago. Possibly the gentleman from Illinois did not intend to credit Dr. Garfield with the increase of 64,000,000 tons in our output of bituminous coal last year; possibly did not intend to credit Dr. Garfield with our enormously increased exports and with the partial clearing up of the railway congestion. But such was the impression.

The gentleman from Illinois had a pretty hard task before him, that of attempting to justify the order of the Fuel Administrator which closed down a very large portion of the industry of the country a short time ago. I have no disposition to unduly, certainly I do not desire to captiously, criticize Dr. Garfield. I do not desire to criticize any public official who is acting in good faith, as I have no doubt Dr. Garfield was. The doctor was, I imagine, to a very considerable extent the goat of the railway administration, for even the gentleman from Illinois emphasized the alleged relief of the freight congestion through his order very much more than any relief in the matter of increased supplies of coal. Furthermore, I have no desire to unduly criticize Dr. Garfield, because, I believe, he has unintentionally performed a very great public service.

Unwittingly, no doubt, but nevertheless, he and his order have performed as great a public service as has been performed by any individual or any governmental agency in a long time. For he has again demonstrated, again illuminated, again emphasized the fact known to all thoughtful men and students of history that no government bureaucratic organization can successfully manage the intricate industrial affairs of a great people; that any attempt to regulate or control the industries of a nation through a government bureau is almost certain to result in disaster. It is necessary, it has been necessary in this time of war, to grant great autocratic power. Congress has not granted this authority in the belief that the grant was of itself desirable, but in the belief that under the circumstances and conditions it was necessary and inevitable. In authorizing the exercise of autocratic power Congress has not lost sight of the fact that in the exercise of that power mistakes will be made, unwise things will be done; while we have hoped for the accomplishment of great good we have realized that inevitably harm may be done.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. JOHNSON of Washington. When Congress authorized great powers to the Emergency Shipbuilding Corporation does the gentleman believe that it was ever intended for that corporation to commence the publication of a weekly newspaper?

Mr. MONDELL. Oh, no; furthermore, I do not believe it was the intent of Congress to have an official court journal published and sent to anyone in the Union who desired it at a time when the supply of print paper was said to be so short and so scarce that the only uncensored journal in the United States, the CONGRESSIONAL RECORD, is not being printed and sent out. That is also true.

Mr. JOHNSON of Washington. Then these powers having been given, and some newspaper of that kind being printed, and another, as I am told, organized, is there any way it can be prevented—any possible way?

Mr. MONDELL. Well, that is one of the difficulties of a grant of autocratic power. There is always danger that it will be abused, that men whose judgment is not sound or whose purposes are not the best may abuse that power.

Mr. JOHNSON of Washington. When a fuel administrator is looking about for a place to cut off nonessential industries, would it not be a good thing for some of the departments to shut off nonessential side lines of expense?

Mr. MONDELL. Of course. The gentleman knows how dangerous it is to have public sentiment formed, controlled, and molded by official publications, published at public expense to express and reflect the official view.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. COOPER of Wisconsin. So far as I am concerned, I can see no reason for there being a journal published by the Emergency Shipbuilding Corporation except to mold public sentiment in their own interest. I would like to ask the gentleman from Washington [Mr. JOHNSON] what authority he has for the statement that the Emergency Shipbuilding Corporation is going to establish a newspaper?

Mr. JOHNSON of Washington. Only from the statement of a public newspaper here and from the activity of a number of newspaper acquaintances of mine who expect to find employment on the Shipbuilding Corporation's weekly newspaper.

Mr. MONDELL. So many abuses are likely to grow out of the exercise of wide authority that Dr. Garfield has performed a great public service in challenging our attention to the dangers that lie in the granting of great power and authority and autocratic control. I do not know but it is worth all of the great loss and cost, enormous as it has been. The gentleman from Illinois [Mr. RAINEY] yesterday called attention to the fact that the people loyally responded and obeyed the order. Certainly they did. No one on this floor ever suggested that they should not. No good citizen ever suggested at any time anywhere that the order should not be obeyed, and the people did obey it, as it was their duty to do, to their great inconvenience, loss, and suffering. The fact that they did obey it, instead of justifying the order, should, on the contrary, teach a lesson and have a sobering effect on those who have great and unusual power, restraining them from exercising it in laying on the people great burdens, great hardships, knowing that their patriotism and law-abiding habit will persuade them to obey, however unjust, arbitrary, and needless it may be. There are a lot of good folks in the country who would try their best to stand on their heads if an order were issued through some officer of the Government to that effect, coupled with the claim that it was necessary for the winning of the war.

Those charged with responsibility ought to be careful as to the sort of orders they issue. As to Dr. Garfield—and I do not want to say anything unkindly of him—I never met him, and I know that he comes from an illustrious family, and I have no doubt he is a well-meaning man. But I can not help thinking of that other doctor that I once heard of, who, lacking experience and training qualifying him to diagnose and cure the ordinary ailments of his patients, adopted the very simple expedient of throwing them into fits, being very confident that he was "death on fits" and could cure that malady. [Laughter.]

One would not think very highly of an engineer put in charge of a great and intricate piece of machinery who, having discovered that there was a little leak of steam, a loosening of the joints, a slipping of the belts, a little troublesome friction, should proceed to try to remedy things by throwing a monkey wrench into the most essential part of the machinery.

The fact is—and the fact can not be changed by any argument made by anyone anywhere—that the fuel order to which reference has been made was a crude, cruel, useless, senseless act. As first issued it was proposed to close down manufac-

turing industries run by water power, to close down industries drawing coal from mines immediately adjacent to the factory. It did close down industries making the very locomotives that were the prime essential to the remedying of the conditions of railway congestion, in aid of which the fuel order was issued.

There was an unfortunate situation; there was a condition requiring some action. But no such drastic, far-reaching, all-embracing act of despotic power was necessary. It led to great loss and suffering, to the shutting down of industries of vast importance to the winning of the war. It deprived American workmen of millions of dollars of wages and entailed a loss of even greater magnitude to American industry. It accomplished nothing that could not have been accomplished with little loss or inconvenience. It would have been very easy indeed to have worked out some plan whereby the situation, bad as it was, might have been cured, rather than this plan, which, in my opinion, has not commended itself to the calm, deliberate, sober, unbiased judgment of a single individual under the flag.

And yet Dr. Garfield, as I said at the beginning of my remarks, has performed a great public service. He has reminded us of the danger of placing in any man's hands great autocratic power. We have felt it necessary in the prosecution of this war to do that. We may find it necessary to do it further. I am frank to say—I am glad to be able to say—that in the main and in many matters of moment this authority has been exercised with discretion and judgment.

It is my opinion that a Member of this House is not performing a service to his country when, having joined in granting great power and authority because it seemed necessary, he feels called upon to indorse, approve, and praise every exercise of the powers so granted, no matter how patently unwise and unjustified it may have been. [Applause.]

While I have the opportunity I desire to say a word about the class of people who have come to be designated as "alien slackers." We are engaged in a war against the powers and pretenses of arbitrary, despotic military despotism. We believe the liberties of mankind, the opportunities for independent, free self-government among men largely depend on the winning of the war.

Our young men, the bravest and best, are freely offering themselves and their lives to the service of their country and mankind. There are many men among us of military age who are citizens of the countries which are battling with us in this great contest. If they were in their native land they would be called into service; but here, under the protection of our flag and enjoying the benefits of our hospitality, they seek the exemption which they claim their foreign birth and citizenship gives them.

All honor to such of those of foreign birth and citizenship—and they are many—who claim no exemption and freely offer themselves for service. As to those who do not, when both the land of their birth and the land that has afforded them asylum, security, and opportunity needs and calls them, some way should be found to bring them to a realizing sense of the fact that he who will not share the burdens and responsibilities of free government is not entitled to its protection and opportunities.

I am in hopes that through treaty, or, failing in that, through legislative action, these slackers may soon be compelled to serve the common cause either under the flag of their native land or under the flag of the land which harbors and protects them. Of all slackers the one we have the least respect for is he who seeks under the cloak of foreign citizenship to escape the service our own boys gladly and patriotically undertake.

I yield back the rest of my time and ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

Mr. GOOD. I yield 30 minutes to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER of Minnesota. Mr. Chairman and gentlemen of the committee, I do not expect to occupy the full 30 minutes allotted to me. I am very glad to take the opportunity to address this very large and enthusiastic gathering of the House, and as I have been subtly reminded, with crowded galleries, on a subject that has not hitherto been discussed, but eventually will receive careful consideration by the people of this country.

We are reminded time and again that the fighting of this great war presents problems new and unique to humanity, new and unique to any nation, and particularly to this Nation of ours that hitherto has been peace loving and isolated so far as

international entanglements were concerned. We find ourselves under the necessity of sending a large army a distance of 4,000 or 5,000 miles to fight the battles of the Republic. As I said on one prior occasion I now repeat, it is the most colossal undertaking ever attempted by any nation since history began. As time speeds by gradually there will be unfolded to us new problems connected with this great enterprise. It is in relation to one of these problems that is soon to arise that I want to speak for a few minutes.

First let me call attention to the fact that the news which came to us this morning indicates that the soldiers of Uncle Sam on the fighting line in France met the severe shock of battle and met it like veterans. [Applause.] They have during recent days been subjected to the supreme test of all the fiendish characteristics of this awful struggle. They have met the test of attack by the most intrepid and powerful soldiers, and the best trained, that the Kaiser has. They have met the test of the cold and the wet and the rain and the snow, privation and hunger. They have met these great tests in a way that thrills the heart of every American patriot. We are not, however, in any sense surprised. It was apparent to every man who journeyed along the western front during the autumn just passed and who saw the various troops fighting among the allies, saw the Belgians, saw the Portuguese, saw the various kind of British troops, saw the French, and later mingled and abided for a time among the soldiers of Uncle Sam, that for physical capacity, for courage, spirit, dash, all the elements that go to make a man a great soldier in this great warfare, the soldiers of the United States who have been trained and are in France are the best in the world. [Applause.] And there are many magnificent soldiers to-day in the world. However, we have a problem which is very, very serious; and I may be permitted to add in this connection that the people in the United States may take a great deal of comfort in the knowledge that our soldiers who in the shock of battle are wounded, or who fall a prey to sickness, are to receive the best treatment that has ever yet been given to soldiers of any nation in time of war.

The Medical Department of our Army and the Red Cross of this country are doing a class of work excellent in its character, inspiring in all its details, and any mother in this country can know to a certainty that if her boy is perchance wounded, or if her boy is taken sick, he is going to have as good treatment in France as though he were at home, as though he were back in the great country he is fighting for. And we ought to observe as we pass that no small degree of credit for this satisfactory condition should be given to the women of the United States. The men of this country have been working and performing great deeds during the period that this war has continued, but we recognize that we have fallen down in many respects. But, thank God, the women of the United States have not. [Applause.] Perhaps we are behind in machine guns, behind in artillery, behind in ammunition, behind in uniforms, behind in ships; but we are ahead in bandages, we are ahead in sweaters, we are ahead in socks, we are ahead in everything that woman was called upon to produce. [Applause.] I have not yet heard of any strikes among the knitting workers of this country. [Applause.] I have not found any strikes among the women who are rolling the millions of bandages that are going to relieve the suffering in Europe. And if you only knew the value of a clean bandage to a boy who is wounded! Any day along the front you may see men in the best armies in Europe who are obliged to undergo the danger that comes from a bandage that is not new and not clean. But our women already have provided and will continue to provide bandages and Red Cross supplies sufficient so that every man may be kept free from septic conditions.

But it is my purpose to speak on an entirely different subject. Life at the front in this war is a new life to civilization. It contains no elements at all to which we have accustomed ourselves through generations of civilizing and Christianizing influences. Men in the trenches are reduced back to primeval conditions. They live in holes in the ground. They work in the mud, they work in the rain, in the snow, in the cold. They suffer from hunger, they suffer from thirst, they suffer from cold, they suffer from all the elements of nature when nature seems to be at her worst. A man must battle against these conditions almost as primeval man battles against them. But in addition he must battle against all the forces of destruction that a vigilant and capable enemy can devise. He is not simply cold, he is not simply suffering from lack of food or lack of clothing or lack of water to drink, but he is in the midst of ever present danger. A little movement to one side, lifting the head above the trench, walking along the communicating trench in a way that he should not, moving along a

highway when he should have been in a trench may mean death to him. The atmosphere is charged with eternal vigilance if a man is going to live.

I realize in all this, no matter how strong a man may be physically, no matter how superb his spirit, he can not stand the wear and tear. There must be a letting up, an opportunity for relaxation. He must be allowed to get out of that hell region, out of the sound of shells, out of the sound of the roar of cannon, away from the danger, away from the cold and suffering, away from life under these awful conditions, and get where there is sunshine, get where there is comfort, get where there are refining influences that he knew in his lifetime, that his whole body may relax and recuperate.

The British recognizing this have perfected an elaborate system of leave. Every day there crosses the English Channel from the British front 10,000 men going back to England on leave. They have a period of rest in England of about 10 days, where they are permitted to enjoy some of the comforts that even exist to-day in England. They get out of that hell-charged atmosphere and the change is fairly complete. There is nothing that can express, there is no person that can express, that exultation of soul which comes to these men as they leave the trenches and know that they are going to Blighty.

I went on a troop ship across the Channel one day, and they filled several trains with troops, and I had a chance to watch them on the train. When we reached London they did not wait for the train to stop, they pried open the doors and leaped out on the platform and yelled, "Blighty at last."

I recall going back over that same route, and after we had landed in France we came up to the British front and saw the boys going back, and these fellows that had been on leave said, "God bless you, you are some lucky dogs." That does not spring from a slacker spirit at all. The British soldiers have the utmost interest and a dogged interest to end the war, and there is just one end, and that is victory, and they do not propose to stop until victory is achieved. [Applause.] There is no sacrifice too great to make without grumbling, but they realize the necessity of having frequent relaxation. They give the men leave once in four or five months. They are carrying that out pretty well.

Mr. JOHNSON of Washington. About how often does the gentleman say the British soldier receives leave to go to England?

Mr. MILLER of Minnesota. They intend to give him leave once in four months, but are not always able to do it exactly on time, so that it is four or five months. In the French army we have the same situation.

Mr. TOWNER. Will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. TOWNER. Before the gentleman leaves that subject I think perhaps Members might get the impression that these soldiers were compelled to stay in the trenches until they made the trip to England. That is not the fact, is it?

Mr. MILLER of Minnesota. No; they never stay in the trenches more than 10 or 12 days, or perhaps 2 weeks, and then they have a period off.

Mr. JOHNSON of Washington. They are supposed to be six days in the trenches, are they not?

Mr. MILLER of Minnesota. That depends on the activity in the trenches. In France we find the same custom. There they give the men leave every 90 days, and they go home on permission. It is not any injustice to the French soldier, nor does it do him any lack of credit to say that he looks forward to the period home with a great deal of interest. In fact, I am told that should you deny to the British and French Army this opportunity of relaxation to which I have called attention the morale of the army would decline enormously, and it would be a difficult thing to keep them up to concert pitch.

The Germans themselves have a system somewhat of the character I have briefly outlined, but just pause for a minute and reflect how simple a problem for England and France. Soldiers of the British in France can leave the trench, and on the following day they are in Blighty. They can even leave the trench in the morning, if officers are lucky enough to catch a ride back on some lorry returning from the front—they can get to London that night. French soldiers can leave anywhere along the front line and get to their homes that same evening, no matter where it may be in France, or, at most, on the following day.

Our men are going to be subjected to the same severe trials. They are now subjected to the same severe trials and living conditions. They will have to have relaxation. Where are we going to provide it for them. That's a tremendous problem that disturbs many of our officers in France. Nobody has yet

found a solution. There are two or three things, however, that by elimination will enable us to work out the problem as far as its consideration is concerned. First, we can not send them to London or England; second, we can not send them to Paris, nor can we permit them to go to Paris or any other large city. Manifestly they can not be brought home to the United States. In this connection I might observe that I mingled with a good many Australians and New Zealanders among the British troops, and I found the only cause of complaint—they did not care a rap about Gallipoli or the losses they sustained—the only thing that bothered them was that they did not have a home to go to every five months.

Great Britain is doing her level best to accomplish something in relief for the men, and the Canadians have the same situation that the New Zealanders and the Australians have. They are trying their best—the British Government—to bring relief by sending these men to England and permitting them to go in some parts of France.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. BORLAND. Has there been any consideration given to having some recreation point in Switzerland available to American soldiers?

Mr. MILLER of Minnesota. There has; and I shall be pleased to mention that briefly in a moment.

Mr. JOHNSON of Washington. Mr. Chairman, it might be interesting to add at this point that at one time in crossing the channel I saw a small shipload of Christmas cards and newspapers furnished by the Australian Government to the Australian soldiers living in France, post cards from the Government to the soldiers.

Mr. MILLER of Minnesota. Yes. That is a splendid testimony of the interest the Government itself takes in her sons, something that we might well emulate. Coming down to the problem of the United States, it is not necessary to state how many soldiers we have in France. We have enough, and some of them have been there now for eight months. We all know that it is our aim to get there a million and a half, at least, as soon as we can. It is my firm conviction that by the time the middle of 1919 shall arrive we will have more than 3,000,000 men in France. If you are going to give these men leave every four or five or six months, you can readily estimate the large number that must be accommodated while on leave. Some of the ways that have been suggested to give relaxation to the men we might enumerate, and, first, that to which the gentleman from Missouri has just alluded. It was suggested that our soldiers might go to the Alps, in Switzerland, where in the winter season they could have tobogganning and skiing and in the summer season Alpine climbing, but that is just what they do not want. They do not want to climb mountains, because they have been having all the hard physical exertion that they want. They do not want to go sleigh riding or skiing, because they have been buffeting their faces against the storms of snow for weeks and months already. They want to get away from that. It was then suggested that you might have a large number of sort of Cook's tours, so the men could be grouped together and taken on itinerant journeys through France, showing them the places of historic interest. Believe me, they do not care about those places of historic interest, at least not now. That would be the worst conceivable thing to inflict upon them. That gives them no rest. It might take them away from the sound of shells and take them from some of the awful conditions under which they are living, but it does not give them that relaxation and rest to which they are entitled. I with hesitancy present a plan which is mostly my own, but was suggested in its origin by certain of our officers in France who have been giving a considerable amount of their time to a study of this question. There is a place in France where relaxation can be had, and I call your attention to the southeastern part called the Riviera, near Cannes and Nice.

What attracted my attention to that first, having this in mind, was that I learned nearly all those magnificent hotels about Cannes and Nice are closed, shut up. A very few are open and accommodations given to certain of our officers, who have been down there, and certain others who could afford it, and the expense of the trip even to-day on a small individual scale is ridiculously low. I found on inquiry that undoubtedly those hotels could be operated in such a way as to give men good accommodations with all the comforts they could ask for, for not to exceed \$1.50 a day. That region possesses just the qualifications needed for these men.

Mr. COX. Is that a resort of some kind?

Mr. MILLER of Minnesota. It used to be a great watering place, but now it is closed, and gentlemen might be interested

to know that all of the people who used to flock to France and Switzerland and other places, to these watering places and resorts, are not there now. They are not allowed there.

Mr. COX. I suppose these places are closed on account of the war?

Mr. MILLER of Minnesota. On account of the war entirely; but the buildings and the plants are there.

Mr. MADDEN. Who has control of the Mediterranean?

Mr. MILLER of Minnesota. Our allies have control of the Mediterranean up to date, and we expect to keep control. This is entirely safe here. That is a long distance from the German lines, and we hope it will never be any nearer the German lines than it is now. There is no reason on earth why the hotels there could not be taken over on a large scale, all of them, and a 25-mile zone established around that area, a military zone to keep out all undesirables. Those hotels could be opened and fitted and operated as a place for these men to go, and we could make it a second Atlantic City, if you like. I would give them all the foolishness their hearts might desire, and especially have some of the things that I know our boys want. They can play athletic games there every day of the year, for even during winter the climate is balmy and clear. Readily you can see there is opportunity for boating and all kinds of rowing and racing. There is opportunity for baseball every day of the year, and opportunity for football and any kind of outdoor sport you might name, track athletics, everything. The area is sufficiently large to accommodate any number that might be required to go there, and I think it ought to be done. I do not know that our Government will quite undertake the job. It ought to, but we are the slowest people in the world ever to undertake anything of this character.

We look after hogs and cattle and horses and cows and now and then sheep, but when it comes to the comforts and health of human beings, that is not a governmental function. It is each man for himself and the devil take the hindmost, usually, and I do not know that we can ever get our Government to do it; but it can be accomplished in another way. Already the American Red Cross has found it easy to raise \$100,000,000, and it is going to raise another hundred million dollars, and every man who puts a dollar into that fund can feel that it is going to a splendid purpose. But this is not a job for the American Red Cross. This should be a job for an independent association, and if there are some American people who desire to put their money where it will do the most good in comfort for the men, let them organize an association, and the capital should run into millions, because this is no small job, and let them take over something of this character and perfect it.

Now, I come to the most important feature of all, and I say it with some deliberation and with all the earnestness I can command. These men at the war front after a period of time are longing for a touch of home life, that touch only woman can give. There is something about the war life that calls men to chivalric thought, calls them to an ideal state, one in which they long for a glimpse of pure, sweet womanhood. They need to know there is that sweetness in life which only the presence of woman can give. In these hotels, which should be rigorously controlled and operated, there should be a home touch, and American womanhood that already has shown its capacity wherever called upon can here perform a signal service. Under a careful system of matronage something akin to home influences can be provided.

Mr. MADDEN. Will the gentleman yield?

Mr. MILLER of Minnesota. Women of especial matronly qualities, with the assistance of such young ladies as might be called into the service, trained and discreet, should undertake this work and give the touch of home influence to these places.

Mr. MADDEN. That could, of course, be done under the direction of the Government, and should be done under the direction of the Government.

Mr. MILLER of Minnesota. I was about to say it should be put under the exclusive control of Gen. Pershing, where it belongs.

Mr. MADDEN. And at the expense of the Government of the United States?

Mr. MILLER of Minnesota. Entirely; because the Government ought to do it at its own expense. I am not certain it will or not; but if the Government will not, private individuals should.

Mr. MADDEN. Why should private individuals ever be called upon for that purpose? The governments of other countries are doing it.

Mr. MILLER of Minnesota. They are.

Mr. MADDEN. Why should not this Government be just as generous as any other Government in the world, and I think we are.

Mr. MILLER of Minnesota. We ought to do so.

Mr. MADDEN. The men who are sitting here have the decision on that question, have not they?

Mr. MILLER of Minnesota. Yes.

Mr. MADDEN. Then let us do it.

Mr. BUTLER. Will the gentleman yield?

Mr. MILLER of Minnesota. I will.

Mr. BUTLER. Why does the gentleman think this Government would not do it, because it is the right thing for the Government to do?

Mr. MILLER of Minnesota. But the Government is very slow about taking up matters of this character.

Mr. BUTLER. As the gentleman from Illinois said, it could originate here, and there are certainly enough red-blooded men in this House to do this thing.

Mr. MILLER of Minnesota. I hope it will be done and done speedily, and you have no idea what it will mean. For instance, men coming back every four or five months, a team will play a football match, they will play baseball matches, have field events, have races, have tennis matches, going on all the while. Why, it is the greatest opportunity in the world for the development of athletes and clean manhood. Life there can be made so attractive that the men will look forward to it with the keenest anticipation.

Mr. MADDEN. Will the gentleman yield further?

Mr. MILLER of Minnesota. Certainly.

Mr. MADDEN. Of course the hotel system runs a great many miles along the coast there?

Mr. MILLER of Minnesota. It does.

Mr. MADDEN. I do not know how many men the hotels that are there would accommodate, but a large number, but the chances are if our men on the other side amount to 3,000,000, and they are relieved every four months, that would mean a million men on furlough.

Mr. MILLER of Minnesota. There would not be that many, of course.

Mr. BUTLER. Fighting men.

Mr. MADDEN. Suppose you would not have accommodations for a million men in all the hotels along the Mediterranean coast?

Mr. MILLER of Minnesota. Oh, no.

Mr. MADDEN. We could provide means by which they could be accommodated easily enough.

Mr. MILLER of Minnesota. I should suggest we ought to make provision for about 250,000 at a time, ultimately, for I think that would be as many as we would ever be called upon to have there, and during another year accommodations for fifty or sixty thousand would be ample, and it is something that needs immediate attention.

Mr. COX. Will the gentleman yield?

Mr. MILLER of Minnesota. I will.

Mr. COX. Has the gentleman introduced a bill of this character?

Mr. MILLER of Minnesota. I have not.

Mr. COX. I hope the gentleman will and press it. I think he can get enough men behind it to put it through.

Mr. MILLER of Minnesota. I am very thankful to the gentleman for his cooperative suggestion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARLAND. Will the gentleman yield for one question?

Mr. MILLER of Minnesota. I will.

Mr. GARLAND. As to whether the gentleman knows that there has been action of that kind taken by the Government or intended action?

Mr. MILLER of Minnesota. Not on a comprehensive scale; no.

Mr. GARLAND. I remember three or four weeks ago I went up there with others to get passports for parties going over. We were informed that there was an intention, and especial intention, to establish what is known as an American city down on the Riviera along this very coast.

Mr. MILLER of Minnesota. That was discussed somewhat last fall when I was over, but no adequate plan has ever been attempted or even conceived of. [Applause.]

Mr. STAFFORD. May I have the attention of the chairman of the subcommittee for a moment? There is one other gentleman here to whom I would like to yield five minutes. The gentleman asked for it some time ago, and I promised it to him. I yield five minutes to the gentleman from Pennsylvania [Mr. FOCHT], and that will be the last speech under general debate.

Mr. FOCHT. The excellent speech of the distinguished gentleman from Minnesota [Mr. MILLER], who visited European points, has been accepted with great unanimity, due to the patriotic spirit which prevails throughout this House as well as the country, and I am confident that what he has suggested

is workable and would have the support of this House and the Nation.

The other subject discussed here to-day related to a matter that to my mind is next in importance in maintaining the morale of the troops in Europe to that of giving them entertainment while there. On account of the impossibility of their being able to come home on a furlough communication with the home folks, with the home family, with the fireside should be free, frequent, and unbroken. There is nothing that would inspire and thrill a soldier more than the martial music and the patriotic airs of his home country than a letter from the fireside he left when he went forth to battle for his home. A suggestion was offered this morning by the gentleman from Massachusetts [Mr. ROGERS] and other gentlemen, the gentleman from Indiana [Mr. COX] among them, and a spirit not of criticism—far from it—but from a desire to bring about a correction with regard to the transmission of mail to and from our soldiers in Europe. The gentleman from Illinois [Mr. MADDEN] said that the failure to make a distribution of mail might be on account of the language in France and it may have been due to the inability to promptly land the letters and the packages. But in support of what the gentleman from Massachusetts [Mr. ROGERS] said, and that it might be understood that these distressing and intolerable conditions exist, I would like to have the Clerk read a letter from a gentleman who would do anything but criticize, who is a distinguished scholar, a gentleman and a patriot, whose son is in France to-day fighting for his country. I wish to have the Clerk read this letter from President Warfield, of Wilson College, Chambersburg, Pa.

The CHAIRMAN. Without objection, the Clerk will read the letter.

The Clerk read as follows:

WILSON COLLEGE,
Chambersburg, Pa., February 18, 1918.

MY DEAR MR. FOCHT: Individually and as president of one of Pennsylvania's colleges I have endeavored to boost and not to knock, to support the Government and to abstain from criticism. But there comes a time when patriotism seems to mean to correct as well as to promote the activities or inactivities of the Government.

The outcry on behalf of the boys in France a short time ago was so entirely expressive of my own experience that I venture to ask your interest in so stirring up those who administer the mails as to secure for our boys at the front the enjoyment of the many efforts that are put forth for their happiness.

That they are not getting their letters or packages I know from the experience of my own boy and what he writes me of those who are with him. My family is a large one and my son in France has been sent several letters every week and a large number of packages, beginning about November 1. Some of the packages that arrived had been plundered of their contents, and the poignancy of this kind of disappointment only those who have served at the front are able to understand.

He complained in October that he was not able to keep his feet warm or to get warm socks in France. I sent him a large package from Philadelphia on November 3, which I know was properly addressed, and it had not reached him January 12.

He writes:

"December 25: We had a very nice Christmas, though I have not had a letter for six weeks and no package has arrived, but I will keep my eye open and have a long Christmas, extended through the 'guerre,' if necessary."

"January 17: Letters are rare things here. I have had only one from you all winter, in December, one from papa, and only one from E., so that altogether, adding the wet, rainy weather, I feel like 'going out in the garden to eat worms.' But that, I fear, would not be economical as long as I have received one box of books and one box of chocolates, and you say others are coming."

A large number of magazines have been regularly sent, none of which has reached him except an occasional number of the Independent. Among the magazines which have been sent and which have not reached him are the Red Cross, Literary Digest, National Geographic, Harper's, Scribner's and others. Packages of books, packages of chocolates—only two out of many have been received intact—knit goods, sweater, helmet, socks.

Many of these things have only been intended for recreation and relief from the strain of service, but some of them have been to replace the inadequate clothing supplied by the Government.

What I feel for my boy tens of thousands are feeling for their boys—and they are all "our boys."

Yours, very truly,

E. D. WARFIELD.

Hon. BENJAMIN K. FOCHT,
House of Representatives, Washington, D. C.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FOCHT. I wish but a second to say that I have submitted this letter in order that the country may know the conditions that prevail in specific instances and that it is not some vague and unsupported rumor we are discussing.

Mr. COX. Mr. Chairman, I ask unanimous consent to revise and extend my remarks made to-day.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SENATE.

For compensation of Senators, \$720,000.

Mr. GARLAND. Mr. Chairman, I move to strike out the last word. I wanted to say a few words only along the lines of effi-

ciency and the getting out of work during this war in the shipyards and in all the operations that have been taken over and taken charge of by the Government.

It will be well remembered that in the Sixty-fourth Congress when these several large appropriation bills passed with reference to Navy work and Army work that onto each of them was hitched an amendment providing that no man should be required to work on the time-measuring system, and that the system then established in the navy yards be abolished. And I charge it largely to the impracticability of the Democratic side, and among others, I believe, too, the gentleman from Missouri [Mr. BOLLAND], who, I think, voted in that particular way and who now proposes to get more efficiency from the employees by increasing the number of hours of labor. But there is no other thing as efficient as giving men piece or tonnage work in shops and mills and factories. And I speak from absolute experience.

Only about three weeks ago, I think it was, an article appeared in the Washington Post, of several columns in length, deploring the fact that in every shipyard of the United States the output had "fallen way off," and further stating this fact: That the average number of rivets driven by an individual prior to the war and the taking over of these works by the Government, or, rather, the supervision of them, was 350 per day, and that the same individuals were now driving but 130 rivets per day, a falling off of from 350 to 130. Now, at the time these measures were up it was conceded that there would have to be some effort to try to incite work, although the necessity for it did not seem as plain as now. But the gentlemen on that side, almost to a man, stood up and voted to eliminate the right to reward men for work on piecework. Now, a man that is working in these shipyards must have some incitement to cause him to work, or else he will not do all that he can do, and it is true we need the output and we want the men to be content. The prices of living are advancing all the time, and by having the right to work on piece or tonnage work and not adding one minute more to the hours of employment, it would increase the output in that way and in the direction I have just stated. I have seen time and again in factories and in mills going from the use of the day's work to that of output, where the increase, starting at \$40 a month—and this is in railroad shops—ran up to \$65 a month in less than two months, and shortly after doubled. That is an established fact in some shops over in the State from which I come.

I think there is where the last Congress erred very much; and it seems to me if we want to remedy this matter, if we want to get the output, if we want to stop strikes, if we want to have the men content, we should permit the practice that was in force before the passage of the decision against it by the last Congress.

Mr. COX. The gentleman is making, to me, a very interesting and instructive statement. As I understand the gentleman now, he is taking the position of favoring the pieceworkers?

Mr. GARLAND. Yes, sir; and I did at that time.

Mr. FOCHT. Bonus.

Mr. GARLAND. It is not bonus; it is piecework.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended two minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the time of the gentleman from Pennsylvania be extended two minutes. Is there objection?

There was no objection.

Mr. COX. What is the position of organized labor on that? Does the gentleman know?

Mr. GARLAND. It varies. A large number of the organizations favor and use piecework entirely. The trade to which I belonged, that of iron and steel workers, uses tonnage work. It has always done it.

Mr. COX. What is the policy in that regard of the organization known as the American Federation of Labor?

Mr. GARLAND. It has no decided policy, except that some of our trades affiliated with the American Federation of Labor prefer daywork and decide for that. As a matter of fact, that is where the mistake came in here. They do not declare in any of their conventions for entire daywork. Some of the organizations, I believe—among which are the machinists and others—do declare for daywork only.

Mr. COX. If I recall correctly, the American Federationist, the paper or organ of the American Federation of Labor, when this contest was going on heretofore in regard to the stop-watch system, stated that the test of the friendship of Members of Congress was soon to come on the vote on the stop-watch question.

Mr. GARLAND. There was not a resolution of the American Federation of Labor as a whole asking Congress to vote against it that I am aware of.

Mr. COX. It was stated that piecework had a tendency to overspeed the men and affected their physical endurance, and things like that. What does the gentleman think of that?

Mr. GARLAND. I do not think it does. It is claimed that situation occurred down here under what is known as the Taylor system. As a matter of fact, no one can determine the cost of operation of making a single article in iron or steel or any other article in any other line of manufacture unless they measure it by some kind of time and wage computation, and the attempt at that time was not to permit the use of the clock and thereby determine the cost of an article. I claim that by using a system of piecework you can more readily and more fully determine the cost of the production of an article. But it seems to me the Democrats were so intent on taking the industry of armor-plate making from the State of Pennsylvania they did not want that kind of legislation.

Mr. COX. The gentleman is correct. I want to say to the gentleman that in my little town there are three desk factories, and the ambition of every man working there is to be put on piecework, where they get seven or eight dollars a day. When a man gets to doing piecework he is not overworked at all.

Mr. GARLAND. A man used to drive 350 rivets as an average day's output before the war in these shipyards, but owing to its being Government work and owing to the laws passed by the Sixty-fourth Congress, which I have already explained here, they went onto the basis of daywork, and the same authority in the newspaper article I referred to says that they are now driving 130 rivets a day and consider that a day's work.

Mr. FOCHT. Mr. Chairman, I would like to ask the gentleman a question, inasmuch as he is regarded in Pennsylvania as the fountain to which we go on the labor question. I would like to know what the distinction is as to the piecework method and the bonus system which is in operation where they are making shells for the Government. As I understand, they pay them \$3 a day for a whole day, and a certain percentage above a certain number of shells that they grind. How does that relate to this policy in regard to the piecework system, which you say they were prohibited from using at a certain time? I know that they are working on the bonus system in Government work.

Mr. GARLAND. On daywork they do a day's work irrespective of the amount turned out. If they are working on piecework, they agree to pay them on the piecework plan, and that, I insist, incites a man to greater effort; he does more work and not one minute more of labor.

Mr. ROBBINS. They work the same length of time?

Mr. GARLAND. Yes. They work the same length of time, but it keeps them from loafing on the job. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. SIMS. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record by printing letters from the Secretary of War and the Secretary of Agriculture and the Secretary of the Interior respecting proposed water-power legislation.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the Record by printing the document indicated. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Chairman, I did not understand what the document was.

Mr. SIMS. It is a letter from the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture respecting proposed water-power legislation, addressed to me as chairman of the Committee on Interstate and Foreign Commerce. It is an official document.

Mr. WALSH. Has it not been included in the hearings?

Mr. SIMS. No. I have just received it. The hearings have not been commenced.

The CHAIRMAN. Is there objection?

There was no objection.

Following is the letter referred to:

WASHINGTON, February 27, 1918.

Hon. T. W. SIMS,
House of Representatives.

DEAR Mr. SIMS: It is understood your committee will take action at an early date upon various proposals which have been made concerning water-power legislation. On account of the conditions now affecting the power industry and the need of maintaining our entire industrial machinery at its highest efficiency, a satisfactory solution of the water-power problem is, in our judgment, one of the most important steps for the consideration of this Congress and one which should receive attention at the earliest practicable date.

The industrial expansion which has been necessary in order to produce the materials and equipment needed in the prosecution of the war has placed unprecedented demands upon the electric-power industry, to such an extent in fact that the output of commercial central stations has increased more than 60 per cent since 1914. This increase has been greatest in the manufacturing sections of the East where water-power development is comparatively limited, and has been chiefly in the

form of steam-generated power, because steam power can be developed more quickly and at less capital cost than water power. This increase in power output has taken place notwithstanding advances in costs of construction and of operation.

While the form of bill which has been presented for your consideration is directly concerned with water-power development only, an adequate solution of this problem will have a favorable and stabilizing effect upon the whole power industry. Probably no considerable increase in new water-power development can be expected immediately, but legislation is urgently needed in order to put existing water-power developments, which have been made under inadequate law, into a position of security which will enable them to make extensions and to meet maturing obligations upon favorable terms.

There is also need of legislation in order that time may be given to prepare for the developments that must take place after the close of the war, if the United States is to maintain its proper place in world trade, or even to supply its domestic needs. A survey of our water-power resources is needed, particularly with relation to specific districts and specific industries. The various establishments of the Federal Government which have had to do with the administration of water power should be coordinated through a single agency, and as far as practicable all agencies, Federal, State, and private, should be brought into cooperation. It is urgently recommended that a Federal power commission be established as provided in the proposed bill and be given ample authority to undertake this work of preliminary investigations.

Beyond the need of power development as such is the need of increasing the proportion of water power in order to reduce the drain on our coal and petroleum supplies, particularly the latter. Even if the coal supply were unlimited, the reduction in the demands upon labor and transportation equipment would be sufficient reason for substituting water power for steam power whenever possible. The petroleum supply, particularly in the West where the greatest proportion is used for fuel, is being rapidly depleted, consumption has exceeded production and stocks in storage are fast disappearing. With the substitution of water power for steam power in central stations and with the electrification of railroads, a large part of the use of petroleum for fuel could be eliminated.

Water-power legislation should have in view not only the maintenance of the rights of the public in the national resources, but also the adequate protection of private capital by which such resources are developed. The bill before you aims to do both. After careful consideration, however, it is believed that certain changes in language could be made which would more clearly express the intent of the proposed legislation.

It is particularly important that the conditions which affect the disposition of the property at the termination of the license should be so definite that uncertainties will be reduced to a minimum. If the properties are not taken over, the conditions under which a new license may be secured should be entirely clear. If the properties are taken over, the price to be paid should not include alleged values not represented by investment, or, on the other hand, require needless amortization of capital during the period of the license in order to protect the investment. It is, therefore, believed advisable to define in specific language the items which should or should not enter into the price to be paid. The following definition which it is recommended should be inserted at the end of section 3 has been prepared after thorough consideration and after consultation with accounting and banking experts. It is believed to be eminently fair from the point of view of the public and of the investor. The use of this term will require certain changes in other parts of the bill, particularly section 14:

"Net investment" in a project means the actual legitimate original cost thereof as defined and interpreted in the 'Classification of investment in road and equipment of steam roads, issue of 1914, Interstate Commerce Commission, plus similar costs of additions thereto and betterments thereof, minus the sum of the following items properly allocated thereto, if and to the extent that such items have been accumulated during the period of the license from earnings in excess of a fair return on such investment: (a) Unappropriated surplus, (b) aggregate credit balances of current depreciation accounts, and (c) aggregate appropriations of surplus or income held in amortization, sinking fund, or similar reserves, or expended for extensions or betterments. The term 'cost' shall include, in so far as applicable, the elements thereof prescribed in said classification, but shall not include expenditures from funds obtained through donations by States, municipalities, individuals, or others."

The language of section 6, which fixes the period of the license, has been changed somewhat in order to make its intent more clear and in order to make certain that there shall be no time when the holder of a license may not have the privilege of receiving a new license if the properties are not taken over either by the United States or by a new licensee.

Certain other changes, minor in character, have been made for the purpose of clarifying the language or improving the form of the bill. All these changes are shown upon the attached copy of the confidential committee print.

-Very truly, yours,

NEWTON D. BAKER,
Secretary of War.
FRANKLIN K. LAND,
Secretary of the Interior.
D. F. HOUSTON,
Secretary of Agriculture.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office of Secretary: Secretary of the Senate, including compensation as disbursing officer of salaries of Senators and of contingent fund of the Senate, \$6,500; assistant secretary, Henry M. Rose, \$5,000; chief clerk, \$3,250; financial clerk, minute and Journal clerk, principal clerk, and enrolling clerk, at \$3,000 each; reading clerk, \$3,600; executive clerk, and assistant financial clerk, at \$2,750 each; librarian, file clerk, chief bookkeeper, assistant Journal clerk, and printing clerk, at \$2,500 each; first assistant librarian, and keeper of stationery, at \$2,400 each; assistant librarian, \$1,800; skilled laborer, \$1,200; clerks—3 at \$2,500 each, 4 at \$2,220 each, 2 at \$2,100 each, 1 \$1,800, 2 at \$1,600 each, 1 \$1,440; assistant keeper of stationery, \$2,000; assistant in stationery room, \$1,200; messenger, \$1,440; assistant messenger, \$1,200; laborers—3 at \$840 each, 3 at \$720 each, 1 in stationery room \$720; in all, \$94,410.

Mr. BORLAND. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last word.

Mr. BORLAND. Mr. Chairman, this morning in the general debate two Members of the House came valiantly to the defense of the profiteers in Washington who are the beneficiaries of the seven-hour law, and they did me the honor to refer rather pointedly to me in person. One of them was the gentleman from New York [Mr. LONDON] and the other the gentleman from Tennessee [Mr. AUSTIN].

Now, as to the gentleman from New York, I have always had the misfortune since he has been a Member of this House of not being able to communicate with him. For some reason or other he and I do not speak the same language. I have never been able to arrive at his mental processes. It may be my misfortune. If so, I am too old to change, but I do not either read, speak, or understand the bolshevik language, so that I am at loss to discuss his proposition. [Laughter.]

But it is quite otherwise with the distinguished gentleman from Tennessee. I think I understand clearly what he says. The gentleman from Tennessee has had a unique reputation in this House, and I rather think, if I am not mistaken, that he has somewhat gloried in it. He has taken the position, as I understand, that he never votes against any appropriation and never votes for any tax. By some strange system of magic all of these beautiful expenditures that he is in favor of come out of a clear blue sky, and none of them come out of the pockets of the American taxpayer. None of them represents the sweat and blood of our constituents, according to his beautiful optimistic ideas and statements. I wish I could subscribe to them.

He never wants to levy a tax on the American people. He wants the other Members of Congress to do that; but he always wants to vote for an appropriation. Now, that is a very beautiful theory. It is a good rule to go by, but, like all rules, there are exceptions. They say it takes an exception to prove the rule, and this particular rule of the gentleman from Tennessee has had one conspicuous exception. In the 10 years I have served with him I have never known him to vote against any appropriation except one, and that was the appropriation for the investigation of the Beef Trust. When the appropriation came before this House for the investigation of the Beef Trust, that had the American farmer by the throat, the gentleman from Tennessee voted against that appropriation. Why, he not only voted against it, but he worked with feverish energy over here at the door as his colleagues were coming in to vote on the floor. He was determined to beat that investigation. That is the sole exception that I know of. Now, I do not know how the gentleman is going to explain to his farmer constituents in eastern Tennessee why they should work 12 and 14 hours a day in the field to support seven-hour clerks in Washington, but I understand even less how he is going to explain to his farmer constituents why, when he never votes against an appropriation—

Mr. KEARNS. Mr. Chairman, I rise to a point of order. What right has the gentleman to discuss the previous votes or conduct of the gentleman from Tennessee on a motion to strike out the last word of this bill?

The CHAIRMAN. Does the gentleman make the point of order against the gentleman's remarks?

Mr. KEARNS. I do.

Mr. BORLAND. Then I ask unanimous consent to proceed out of order.

The CHAIRMAN. The gentleman must proceed in order.

Mr. BORLAND. I ask unanimous consent to proceed out of order.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed out of order.

Mr. KEARNS. I object.

The CHAIRMAN. To which objection is made.

Mr. BORLAND. I will endeavor to proceed in order.

Mr. BUTLER. Can you do it?

Mr. BORLAND. I can. I would not refer by name to any gentleman in this House. I want simply to explain the necessity and bearing and some of these expenses that we are now levying on the American people. I have noticed, however, that there are a certain class of gentlemen in the House who always come valiantly to the rescue whenever the special interests are attacked.

Mr. MADDEN. What does the gentleman mean by that—"when special interests are attacked"?

Mr. BORLAND. Mr. Chairman, that is not a question of order. If the gentleman will pardon me, I have been held down here to a question of order.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. MADDEN. There is nothing before the House dealing with "special interests."

The CHAIRMAN. The gentleman from Missouri must speak, of course, with reference to what is before the committee. The Chair would not hold that a reference to "special interests" was out of order, but as the Chair understands, the gentleman has made no motion.

Mr. BORLAND. I moved to strike out the last word.

The CHAIRMAN. Then the gentleman must speak to that.

Mr. BUTLER. The gentleman must speak to the motion to strike out the last word.

Mr. BORLAND. Gentlemen are getting very sensitive on that side of the House. I do not blame them, but I am very glad to say that I do not refer to the gentleman from Illinois.

Mr. MADDEN. The gentleman from Illinois needs no defense from the gentleman from Missouri.

The CHAIRMAN. The gentleman from Missouri must proceed in order.

Mr. BORLAND. I renew my request to speak for five minutes out of order.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent for five minutes to speak out of order. Is there objection?

Mr. MADDEN. I object.

Mr. BORLAND. Mr. Chairman, I notice that the gentleman from Tennessee [Mr. AUSTIN] has returned to the Hall of the House. I renew my request to speak for five minutes out of order.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for five minutes out of order. Is there objection?

Mr. AUSTIN. I hope the request will be granted, and I regret I was not here to hear the gentleman's interesting talk.

Mr. MADDEN. If the gentleman from Tennessee requests that the gentleman from Missouri be given the time, of course I am not going to object.

The CHAIRMAN. Is there objection? No objection is heard. The gentleman from Missouri will proceed.

Mr. BORLAND. Mr. Chairman, I regret also that the brilliant gentleman from Tennessee was not present when I began my remarks. I was discussing his attitude toward appropriations and expenditures in this House, and I recalled the fact that during our service here, which has been equal in length of time, my understanding has been that he never voted against an appropriation and never voted for a tax; but I called attention to one conspicuous exception to that rule. That was the appropriation made in this House for the investigation of the Beef Trust. In that particular instance the gentleman overstepped his usual rule and voted against the appropriation.

As I say, it may be somewhat difficult, to my mind, for the gentleman to explain to the farmers of eastern Tennessee why they should be taxed for seven-hour clerks in Washington.

Mr. DYER. Will the gentleman yield for a question?

Mr. BORLAND. No; I regret I can not.

The CHAIRMAN. The gentleman declines to yield.

Mr. BORLAND. But it would seem more difficult to my mind to explain to them why, in view of the revelations which have come out in regard to the activity of the swarm of attorneys for the Beef Trust who were here in Washington, the gentleman from Tennessee should vote against that particular appropriation when he was universally in favor of all other appropriations. I said that whenever the special interests were attacked in this House there were always gentlemen ready to come to their defense, whether it was the profiteers of Washington or any other class.

How sweet to hear the watchdog's honest bark
Bay deep-mouthed welcome as we draw near home.

[Applause.]

Mr. AUSTIN. Mr. Chairman, I ask the indulgence of the House for five minutes. I regret that I am unable to answer that part of the gentleman's [Mr. BORLAND'S] speech, which was delivered in my absence from the floor of the House. I believe the gentleman was present this morning when I discussed him, and attempted in my feeble way to answer his observations of yesterday. In reference to his statement that I never vote against an appropriation, although I began pledging myself to enormous expenditures of money under the spell of his magic while on that wonderful Mississippi River trip—\$230,000,000 at the very beginning of our acquaintance—I want to tell him that on several occasions here in the House I have voted against appropriations. I voted against the appropriation giving the Members of the House of Representatives their mileage; that is, I voted in favor of putting it on the actual amount expended rather than the 20 cents per mile basis. I do not know how the economist from Missouri voted on that proposition and I do not care.

This proposition about investigating the Beef Trust—I think the gentleman will find in the RECORD that I have consistently opposed and voted against all the so-called Democratic investigations from the Sixty-second Congress down to the present Congress, which I considered simply a waste of time and the public money in order to furnish gentlemen on that side for partisan purposes campaign material and not to advance the interests of the taxpayers.

The Beef Trust investigation was a proposition to investigate the high cost of living; that was the propaganda and the argument made in the House of Representatives. I took the position that all we needed to stop the high-cost-of-living prices was the enforcement of present laws and the indictment by the Federal grand jury of the packers and other people who were attempting to oppress the people; that we were paying for the expenses of the necessary prosecuting attorneys and assistant prosecuting attorneys who had access to Federal grand juries, and instead of wasting this money—\$250,000—to furnish jobs for Democratic office seekers we should put the district and assistant attorneys appointed by President Wilson to work in the Department of Justice and in every Federal courthouse in the United States to investigate before the grand juries the doings of the packers and all other people who were seeking to advance the price of the necessities of life and who were outraging the American people rather than to dissipate the money and time in a political investigation originated by the gentleman in favor of cattle raisers in his district for whom he seemed to be the special champion.

The Clerk read as follows:

For captain, \$1,800; 3 lieutenants, at \$1,200 each; 2 special officers, at \$1,200 each; 47 privates, at \$1,050 each; 10 additional privates, at \$840 each; one-half of said privates to be selected by the Sergeant at Arms of the Senate and one-half by the Sergeant at Arms of the House; in all, \$65,550.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREENE of Vermont. Under this item for Capitol police is there any provision for these so-called Capitol guides, or are they anywhere taken care of in this bill?

Mr. BYRNS of Tennessee. They are not.

Mr. GREENE of Vermont. What are the duties of Capitol guides with regard to being in any sense under the control of the authorities in charge of the Capitol?

Mr. BYRNS of Tennessee. They are permitted, as I understand it, to act as guides here in the Capitol under a permit which they receive, and they are permitted to receive such compensation as is given them by those who employ them.

Mr. DYER. Who gives the permit to these gentlemen?

Mr. BYRNS of Tennessee. I am informed that the Sergeant at Arms of the House and the Sergeant at Arms of the Senate jointly issue these permits. Probably one issues one half of them and the other the other half.

Mr. GREENE of Vermont. Do the Sergeants at Arms have any authority of law for this, or is it a long-established practice and custom that they are following?

Mr. BYRNS of Tennessee. It is a custom that has obtained for many years, and I assume that they have taken jurisdiction of it, because they have jurisdiction in the Capitol.

Mr. GREENE of Vermont. Of course my remarks should not be interpreted as meaning that I hint that there is anything wrong on the part of those who have followed the practice or custom, but it gives me this opportunity to suggest to the gentleman's committee, with his permission, that it seems to me there is something strangely inconsistent in the administration of a democratic form of government when a citizen who comes to this Capitol has to pay 25 cents to see his own building.

Mr. BYRNS of Tennessee. That is, of course, not necessary unless he desires to do it.

Mr. GREENE of Vermont. That is what he does.

Mr. BYRNS of Tennessee. If he wishes to go through the building without an escort, he can go through.

Mr. GREENE of Vermont. I understand that; and yet, by way of contrast, at the Treasury Department, for instance, when the visitor presents himself—and that is his building, too, in the same general sense—he is met by a guide who takes him about and shows him his own property.

Mr. MADDEN. He could not steal anything up here except a Member of Congress, and they do not care if he does do that.

Mr. BORLAND. Mr. Chairman, there have been repeated attempts to get these guides put on the pay roll, and a great many arguments have been urged in favor of it, among others the argument of the gentleman from Vermont, that the public ought to have free service. Of course, the public does not have to pay those guides unless it chooses to do so. The build-

ing is free and it is policed. The guides are supervised by the Sergeant at Arms, and they are kept in order and their fees are kept within limits and they are respectable, law-abiding men. That is the only object in licensing them.

Mr. CANDLER of Mississippi. The guides will not show a man through unless they are paid.

Mr. BORLAND. It is a fee which is voluntarily given on the part of the visitors; but it is apparent that if the guides were put on the pay roll and paid a salary, and distributed around as patronage among the Members, that exactly the same thing would occur that now occurs in respect to the barbers. A Member of Congress who patronizes the barber shop pays the same price exactly for the service that he would have paid if the man was not on the public pay roll. The only difference is that the public pays an additional price. That would be the only difference here in the practical operation of it. For a short time there might be free service given by a few guides, but you can not prevent the American public from tipping that class of service. You can not prevent it by law or in any other way, and the public would begin to do it and it would become a custom.

Mr. DYER. Can not you prevent the guide from accepting it?

Mr. BUTLER. Is it impossible to put the obligation upon the American Republic?

Mr. BORLAND. But you can not prevent the public from giving the quarter extra.

Mr. BUTLER. Does the gentleman understand that tipping is an absolute necessity?

Mr. BORLAND. Some believe it is a necessity.

Mr. GREENE of Vermont. It seems to me absolutely belittling the dignity and majesty of this Government and all of its theories of democratic ownership and equality of rights of the owners that when a man comes here from across the continent, maybe, to see the property he has been told by the school books he owns, he is held up at the door of the great Capitol of this great Nation and has to pay a quarter to see it.

Mr. BORLAND. No. He is not held up at the door.

Mr. GREENE of Vermont. It is a distinction in terms and not in effect; in language, and not in what it amounts to the pocketbook. That is all. Even if it is true that the visitor has his option of paying or not paying to have the features of interest in his own Capitol shown to him and explained to him, the fact is that if he does not pay he is not shown them and they are not explained, while other people, willing to pay and having the money to pay, have all that courtesy extended to them. I believe that some arrangement should be made whereby guides, paid by the Government, shall regularly conduct parties of sightseers about the Capitol Building without exacting any fees from the visitors themselves.

Mr. BORLAND. If we had the guides on the pay roll the man whom the guide suspected would not tip would not find a guide. There might be plenty of guides, but he could not find them.

Mr. MADDEN. Does this illustrate what would happen in the case of great business enterprises controlled by the Government?

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman in charge of the bill with reference to the item on page 10, beginning line 10, in reference to the automobile provided for the Vice President. Can the gentleman state how long the present automobile has been in use?

Mr. BYRNS of Tennessee. It was purchased in July, 1914, nearly four years ago.

The CHAIRMAN. The Clerk will read.

Mr. GOOD. Mr. Chairman, I move an amendment, on page 11, line 12, after the second word "each," to strike out "one-half" and all of lines 13 and 14 and insert "said privates to be selected by the Superintendent of the Capitol."

Mr. FOSTER. I reserve a point of order on that, Mr. Chairman.

Mr. GOOD. It is not subject to a point of order.

Mr. FOSTER. I do not know whether it is or not. I want to find out.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa [Mr. Good].

The Clerk read as follows:

Amendment offered by Mr. Good: Page 11, line 12, after the second word "each," strike out "one-half" and all of lines 13 and 14 and insert "said privates to be selected by the Superintendent of the Capitol."

Mr. GOOD. Mr. Chairman, as I understand, one-half of the amount appropriated for the policing of the Capitol is disbursed by the Sergeant at Arms of the Senate and one-half by the Sergeant at Arms of the House. One-half of this police force is selected by the Sergeant at Arms of the Senate and the re-

maining half by the Sergeant at Arms of the House, and now for the remainder of this year the Superintendent of the Capitol will select the persons to be added to this force, who will be under his direction.

The point brought out by the gentleman from Massachusetts [Mr. GILLET] was that we are dividing here the responsibility of a little army brought here to protect the Nation's Capitol, to preserve the property, and yet we are scattering the responsibility, so far as dividing the command of that army among three officials of the Government is concerned. There ought to be one man responsible for that force—one man responsible for any depredations to the Government property here at the Capitol—and I do not believe you will ever get that desired responsibility until you place the control in one single person. I do not know whether Mr. Elliott Woods, the Superintendent of the Capitol, is the person to be in command of this force or not, but I do know that that responsibility—and it is a great responsibility—ought not to be vested in three persons. It ought not to be vested in two persons. There ought to be but one responsible head, and it seems to me that when a suggestion is made that is so eminently sound and businesslike as that made by the gentleman from Massachusetts [Mr. GILLET] our committee and this House ought to adopt it.

Mr. FOSTER. Mr. Chairman, this amendment proposes to place the Capitol police force all under the control of Mr. Elliott Woods. Mr. Woods, as we all know, is one of the most efficient men that there is up here on Capitol Hill. He has to do with the management of the Capitol Building and Grounds. No man has a higher regard for Mr. Woods than I have.

If this police force is to be reorganized, it seems to me that the committee should have taken the action necessary before they reported this bill to the House. I do not know whether this force ought to be brought under the control of Mr. Woods or not, but the police force as now constituted is under one head—a captain. I do not know who he is. It may not be a good thing to have the responsibility of the management of this police force divided between three persons, but I think before the House takes action of this kind it ought to be studied out, and there ought to be a properly prepared amendment, and that no one ought to undertake to offer an amendment here, as the gentleman from Iowa [Mr. Goob] has done, who is a member of the committee, and had a long time to study this proposition. I think the provision offered by the gentleman from Iowa is subject to the point of order.

Mr. BYRNS of Tennessee. The law authorizing the appointment of this force provides—

There shall be a captain of police, the member of which shall be appointed by the Sergeants at Arms of the two Houses and the architect of the Capitol Extension. There shall be a captain of the Capitol police and such other members with such rates of compensation, respectively, as may be appropriated for by Congress from year to year.

It seems to me it is clearly subject to a point of order. Do I understand the gentleman to make it?

Mr. FOSTER. I will make the point of order; but let me say before I do so that I am not averse to any proper arrangement, but I believe we ought to have it done in the right way. If there is to be a reorganization, I shall not object to it; but I do not believe we ought to adopt this amendment at this time and in this way. If the gentleman wishes to draw a provision placing the police force of the Capitol all under one head, I should not object to such a provision if properly worked out. I make a point of order on this amendment.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. No.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Office of the Speaker: Secretary to Speaker, \$4,000; clerk to Speaker's table, \$3,000, and for preparing Digest of the Rules, \$1,000 per annum; clerk to Speaker, \$1,600; messenger to Speaker, \$1,440; messenger to Speaker's table, \$1,200; in all, \$12,840.

Mr. WALSH. Mr. Chairman, I move to strike out the last word, for the purpose of asking the gentleman in charge of the bill a question. We have had a rather strenuous week. I wonder how late he expects to continue with this measure today?

Mr. BYRNS of Tennessee. I had hoped that the committee would be willing to sit patiently in session until 5 o'clock. The gentleman is aware of the fact that very liberal time was extended in general debate, and we have not had much opportunity to read the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office of the Clerk: Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, \$6,500; hire of horse and wagon for use of the Clerk's office, \$900, or so much thereof as may be necessary; chief clerk, \$4,500; journal clerk, and two reading clerks, at \$4,000 each; disbursing clerk, \$3,400; tally clerk, \$3,300; file clerk, \$3,250; enrolling clerk, \$3,000 and \$1,000 additional so long as the position is held by the present incumbent; chief bill clerk, \$3,000; assistant to chief clerk, and assistant enrolling clerk, at \$2,500 each; assistant to disbursing clerk, \$2,400; stationery clerk, \$2,200; librarian, \$2,100; assistant file clerk, \$1,900; two assistant librarians, messenger and assistant Journal clerk, at \$1,800 each; clerks—one \$1,800, three at \$1,680 each; bookkeeper, and assistant in disbursing office, at \$1,600 each; four assistants to chief bill clerk, at \$1,500 each; stenographer to Clerk, \$1,400; locksmith, who shall be skilled in his trade, \$1,300; messenger in chief clerk's office, and assistant in stationery room, at \$1,200 each; messenger in file room, messenger in disbursing office, and assistant in House library, at \$1,100 each; stenographer to chief bill clerk, \$1,000; seven telephone operators, at \$900 each; three session telephone operators, at \$75 per month each from December 1, 1918, to March 31, 1919; substitute telephone operator when required, at \$2.50 per day; \$500; two laborers in bathroom, at \$900 each; six laborers, at \$720 each; page in enrolling room, \$720; two janitors, at \$720 each; allowance to chief clerk for stenographic and typewriter services, \$1,000; in all, \$102,270.

Mr. WALSH. Mr. Chairman, I notice that this paragraph totals nearly \$2,000 more than last year. What increases have been inserted? Have these laborers in the bathroom had their salaries raised?

Mr. BYRNS of Tennessee. I may state to the gentleman that the only increases in this paragraph consist of \$1,000 additional for the enrolling clerk. The gentleman will notice that the provision reads:

Enrolling clerk \$3,000, and \$1,000 additional so long as the position is held by the present incumbent.

That was incorporated in this bill because of a House resolution passed heretofore, which is now the law so far as the House is concerned.

Mr. WALSH. I notice that increase.

Mr. BYRNS of Tennessee. The other increases are two telephone operators, at \$900 each. Those are the increases. The appropriation is reduced from what it would otherwise have been on account of the fact that the next session will be a short session.

Mr. WALSH. May I ask the gentleman another question?

Mr. BYRNS of Tennessee. Yes.

Mr. WALSH. In lines 19 and 20 there are two laborers for the bathroom, at \$900 each. Does that refer to the bathroom in the House Office Building?

Mr. BYRNS of Tennessee. I so understand.

Mr. WALSH. How is it that the bathroom in the House Office Building is under the jurisdiction of the Clerk, while the tonorial parlors are under the jurisdiction of the Doorkeeper?

Mr. BYRNS of Tennessee. I really can not tell the gentleman why that is. It has been the custom ever since the House Office Building was erected and first occupied, as I understand. The committee have simply followed the established custom and have continued the appropriation in this manner. I do not know whether it was because originally the Clerk was supposed to have peculiar knowledge and qualifications concerning the duties of a bathroom attendant or not, or whether the Doorkeeper was supposed to have peculiar tonorial abilities.

Mr. HUMPHREYS. These bathroom laborers were under the Clerk of the House before the House Office Building was erected, when the bathroom was in the Capitol.

Mr. BYRNS of Tennessee. The gentleman from Mississippi [Mr. HUMPHREYS], who has been here a great number of years, longer than the gentleman from Massachusetts [Mr. WALSH] and myself, has, I think, given a very clear explanation.

Mr. WALSH. They were under the jurisdiction of the Clerk before the House Office Building was erected, in the old days when they not only had bathrooms, but when thirst might be quenched downstairs in the Capitol.

Mr. HUMPHREYS. The gentleman says I have been here a long time. I have not been here so long as that. [Laughter.] There was no place where a thirst could be satisfied when I came here.

Mr. WALSH. I would like to know if these two laborers are in the classified service or in the patronage that goes to the party that may be unfortunate enough to be in power?

Mr. BYRNS of Tennessee. One, I understand, has been here 40 years and another 17 years.

Mr. WALSH. I think they are classified. [Laughter.]

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee a question. Where is the provision for the compensation of the Speaker?

Mr. BYRNS of Tennessee. That is carried on page 12. His salary being fixed by law it is carried in that lump appropriation.

Mr. COOPER of Wisconsin. In express terms you provide for the salary a little later for the President, \$75,000, and the Vice President, \$12,000. Their salaries are fixed by law. Why should the Speaker be omitted and these two salaries mentioned which are fixed by law?

Mr. BYRNS of Tennessee. The President is an executive officer and it has been the custom to appropriate his salary in specific terms. It is a matter of custom; this bill could appropriate for each Member individually if it was desired to do so, but this has been the custom.

Mr. COOPER of Wisconsin. The salary of the President is fixed by law and so is that of the Vice President.

Mr. GARRETT of Tennessee. If the gentleman will pardon me, let me say that the Vice President is not a Member of the Senate, while the Speaker of the House is a Member of the House.

The Clerk read as follows:

Clerks, messengers, and janitors to the following committees: Accounts—clerk \$2,500, assistant clerk \$1,800, janitor \$1,000; Agriculture—clerk \$2,500, assistant clerk \$1,800, janitor \$1,000; Appropriations—clerk \$4,000 and \$1,000 additional so long as the position is held by the present incumbent, assistant clerk and stenographer \$2,500, assistant clerks—1 \$1,900, 1 \$1,800, janitor \$1,000; Banking and Currency—clerk \$2,000, assistant clerk \$1,200, janitor \$720; Census—clerk \$2,000, janitor \$720; Claims—clerk \$2,500, assistant clerk \$1,200, janitor \$720; Coinage, Weights, and Measures—clerk \$2,000, janitor \$720; District of Columbia—clerk \$2,500, assistant clerk \$1,800, janitor \$720; Election of President, Vice President, and Representatives in Congress—clerk \$2,000; Elections No. 1—clerk \$2,000, janitor \$1,000; Elections No. 2—clerk \$2,000, janitor \$720; Elections No. 3—clerk \$2,000, janitor \$720; Enrolled bills—clerk \$2,000, janitor \$720; Flood Control—clerk \$2,000, janitor \$720; Foreign Affairs—clerk \$2,500, assistant clerk \$1,800, janitor \$720; Immigration and Naturalization—clerk \$2,000, janitor \$720; Indian Affairs—clerk \$2,500, assistant clerk \$1,800, janitor \$720; Industrial Arts and Expositions—clerk \$2,000, janitor \$720; Insular Affairs—clerk \$2,000, janitor \$720; Interstate and Foreign Commerce—clerk \$2,500, additional clerk \$2,000, assistant clerk \$1,500, janitor \$1,000; Irrigation of Arid Lands—clerk \$2,000, janitor \$720; Invalid Pensions—clerk \$2,500, stenographer \$2,190, assistant clerk \$2,000, janitor \$1,000; Judiciary—clerk \$2,500, assistant clerk \$1,600, janitor \$720; Labor—clerk \$2,000, janitor \$720; Library—clerk \$2,000, janitor \$720; Merchant Marine and Fisheries—clerk \$2,000, janitor \$720; Military Affairs—clerk \$2,500, assistant clerk \$1,500, janitor \$1,000; Mines and Mining—clerk \$2,000, janitor \$720; Naval Affairs—clerk \$2,500, assistant clerk \$1,500, janitor \$1,000; Patents—clerk \$2,000, janitor \$720; Pensions—clerk \$2,500, assistant clerk \$1,600, janitor \$720; Post Offices and Post Roads—clerk \$2,500, assistant clerk \$1,400, janitor \$1,000; Printing—clerk \$2,000, janitor \$1,000; Public Buildings and Grounds—clerk \$2,500, assistant clerk \$1,200, janitor \$720; Public Lands—clerk \$2,000, assistant clerk \$1,200, janitor \$720; Revision of the Laws—clerk \$2,000, janitor \$720; Rivers and Harbors—clerk \$2,500, assistant clerk \$1,800, janitor \$1,000; Roads—clerk \$2,000, janitor \$720; Rules—clerk \$2,000, janitor \$720; Territories—clerk \$2,000, janitor \$720; War Claims—clerk \$2,500, assistant clerk \$1,200, janitor \$720; Ways and Means—clerk \$3,000, assistant clerk and stenographer \$2,000, assistant clerk \$1,900, janitors—1 \$1,000, 1 \$720; in all, \$171,790.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I want to make a few observations in reference to some of the inequalities, apparently, in the treatment of compensation that is paid to the assistants for these various committees. I desire to direct the attention of the committee to one very important committee which has been able to struggle along without a janitor, and I congratulate the distinguished chairman of that committee, the gentleman from Missouri [Judge RUCKER], the Committee on Election of President and Vice President, in being able to get along with simply a single clerk. And I wonder how it is that the great and extremely busy Committee on Elections No. 1 requires a clerk at \$2,000, a janitor at \$1,000, when the equally distinguished and busy Committee on Elections No. 2 gets along with a clerk at \$2,000 and a janitor at \$720.

Mr. MADDEN. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. MADDEN. I notice that there are only one or two cases where a janitor gets \$1,000; most of the others get \$720.

Mr. WALSH. Yes.

Mr. MADDEN. I do not know why the particular service in these two places are so much more valuable than the other places.

Mr. WALSH. That had occurred to me in making these observations. I wondered why it was that the janitor of the Committee on Printing received \$1,000 and the Committee on Invalid Pensions has a clerk at \$2,500, a stenographer at \$2,190, an assistant clerk at \$2,000, and a janitor at \$1,000, while the Committee on War Claims, which has not been very active during this Congress, is given a clerk at \$2,500, an assistant clerk at \$2,200, and a janitor at \$720.

It seems to me, Mr. Chairman, that when the Committee on Military Affairs and the Committee on Naval Affairs can get along with a clerk at \$2,500, an assistant at \$1,500, and a janitor,

that these other committees, which especially during the war session have not been very active, can get along with less help. This Committee on Military Affairs and the Committee on Naval Affairs have had some measures of the greatest importance, and yet we provide them in this bill—I do not know whether there are any special resolutions or not—for less assistance than we do to some other committees that have had much less to do. I suppose there must be some reason for it.

Mr. MADDEN. Has the gentleman noticed that the important Committee on Industrial Arts and Expositions has a clerk at \$2,000 and a janitor at \$750? How many expositions have there been for the last year or so?

Mr. WALSH. I do not know of any expositions which have been held in the country as a result of legislation initiated by this committee within the last year or so.

Mr. MADDEN. I should think that this clerk would be overworked, and I am sure that the janitor must be. Some day, if the committee should by chance have a meeting, I suppose they will bring in a bill for extra compensation.

Mr. WALSH. Either that or for services of a doctor. I would like to ask the gentleman in charge of the bill further, in all seriousness, whether this is a matter that is taken as a matter of course each year, or whether any attempt is made in framing the bill to ascertain whether the services are needed or whether it is necessary to have these assistants that have heretofore been provided for.

Mr. BYRNS of Tennessee. I will say to the gentleman that the committee never investigates the necessity of the employment of these clerks and assistant clerks and janitors to committees, for the reason that they are already provided for by House resolution. The committee therefore feels that it has no discretion, in view of the action of the House taken by resolution, to fail to make appropriation for their salaries.

Some committees have stated that they do not have sufficient help and we have informed them that the proper way to secure it was by a resolution formally introduced in the House, so that it could go to the Committee on Accounts and be taken up in the regular way.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WALSH. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WALSH. Does the gentleman mean that if way back in 1897 Congress appropriated for an employee for some of these committees the Appropriations Committee would from year to year continue the appropriations?

Mr. BYRNS of Tennessee. No; not if the Appropriations Committee was convinced that the services of an employee in any department of the House was not necessary to be continued. In such case it would call the attention of the House to it and the House could take such action as it pleased. But I assume that the committees are as busy to-day as they were in 1897. The work of the committees of the House has grown tremendously, and it is certainly a safe assumption to say that if clerks were necessary in 1897 they are necessary now.

Mr. WILLIAMS. Will the gentleman yield?

Mr. WALSH. I will.

Mr. WILLIAMS. I notice that the Committee on Roads has a clerk at \$2,000 per annum and a janitor at \$720 per annum. This committee has not been a very active one during this session, yet during the last Congress it was one of the important committees of the House and did a great deal of work. I have the honor to serve on that great committee.

Mr. MADDEN. Did the gentleman say "serve"?

Mr. WILLIAMS. Yes.

Mr. MADDEN. Does not the gentleman mean that he is a member of that committee?

Mr. WILLIAMS. I am a member of that committee. But there has not been a meeting of our committee now for some time.

Mr. DYER. That clerk must be overworked.

Mr. WILLIAMS. Of course, I am at loss to know what the duties of the clerk and the janitor of that committee are at this time.

Mr. BYRNS of Tennessee. I am sure the gentleman ought to know more about the duties of the clerk and the janitor to his committee than the gentleman who is in charge of this bill. Has the gentleman any idea that there would be objection to a motion to eliminate the clerk and janitor of this committee?

Mr. WILLIAMS. Oh, no; I would not object. I do not know what the chairman of the committee thinks about it.

Mr. MADDEN. Mr. Chairman, let us try. I move to amend on page 15, line 24, by striking out the provision for the clerk.

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Page 15, line 24, strike out, after the word "roads," the words "clerk, \$2,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. ROBBINS) there were—ayes 3, noes 33.

So the amendment was rejected.

Mr. COOPER of Wisconsin. Mr. Chairman, I beg the indulgence of the House while I recur to a suggestion I made a moment ago and the reply that was made to it by the chairman of the committee and the gentleman from Tennessee [Mr. GARRETT]. I called attention to the fact that on page 29 there is this provision:

For compensation of the President of the United States, \$75,000.

For compensation of the Vice President of the United States, \$12,000—

And that there is no similar provision in express terms for the compensation to the Speaker. Thereupon the gentleman from Tennessee [Mr. GARRETT] rose and said that the reason that there was an express provision for the Vice President was that the Vice President is not a Member of the Senate, whereas the Speaker is a Member of the House. That, however, is merely the custom—that the Speaker is a Member of the House. The House could elect anybody not a Member of the House as its Speaker at any time. It could, in its discretion, depose the present Speaker and elect another who is an entire outsider, and if that should happen this provision would not be applicable at all.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. In a moment. Then this provision would not be applicable to the next House of Representatives until it shall have chosen a Member of the House as its Speaker, and in strict accuracy the language ought to be changed. I do not desire to be hypercritical about it, but my suggestion was well founded, because the next Speaker of the House of Representatives may not be a Member of the House of Representatives.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. FESS. By what authority does the gentleman say that this House could elect some one its Speaker who is not a Member of the House?

Mr. COOPER of Wisconsin. Because the Constitution provides simply that the House of Representatives shall elect a Speaker, and we could elect a Speaker who is not a Member of the House, exactly as does the House of Commons in England.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FESS. Mr. Chairman, I rise in opposition to the pro forma amendment, to make the observation that I do not believe that that statement of the gentleman from Wisconsin [Mr. COOPER] that the House could elect as its Speaker one who is not a Member of the House.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman permit one interruption right there, so that I may call his attention to the language of the Constitution, for then he may not wish to continue his statement.

Mr. FESS. I yield.

Mr. COOPER of Wisconsin. The Constitution reads:

The House of Representatives shall choose their Speaker and other officers.

The words "and other officers" have uniformly been held to mean that they could in their discretion elect anyone a Speaker who is not a Member of the House, just as they choose their officers from gentlemen who are not Members of the House.

Mr. FESS. Mr. Speaker, simply because there has not been a Speaker elected who was not a Member of the House would not, of course, be conclusive that it could not be done.

Therefore I do not offer that as an argument that it could not have been, but the language employed, read by the gentleman from Wisconsin, is not to be interpreted, I take it, that the membership of this House could go beyond its membership to select its chief officer, because under the rules of the House the Speaker of the House can vote on every measure whether his vote will change the result or not. Now, in the Senate the presiding officer can not vote on every measure, but only in case of a tie, but in this House the presiding officer can vote on every measure. Now, in case that he was not a Member of this House he certainly could not vote on any measure.

Mr. MADDEN. Will the gentleman yield?

Mr. FESS. I do.

Mr. MADDEN. I thought perhaps the gentleman from Wisconsin might have it in his mind the danger of the House electing the Secretary of the Treasury to another job. [Laughter.]

Mr. GARNER. Will the gentleman yield?

Mr. FESS. That is a very pertinent observation.

Mr. GARNER. It occurs to me the gentleman from Wisconsin is absolutely correct in the construction of the Constitution, and I do not see where the point that the gentleman from Ohio makes is tenable here because the rules are made after the Speaker has been elected and the House is organized, and it is only by virtue of the rules that the Speaker is permitted to vote. I will illustrate. Suppose we come in here and elect some distinguished gentleman, as suggested by the gentleman from Illinois, Speaker of the House and made no change of the rules providing that he could not vote; he would still be Speaker of the House and would not violate the Constitution.

Mr. HAMLIN. If the gentleman will permit a suggestion, I think the gentleman from Texas is wrong in his premises. The Speaker of the House is permitted to vote by virtue of the fact that he is a Member of the House, and the House would not be authorized to take from him that privilege because he is a Member of the House.

Mr. FESS. That would be my interpretation of it.

Mr. HAMLIN. That is unquestionably and undoubtedly so.

Mr. FESS. I think the observation made by the gentleman from Tennessee [Mr. GARRETT] a while ago was well made and is the real explanation of putting it in a lump sum in one case and setting out the Vice President in the other.

The Clerk read as follows:

Office of Doorkeeper: Doorkeeper, \$5,000; maintenance and repair of folding room motor truck, \$500, or so much thereof as may be necessary; special employee, \$1,500; superintendent of reporters' gallery, \$1,600; janitor, \$1,500; messengers—16 at \$1,180 each, 14 on soldiers' roll at \$1,200 each; laborers—17 at \$720 each, 2 known as cloakroom men at \$840 each, 8 known as cloakroom men, 1 \$600 and 1 \$120 additional so long as the position is held by the present incumbent, and 7 at \$600 each; 2 female attendants in ladies' retiring rooms at \$800 each; superintendent of folding room, \$2,500; foreman, \$1,800; 3 clerks, at \$1,600 each; messenger, \$1,200; janitor, \$720; laborer, \$720; 32 folders, at \$900 each; 2 drivers, at \$840 each; 2 chief pages, at \$1,200 each; 2 messengers in charge of telephones (1 for the minority), at \$1,500 each; 46 pages, during the session, including 2 riding pages, 4 telephone pages, press-gallery page, and 10 pages for duty at the entrances to the Hall of the House, at \$2.50 per day each, \$13,800; superintendent of document room, \$2,900; assistant superintendent, \$2,100; clerk, \$1,700; assistant clerk, \$1,600; assistants—7 at \$1,280 each, 1 \$1,100; janitor, \$920; messenger to press room, \$1,000; in all, \$147,920.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I may not be quite in order in this place in what I wish to say, but I thought, while we were here close to the paragraph for employees of the Office Building, that it would not be amiss to call attention to the fact that in my room they have only washed the windows once since this session began and only furnish towels every other day, and the rest of the time we have not got any, and no attempt is being made to keep the rooms clean. If the kind of janitor service which we are receiving there was rendered in a private office building there would be a good deal of a row about it. There is not any reason why we should not have the offices kept clean, there is no reason why the windows should not be washed, there is no reason why towels should not be supplied and soap. It may be that some people do not care to wash, but I do once in a while.

Mr. HAMILTON of Michigan. Does not the gentleman think cobwebs ought to be removed once in a while?

Mr. MADDEN. I think we ought to have a real janitor service. We have got enough people on the pay roll to give the service.

Mr. BYRNS of Tennessee. I just wondered if the gentleman had called the attention of the commission which has charge of the House Office Building to this.

Mr. MADDEN. No; I have not. I do not think it is necessary for me to get down on my knees to the man in charge of the building to get service. We ought to have it without appealing to him.

Mr. BYRNS of Tennessee. I was not referring to the superintendent of the building.

Mr. MADDEN. I do not want to be put in the attitude of asking favors from the man in charge of the building.

Mr. BYRNS of Tennessee. The point of my inquiry, if the gentleman will pardon me, was this: The commission, which the gentleman knows consists of three distinguished Members of this House, no doubt is not acquainted with the facts the gentleman has stated, and I am sure they would be very glad to have the gentleman give them this information.

Mr. MADDEN. I do not know the membership of the commission—

Mr. HUMPHREYS. Will the gentleman yield for a second? I suggest this, that if the gentleman makes a complaint to the House Office Building commission or any member thereof he will have to leave the House Office Building in order to find those Members, because no one of the Members has his office in the House Office Building itself, strange as it may appear.

Mr. MADDEN. Of course, the men who are acting as commissioners for the building are a favored set.

Mr. HUMPHREYS. No; I understand it is the statute. The statute was framed, undoubtedly, without due consideration of the fact that the Speaker, who is a member of it, has his room in the Capitol; that the minority leader has his room in the Capitol; and the chairman of the Committee on Appropriations has his room in the Capitol. So it finally results that the three gentlemen charged with the administration of the House Office Building have their offices in the Capitol.

Mr. MADDEN. Of course, they do not understand the importance of having clean rooms in the other building. They do not visit the building at all and do not understand the situation.

And I wish to call attention also while I am on my feet to the fact that the elevator service over there is very poor, and the elevator men do not give much attention. I do not want to complain about the men if I can help it, but I am complaining about the system, and there is no regulation requiring them to give respectful consideration to those who ride upon the elevators. They smoke when ladies are on the elevators, which ought not to be allowed. They come when they please. If you are on the second floor and you ring for them to come, they pass you by frequently without waiting to find whether you want to go up or down. They do not know whether you are a Member of Congress or not, and do not care.

Mr. COX. Can the gentleman tell why during the rush hour, when we quit here at night, that nine times out of ten there is but one elevator there, and we have to stay down in the basement and wait for an elevator? And at the noon hour it is the same way.

Mr. MADDEN. We have 14 elevator men over there, and I think only six elevators. I think if we have 14 men we ought to have sufficient elevators to keep them employed.

Mr. COX. They ought to work.

Mr. MADDEN. That is what I say.

Mr. ROBBINS. My experience over there is that they have gone into my offices and taken out the hair brushes and—

Mr. MADDEN. You would not say that about the elevator force.

Mr. ROBBINS. I say that about the janitor force.

Mr. MADDEN. All I can say is that when I leave here I take everything of any value and lock it up, and no matter how hard it is locked up, when I come back it is gone.

Mr. PURNELL. Will the gentleman kindly pay his respects to the cockroaches while he is on his feet?

Mr. MADDEN. I do not associate with them. [Laughter.]

Mr. WALSH. Mr. Speaker, this is a very important item, and of course the criticisms that have been made are also very important, and I think are of vital interest to the Members, in view of the present emergency, and I think we ought to have a larger attendance in order to discuss this matter. I do not want to hasten the gentleman from Tennessee unduly, but I do make the point of no quorum.

Mr. BYRNS of Tennessee. Will not the gentleman from Massachusetts allow us to get down to the bottom of the next page?

Mr. WALSH. I have a great many inquiries that I wish to make in reference to this item, and I do not think we can do that before 5 o'clock.

Mr. BYRNS of Tennessee. Of course, if the gentleman insists I will yield to him and move that the committee do now rise.

The CHAIRMAN. The gentleman from Tennessee moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, and had come to no resolution thereon.

ADJOURNMENT.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned, pursuant to the order previously made, until to-morrow, Sunday, March 3, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War, submitting a proposed clause of legislation for inclusion in the sundry civil appropriation act for the fiscal year ending June 30, 1919 (H. Doc. No. 963), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SLAYDEN, from the Committee on Immigration and Naturalization, to which was referred the joint resolution (H. J. Res. 255) authorizing the readmission to the United States of certain aliens who have been conscripted or have volunteered for service with the military forces of the United States or allied forces, reported the same without amendment, accompanied by a report (No. 353), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CRAGO, from the Committee on Military Affairs, to which was referred the bill (S. 3299) authorizing the President to reappoint Maj. Chalmers G. Hall, retired, to the active list of the Army, reported the same without amendment, accompanied by a report (No. 352), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 9331) granting an increase of pension to Alonzo Brown, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SINNOTT: A bill (H. R. 10394) to add certain lands to the Minam National Forest, Oreg.; to the Committee on the Public Lands.

By Mr. FIELDS: A bill (H. R. 10395) providing for the repair, improvement, and construction of ice piers in the harbor of Maysville, Ky., on the Ohio River; to the Committee on Rivers and Harbors.

By Mr. DILL: A bill (H. R. 10396) relating to admission to the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. DENT: A bill (H. R. 10397) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes; to the Committee on Military Affairs.

By Mr. CARLIN: A bill (H. R. 10398) to amend and reenact sections 139, 157, 164, and 175 of the Judicial Code; to the Committee on the Judiciary.

By Mr. HAMILTON of New York: A bill (H. R. 10399) to ratify and confirm the constitution of the Seneca Nation of Indians, to enact as a Federal law certain provisions of the Indian law of the State of New York, and to grant to the council of the Seneca Nation of Indians the right to regulate hunting, fishing, and trapping on reservation lands; to the Committee on Indian Affairs.

By the SPEAKER: Memorial from the Commonwealth of Massachusetts, urging the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. GALLIVAN: Memorial from the Commonwealth of Massachusetts, urging the passage of the daylight bill, so called, now pending in Congress; to the Committee on Interstate and Foreign Commerce.

By Mr. LUFKIN: Memorial adopted by the General Court of Massachusetts, urging the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS: Memorial of the General Court of the Commonwealth of Massachusetts, urging the passage of the daylight-saving bill, so called, now pending before Congress; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10400) granting a pension to Herman Platz; to the Committee on Pensions.

By Mr. AUSTIN: A bill (H. R. 10401) granting an increase of pension to Lorenzo D. West; to the Committee on Pensions.

By Mr. BLAND: A bill (H. R. 10402) granting a pension to Sabina Chaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10403) for the relief of the heirs, assigns, and legal representatives of William Watson; to the Committee on the Public Lands.

Also, a bill (H. R. 10404) to reimburse John Anderson, former postmaster at Sandborn, Knox County, Ind., for stamps and funds stolen from the post office; to the Committee on Claims.

By Mr. CARY: A bill (H. R. 10405) granting an increase of pension to Benjamin Macy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10406) granting an increase of pension to Henry F. Caplick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10407) granting an increase of pension to John Felzen; to the Committee on Pensions.

Also, a bill (H. R. 10408) granting a pension to Catharine Bamberg; to the Committee on Pensions.

Also, a bill (H. R. 10409) granting a pension to Jane F. Taylor; to the Committee on Pensions.

By Mr. DUPRÉ: A bill (H. R. 10410) granting an increase of pension to Amanda Foster; to the Committee on Pensions.

By Mr. HAMILTON of New York: A bill (H. R. 10411) granting an increase of pension to Thomas McKay; to the Committee on Invalid Pensions.

By Mr. HICKS: A bill (H. R. 10412) for the relief of Stephen J. Haff; to the Committee on Military Affairs.

By Mr. KEY of Ohio: A bill (H. R. 10413) granting an increase of pension to John W. Edie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10414) granting an increase of pension to John A. Coutts; to the Committee on Invalid Pensions.

By Mr. KRAUS: A bill (H. R. 10415) granting a pension to William Bowman; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 10416) granting an increase of pension to David H. York; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10417) granting an increase of pension to Jackson Brandenburg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10418) granting an increase of pension to William P. Dorton; to the Committee on Invalid Pensions.

By Mr. ROGERS: A bill (H. R. 10419) granting a pension to Arthur E. Garland; to the Committee on Pensions.

By Mr. STAFFORD: A bill (H. R. 10420) granting an increase of pension to Michael Reichert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10421) granting an increase of pension to John A. Hollander; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 10422) granting an increase of pension to Edward McIntyre; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 10423) granting a pension to Andrew F. Wellley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10424) granting a pension to Mary H. Mills; to the Committee on Pensions.

Also, a bill (H. R. 10425) granting an increase of pension to Thomas Paxson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10426) granting an increase of pension to Joseph Horner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10427) granting an increase of pension to William D. Harris; to the Committee on Pensions.

Also, a bill (H. R. 10428) granting an increase of pension to Frances L. Young; to the Committee on Pensions.

By Mr. WELTY: A bill (H. R. 10429) granting a pension to William B. Stroepe; to the Committee on Pensions.

By Mr. WOODYARD: A bill (H. R. 10430) granting an increase of pension to James Ross; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petitions of the farmers of Franklin County, Mo.; members of the Smith Schoolhouse Farm Club, of Lincoln County, Mo.; and sundry farmers of Lincoln County, asking that the Food Administration set more equitable prices for produce of the farm; to the Committee on Agriculture.

Also (by request), a resolution of the City Council of Minneapolis, requesting Congress to grant the President broad powers to fix prices of food products; to the Committee on Agriculture.

Also, resolution of the Yavapai (Ariz.) County Chamber of Commerce, protesting against the passage of the Foster bill; to the Committee on Mines and Mining.

Also (by request), memorial of Lincoln County Sunday School Association, urging passage of emergency war prohibition law; to the Committee on the Judiciary.

Also (by request), resolution of St. Luke's Hospital Social Service, asking that military rank after the model of the Canadian service be given to members of our Nursing Corps; to the Committee on Military Affairs.

Also (by request), memorial of the Missouri State Medical Association, favoring the Dyer bill, H. R. 9563; to the Committee on Military Affairs.

Also (by request), resolutions of the Lithuanians of Shenandoah, Pa., asking that Lithuania be allowed to send delegates to the peace conference, at the close of the war, as an independent nation; to the Committee on Foreign Affairs.

Also (by request), resolution of the board of governors of the Investment Bankers' Association of America, favoring the principles of the war corporation finance bill and suggesting changes; to the Committee on Ways and Means.

Also (by request), resolution of the Wimdousis Club, Gordon, Ga., and the Laverne Tourist Club, Laverne, Minn., asking for the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also (by request), letter of Alan R. Hawley, president of the Aero Club of America, protesting against the proposed reduction of pay to our aviators, giving reasons for position taken; to the Committee on Appropriations.

By Mr. BLAND: Evidence to accompany a special pension bill to grant a pension to Sabina Chaney, widow of William J. Burcham; to the Committee on Invalid Pensions.

Also, evidence in the case to reimburse John Anderson, former postmaster at Sanborn, Knox County, Ind., for funds stolen from the post office on the night of February 18, 1907; to the Committee on the Post Office and Post Roads.

By Mr. CARY: Resolution of the Milwaukee Typographical Union, No. 23, favoring the Sherwood bill to pension all American workers of a certain age; to the Committee on Pensions.

Also, resolution of the New York Zoological Society, regarding enabling act for migratory-bird treaty with Canada; to the Committee on Foreign Affairs.

By Mr. DALE of New York: Resolution of the New York Zoological Society, regarding enabling act for migratory-bird treaty with Canada; to the Committee on Foreign Affairs.

By Mr. EMERSON: Resolution of the Cleveland Clearing House Association, relative to extension of time of payment of income and excess-profits tax; to the Committee on Ways and Means.

By Mr. GEORGE W. FAIRCHILD: Memorial of the Underwriters' Association of Chicago, favoring universal military training; to the Committee on Military Affairs.

By Mr. FAIRFIELD: Evidence to accompany House bill, 10377 in re claim of Ira C. Kilpatrick and Guy C. Dill; to the Committee on the Public Lands.

By Mr. GALLIVAN: Resolution of the Boston Typographical Union, No. 13, favoring the Sherwood bill, providing old-age pensions for all American workmen; to the Committee on Pensions.

Also, memorial of board of governors of the Investment Bankers' Association of America, favoring the principles of the War Finance Corporation bill, but suggesting certain changes in it; to the Committee on Ways and Means.

By Mr. GRAHAM of Pennsylvania: Resolution of the Lumermen's Exchange, of the city of Philadelphia, favoring a board of war control and a director of munitions; to the Committee on Military Affairs.

By Mr. LINTHICUM: Petition of the Gottschalk Co., Baltimore, Md., protesting against the passage of House bill 9248; to the Committee on the District of Columbia.

By Mr. MORIN: Petition of 65 citizens of Pittsburgh, Pa., urging an increase in the salaries of postal employees; to the Committee on the Post Office and Post Roads.

Also, petition of the Chamber of Commerce of Pittsburgh, Pa., urging the provision of necessary money for the early completion of the improvements of the Ohio River, and also for the enactment of legislation providing for the immediate construction by the Government of the Lake Erie and Ohio River Canal; to the Committee on Rivers and Harbors.

Also, petition of the council of the city of Pittsburgh, Pa., urging the provision of necessary money for the early completion of the improvements of the Ohio River, and also for the enactment of legislation providing for the immediate construction by the Government of the Lake Erie and Ohio River Canal; to the Committee on Rivers and Harbors.