

## ILLINOIS.

Robert D. Miner, Findlay.  
Will G. Looman, Meredosia.  
Floyd E. Heath, Warren.

## IOWA.

James E. Lowrie, Lehigh.  
William F. Garrison, Swea City.

## KENTUCKY.

Thomas J. Kelly, Hawesville.

## LOUISIANA.

Henry Jacobs, Berwick.

## MISSISSIPPI.

Daniel G. Pepper, Lexington.

## MONTANA.

Rupert L. Clark, Sweetgrass.  
Charles J. Bell, Wisdom.

## NEBRASKA.

Oscar E. Spethmann, Valentine.

## NEVADA.

Albert Y. Werner, Gardnerville.

## NORTH CAROLINA.

Robert T. Wade, Morehead City.

## OHIO.

John E. Futhey, Adena.  
Elmer A. Taylor, McConnellsville.

## TEXAS.

Charles R. Hart, Montague.

## HOUSE OF REPRESENTATIVES.

THURSDAY, April 29, 1920.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God, our Heavenly Father, without whom nothing is strong, nothing is holy, so move upon the hearts of men everywhere that they may fix their minds upon the eternal values of life.

For where your treasure is, there will your heart be also.

The light of the body is the eye: if therefore thine eye be single, thy whole body shall be full of light:

But if thine eye be evil, thy whole body shall be full of darkness. If therefore the light that is in thee be darkness, how great is that darkness!

No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye can not serve God and mammon.

The age is full of deception, deceit, selfish ambitions, and thousands are suffering for the necessities of life, which are abundant for all. Hasten the day, we beseech Thee, when brotherly love shall come, that we may return, and that right speedily, to the normal, when every man shall worship Thee under his own vine and fig tree and none shall make him afraid, for Thou art God and Thou knowest the heart of every man; thus we hope, and aspire, and pray. In the spirit of the Master. Amen.

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

## OPERATIONS OF FEDERAL LAND BANKS.

Mr. WINGO. Mr. Speaker, I ask unanimous consent to make a statement of about two minutes in length.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. On April 13 I placed in the RECORD a comparative statement of certain expenses connected with the operation of farm-land banks. It is found on page 5626 of the RECORD.

I wish to call attention to the last column under table 3, which lists the average cost of appraisal of profits and organizations to February 29, 1920, per \$1,000. In that column the Federal land bank at St. Louis is credited with a cost of \$4.39 per thousand, or the second highest in the system. This average of \$4.39, which was furnished by the bank to the board in making up the statement, is based upon the total loans recommended by the appraisers, and not as called attention to in a footnote that accompanies the table, which was that it was based upon the total amount. Now, the cost of appraisal, if based upon the total number of loans considered by the Federal land bank at St. Louis, would be \$2.17 per thousand instead of \$4.39.

## EXTENSION OF REMARKS.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the rural-credits bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. McCLINTIC. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the soldiers' bonus legislation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

## DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. DAVIS of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13266, being the District appropriation bill, and disagree to all the amendments of the Senate, and ask for a conference.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table the District appropriation bill, disagree to all the Senate amendments, and ask for a conference. Is there objection? [After a pause.] The Chair hears none.

The SPEAKER appointed the following conferees: Mr. DAVIS of Minnesota, Mr. CRAMTON, and Mr. BUCHANAN.

Mr. MONDELL. Mr. Speaker, by unanimous consent may I make a statement on behalf of the coordinate legislative branch of the Government, that this appropriation bill as it comes to the House carries less than when it left the House? So far as I can recall in all my years of service here this is the first time that an appropriation bill has returned from the Senate reduced in amount. That is so remarkable a fact that I think it is worthy of mention.

Mr. CLARK of Missouri. It seems to me we ought to pass a resolution of thanks.

## EXTENSION OF REMARKS.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in to-day's RECORD in reference to a certain passport provision in the Diplomatic and Consular appropriation bill, now in conference.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD upon the passport provision of the Diplomatic bill. Is there objection?

Mr. GARNER. Mr. Speaker, a parliamentary inquiry. The Diplomatic and Consular bill has not gone to conference, has it? Mr. MANN of Illinois. The conference report has been made, anyhow.

Mr. JOHNSON of Washington. I should have so stated. The report of the conferees appears in Tuesday's RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SIEGEL. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from New York makes a similar request. Is there objection? [After a pause.] The Chair hears none.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the rural credit legislation.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD on the subject of rural credit legislation. Is there objection? [After a pause.] The Chair hears none.

## RETIREMENT OF EMPLOYEES.

Mr. LEHLBACH. Mr. Speaker, in accordance with the order entered yesterday, by unanimous consent I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1699.

The SPEAKER. The gentleman from New Jersey asks unanimous consent that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1699.

Mr. LEHLBACH. And pending that, Mr. Speaker, I would like to see whether an arrangement for limitation of time in general debate can be made.

Mr. CLARK of Missouri. What suggestion has the gentleman to make about it?

Mr. LEHLBACH. I would suggest that the general debate be confined to the bill and be limited to two hours—one hour to a side.

Mr. GODWIN of North Carolina. I have a good many requests for time over here of 10 and 15 minutes each. I would suggest that an hour and a half on a side would be better.

Mr. LEHLBACH. The gentleman has requests that will occupy the full 90 minutes if allotted to him under that arrangement?

Mr. GODWIN of North Carolina. Yes, I think so; and I expect other requests also.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent that general debate on this bill be limited to three hours—one-half to be controlled by the gentleman from North Carolina [Mr. GODWIN] and one-half by myself—the debate to be limited to the bill.

The SPEAKER. The gentleman from New Jersey asks unanimous consent that the general debate be limited to three hours, and all confined to the bill, half of the time to be controlled by himself and half by the gentleman from North Carolina [Mr. GODWIN].

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from North Carolina whether or not that takes care of the time that has been requested?

Mr. GODWIN of North Carolina. Yes, sir; this takes care of all the time I have requests for.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from New Jersey that the House resolve itself into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1699) for the retirement of employees in the classified civil service, with Mr. MCATHUR in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

An act (S. 1699) for the retirement of employees in the classified civil service, and for other purposes.

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey is recognized for one hour and a half.

Mr. LEHLBACH. Mr. Chairman, I yield 25 minutes to the gentleman from Wisconsin [Mr. NELSON].

Mr. NELSON of Wisconsin. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to revise and extend his remarks in the Record. Is there objection?

There was no objection.

Mr. NELSON of Wisconsin. Mr. Chairman and gentlemen of the House, I am in favor of the passage of this bill, Senate bill 1699, known as the Lehlbach-Sterling bill, passed by the Senate April 3, 1920, and amended by the House Committee on Reform in the Civil Service, for the retirement of employees in the classified civil service of the United States. I am for it because I believe it is a long step in the right direction for a just and scientific treatment of our Government employees, because it makes possible a more efficient personnel in the handling of our Government business.

It is quite evident to anyone who has studied the business of our Government that we need to introduce into our various governmental departments more of business efficiency, and while it is not possible that in a republican form of government we can ever hope to have the same degree of efficiency as obtains in private business or in well-regulated corporations, yet I do believe that even in a republican form of government such as ours we can have a much larger degree of business efficiency than now obtains, and it is my opinion that we must eliminate, in many of our departments and bureaus, large numbers of inefficient help and cut down the number of employees. Indeed, we must have a real house cleaning in every one of these departments, especially in the departments which have grown like mushrooms during the recent emergency of the Great War. Thousands of employees should be dismissed from the service, and a larger degree of efficiency demanded of the balance of the employees. This, in my judgment, can only be done when the administration and Congress address themselves to the fact that we must have in our government both economy and efficiency, and that is what is contemplated under the bill now before us for discussion and passage.

Our slogan must be fewer employees in most of our departments, but greater efficiency in all. Eliminate the drones and increase the pay and the possibilities of scientific advancement for those who are efficient and remain in the service. This is the best way of improving our efficiency and increasing our morale. The awful waste now apparent must be eliminated, and this retirement bill will assist the departments and the administrative bureaus to do this. The large army of war emergency clerks

should be reduced at once to a basis of immediate need, and the slogan should not be fewer hours and bigger pay, but a more adequate pay and a larger efficiency. We must introduce all along the line scientific methods of reclassification and a proper basis for advancement or promotion—promotions to be based on a system of efficiency and service. At the present time, in my opinion, the Government is paying too dearly for want of a real system of coordination and cooperation in the various departments, and through a lack of an efficient program of promotions based on real merit and service.

In our Government service we should insist on the common-sense system used in our most highly organized business enterprises, both private and corporate. The Government must deal on the square with these employees and the employees must do their utmost to make the service efficient. Secretary Lane has, in my judgment, struck the keynote when he said:

And now, in parting, let me say a general word as the fruit of my experience here. Washington is a combination of political caucus, drawing room, and civil-service bureaus. It contains statesmen who are politicians and politicians who are not statesmen. It is rich in brains and in character. It is honest beyond any commercial standard. It wishes to do everything that will promote the public good. But it is poorly organized for the task that belongs to it. Fewer men of larger capacity would do the task better. Ability is not lacking, but it is pressed to the point of paralysis because of an infinitude of details and unwillingness on the part of the great body of public servants to take responsibility. Everyone seems to be afraid of everyone. The self-protective sense is developed abnormally, the creative sense atrophies. Trust, confidence, enthusiasm—these simple virtues of all great business are the ones most lacking in Government organization. We have so many checks and brakes upon our work that our progress does not keep pace with the Nation's requirements. We could save money for the Government if we had more discretion as to how we should use that given us. For the body of the civil servants there should be quicker promotion or discharge and a sure insurance when disability comes. For the higher administrative officers there should be salaries twice as high as those now given and they should be made to feel that they are the ones responsible for the work of the department; the head being merely an adviser and a constructor of policies. As matters are now devised there are too few in the Government whose business it is to plan. Every man is held to details, to the narrower view, which comes too often to be the department view or some sort of parochial view. We need for the day that is here and upon us men who have little to do but study the problems of the time and test their capacity at meeting them. In a word, we need more opportunity for planning, engineering, statesmanship above, and more fixed authority and responsibility below.

The Hon. Franklin D. Roosevelt, Assistant Secretary of the Navy, has written a letter in which he refers to defects in our departmental organizations when he says:

I do not hesitate to say that I could run the Navy Department more efficiently in every way with 15 per cent fewer employees if I could have authority to take the salaries of these employees and add the amount, in my discretion, to the pay of those who are experts in their own line of work and who would command far higher pay in private employ. I have in mind the men who are making good, but will not stay under present conditions.

This bill is not perfect, but it is the best bill that the combined judgment of all the Government departments affected could bring forth. It is based upon the best scientific research made of the various pension or retirement plans now in force in this and other countries of the world. It has the approval of all the Cabinet officers and of the department heads involved and of the rank and file of the official leaders and individuals of the employees affected.

The functions of a pension system should be twofold: First, to secure a better and more efficient service to the employer; and, second, a protection against the risk of dependence and of old age or disability of the employees. For economic efficiency the employer, whether a government, a corporation, or an individual, has found it to his interest to establish some pension system which will enable the old or disabled employees to retire under proper and helpful conditions. The obligation resting upon the employer is both a financial and a moral one—financial because of the economic efficiency and better service to be obtained, and moral because of the better and happier conditions to be brought to the whole group of laborers employed.

The unanimous testimony of the heads of the executive departments is that some such measure as the one under contemplation is an economic necessity in the efficient administration of our Government. The three factors that must govern in the consideration of this problem are humanity, economy, and efficiency. As to the humanity of it, it is only necessary to refer briefly to the long period of service of these people, to their low salaries, and to the high cost of living, and to realize what is emphatically true—that the people of the United States are not willing that a man or woman who has served faithfully for a lifetime shall be cast out on the street or upon the mercy of his kin.

It is quite evident that the removal of a sufficient number of inefficient employees will permit efficiency and dispatch of



business and help to put the Government on a business basis such as obtains to-day in any well-regulated business concern.

Pension systems are now maintained by nearly all of the foreign Governments, notably France, England, and Germany. In our own country several systems of pensions are in operation, both contributory and noncontributory. Teachers' pensions, both by States and cities, are common. Superannuated preachers' funds are now maintained by all the leading religious denominations. Police and firemen's pensions are common in most of our large cities. Railroads, banks, and insurance companies and large mercantile establishments maintain and operate very complete systems of pensions. In most of these systems pensions for superannuation or retirement are granted to employees retiring at 60 to 70 years of age after from 10 to 30 years of service. The employing companies have, as a rule, so restricted the age limit for entering their service that the usual maximum age is now 45 years. Pensioners are usually allowed to engage in gainful occupations, but may not reenter the company's service.

Most of the large railroad systems have retirement or pension funds established. For example, the Baltimore & Ohio Railroad Co. has a relief department divided into three sections, known as the relief, savings, and pension divisions. The fund for the payment of pensions is supported by the company and was put into operation in 1884.

Organized society, expressed in governments, corporations, or private associations, has adopted many forms of aid and relief funds and insurance funds of various kinds, and in later years superannuation or retirement funds based on scientific study for the purpose of not only benefiting the pensioners, but for the efficiency and general betterment of the service, have been adopted, and it is to this phase of the subject that I desire to address myself to-day.

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

Mr. NELSON of Wisconsin. Yes; I yield to the gentleman from Ohio.

Mr. GARD. Does the gentleman intend to put in the Record the number and percentage of inefficient employees?

Mr. NELSON of Wisconsin. I will say to the gentleman that it will be my purpose to do so.

A CIVIL-SERVICE RETIREMENT LAW HAS BEEN INDORSED BY BOTH DEMOCRATIC AND REPUBLICAN PARTIES.

The Democratic Party in its national platform of 1916 has this to say with reference to a retirement law:

We believe in an equitable establishment of retirement law providing for the retirement of superannuates and disabled employees of the civil service to the end that a higher standard of efficiency may be maintained.

The Republican Party in its national platform of 1912 makes this significant statement:

We favor legislation to make possible the equitable retirement of disabled and superannuated members of the civil service in order that a higher standard of efficiency may be maintained.

This bill, therefore, ought to have the unanimous support of every Democrat and every Republican. This measure should not be put in the sense of a partisan measure at all. Indeed, Mr. Chairman, as a new Member I am impressed with the fact that too often we omit real constructive legislation by injecting too much of partisan spirit. I feel that when it comes to real constructive legislation the question ought not to be whether it is to help the Democratic Party or the Republican Party, but the question ought to be, "Will it help the American people?" [Applause.]

We should be concerned to-day with a large reconstruction program. Our Government must be put on a business basis. We must have a budget system. We must assist our taxpayers by reducing all possible waste and inefficiency.

I wish to make this observation, however, that collectively we are all for reduction of appropriations and taxes, and each Congressman is flooded with letters and telegrams pleading to cut down appropriations and reduce taxation; but, individually, there is not a measure up for which appropriations are asked in which there are not thousands of telegrams and letters sent to individual Congressmen and Senators pleading for some particular item of appropriation to be doubled and trebled.

Fortunately, however, for us to-day this measure—as agreed to unanimously by our committee and passed by the Senate and approved by all our departmental heads, and by that wizard of finance, our Government actuary, Mr. McCoy, who states that this measure produces not only efficiency and business methods but actually reduces our taxes by millions of dollars annually, and in efficiency will mean a saving of \$18,000,000 annually to our Government—does reduce taxes and eliminate waste in our Government.

Mr. HASTINGS. Will the gentleman yield?

Mr. NELSON of Wisconsin. Yes. I will yield to the gentleman from Oklahoma.

Mr. HASTINGS. Do I understand the gentleman to say that the report is unanimous?

Mr. NELSON of Wisconsin. Yes. It is a unanimous report of the committee.

Mr. HASTINGS. So there is no minority report upon this bill?

Mr. NELSON of Wisconsin. No; there is not.

Mr. HASTINGS. It is indorsed by all the members of the committee?

Mr. NELSON of Wisconsin. Yes; it is.

Mr. HASTINGS. And all the Cabinet officers?

Mr. NELSON of Wisconsin. As far as I know.

Mr. RAMSEYER. Did I understand the gentleman to say there would be a saving of \$18,000,000 in efficiency?

Mr. NELSON of Wisconsin. Yes. Our Government actuary makes the statement that the efficiency of the service will be increased at least 5 per cent, which is equivalent to over \$18,000,000 per year on the present number of civil-service employees.

Mr. RAMSEYER. That is, by enacting this law?

Mr. NELSON of Wisconsin. Yes; by this retirement bill, and I wish to say that we can do nothing more just and humane to-day to our faithful Government employees than by passing this bill.

Mr. CRISP. Will the gentleman yield?

Mr. NELSON of Wisconsin. Yes; I yield to the gentleman from Georgia.

Mr. CRISP. I should like to know if the gentleman can give us any estimate as to how much this bill will cost the Government?

Mr. NELSON of Wisconsin. It will approximate about \$9,000,000 a year and it may run up to \$15,000,000 a year and possibly more as the number of employees increases, but that is relative according to the increase of the number of employees and the increase of salaries. The contribution by employees being fixed at 2½ per cent on their salaries would naturally reduce the amount paid by the Government and increase that paid by the employees should their salaries be increased over the present salary standard.

Mr. BLACK. Will the gentleman yield?

Mr. NELSON of Wisconsin. I am sorry, but I must hurry on. I would like to yield, but my time is limited.

Thousands and thousands of employees now upon the pay rolls should be eliminated. The employees should feel that as they give their best to their Government they should be paid adequate salaries and be given the chance of proper promotions. And, Mr. Chairman, this is what I contend this bill will do for our Government in providing a proper basis of retirement of our employees and provide for a proper basis of promotion.

Pension systems of several kinds are as old as the Roman Empire, but not until in recent years have pension systems been placed on a thoroughly scientific basis, built upon actuarial tables. Pensions as rewards for services in military or naval activities or for distinguished contributions in the fields of discovery, art, science, or literature have been quite common for centuries past. But recent years have brought pensions into the field of industry and labor as a distinct aid to efficiency in public and private life.

We now recognize that both private and public service are sure to become impaired as a result of the waste and demoralization brought about by retaining in the service employees who are no longer efficient because of infirmity or old age. It is generally agreed that in all our Government departments to-day there are thousands of worn-out employees who should be retired, as their retention prevents the promotion of younger and abler men and women. Our present system of retaining in the service men and women incapacitated is extravagantly expensive to our Government and contributes to the inefficiency of our governmental departments.

Congress and our Government administration must of necessity see to it that a square deal is given to the faithful Federal employees of our Government, and the Federal employee who is shirking his duty and only looks for pay day to come around should be eliminated with the greatest of haste, as he would be in any well-regulated business concern. I therefore appeal to both Democrats and Republicans to throw all partisanship aside when it comes to a measure of this kind and have only one aim in view, and that is the efficiency and economy in our governmental administration. And, speaking to the majority party to-day, I wish to say that we can do nothing more just and enhance in a larger degree the economy and efficiency of Government administration than by granting to our Government employees in the classified civil service a retirement plan such as is contemplated under the pending bill. The Republican Party,

ever known as the party of efficiency in public service, would add to its long list of large achievements another most worthy achievement of governmental efficiency and social justice by passing overwhelmingly the pending retirement bill.

In the broadest and deepest sense our duty as national legislators is not to legislate as Democrats or Republicans but as Americans. The final determination of our vote on important measures should not be whether it will help the Democratic Party or the Republican Party, or whether it will mean our own return to Congress, but rather will it help the American people? At present our American Government is drifting like a ship without a pilot. We have no Chief Executive to direct in a large and true sense its destiny. Cabinet officers are not even permitted to function in their various departments and to use their best initiative without danger of dismissal. The apparent indifference of the executive branch of our Government to carrying out the legislation enacted by Congress has brought about a very serious condition in our country to-day—a condition that must not be permitted to continue much longer, and which we fervently hope will end by March 4, 1921. [Applause.]

Much of the unrest and chaos to-day in our social and industrial life and the apparent inability to stop unscrupulous profiteering both by rich and poor, high and low, by greedy capital both private and corporate, and by grasping labor, led by Bolsheviki and radicals, is due largely to the policy inaugurated during the war emergency to truckle to greedy capital on the one hand, making it possible to make unconscionable profits at the expense of the Government and the public, and, on the other hand, to bow to every mandate of labor, exacting higher and higher wages and shorter and shorter hours. Indeed, I desire to say right here, with all the earnestness of my soul, that during the war emergency the administration and Congress should have had the nerve and courage, as well as statesmanlike vision, to have conscripted both capital and labor as well as the lives of our dear boys—the flower of our Nation's dearest and noblest asset. Then, as the boys fought, bled, and died in the trenches on Flanders Fields to make the world safe and humanity free at a dollar a day, our labor and capital at home could not have demanded, as they did, the emergency advantages which have led, in my judgment, to much of the high cost of living due to unconscionable profits by greedy capital, individual and corporate, and unreasonable demands in high wages and short hours by our labor unions.

I am a friend of labor, and I came from the ranks of labor. I shall always stand for honest toil and for honest capital. I shall continue to stand and vote for the interest of both as long as they stand for the interest of our Republic and for a square deal to all. But I am persuaded that 69,000 millionaires made by war profiteering during the four years of the Great War and the labor unions demanding billions in increased wages and shorter hours have been indifferent in a large degree to the welfare of our public, the third side in the great triangle of our Nation's interest, who have been long-suffering and patient to the very limit. Both capital and labor have, in my judgment, not been willing to remedy the great need of our social and economic life to-day for a larger production, a better distribution, and for a larger conservation for the common good of all. Each seemingly is demanding the last pound of flesh from a patient and long-suffering public.

Between the fight of the 4,000,000 to 5,000,000 of organized labor on the one side and organized capital on the other, the 35,000,000 or 40,000,000 of unorganized labor and the rank and file of our American citizenship, the long-suffering and patient public, have been sacrificed between the upper and the nether millstone, which have been grinding the public without regard and mercy. And to-day this patient and long-suffering majority is rising to the knowledge of the fact that it is utterly sacrificed to greed and lust of capital and utter selfishness and disregard by organized labor. Now let both unite with the ranks of American life and industry and demand the square deal to all and special privileges and class legislation to none. Let us be the servant of all but the slave of none. [Applause.]

No true and self-respecting Representative or Senator can submit to the selfish and self-centered demands of organized labor on the one side, demanding less hours with increased pay, including Plumb plans and coal strikes, and, on the other side, the utterly selfish and greedy lust of power and special privileges so forcibly expressed by the Steel Trust in its Pittsburgh steel-plus base, and the past method of the Standard Oil Co. in strangling all competition, and the old railway method of first destroying all competition and then raising rates, and the all-persuasive monopoly of the packers' combines. [Applause.]

In this land of majority rule no minority selfishness shall ever have the ascendancy; in this land of freedom each rising sun shall shine on "the land of the free and the home of the

brave"; in this land the Stars and Stripes shall protect equally beneath its folds the rich and the poor, the high and the low, the ignorant and the learned, and its future shall spell the hope of equality, justice, and equal opportunities. The ideals of a minority, when they are right and devoid of selfishness, can be brought to the attention of the American people and approved by the majority under our present system of constituted law and order. [Applause.]

We are living to-day in times of great unrest and social and economic discontent, yet pregnant with great opportunities for consecrated wealth and loyal labor to work out a destiny mighty with promise for peace and happiness. Change the awful tide for selfish power for the higher and nobler ambition for heroic service, and you will make at once humanity more helpful and the world more free. The old foundations of error, inequality, fixed wrong, stereotyped injustice, selfish ambitions, grueling aims, and material aggrandizement are to-day in a fluid mass melted in the fire of the world's awful conflict. The hopes and aspirations of mankind to-day are ready to be led by the spirit of freedom, justice, and patriotism to nobler resolves and higher consecrations, ready to become conscious instruments of social good, universal happiness, and nation-wide and world-wide freedom of body, mind, and soul.

The remedy, in my judgment, is plain. Capital must become more generous and labor must become more faithful. Both must clasp hands across the chasm that now divides them in a spirit of real cooperation and with a heart and mind actuated by the principles of the Son of Man to the end that they will serve their Nation and their generation in the highest and truest sense. Thus only can we bring about a larger production and a proper conservation of our national resources, including money and industry. Selfishness, greed, and profiteering must cease.

The great game of grabbing and holding without conscience and regard for our fellow men must stop. The india-rubber conscience produced as an aftermath of the great World War in the ranks of both labor and capital, rich and poor, high and low, must be changed to the principles enunciated by Christ in the Sermon on the Mount or we shall suffer utter defeat and chaos. All the forces of the Government and the people must be united in a spirit of constructive cooperation and deep filial concern if we shall hope to make our Nation socially happy and economically contented. The real constructive program needed by our Nation and the world to-day is to just get back to first principles of civilization and Christianity and build upon the eternal Rock of Ages to the end that farm, mine, and factory shall produce its utmost and be conserved and distributed for the welfare and betterment of mankind. The future growth and glory of our Nation still rest on what Roosevelt called the "square deal to all." We must still build on the primal rights of mankind as a unit and not upon the rights of single individuals or even groups or classes. These ideas are American in their truest and highest sense and make a government "of the people, for the people, and by the people." This idea of universal liberty and universal well-being is the only hope that will fulfill the promises of the immortal Declaration of Independence and will verify the vision of our immortal founders. It is this idea, truly American, that to-day must elevate the intellectual spirit of our Nation and deepen the channels of our moral and spiritual life. [Applause.]

#### BRIEF HISTORY OF EFFORTS TO SECURE CIVIL-SERVICE RETIREMENT LEGISLATION.

Beginning with the year 1889, the first real effort was made to secure the enactment of a civil-service retirement law, which took the form of a bill introduced by Representative Brosius, of Pennsylvania. This initial effort contemplated that the annuities or pensions to be paid the superannuated or retired employees were to be created by a common fund made up of contributions from the entire classified civil service as constituted and organized. This plan of commingling the contributions of the employees was fundamentally inequitable and actuarially unsound. It was the application of the so-called tontine plan of insurance to a retirement scheme.

Shortly after the introduction of the Brosius bill the civil-service employees organized, in March 1900, about 20 years ago, the United States Civil Service Retirement Association. At first this organization limited its activities to the civil-service employees connected with the Federal Government in the District of Columbia. No substantial progress was made in the effort to impress the Congress with the need for this legislation until 10 years later, when the various civil-service organizations, principally composed of postal employees, began the active agitation throughout the United States for the enactment of an equitable civil-service retirement law.



There seems to have been two schools of thought as to the most desirable way of providing for the retirement of the aged and disabled employees of the classified civil service of the Government. Some contended—and it is only fair to say that these constituted the great majority of the civil-service employees—that the Federal Government should pay the entire cost of pensioning its aged and disabled civil-service employees. Others insisted that the retiring allowances should be made up by individual contributions of the employees, based upon their salaries, with varying percentages of deduction, with the proviso that the Government would supplement the individual contributions by recognizing its liability to the extent of providing the necessary appropriations to cover past or back services.

Only within a very recent period have these two schools of thought been brought into complete harmony, which is now exemplified in the Lehlbach-Sterling retirement bill, now under consideration. The underlying principle of this bill is the recognition of the contractual relationship between the Government on the one hand as the employer and the civil-service personnel on the other hand as the employees. In other words, this bill attempts to recognize the principle, as far as it is possible to do so, that the cost of providing retirement annuities should be divided between the Government and its employees.

The underlying theory of a so-called contribution system where the individual beneficiaries contribute a percentage of their wages or compensation is predicated upon the idea that such a plan will encourage thrift and stimulate the employee to a higher effort in the discharge of his official duties besides giving him a voice in the management of the fund thus created.

It may be of interest to note at this point that the Carnegie Foundation for the Advancement of Teaching in a recent bulletin published by it sets out in as brief a form as it is possible to state the evils of a pension system where the beneficiaries do not contribute to the creation of their own annuities. I quote from a report of the foundation published in February, 1919:

A pension system paid out of income, whether of a government or of a corporation, at no cost to the beneficiary is expensive beyond all anticipation. Its cost is not only impossible to estimate in advance, but has proved an intolerable burden even to the practically unlimited income of a government.

Experience shows further that, while under the noncontributory plan the beneficiary appears to get something for nothing, it is certain that in a limited number of years the pension will be absorbed in the wage or salary schedule and become practically deferred pay, received by only a minority of those interested.

The effect of the so-called free pension upon the individual is distinctly demoralizing. The notion of getting something for nothing appeals to our universal human nature, but it is a prolific breeder of human selfishness. Not only is this true, but the lifting from the shoulders of the individual of a responsibility, properly and rightfully his, is a source of weakness not of strength. What society needs is the machinery under which the individual shall be able to discharge his obligation without making an unreasonable demand either upon his financial resources or upon his self-control.

As a result of an extended study of all pension systems, both in this country and abroad, the commission intrusted with this work formulated as a part of its report the following principles upon which a sound pension system should rest.

In further support of the so-called partly contributory system of retirement as exemplified by the bill under consideration, I quote Mr. Paul Studensky in his pamphlet entitled "The pension problem and the philosophy of contributions," in which he summarizes the relative advantages and disadvantages of the three distinct types of pension schemes:

#### I. THE WHOLLY CONTRIBUTORY SYSTEM.

1. It embodies no public purpose, for it is usually established by the employees as their private association for their own benefit. The employees manage it themselves, while the Government and the public have little interest in the matter.

2. In the course of time the measure proves unfair to the employees and inadequate for the Government and leads to considerable bitterness. The employees realize that the pension is of benefit not only to them but also to the public, and they consider unfair that they alone should contribute. Frequently, too, they take an extreme viewpoint that it does not benefit them but benefits only the public and that they should be absolved, therefore, from contributing. The Government realizes that the system could more adequately benefit the public if it were reorganized and managed partly or entirely with that purpose in view. As a result of the movement, either a subsidy is granted or employees' contributions are altogether abolished, the Government assuming the entire cost. At the same time the Government takes either part or the entire management out of the hands of employees. Thus the system changes to a partly or noncontributory basis.

3. The abandonment of wholly contributory systems is accelerated by the fact that the employees always fix their contributions so low that the fund breaks down after a few years of operation.

4. If their contributions were high, they would lead to an increase of salaries, thereby shifting a part of the employees' pension burden upon the taxpayers in another form.

5. It affords no basis for the establishment of a sound actuarial system, because the cost of benefits, especially at higher ages, would be absolutely impossible for the employees alone to bear.

#### II. THE NONCONTRIBUTORY SYSTEM.

1. It is autocratic, more or less discretionary with the higher officials, and dangerous, therefore, to the independence of employees. It is established by the employer for the purpose of gaining a greater control over

the efficiency of the service by retiring the superannuated and by threatening the active members of the force with forfeiture of all pension rights in case of their dismissal or resignation. It regards the employee merely as a machine and ignores his needs and desires. It gives him no voice in the management of the system.

2. It is inequitable between the older and younger employees. It focuses the attention upon the immediate retirement of the aged members. Its natural tendency is to provide no benefits for the contingencies which threaten the young employee, such as early disability, early death, resignation and dismissal, but to provide increased benefits to the fortunate ones who remain in the service until old age.

3. As the pension disbursements increase they depress the wages of the younger employees, with a result that the pension becomes a "deferred pay" and the system becomes contributory under disguise in a most inequitable form. The younger generation pays for the benefits of the older and no one knows how much he pays.

4. It absolves a large group of employees from any obligation to save. This is harmful to the individual employee as well as the society at large. It meets the condemnation of the public which promotes voluntary and compulsory savings and it is eventually substituted by a contributory system.

5. It becomes too costly for the Government. The latter is forced to request the employees to contribute and changes it to a partly contributory basis. The change involves much greater complications than would have taken place had that basis been adopted from the beginning. It has been abandoned almost everywhere abroad and must be abandoned in this country.

6. Its basis is ill adapted to the establishment of a sound actuarial system which involves the building of a reserve, because the cost of such a system would be too great from the very outset for the Government alone to bear.

7. Its exclusive application to a certain group of or all public employees affords an argument against the establishment of contributory systems for all other wage earners. It blocks, therefore, the spreading of the social insurance movement.

#### III. THE PARTLY CONTRIBUTORY SYSTEM.

1. It is a compromise between the foregoing two extreme systems.

2. It harmoniously combines with social insurance and with its principle that every worker must participate in the cost of his protection.

3. It is a joint undertaking which involves mutual benefits and a two-fold purpose—on the one hand, insuring the employees and their dependents against want in old age, disability, death and, to some extent, resignation and dismissal; on the other hand, facilitating the elimination of the inefficient from the service and promoting an esprit de corps.

4. It tends to give both sides an equal voice in management.

5. It promotes a clear distinction between pension and wages, each side knowing what it pays; it is not intended either to reduce or increase the wages, does not depress the wage, and does not become a "deferred pay."

6. It makes possible the establishment of a financially sound system, the cost of which amounts to 10 or 11 per cent, or even more, by dividing the cost and requiring the employees to pay 5 or 6 per cent, as is being done all over the world.

7. Concurrently with its adoption for both present employees and new entrants, the old "vested rights" and privileges are being swept away.

8. It is a system which progresses in harmony with social evolution while the other systems are dying, and it expresses the growing mutual responsibilities which make for a greater democracy and a happier community.

It may be of interest to call attention at this point to a plan which has been adopted by the city of New York in pensioning its school-teachers. This plan is essentially a fifty-fifty plan, where the employees contribute one-half the cost and the city of New York the other one-half for the purpose of creating the individual annuity.

Prior to the adoption of the plan a committee was appointed by the mayor of the city of New York, and this committee undertook, during the course of its investigation, to study the details of some 9 or 10 different plans at that time in existence of pensioning municipal employees of the city of New York.

The committee made its report on December 8, 1915, and I quote from that report the following statement:

In this report, therefore, following good practice elsewhere, and guided by the past mistakes of New York City in dealing with pension problems, a proposal is made to organize a retirement system which will be free, on the one hand, of uncertainties, and, on the other, will provide a means just to employees and taxpayers alike for its financing. It is by no means maintained that the conclusions set forth in the report are final. They are presented with a view to complete discussion and with the expectation that they will be changed in the light of fuller wisdom and possibly more mature thought which this discussion will produce. Whatever may be the judgment on the recommendations, the facts are plainly told so that there is provided a complete basis for considering the two major questions involved in the problem: First, what shall be the conditions of retirement? Second, how shall the cost of meeting these conditions be provided?

It is conceivable, of course, that the cost of the entire pension plan may be levied upon the teachers themselves. But to do so would mean either to cut down the benefits below a point where they would seem adequate to furnish a proper basis of retirement or to impose an intolerable burden upon the teaching force. Similarly it is conceivable that the entire cost might be laid upon the city. But if this were done the burden on taxpayers would be so great that protest would be surely evoked, and either reduction or complete stoppage of benefits would follow.

The middle course of equal division of cost is suggested with the adequate safeguard of the interest of teachers that in case they withdraw from the service prior to retirement their contributions shall be returned to them with compound interest. \* \* \*

I wish to conclude my statement in the discussion of plans with the following excerpt from the report of the commission appointed by the Carnegie Foundation for the Advancement of Teaching, which had under consideration the reorganization of



the original scheme for pensioning superannuated teachers under this benefaction.

[Excerpt from report of commission appointed by the Carnegie Foundation for the Advancement of Teaching to consider a provisional plan for a pension system.]

## I.

1. The function of a pension system is to secure to the individual who participates in it protection against the risk of dependence due to old age or to disability.

2. The obligation to secure this protection for himself and for his family rests first upon the individual. This is one of the primary obligations of the existing social order. Society has done its best for the individual when it provides the machinery by which he may obtain this protection at a cost within his reasonable ability to pay.

3. Men either on salary or on wages are, in the economic sense, employees. The employer, whether a government, a corporation, or an individual, has a direct financial interest in the establishment of some pension system which shall enable old or disabled employees to retire under satisfactory conditions. In addition, society demands to-day that the employer assume some part in the moral and social betterment of his employees. The obligation of the employer to cooperate in sustaining a pension system is primarily a financial one, and, in the second place, a moral one.

4. A pension system designed for any group of industrial or vocational workers should rest upon the cooperation of employee and employer.

5. Teachers' pensions should be stipendiary in character, amounting to a fair proportion of the active pay.

## II.

1. In actuarial terms a pension is a deferred annuity upon the life of one or more individuals, payable upon the fulfillment of certain conditions.

2. In order that an individual participating in a pension system may be assured of his annuity when due, one condition is indispensable: There must be set aside year by year the reserve necessary, with its accumulated interest, to provide the annuity at the age agreed upon. On no other conditions can the participator obtain a satisfactory contract. The man of 30 who participates in a pension plan under which he expects an annuity 35 or 40 years in the future, will take some risk of disappointment in accepting any arrangement less secure than a contractual one.

3. A pension system conducted upon the actuarial basis of setting aside year by year the necessary reserve is the only pension system whose cost can be accurately estimated in advance.

4. A method by which a pension is paid for in advance in annual or monthly installments is the most practical plan which can be devised for purchasing a deferred annuity, provided that the contributions begin early in the employee's career, and provided also that the contributions paid in year by year receive the benefit of the current interest for safe investments.

5. As a matter of practical administration, a pension system should apply to a group whose members live under comparable financial and economic conditions. To attain its full purpose participation in the pension system to the extent of an agreed minimum should form a condition of entering the service or employment the members of which are cooperating in the pension system.

## HISTORY OF CIVIL-SERVICE PENSIONS IN GREAT BRITAIN.

A brief history of civil-service pensions in Great Britain will be found in Senate Document No. 290, Sixty-first Congress, second session, the material embraced therein having been prepared by Mr. Herbert D. Brown, at present the chief of the Bureau of Efficiency, under direction of the then Commissioner of Labor.

The first general law on the subject of superannuation was passed by Parliament in 1810, amended by the act of 1822, and later by the acts of 1824 and 1829. These several amendments were intended to extend the provisions of the original act to new classes of employees.

The first comprehensive superannuation act passed by Parliament was the act of 1834, under the provisions of which the employees all were required to contribute a small percentage of their salaries to a common fund, out of which superannuation allowances were made to those reaching the retiring age, but where no provision was made for a refund of any portion of the individual contributions in the event of voluntary separation from the service or death before reaching the retirement age.

The act proved to be inequitable and unsatisfactory. This led to the passage of the act of 1859, where the Government practically confiscated the entire amount of money remaining in the common fund under the act of 1834 and undertook to establish a straight civil pension plan, where the entire cost was to be borne by the Government, without any contributions from the individual employees.

This later act likewise proved unsatisfactory and as early as 1874 an agitation was begun by the civil-service employees of Great Britain asking for important amendments with additional benefits, resulting in the appointment by Parliament of several royal commissions, which undertook to make a critical survey of the whole situation and to prove or disprove the statement of the employees that the practical administration of the act of 1859 resulted in substantially decreasing their salaries, because all persons who were placed in a pensionable class with an ultimate pension in view were compensated at a less rate of pay than those engaged upon the same or similar work who did not come within the pensionable class.

It was therefore found that practically one person out of seven on an average lived long enough to enjoy the benefits of a retirement allowance, though, as a matter of fact, all persons,

as stated above, expecting to receive the benefit of a pension were receiving less compensation than they otherwise would have been paid.

After 50 years of agitation, Parliament passed the act of September 20, 1909, and recognized in the amendments made that there was substantial merit in the contentions of the employees as to the inequalities and inequities of the act of 1859.

The present act under which civil-service employees of Great Britain are retired on account of age or disability Mr. Brown considers an indirect though essentially a contributory scheme, and in concluding his review of the several acts referred to summarizes his conclusion in part as follows:

The conclusions to be drawn from Great Britain's century of experience in pensioning its civil employees are very definite. That experience shows that pensions paid out of the public treasury as pure gratuities are certain to be taken into account in fixing salaries, and a pension system thus becomes, in effect, a contributory system. As soon as the employees realize that they are contributing to their own pension they at once demand that, on separation from the service for any cause whatever, the value of their contributions shall be returned to them in some form. It is in recognition of the reluctance of human nature to give something for nothing—shown first by the officers of the Government in taking the pension into account in fixing salaries, and next by the employees in their unwillingness to forfeit their contributions under any circumstance—that the pension system of England was modified by the act of September 20, 1909.

## RETIRING AGES OF EMPLOYEES.

The Lehlbach-Sterling bill groups certain classes of employees for the purpose of establishing ages of retirement. Railway postal clerks under the provisions of this bill are eligible for retirement at 60 years of age after 15 years of service. Mechanics, city and rural letter carriers, and post-office clerks retire at 62 years of age after 15 years of service, and all other employees, not embraced in the above-mentioned groups, retire at the age of 65 years after 15 years of service.

The Smoot amendment, adopted by the Senate, eliminates the group arrangement and retires all employees at the age of 70 years. In all retirement bills which have been thus far presented the effort has been made to group, for the purpose of establishing ages of retirement, those employees whose occupation is more or less hazardous. For example, railway postal employees, where the records of the Post Office Department show that this class of employees suffer physical breakdown earlier than perhaps any other class of civil-service workers.

Statistics have been prepared to show that mechanics in the navy yards and in the arsenals also suffer earlier physical breakdown than do other classes of employees engaged in purely clerical work. The same has been found to be true of city and rural letter carriers, though the statistics as to rural letter carriers are not as complete as those with respect to city letter carriers and post-office clerks. This explains why mechanics, city and rural letter carriers, and post-office clerks have been put in a group by themselves in establishing the age of retirement.

Of course it must be conceded that if all civil-service employees are to be retired at the age of 70 years it will materially reduce the ultimate cost to the Government under the terms of the bill, but in justice to those groups of employees who are engaged in more or less hazardous employment an earlier age should, in justice and fairness to them, be fixed under the terms of this bill. As a compromise the groups of employees retiring at the ages of 60 and 62 might be advanced to 65, and all other workers retired at the age of 70. It may be of interest, however, to state that superannuated civil-service employees retired by Great Britain under the provisions of the act of September 20, 1909, to which reference has been made, are compulsorily retired at the age of 65. This is general as applied to civil-service employees in Great Britain. In France superannuated civil-service employees are retired at the age of 68.

Personally I agree with the committee of the House that the Smoot amendment should not obtain in this bill, as it in a large measure vitiates many of the good effects of the bill. The bill as it originally came from the House committee and as now amended by the House committee should obtain and be enacted into law, because it gives to the employees every advantage to be gained under the Smoot amendment, and in addition to this makes it possible for the Government to protect itself against keeping persons from 62 or 65 to the age of 70 who are incompetent or for any reason unable to perform their duties efficiently. Under the House amendment it is possible for the Government to extend by two-year periods the time of superannuation of the Government employee, thus making him retire at about the age of 70 if he proves efficient and qualified in every way, but it also makes it possible for the Government to retire the man at 65 should he be found to be utterly inefficient and incompetent. This elasticity works to the advantage both of the Government and of the effective and efficient Federal employees and should be retained in the bill. One of the



real reasons for making this bill is to effect efficiency and economy and to increase the morale of the entire Government employees. This, in my judgment, the Smoot amendment entirely nullifies and it should therefore not receive the approval of the House. The Smoot amendment absolutely forces the Government, as is now the case, to retain on the pay rolls all employees between the ages of 65 and 70 whether they are competent or not.

WHAT WILL THE SYSTEM COST THE GOVERNMENT?

From the best actuarial authorities and from the hearings presented it would be quite accurate to make the deduction that the Government would contribute over 62 per cent of the cost and the employees a little over 37 per cent of the cost. In fact, it is quite the opinion of those who have given their

best and most thorough study that, under the terms of the bill, the Government will ultimately contribute about five-eighths of the cost and the employees about three-eighths.

I am advised that the Lehlbach-Sterling bill, which in all essential particulars is identical in its provisions with the McKellar-Keating bill, has been the subject of extended and critical examination by the actuaries both in the employ of the Government and in private employ. I am advised that Mr. Joseph S. McCoy, Government actuary, connected with the Treasury Department, made an actuarial examination of the bill under consideration, and the report of his examination was submitted to the Committee on Civil Service and Retrenchment of the Senate. I take pleasure in quoting from his report as to the cost of the plan:

Table showing what a 2½ per cent deduction from salary will amount to when the age of 65 years is reached, money at 4 per cent reinvested annually. Also the amount needed to be contributed by the Government to pay the indicated annuities.

| Length of service. | Amount of annuity. | \$1,200 salary. |             |           | \$1,800 salary. |             |           | \$2,000 salary. |             |           | \$2,500 salary. |             |           |
|--------------------|--------------------|-----------------|-------------|-----------|-----------------|-------------|-----------|-----------------|-------------|-----------|-----------------|-------------|-----------|
|                    |                    | Employee.       | Government. | Per cent. | Employee.       | Government. | Per cent. | Employee.       | Government. | Per cent. | Employee.       | Government. | Per cent. |
| YEARS.             |                    |                 |             |           |                 |             |           |                 |             |           |                 |             |           |
| 44.....            | \$720.00           | \$3,462.38      | \$2,179.19  | 38        | \$5,193.56      | \$448.01    | 8         | \$5,770.63      | \$129.06    | (1)       | \$7,213.28      | \$1,571.71  | (1)       |
| 40.....            | 720.00             | 2,850.77        | 2,790.80    | 49        | 4,276.15        | 1,365.42    | 24        | 4,751.28        | 890.29      | 16        | 5,929.09        | 1,297.52    | (1)       |
| 35.....            | 720.00             | 2,209.57        | 3,432.00    | 61        | 3,314.35        | 2,327.22    | 41        | 3,632.61        | 2,098.96    | 35        | 4,602.76        | 1,038.81    | 18        |
| 30.....            | 720.00             | 1,682.55        | 3,959.02    | 70        | 2,323.82        | 3,317.75    | 59        | 2,804.24        | 2,837.33    | 50        | 3,505.30        | 2,136.27    | 38        |
| 27.....            | 648.00             | 1,412.53        | 3,664.89    | 72        | 2,118.79        | 2,958.63    | 58        | 2,354.22        | 2,723.20    | 53        | 2,942.77        | 2,134.65    | 42        |
| 24.....            | 576.00             | 1,172.48        | 3,340.79    | 74        | 1,758.72        | 2,754.55    | 61        | 1,954.13        | 2,559.14    | 56        | 2,442.66        | 2,070.61    | 46        |
| 21.....            | 504.00             | 959.08          | 2,990.02    | 75        | 1,438.61        | 2,510.49    | 63        | 1,598.46        | 2,350.64    | 59        | 1,998.08        | 1,951.02    | 49        |
| 18.....            | 432.00             | 769.36          | 2,615.58    | 77        | 1,154.04        | 2,230.90    | 66        | 1,282.27        | 2,102.67    | 62        | 1,602.84        | 1,782.10    | 53        |
| 15.....            | 360.00             | 600.70          | 2,220.09    | 79        | 901.05          | 1,919.74    | 68        | 1,001.17        | 1,819.62    | 64        | 1,215.46        | 1,605.33    | 57        |

<sup>1</sup> Excess over amount sufficient to pay annuity.

From this table the following illuminating deductions can be made:

On the basic salary of \$1,200 for the nine periods, the Government will contribute about 66½ per cent; on the \$1,800 basic salary, the Government would contribute about 49½ per cent; on the \$2,000 basic salary, the Government would contribute about 44 per cent; and on the \$2,500 basic salary, the Government would contribute about 33½ per cent; or, taking the average on the four basic salaries for the several periods, the Government would contribute about 48⅞ per cent.

The following letter by Jos. S. McCoy, the Government actuary, who is an authority on actuarial figures, is so replete with fundamental facts and illuminating information that I wish to insert it here in full:

JANUARY 15, 1920.

Hon. PAUL F. MYERS,  
Chief Clerk, Treasury Department.

DEAR SIR: Referring to your letter of the 8th instant, relative to Senate bill 1699, proposing a scheme for the retirement of civil-service employees, I have to say as follows:

The method of retiring employees in the classified service contained in Senate bill 1699 provides for the employees loaning the Government 2½ per cent of their salaries at a rate of interest lower than that paid by the Government on its war bonds.

This loan, instead of having a fixed date of maturity, is to be repaid them upon their separation from the service, whether on account of death, resignation, or other cause. If the employee reaches the age of 65 while still in the service, after a service of 15 years or more, the loan is repaid in the shape of a fixed annuity, depending principally upon the length of service, but also upon the salary received for the last 10 years of service. It may be stated that the maximum salary basis for this annuity is about that now paid on entrance.

If the annuitant lives long enough to exhaust his loan, together with the interest thereon, the deficit is to be made good by the Government and the full annuity is continued until his death.

From this it is evident that no aid is given any employee by the Government unless he continues in the service and lives long enough to be retired, and then, also, long enough to exhaust his loan to the Government.

It is also evident that each person is saving for himself and not for the general service. His payments go into a fund for himself and not into a general fund for all employees. This is a fact, even if it happens, as it often will, that his salary is so high and he has continued in the service so long that his loan to the Government is large enough to be more than sufficient to pay the annuity due him. In this case provision is made that his estate shall receive the balance.

At first, the burden of paying these annuities would be entirely upon the Government, those who are retired at once not having contributed at all. This would change gradually until those who are now entering the service would be retired. Finally the contribution on the part of the Government would be somewhere around 50 per cent. If entrance to the service was limited by age to those under 30 years, the Government's contribution would probably fall below 50 per cent.

The maximum number of annuitants will not probably exceed 30,000. The total annual payment to these would be about \$18,000,000, of which the Government would probably contribute not in excess of \$10,000,000 annually, and this could readily be reduced to not in excess of \$9,000,000 annually, much less than the bonus now paid.

Not having statistics of the service as at present constituted, I have estimated the number of employees of each age in the service upon the basis of a total of 300,000 employees. Allowance has been made in this estimate for the large increase in personnel during the last few

years. This estimate places the total number, 65 years of age and over, at 12,220, and the number who have reached 60 years, but not 65 years of age, at 12,500. It places the number to be retired at once under the provisions of this bill at 9,285. The average number on the retired list for the first 10 years and the total payments thereto are as follows:

|                   | Number. | Payment.    |
|-------------------|---------|-------------|
| First year.....   | 10,116  | \$6,099,600 |
| Second year.....  | 11,835  | 7,101,000   |
| Third year.....   | 13,300  | 7,980,000   |
| Fourth year.....  | 14,418  | 8,650,800   |
| Fifth year.....   | 15,456  | 9,273,600   |
| Sixth year.....   | 16,467  | 9,880,200   |
| Seventh year..... | 17,495  | 10,497,000  |
| Eighth year.....  | 18,557  | 11,134,200  |
| Ninth year.....   | 19,735  | 11,841,000  |
| Tenth year.....   | 20,944  | 12,566,400  |

The average annuity paid would not be over \$600, due to the length of service of those retired.

These computations are based upon the retirement at not before 65 years of age, as the number that can be retired at 60 and 62 years is unknown. It is probable that the majority of those entitled to retirement at those early ages will not be retired during the first 10 years.

As before stated, it is not a fair method to deduct from the payments made by the clerks the above payments. For the first year the Government would have to bear all the burden of these, about \$6,000,000. After that the share contributed by the clerks would increase until in about 30 or 40 years the normal would be reached, when the Government's share would not, upon this basis, be in excess of \$10,000,000 per annum; probably about \$9,000,000. It is doubtful whether the maximum contribution by the Government for any one year will ever reach \$15,000,000, based upon a service of 300,000 employees.

As before stated, the 30,000 employees, the maximum that will probably ever be upon the retired list at any one time, are the only employees aided by the Government, the remaining employees, those dying and those leaving the service for any other cause, receiving upon such separation only the amount contributed by them, together with the moderate interest thereon. For this reason it would seem futile to complicate the analysis of this scheme by attempting any analysis beyond that of the annuitants themselves.

While there are a number of inequalities and faults of omission and commission in this scheme, it is probable that modifications made as the working of the scheme may show necessary will be able to perfect it and make of it a model plan of superannuation beneficial to the Government and to the employee alike.

While the plan will eventually cost the Government some \$9,000,000 a year, it is very evident that the efficiency of the service will be increased at least 5 per cent, which is equivalent to over \$18,000,000 per year.

Annexed is a table showing the present worth of annuities for life, beginning at the age of 65 years; also, a table showing the amount of the payments made by the employees upon reaching the age of 65 years, based upon the age of entrance and upon their salaries, together with the contribution necessary to be made by the Government, both as to amount and percentage, in each case, so as to pay the corresponding annuity.

Respectfully,

Jos. S. McCoy,  
Government Actuary.

I wish to insert the following table of figures submitted by Mr. Joseph S. McCoy, the Government actuary, to the chairman, Mr. LEHLBACH, of the Civil Service Reform Committee. This

table very clearly indicates the lack of real business efficiency in our present method of operating Government business and shows the necessity for a retirement law such as the one proposed.

*Estimated cost to the Government of not retiring clerks inefficient through mental or physical incapacity. Based upon a total number of 300,000 employees.*

|                               | Estimated number of clerks who, chiefly through age, are inefficient. | Annual salary of employees. |                  | Total cost of—   |                  |
|-------------------------------|-----------------------------------------------------------------------|-----------------------------|------------------|------------------|------------------|
|                               |                                                                       | Average salary.             | Total salary.    | Nonretirement.   | Retirement.      |
| 100 per cent inefficient..... | 5,202                                                                 | \$900                       | \$4,681,800      | \$4,681,800      | \$3,121,200      |
| 75 per cent inefficient.....  | 1,737                                                                 | 1,000                       | 1,737,000        | 1,302,750        | 1,042,200        |
| 50 per cent inefficient.....  | 1,256                                                                 | 1,200                       | 1,507,200        | 733,600          | 753,600          |
| <b>Total.....</b>             | <b>8,195</b>                                                          |                             | <b>7,926,000</b> | <b>6,738,150</b> | <b>4,917,000</b> |

That is, the Government is now paying annually some 8,195 employees \$6,738,150 for work not performed by them, but actually performed by other employees. It would cost about \$4,917,000 per year to retire these employees, a net saving by retirement of about \$1,821,150.

If we take into consideration the \$240 bonus, which will be granted to these 8,195 employees for the fiscal year ending June 30, 1921, there will be an additional saving of \$1,966,800.

I am further advised that the McKellar-Keating bill was actually examined by Dr. Maddrill, at that time employed as actuary in the Bureau of Efficiency, and I take pleasure in referring to his testimony before the Committee on Civil Service and Retrenchment of the Senate from which I read:

The CHAIRMAN. Dr. Maddrill, have you made a statement as to the estimated receipts in the form of deductions from employees' salaries, for the first six years, and the disbursements upon withdrawals prior to pension age, the pensions, and guaranteed returns to pensioners, and the differences in these figures; and if so, will you file the same as Exhibit C to this hearing?

Dr. MADDRILL. I herewith file a statement along those lines. (The statement referred to is here printed in full, as follows:)

"EXHIBIT C.—Estimated excess of amount of deductions over the amount paid upon withdrawal and as pensions and guaranteed returns to pensioners.

[McKellar-Keating bill (S. 4637, H. R. 12352).]

| Fiscal year ending July 1— | Receipts in the form of deductions. | Disbursements upon withdrawals prior to pension age. | Pensions and guaranteed returns to pensioners. | Excess.     |
|----------------------------|-------------------------------------|------------------------------------------------------|------------------------------------------------|-------------|
| 1920.....                  | \$9,000,000                         | \$400,000                                            | \$1,732,000                                    | \$6,900,000 |
| 1921.....                  | 9,400,000                           | 865,000                                              | 1,972,000                                      | 6,550,000   |
| 1922.....                  | 9,500,000                           | 1,340,000                                            | 2,154,000                                      | 6,000,000   |
| 1923.....                  | 9,600,000                           | 1,840,000                                            | 2,400,000                                      | 5,350,000   |
| 1924.....                  | 9,700,000                           | 2,360,000                                            | 2,589,000                                      | 4,750,000   |
| 1925.....                  | 9,770,000                           | 2,910,000                                            | 2,778,000                                      | 4,100,000   |

EXHIBIT D.—Cost of pensions and guaranties.

[McKellar-Keating bill (S. 4637, H. R. 12352).]

| Fiscal year ending July 1— | Retiring July 1, 1919 (assuming bill will become effective then). |               |                        | Retiring annually thereafter. |           |         |           |                  |           | Combined cost by years. |
|----------------------------|-------------------------------------------------------------------|---------------|------------------------|-------------------------------|-----------|---------|-----------|------------------|-----------|-------------------------|
|                            | 1,344 mechanics, carriers, and railway postal clerks.             | 3,232 others. | 4,576 civil employees. | Mechanics, carriers, etc.     |           | Others. |           | Civil employees. |           |                         |
|                            |                                                                   |               |                        | Number.                       | Cost.     | Number. | Cost.     | Number.          | Cost.     |                         |
| 1920.....                  | \$549,200                                                         | \$1,183,300   | \$1,732,500            |                               |           |         |           |                  |           | \$1,732,000             |
| 1921.....                  | 510,000                                                           | 1,081,000     | 1,591,000              | 331                           | \$137,100 | 581     | \$243,800 | 912              | \$350,900 | 1,972,000               |
| 1922.....                  | 471,100                                                           | 980,700       | 1,451,800              | 340                           | 226,900   | 605     | 475,300   | 945              | 702,200   | 2,154,000               |
| 1923.....                  | 432,600                                                           | 883,300       | 1,315,900              | 349                           | 388,900   | 630     | 665,400   | 979              | 1,084,300 | 2,400,000               |
| 1924.....                  | 394,700                                                           | 790,000       | 1,184,700              | 358                           | 503,100   | 657     | 901,200   | 1,015            | 1,404,300 | 2,589,000               |
| 1925.....                  | 375,600                                                           | 700,000       | 1,075,600              | 367                           | 608,700   | 684     | 1,093,500 | 1,051            | 1,702,200 | 2,778,000               |
| 1926.....                  | 321,500                                                           | 614,500       | 936,000                | 376                           | 710,200   | 712     | 1,273,400 | 1,088            | 1,983,600 | 2,920,000               |
| 1927.....                  | 286,800                                                           | 534,500       | 821,300                | 386                           | 807,600   | 742     | 1,448,500 | 1,128            | 2,256,100 | 3,077,000               |
| 1928.....                  | 253,800                                                           | 460,000       | 713,800                | 396                           | 901,000   | 773     | 1,618,800 | 1,169            | 2,519,800 | 3,234,000               |
| 1929.....                  | 222,500                                                           | 391,400       | 613,900                | 406                           | 990,100   | 805     | 1,784,500 | 1,211            | 2,774,600 | 3,388,000               |

In the consideration of the cost we should not overlook the estimated loss in dollars and cents to the Government at the present time due to inefficiency on account of superannuation and physical disability.

In 1912 it was estimated that the Government was annually sustaining a loss of about \$2,500,000 as the result of main-

"The amounts of pensions and guaranteed returns to pensioners can be computed for the first few years with fair confidence, for the reason that the portion of the service which they cover is probably not much affected by the present abnormal conditions. These payments are to be made not only from the civil service retirement fund but also from public moneys.

"On the other hand, the amounts of the deduction to be received, following the passage of the bill, from the employees now in the service are just as indeterminate as the present size of the service itself. While the Bureau of Efficiency, in the course of other investigations, has been called upon to estimate the size of the present service, and has, perhaps, received as authentic information as can be furnished, the numbers assumed to be now in the service must be deemed conjectural. The amounts of deductions received and of disbursements upon withdrawals prior to pension age must, therefore, be taken as more or less uncertain approximations.

"It seems hardly necessary to point out that the differences in the last column are not an index to the solvency of the scheme. They have no actual significance. The amounts in the first column are received to pay definite pensions mostly in the distant future, though they may, like savings deposits, be withdrawn from the account earlier. The amounts in the third column are combined costs to the Government and to the employee."

The CHAIRMAN. From these figures on Exhibit A, I notice that the percentage is a little more than 5 per cent. Generally speaking, do you think that 5 per cent of the salaries of the civil-service employees will pay for this system?

Mr. MADDRILL. Five per cent will very nearly cover the cost of this proposed bill, as shown by these figures.

The CHAIRMAN. I now call your attention to Exhibit C, in which I notice that within the first six years the aggregate amounts received from the employees are very considerably in excess of the amount to be paid out in pensions and guaranteed returns to the annuitants and to be paid out upon withdrawals prior to the pension age. Will you kindly explain this?

Mr. MADDRILL. The statement made following the table in Exhibit C practically covers these points, Senator. There I have endeavored to make it clear that the receipts in the form of deductions greatly exceed the gross payments to be made during the first few years of the system. When all the employees at present in the service have retired the figures will show receipts and disbursements very nearly equal.

The CHAIRMAN. In other words, Dr. Maddrill, as I understand you, while for the first few years the aggregate amount received from the employees will very considerably exceed the amount paid out by the Government, still, as the years go by and the system continues in force, the amount that the Government pays will increase until the two will be about equal?

Mr. MADDRILL. That is true. I might add one thing more. This statement would be almost exactly true if no growth were to take place in the service, but as it is natural to assume that the service will always grow, the payments made in the form of deductions being made by the employees for benefits to be received by them many years hence will for that reason rather exceed payments paid out by the Government.

The CHAIRMAN. Some criticism has been suggested that inasmuch as the United States Government now needs all its funds to carry on the war, it would not be wise to institute this system, which will cost the Government money, while the war is going on. As I understand these figures, instead of the Government having to pay out any money for the retirement system for the next few years, it will actually receive more money from the employees during the next few years than it will pay out in retirement pensions; is that correct?

Mr. MADDRILL. Of course, you understand that the moneys paid in by the employees actually belong to them, and, accordingly, during the first few years of the system they could be regarded as a loan by the employees to the Government. In other words, the funds paid in by the employees are trust funds in the hands of the Government.

The CHAIRMAN. Dr. Maddrill, have you made a statement of figures in reference to this cost, and, if so, will you submit it for the record and mark it "Exhibit D"?

Mr. MADDRILL. I have made figures showing the calculation of the cost the first years of pensions and guaranties, and will mark the same "Exhibit D" and submit it herewith.

(The matter referred to is here printed in full, as follows:)

taining upon its rolls inefficient employees in the various branches of the service, the inefficiency being primarily due to superannuation or physical disability. In other words, the Government is now maintaining, by indirection at least, a costly system of civil pensions where the presence of these aged and infirm persons can not help but be demoralizing to the younger



personnel of the service, as in many cases these aged employees perform little or no service and report for duty merely for the purpose of drawing their regular monthly pay.

The question may be asked, Why are these aged employees retained in the service, why are they not dismissed because of their inefficiency? The answer is plain. To do so would be considered heartless and cruel and contrary to the dictates of humanity, and Congress has been repeatedly told by Cabinet officers, heads of bureaus, and other supervisory officials that they will not dismiss these aged people, as to do so would in many cases result in great distress or would force these people to be cared for by charitable institutions if not fortunate enough to have friends or relatives who would provide for them.

The Government of the United States, rich, prosperous, and a leader in world thought, is the only civilized Nation in the world which has not made some sort of provision to take care of its aged and disabled civil-service workers.

Congress has enacted legislation pensioning the employees in the Life-Saving Service, the enlisted men in the Coast Guard Service, and the employees in the Lighthouse Establishment, and the Judiciary. In addition, Army and Navy paymasters clerks are pensioned, and in all of these instances wholly at the expense of the Government and without any contributions from the employees themselves, while this bill attempts to make a division of the cost between the Government and its employees upon approximately the basis of five-eighths for the Government and three-eighths for the employees.

The bill carries an appropriation of \$100,000 to cover administrative expenses, and this money is to be appropriated out of moneys not otherwise appropriated in the Treasury of the United States. It has been claimed, and I accept it as being true, that for a period of nine or ten years the Government will not be called upon to make any direct appropriations from the Treasury for the purpose of paying annuities, for the reason that during this period it has been estimated by the actuaries that the moneys derived from the deductions from the salaries of the employees will accumulate in considerable volume, and from this civil-service retirement fund annuities will be paid. During this period of time, of course, the Government will hold these deductions with the accumulating compound interest at the rate of 4 per cent, compounded annually, as a trustee, but nevertheless will have the use of this money for the purpose of paying annuities.

As bearing upon the question of cost, I wish to call attention to the following statement made by the Joint Commission on Reclassification of Salaries in its report submitted to Congress on March 12, 1920:

NEED FOR RETIREMENT LAW.

Your commission recommends the immediate enactment of an actuarially sound retirement law. Our investigations have convinced us that the Government is maintaining a most expensive civil pension system. Thousands of supernumerares encumber the pay rolls and reduce the morale of the departments. Some are brought to their desks in wheeled chairs, and in one case an employee frankly told your commission that he had no duties, "because he was blind." Of course, no administrative officer has been found heartless enough to dismiss these faithful servants from the positions they occupy. Their salaries amount to much more than would be the cost of a generous retirement system, to say nothing of the decreased efficiency resulting from their presence.

In making the statement quoted from the report, it should be borne in mind that the commission had the fullest opportunity during the period covered by the report in making a detailed study of the entire civil service in the city of Washington, including not only the departmental service but the civil-service personnel of the District of Columbia as well. Questionnaires were submitted by approximately 100,000 civil-service employees.

Number of employees in the executive civil service in the District of Columbia on Apr. 1, 1917, Nov. 11, 1918, July 1, 1919, and subsequent dates.

[Figures for dates subsequent to July 1, 1919, are based partly upon informal reports.]

|                                         | Apr. 1, 1917. | Nov. 11, 1918. | July 1, 1919. | Sept. 30, 1919. | Oct. 31, 1919. | Nov. 30, 1919. | Dec. 31, 1919. | Jan. 31, 1921. |
|-----------------------------------------|---------------|----------------|---------------|-----------------|----------------|----------------|----------------|----------------|
| Department of State.....                | 281           | 686            | 778           | 773             | 769            | 782            | 779            | 789            |
| Department of the Treasury.....         | 8,285         | 29,342         | 32,645        | 36,723          | 38,140         | 38,325         | 38,065         | 37,444         |
| Department of War.....                  | 2,816         | 37,405         | 27,416        | 23,709          | 22,287         | 21,684         | 21,153         | 20,523         |
| Department of Justice.....              | 321           | 541            | 452           | 476             | 492            | 496            | 500            | 510            |
| Post Office Department.....             | 2,097         | 2,396          | 2,463         | 2,463           | 2,463          | 2,463          | 2,463          | 2,463          |
| Department of the Navy.....             | 6,376         | 12,500         | 11,037        | 11,473          | 11,443         | 11,271         | 11,105         | 10,838         |
| Department of the Interior.....         | 5,294         | 5,361          | 5,513         | 5,713           | 5,792          | 5,867          | 5,936          | 5,957          |
| Department of Agriculture.....          | 4,200         | 4,100          | 4,100         | 4,827           | 4,819          | 4,778          | 4,766          | 4,721          |
| Department of Commerce.....             | 1,656         | 2,298          | 2,356         | 2,060           | 2,081          | 2,100          | 2,160          | 2,583          |
| Department of Labor.....                | 390           | 1,427          | 597           | 325             | 332            | 324            | 334            | 190            |
| Government Printing Office.....         | 3,996         | 5,280          | 4,794         | 5,092           | 5,172          | 5,171          | 5,154          | 5,150          |
| Smithsonian Institution.....            | 462           | 368            | 453           | 453             | 447            | 445            | 441            | 438            |
| Interstate Commerce Commission.....     | 862           | 796            | 836           | 854             | 856            | 855            | 862            | 863            |
| Civil Service Commission.....           | 225           | 654            | 320           | 308             | 320            | 317            | 315            | 331            |
| United States Bureau of Efficiency..... | 23            | 38             | 34            | 67              | 73             | 72             | 55             | 83             |
| Federal Reserve Board.....              | 75            | 124            | 159           | 188             | 265            | 318            | 320            | (c)            |

<sup>1</sup> No report for this period.

<sup>2</sup> No report for a preceding period or periods.

<sup>3</sup> No report for this and preceding period or periods.

<sup>4</sup> Approximate.

<sup>5</sup> Dropped; salaries not paid from Federal funds.

HOW WILL THE RECLASSIFICATION OF SALARIES AFFECT THE OPERATION OF THE RETIREMENT LAW?

It has been contended by some that in the event Congress should enact a retirement law for the civilian employees of the Government based upon their individual contributions, it would at once be made the basis for a general increase of salaries to cover the amount of such deductions. It should be remembered that the bill under consideration provides that no deduction shall exceed 2½ per cent of the basic pay, salary, or compensation of the employees. The report of the Joint Commission on Reclassification of Salaries plainly shows that independent of any retirement law the salaries of Government employees should be readjusted with substantial increases in many instances, and if the report of this joint commission should be made the basis for the enactment of law embodying the recommendations contained in the report, it would undoubtedly create a greater sense of satisfaction on the part of the employees contributing a portion of their salaries toward the creation of their retiring annuities, simply for the reason that the increases recommended by the joint commission are more than sufficient to cover the small percentage of deduction contemplated under the terms and provisions of this bill.

In order that the records may have a complete answer to the oft-repeated question, What is the number of civil-service employees in the District of Columbia and in the various departments of the Government? I wish to insert here a letter from the Hon. Martin A. Morrison, president of the United States Civil Service Commission, together with a table of statistics covering this inquiry:

UNITED STATES CIVIL SERVICE COMMISSION,  
Washington, D. C., March 24, 1920.

HON. ADOLPHUS P. NELSON, M. C.,  
Room 276, Office Building, House of Representatives,  
Washington, D. C.

MY DEAR MR. NELSON: In response to your personal inquiry as to the number of persons in the Federal civil service, I inclose herein two tables. You will note that one relates only to employees within the District of Columbia. This list is approximately correct down to January 31, 1920. We have no later figures that are complete.

The other list relates only to service outside the District of Columbia and is approximately correct down to July 1, 1919. We have no later figures that are complete. You will note that the total number within the District of Columbia on January 31, 1920, was 100,110. It is estimated that by July 1, 1920, the number will be smaller.

You will note that the total in the field service (outside the District of Columbia) on July 1, 1919, was 657,744. This number has been considerably reduced and is being reduced.

|                                           |         |
|-------------------------------------------|---------|
| Total number in District of Columbia..... | 100,110 |
| Total number outside.....                 | 657,744 |
|                                           | 757,854 |

The commission estimates that by July 1, 1920, the grand total of 757,854 will be reduced to less than 650,000. Of course, drastic legislation in the meantime may make greater reductions. As the commission must await official reports on appointments and separations, it is rarely possible to give official figures complete and accurate to date. The commission has compiled no data in the matter of the ages of Federal employees, and therefore can not estimate the effect of the pending retirement legislation.

Very truly yours,  
MARTIN A. MORRISON,  
President.

UNITED STATES CIVIL SERVICE COMMISSION,  
Washington, D. C., April 27, 1920.

HON. ADOLPHUS P. NELSON,  
House of Representatives.

MY DEAR MR. NELSON: Supplementing my letter to you of March 24, 1920, I respectfully call your attention to the fact that the figures therein include the entire personnel of the civilian Executive branch of the Federal Government. In order to give you the best available figures on the probable number that will be in the competitive classified civil service on July 1, 1920, I beg to report that the number will be approximately 430,000 persons.

Very truly yours,  
MARTIN A. MORRISON,  
President.

Number of employees in the executive civil service in the District of Columbia on Apr. 1, 1917, Nov. 11, 1918, July 1, 1919, and subsequent dates.—Continued.

|                                                  | Apr. 1, 1917. | Nov. 11, 1918. | July 1, 1919. | Sept. 30, 1919. | Oct. 31, 1919. | Nov. 30, 1919. | Dec. 31, 1919. | Jan. 31, 1920. |
|--------------------------------------------------|---------------|----------------|---------------|-----------------|----------------|----------------|----------------|----------------|
| Federal Trade Commission                         | 196           | 691            | 377           | 369             | 361            | 389            | 384            | 408            |
| United States Shipping Board                     | 22            | 1,227          | 1,879         | 1,957           | 1,953          | 1,954          | 1,909          | 1,911          |
| Railroad Administration                          | 323           | 1,168          | 1,324         | 1,360           | 1,393          | 1,419          | 1,390          | 1,395          |
| Council of National Defense                      | 33            | 323            | 114           | 71              | 71             | 71             | 68             | 69             |
| War Trade Board                                  |               | 2,338          | 267           | 101             | 98             | 96             | 92             | 91             |
| Alien Property Custodian                         |               | 512            | 397           | 318             | 310            | 295            | 282            | 269            |
| United States Tariff Commission                  | 25            | 74             | 56            | 78              | 83             | 86             | 85             | 86             |
| United States Employees' Compensation Commission | 6             | 43             | 60            | 58              | 64             | 67             | 72             | 74             |
| Federal Board for Vocational Education           |               | 222            | 704           | 1,037           | 937            | 982            | 1,019          | 1,069          |
| The Panama Canal                                 | 110           | 110            | 110           | 111             | 113            | 112            | 112            | 120            |
| Interdepartmental Social Hygiene Board           |               | 2              | 16            | 31              | 32             | 33             | 33             | 35             |
| Superintendent State, War, and Navy Building     | 187           | 1,694          | 1,860         | 1,860           | 1,775          | 1,738          | 1,694          | 1,679          |
| War Industries Board                             |               | 1,295          | 80            | 9               | 9              | 9              | 9              | 9              |
| United States Food Administration                |               | 1,490          |               |                 |                |                |                |                |
| United States Fuel Administration                |               | 4,948          |               |                 |                |                |                |                |
| Total                                            | 37,908        | 117,454        | 102,126       | 102,766         | 102,519        | 102,950        | 101,562        | 100,110        |

<sup>1</sup> No report for August, 1919.

<sup>2</sup> No report for this and preceding period or periods.

<sup>3</sup> No report for a preceding period or periods.

<sup>4</sup> No report for July, 1919.

<sup>5</sup> Approximate.

<sup>6</sup> No report for this period.

NUMBER OF PERSONS IN THE EXECUTIVE SERVICE OF THE FEDERAL GOVERNMENT JULY 1, 1919, OUTSIDE DISTRICT OF COLUMBIA.<sup>1</sup>

[Compiled from data furnished to the Bureau of the Census by the several departments and independent offices. In some cases the figures are only approximations, owing to the fact that certain of the departments and offices have lump-sum appropriations and the force paid from such appropriations is continually varying in size.]

|                                                     |         |
|-----------------------------------------------------|---------|
| Department of State                                 | 1,098   |
| Department of the Treasury                          | 26,307  |
| Department of War                                   | 168,063 |
| Department of Justice                               | 2,470   |
| Post Office Department                              | 284,377 |
| Department of the Navy                              | 96,751  |
| Department of the Interior                          | 13,147  |
| Department of Agriculture                           | 17,872  |
| Department of Commerce                              | 8,276   |
| Department of Labor                                 | 3,078   |
| Interstate Commerce Commission                      | 1,378   |
| Civil Service Commission                            | 49      |
| United States Shipping Board <sup>2</sup>           | 15,650  |
| Federal Board for Vocational Education <sup>3</sup> | 1,741   |
| The Panama Canal                                    | 17,487  |
| Total                                               | 657,744 |
| Total on July 1, 1917                               | 476,388 |

POST-OFFICE EMPLOYEES.

Some time ago I received from the Chamber of Commerce of Ashland, Wis., the following statement:

At a meeting of the board of directors of the Ashland Chamber of Commerce held Tuesday, April 6, 1920, the matter of the insufficient help in the Ashland post office came to its attention, and the Secretary was instructed to write you calling attention to the condition as exists locally, and in addition to make the recommendation for the board of directors of the Ashland Chamber of Commerce that attention be given to the general matter of the increase in pay for post office as well as other Federal employees.

This request from the Chamber of Commerce of Ashland led me to make a thorough investigation into the service of our post-office employees, and I am amazed at the inadequate salaries which are provided for this large branch of the Government service. Indeed, it is my belief, after a thorough investigation, that the post-office employees are one of the most efficient and conscientious set of men in our Government service and deserve our very best consideration. I find that but trifling increases have been made in their salaries since the year 1883, while the cost of living has increased since that time over 100 per cent.

We hear very much these days about the inadequate pay of the preacher and the teacher, and I am persuaded that the teacher and the preacher are entirely inadequately paid for the services rendered to the good of society. I am also persuaded that to this class must be added the post-office Federal employee, and I wish to say, at this point, that I sincerely hope that when the report of the Reclassification Commission will be before us, we will do the right thing and give a square deal to all post-office employees. During all the hardships of the war they stood manfully by our Government and have given us their very best all through the great conflict. The postal employees stuck manfully to their duties and worked untold overtime periods but did not receive an adequate raise to help them. In my judgment, it is necessary for us to conserve the best interests of our Postal System by giving a proper wage to our postal employees. Under most trying conditions in many places they have faithfully performed their duties, and I believe that it is up to Congress to see that the service shall be improved by keeping in the service, through

<sup>1</sup> United States Railroad Administration not included.

<sup>2</sup> Includes Emergency Fleet Corporation, but only employees of administrative and executive divisions, not mechanics and other employees of the various shipyards.

<sup>3</sup> Number of employees reported on Nov. 11, 1919.

adequate wage and proper retirement law, the best talent and the best brains possible. I am glad to believe that when we shall have the whole question before us we should do the square thing by this important branch of our Government service, and these faithful employees of the Postal Service shall be given a square deal. [Applause.]

For facts and figures and suggestions upon which I base my arguments, I wish to give full credit to Joseph S. McCoy, the Government actuary; Dr. Lewellyn Jordan, of the Treasury Department; Gilbert E. Hyatt, president of the National Federation of Postal Employees; R. H. Alcorn, chairman of the Joint Conference on Retirement and president of the American National Association of Supervisors; John S. Beach, of the Pension Bureau; E. J. Ryan, president National Railway Mail Association; Senator STERLING, of the Senate Committee on Civil Service and Retrenchment; and to our able chairman of the House committee, Mr. LEHLBACH, who has worked most efficiently in season and out of season for the enactment of a proper retirement law.

NEEDS OF POST-OFFICE CLERKS AS TO RETIREMENT.

One of the handicaps of the post-office clerk is the name under which he is known. He is not a clerk in the common meaning of the term, but is a highly specialized tradesman who, after undergoing an arduous training, becomes a skilled distributor of mail. This trade is based upon an accurate knowledge of a series of facts concerning the proper dispatch of mail to trains, or of the names of firms, the streets, and numbers served by the carriers of his city. Just how severe the training required is can be shown by the following tabulation of facts necessary to the proper dispatch of one city:

A SEVERE TEST OF EFFICIENCY.

During his service he is required to commit to memory a scheme of distribution comprising from 10,000 to 25,000 separate and distinct notations or facts. To illustrate: He must know that the town of Olney, Ill., is in the county of Richland, that a letter for that place must be dispatched on the 8.30 a. m. auto for connection with the Chicago and Carbondale railway post-office train 23, No. 1, via Champaign, leaving the Illinois Central depot at 8.45 a. m. When this train is gone he must know on what train to send it next and so on as per following schedule:

Chicago and Carbondale train 23, No. 1 (via Champaign), Illinois Central depot, pouch locks 8.29 a. m., auto 8.30 a. m., train time 8.45 a. m.

Chicago and St. Louis train 21, No. 3, Dearborn station, pouch locks 9.41 a. m., auto 9.42 a. m., train time 10 a. m.

Chicago, Springfield, and St. Louis train 1, No. 3, Union station, pouch locks 9.59 a. m., auto 10 a. m., train time 10.15 a. m.

Chicago and Evansville train 93, No. 3, Dearborn station, pouch locks 12.06 p. m., auto 12.07 p. m., train time 12.25 p. m.

Chicago and Carbondale train 3, No. 2, except Saturday, Illinois Central station, pouch locks 5.59 p. m., auto 6 p. m., train time 6.15 p. m.

Chicago and Carbondale train 21, No. 2, except Saturday, Illinois Central station, pouch locks 8.14 p. m., auto 8.15 p. m., train time 8.30 p. m.

He must have stored away in his memory approximately the same amount of information regarding 2,000 to 5,000 other post offices in his particular State or section of States. He must, besides, be ever on the alert for letters that are overweight or stamps that are uncanceled while he distributes mail at the rate of 50 to 75 pieces per minute.

As train schedules change, post offices are discontinued, new ones established, or old ones reestablished, the schemes of distribution are in a continual state of fluctuation, so that the clerk, in order to maintain a proper standard of efficiency, must study and practice at home.

He must be prepared to take an examination every 75 days or every year, according to scheme, and pass with a mark of not less than 95 per cent. This requires him to devote on an average of one hour a day to his study at home.

Regarding the efficiency of the average post-office clerk, Mr. Frank H. Galbraith, superintendent of mails in the Chicago office, made the statement that the post-office clerk makes only one error in every 34,026 pieces of mail handled, while the general public makes one in every 177.

When it is realized that the dispatch of mail to a whole State, or even a group of States, forms the necessary equipage of every



distributor, it becomes plain that only the freshest and most retentive minds can absorb the new facts and unlearn the old ones involved in this work. Men of advanced years can not acquire with any degree the same facility as can a young man the new and arbitrary series of data which is the trade of the post-office clerk. In addition to this basic condition, which is enough in itself to establish that any man of 62 years, perhaps at his highest efficiency for other classes of work, is past his zenith as a distributor, are certain other conditions surrounding this calling which make it peculiarly one of the Government industries to which the principle of retirement should be applied in the interests of both humanity and of efficiency. [Applause.]

SALARIES OF POSTAL EMPLOYEES.

The postal employees have been notoriously underpaid for many years. So much is this true that it is a palpable impossibility for a competent employee to save on the wage formerly established and the one now allowed. For many years the maximum salary was \$1,200, only reached after at least six years in lower classifications, \$1,100 having been the limit in the second-class office. At present there has been allowed a temporary classification with a maximum of \$1,650. That this increase, gained after over a decade of waiting, is now less adequate than the former classification at the time of its inauguration is shown by the following tables of cost compiled by Chicago post-office clerks and making a more modest estimate of the situation than many other creditable sources have brought forward.

A MINIMUM EXISTENCE EXPENSE ACCOUNT FOR FAMILY OF FOUR.

|                                                                                                                  |                 |
|------------------------------------------------------------------------------------------------------------------|-----------------|
| Minimum existence expense account for family of four, including two children of school age:                      |                 |
| Rent, \$25 per month                                                                                             | \$300.00        |
| Fuel, 5 tons coal at \$12 per ton                                                                                | 60.00           |
| Gas and light, \$4 per month                                                                                     | 48.00           |
| Food, at 18 cents per person per meal, \$15.12 per week                                                          | 786.24          |
| Clothing, including shoes, underclothing, coats, hats, suits, etc., husband and wife, \$150; two children, \$150 | 300.00          |
| Insurance, household and life                                                                                    | 92.60           |
| Telephone, necessity because of irregular working hours                                                          | 18.00           |
| Reading matter, newspaper and two magazines                                                                      | 13.88           |
| Carsfare to and from work only                                                                                   | 37.44           |
| Doctor and dentist bills                                                                                         | 50.00           |
| Household upkeep, \$5 per month, and incidentals, \$2 per month                                                  | 84.00           |
| <b>Total for year's necessities</b>                                                                              | <b>1,790.16</b> |

ESTIMATE BASED ON AMERICAN STANDARD OF LIVING.

|                                                                                  |                 |
|----------------------------------------------------------------------------------|-----------------|
| Additional items necessary to the maintenance of an American standard of living: |                 |
| Interest on home, \$15 per month                                                 | \$180.00        |
| Fuel, 1 ton additional                                                           | 12.00           |
| Repairs and upkeep                                                               | 100.00          |
| Insurance on house                                                               | 10.00           |
| Reading matter for educational purposes                                          | 10.00           |
| Church or lectures                                                               | 25.00           |
| Recreation, vacation, \$50; movies or other diversions, \$1 per week             | 102.00          |
| Doctor and dentist bills reduced \$25 because of better living conditions        | 439.00          |
|                                                                                  | 25.00           |
| <b>Minimum existence, total</b>                                                  | <b>1,790.16</b> |
| <b>Grand total</b>                                                               | <b>2,204.16</b> |

In comparing these totals with the prevailing salaries paid the postal employees the question arises as to how they manage to get along.

A comparative scale of wages, gathered by the same organization, the Chicago Local No. 1, National Federation of Postal Employees, shows something of the handicap suffered by the postal employees on the score of comparative remuneration:

REMUNERATION IN PRIVATE INDUSTRIES FAR GREATER THAN IN POSTAL SERVICE.

That private industries have recognized the necessity for wages commensurate with the increased cost of living is evidenced by the following table of salaries. We insert the salaries of postal employees at the bottom of each group to show the marked contrast in Government salaries.

|                         |                        |
|-------------------------|------------------------|
| Masons and bricklayers  | Per annum. \$2,002.00  |
| Structural iron setters | 2,002.00               |
| Plasterers              | 2,002.00               |
| Hoisting engineers      | 2,002.00               |
| Electrical workers      | 2,002.00               |
| Steam fitters           | 1,864.72               |
| Tile setters            | 1,859.00               |
| Plumbers                | 1,859.00               |
| Gas fitters             | 1,859.00               |
| Stonecutters            | 1,859.00               |
| Cement floor layers     | 1,859.00               |
| Ornamental iron setters | 1,830.40               |
| Lathers                 | 1,830.40               |
| Carpenters              | 1,830.40               |
| Roofers                 | \$1,773.20 to 1,830.40 |
| Sprinkler fitters       | 1,830.40               |
| Pipe coverers           | 1,744.60               |
| Marble cutters          | 1,716.00               |
| Painters                | 1,716.00               |

|                       |                   |
|-----------------------|-------------------|
| Sheet-metal workers   | \$1,716.00        |
| Cement finishers      | 1,716.00          |
| Elevator constructors | 1,716.00          |
| Post-office clerks    | 1,000 to 1,500.00 |

The above workers, excepting the postal clerks, receive time and one-half for overtime, with double time for work performed on Sundays and holidays.

Many of these workers have received increases in pay since the above schedule was put into effect.

PRINTERS.

|                                       |                          |
|---------------------------------------|--------------------------|
| Printers, pressmen                    | \$1,024.00 to \$2,340.00 |
| Folding-machine operators, 3 machines | 1,846.00                 |
| Stock cutters                         | 1,768.00                 |
| Tension men                           | 1,716.00                 |
| Folding-machine operators, 2 machines | 1,790.00                 |
| Separating-machine operators          | 1,638.00                 |
| Separating-machine assistants         | 1,638.00                 |
| Folding-machine feeders               | 1,560.00                 |
| Press feeders                         | 1,604.00                 |

Night work \$1.50 per week in excess of day scale.

STOCKYARD WORKERS.

|                                                           |          |
|-----------------------------------------------------------|----------|
| Cattle killing, floormen                                  | 2,496.00 |
| Cattle killing, splitters                                 | 2,496.00 |
| Cattle killing, backers                                   | 2,381.20 |
| Cattle killing, rumpers                                   | 2,256.40 |
| Cattle killing, sticking and heading                      | 1,996.80 |
| Cattle killing, knocking only                             | 1,747.20 |
| Sheep killing, pelters                                    | 2,184.00 |
| Sheep killing, sitters                                    | 2,184.00 |
| Hog killing, scalders                                     | 2,121.60 |
| Hog killing, helpers                                      | 2,184.00 |
| Hog killing, gutting                                      | 2,496.00 |
| Beef casing, middle fatter                                | 2,496.00 |
| Beef casing, scraping tripe                               | 2,121.60 |
| Hog casings, feeding machine                              | 1,872.00 |
| Kitchen cooks                                             | 1,996.80 |
| Live-stock handlers, scale counters                       | 1,920.00 |
| Live-stock handlers, feeders                              | 1,800.00 |
| Common labor, men and women                               | 1,632.40 |
| Post-office clerks, including expert distributors—maximum | 1,500.00 |

TEAMSTERS AND CHAUFFEURS.

|                                                                            |          |
|----------------------------------------------------------------------------|----------|
| Laundry-wagon drivers, \$25 per week and commission, average \$40 per week | 2,080.00 |
| Milk-wagon drivers, \$35 per week and commission, average \$36.50          | 1,898.00 |
| Bakery-wagon drivers, \$25 per week and commission, average \$42 per week  | 2,184.00 |
| Chauffeurs, 7-ton truck                                                    | 1,768.00 |
| Chauffeurs, 5-ton truck                                                    | 1,638.00 |
| Chauffeurs, 3-ton truck                                                    | 1,508.00 |
| Teamsters, 4-horse wagon                                                   | 1,508.00 |
| Post-office clerks, expert distributors included—maximum                   | 1,500.00 |

RAILROAD OFFICE CLERKS.

Freight rate clerks, \$1,500 to \$1,700 per year and over. Post-office clerks are the lowest paid of any of the above-mentioned workers.

The rate of increase in the cost of living is claimed by experts to be one which will continue. The present situation is shown by the following table:

HOW COST OF FOOD INCREASED.

In support of the food item of \$786.24, we submit the following table taken from the report issued by the Government April 18, 1919:

|                          | 1913   | 1914   | 1917   | 1918   | To-day. |
|--------------------------|--------|--------|--------|--------|---------|
| Sirloin steak.....pound. | \$0.25 | \$0.26 | \$0.30 | \$0.37 | \$0.45  |
| Pork chops.....do.       | .20    | .30    | .31    | .38    | .42     |
| Bacon, sliced.....do.    | .32    | .32    | .50    | .60    | .63     |
| Lard.....do.             | .15    | .15    | .31    | .35    | .37     |
| Eggs.....dozen.          | .39    | .35    | .30    | .68    | .52     |
| Butter.....pound.        | .36    | .36    | .49    | .65    | .72     |
| Milk.....quart.          | .08    | .08    | .12    | .14    | .13     |
| Bread.....pound loaf.    | .06    | .07    | .10    | .10    | .10     |
| Sugar.....pound.         | .05    | .06    | .08    | .10    | .11     |

As a whole, 22 articles were 2 per cent higher last month than the preceding month, and were 14 per cent higher than March, 1918.

For the six-year period, March, 1913, to March, 1919, the increase in the retail prices of all the foods was 80 per cent, with flour, bacon, lard, and cornmeal increasing more than 100 per cent.

This should establish the fact that the postal worker is not and has not been in a position to lay up a surplus against old age. If the Government has taken his youth and vitality until he can no longer meet the strain of his calling, without paying a sufficient wage to allow him to provide for himself the responsibility for his proper provision in old age certainly rests with his employer.

To return to the peculiarities of the post-office clerks' calling a number of other circumstances make it one in which it is not a profession to be followed to an advanced age.

NIGHT WORK.

Work at night is deteriorating. The unnatural conditions of rest and of labor inseparable from duty at night are wearing on young men, producing an earlier breakdown. On the older man, requiring his natural rest for recuperation, this hardship produces a keen effect on the well being of the individual and on the quality of his work. Something like 70 per cent of the distributors work at night.

## OVERTIME.

The Post Office Department exacts from its employees an amount of overtime at certain periods of the year that can not be followed without a drain on the vitality. Bitter complaint has been made against this by the clerks of the service, and these complaints are being made at the present time. Chicago, Minneapolis, Omaha, and other places are cases in point.

## SPEEDING UP.

The very nature of the work requires, during the rush periods when the post offices are swamped with mail, in the evenings, at the first of the month, and the beginning of the year, and of the quarters of the year, that the post-office clerk must work at high tension. The form of the examinations he must pass, periodically, to prove his qualification for the job show that speed is considered one of the prime requisites. Add to this the almost perfect accuracy obviously necessary and it becomes plain that while the young and the middle-aged can meet the strain, the aged can not.

## LOWERED MORALE.

One of the by-products of a lack of a retirement provision is the effect on the men in the service. The boys have before their eyes every day that they work object lessons in the penalty paid by those who spend a lifetime in the Government service. They see the aged employee, after years of expert work, struggling to keep up his end, pitifully trying to hide the fact that he is not able to deliver the amount of work set as a standard by the average of the other men, and only hoping that his deficiencies will pass unnoticed. They realize that the old man is there only on sufferance and that it is only the simple humanity or perhaps the shame of those in authority which prevents him being driven from the service. Concrete examples of this condition may be found in almost every post office of any size in the country. The effect on the young man entering the service can be seen in the increasing difficulty of retaining these young men in the service. A letter from Detroit says that it is hard to retain the newcomer beyond two days and that the younger element among the regular force is resigning at the rate of from 10 to 20 a week. The civil-service periodicals throughout the country show the effort necessary to recruit the force to its bare requirements. Under this situation it is the young man who leaves, the old one must remain, and the result is an increasing retirement problem. Chicago and New York are in this condition, and it is a general rather than an exceptional condition throughout the country. It simply means that the recruit for the service, learning the facts surrounding his employment and seeing the concrete proofs that the calling holds no future, leaves it as soon as possible. The former attitude of the public, that any Government job was a good job, is fast changing to the commonly heard expression that the Government service is no place for the forward-looking and ambitious. The advice given now is to keep out and not, as formerly, to enter.

Even if executives so brutal as to throw out the old employees could be found there is no remedy in this but an aggravation of the problem, as it would simply mean another argument to deter the young man, who must continuously recruit the Government ranks, from applying for these positions. If the Post Office Department is to recover the ground it has lost and attract again to its ranks the men of the snap and enthusiasm that its obvious requirements make necessary, it must, among other things, make it a calling that a man is not afraid to stay in. The passage of a retirement measure will not solve all the problems, but it will relieve one of the most pressing.

## INSANITARY POST OFFICES.

Many of the post offices of the country are not fit for the purpose for which they were erected. In addition, insanitary conditions prevail in some of the largest. A notable example is the Chicago post office, the sanitary condition of which has been a source of complaint for over a decade. Lack of ventilation, proper lighting, and even of ordinary cleaning have been continuously complained of without redress. Such surroundings contribute to a lowered efficiency, a higher sick and death rate, and an earlier superannuation. Uncleaned, even undusted, mail sacks not only spread germs through the offices but must contaminate the mail received by the public. Tuberculosis rises to the dignity of an occupational disease among post-office clerks.

## SCIENTIFIC ANALYSIS OF THE LEHLBACH-STRELLING BILL.

The first paragraph of section 1 defines the optional age when employees shall be eligible for retirement and makes it a condition precedent for retirement on an annuity that the employee shall have rendered in the aggregate at least 15 years of service.

Except in the preferential classes, the age for retirement is fixed at 65 years. The optional age for retirement of mechanics, city and rural letter carriers, and post office clerks is 62 years,

for the reason that their occupation is either hazardous, laborious, or subject to exposure, or the conditions of their employment are such as to render them incapable for efficient service at a comparatively early age. By analyzing the provisions of section 6 in conjunction with the paragraph now under consideration, we find that retirement does not at once become compulsory, but that employees may be continued in the service beyond retirement age under certain conditions specified in that section. More extended reference to the question of optional and compulsory retirement will be made when section 6 is reached.

Employees of the Library of Congress and the Botanic Garden are included in the provisions of the act. These employees, coming as they do under the legislative branch of the Government, have a peculiar status. Although they are not in the classified civil service, yet their duties, rights, and privileges are analogous to those of other civil-service employees and their tenure of office is reasonably certain; therefore it would appear to be an act of justice to give them the same benefits of a retirement law as will be accorded to the employees in the classified civil service.

The power vested in the President to extend the scope of the law is in harmony with the authority already conferred upon the Executive in civil-service matters. That he shall have added power to exclude from the operation of the law certain employees is deemed wise, particularly in the interest of good administration. It will be noted, however, that this power is limited, and it is presumed will be invoked only to meet extraordinary contingencies which may arise from time to time and which would render administration of the law difficult or prejudicial to the interests of the Government or the employees concerned.

Certain employees of the municipal government of the District of Columbia are also included in the provisions of the act. The conditions of employment in this branch of the service are such as to warrant the extension of the law to include the employees mentioned in the third paragraph of section 1.

Postmasters are specifically excluded from the provisions of the act, for the reason that their occupation as such is usually incidental to other lines of business, and, in fact, in a large proportion of cases, they give only part time to the duties of the office; therefore the application of a retirement law for postmasters would be exceedingly difficult, if not inequitable, as compared with other branches of the service.

An act of Congress approved June 20, 1918, provides for retirement of certain employees in the Lighthouse Service, and as that act confers greater benefits upon those employees than they would receive under this bill they are also specifically excluded.

Section 2 defines the classifications and rates to be used as a basis for computing annuities, which are graduated both in relation to the number of years in the service and to the average annual salary, pay, or compensation during the last 10 years of service. A maximum and minimum annuity is fixed for each class, and it is provided that in no case shall an annuity exceed \$720 per annum or be less than \$180 per annum. As before indicated, no annuity shall be granted for less than 15 years' service.

The following table will serve to illustrate the scale of annuities provided in this section:

Table of annuities.

| Average annual salary, pay, or compensation during last 10 years of service. | Class A, 30 years or more 60 per cent. | Class B, 27 to 30 years, 54 per cent. | Class C, 24 to 27 years, 48 per cent. | Class D, 21 to 24 years, 42 per cent. | Class E, 18 to 21 years, 36 per cent. | Class F, 15 to 18 years, 30 per cent. |
|------------------------------------------------------------------------------|----------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$1,200 or more.....                                                         | \$720                                  | \$648                                 | \$576                                 | \$504                                 | \$432                                 | \$360                                 |
| \$1,100.....                                                                 | 660                                    | 594                                   | 528                                   | 462                                   | 396                                   | 330                                   |
| \$1,000.....                                                                 | 600                                    | 540                                   | 480                                   | 420                                   | 360                                   | 300                                   |
| \$900.....                                                                   | 540                                    | 486                                   | 432                                   | 378                                   | 324                                   | 270                                   |
| \$800.....                                                                   | 480                                    | 432                                   | 384                                   | 336                                   | 288                                   | 240                                   |
| \$700.....                                                                   | 420                                    | 378                                   | 336                                   | 294                                   | 252                                   | 210                                   |
| \$600 or less.....                                                           | 360                                    | 324                                   | 288                                   | 252                                   | 216                                   | 180                                   |

The House committee has added a very important amendment that should obtain in order to deal fairly and squarely with the higher paid employees of the Government when it added the following amendment at the end of section 2:

Whenever the contribution, with interest, of the employee, at the age of retirement will purchase an annuity of the kind provided for herein in excess of the annuity herein provided, the employee shall receive an annuity of the amount his contributions with interest will purchase.

It is evident to anyone who has given this deep and thorough study that this section is eminently fair and will remove the objections raised by the higher salaried Federal employees and will enhance the equity and square dealing of the entire people.



Section 3 gives the employee the benefit of all periods of service for the purpose of assignment to classes defined in section 2. If the employee is in receipt of a pension or compensation on account of military or naval service, the period of his or her service in the Army or Navy shall not be included for the purpose of assignment to classes; in the event, however, that such employee is not in receipt of a pension or compensation for such service, then the period of military or naval service may be included. This means, in effect, that the retired employee may receive an annuity in addition to a pension or compensation, but the period of military or naval service in such cases shall be eliminated for the purpose of computing annuity.

Section 4 provides for administration of the act by the Commissioner of Pensions under direction of the Secretary of the Interior.

The Bureau of Pensions is splendidly equipped to undertake this additional work. It is located in a spacious building, well lighted and well ventilated, and affords maximum facilities for transaction of official business. Included in its personnel are many employees who, by reason of education and training, have become skilled in the law and practice governing adjustment of pension claims. The medical division, under direction of the medical referee, includes employees possessing a technical knowledge of medical jurisprudence. More than 1,200 boards of examining surgeons scattered throughout the country come under the control of the bureau and are available for the purpose of making examinations at a minimum cost. There is also a corps of special examiners in the field service trained in making inquiries affecting the rights and interests of claimants and pensioners. The disbursing office is fully equipped with every modern mechanical appliance used for the purpose of writing and mailing pension checks.

It will be possible to utilize all these agencies in the business of adjusting claims for annuities and making payments when granted, thus providing administration at a minimum cost and yet with a maximum of efficiency.

The right of appeal to the Secretary of the Interior from any adverse action of the Commissioner of Pensions in his construction of the retirement law would be in harmony with present practice in pension matters, and the assurance that such appeal would be considered by a regularly constituted board guarantees to the appellant a judicial determination of his claim.

Section 5 provides for retirement of employees who become totally incapacitated for efficient service before reaching the retirement age. The interests of the Government have been carefully safeguarded in the drafting of this section.

The employee must have had at least 15 years of service before becoming eligible for retirement on account of disability. Retirement is conditioned upon an examination by competent medical authority, and total disability for efficient service must be satisfactorily established. The annuitant must submit to a medical examination annually until reaching the retirement age unless the disability is permanent in character. Provision is made for discontinuing the payment of annuity upon recovery from the disability and for suspending the annuity if the annuitant fails to comply with the rules and regulations applying to medical examination. The Commissioner of Pensions is given full authority to institute special examination at any time to determine the facts relative to the disability for which the employee has been retired.

If the nature of the disability is such as to give the employee the right to benefits under the Federal employees' compensation act, then he may elect whether he will accept such benefits or accept retirement or annuity as provided in this section.

Section 6 defines the conditions under which retirement shall be compulsory or may become optional. Upon reaching the retirement age the employee shall be automatically separated from the service unless arrangements have been made previously for his retention. The right to retire upon reaching the requisite age, or at any time thereafter, belongs to the employee; he can not be compelled to remain in the service after having attained retirement age. Retention in the service beyond retirement age rests primarily upon the decision of the administrative officer as to whether the employee is still capable of rendering efficient service to the Government, even under these conditions, and continuance of the employee in the service must be by mutual agreement between him and the administrative officer.

Continuance in the service shall be upon certification; first, by the administrative officer stating that the employee is efficient and is willing to continue in the service, and, finally, upon certification by the Civil Service Commission as a matter of official record. The certification shall be for two-year periods only, but may be terminated at any time at the will of the employee or by the administrative officer, should he decide that the employee shall have become inefficient. This point is more clearly defined in the proviso contained in section 7.

After the act has been in full force and effect for 10 years, retirement becomes compulsory at the end of four years after reaching the retirement age defined in section 1.

Section 7 gives the employee the privilege of filing an application for annuity 30 days in advance of his retirement, which will facilitate the adjudication of his claim and insure prompt payment of the annuity after separation from the service. The time is not limited, however, within which he may file the application, but it is absolutely necessary that he shall make claim in proper form before his application for annuity can be considered, and this claim must be supported by relevant facts based upon authentic records. The certificate to be issued by the Department of the Interior becomes evidence of the right to the annuity therein defined.

The date when the annuity shall commence is fixed so that there will be no lapse between termination of pay for active service and the commencement of the annuity.

Section 8 provides for deduction of 2½ per cent from the employees' basic salary, pay, or compensation, and such deductions are to be transferred to the credit of a special fund known as the "civil-service retirement and disability fund." This fund will become immediately available for the payment of annuities, refunds, and allowances. The interest of the individual employee in the deduction from his or her salary, pay, or compensation is fully safeguarded by the provisions contained in section 11 hereinafter outlined.

The Secretary of the Treasury is directed to invest in interest-bearing securities such portions of the "civil-service retirement and disability fund" as may not be immediately required, and he is empowered to receive and invest certain moneys and contributions and to disburse the same as outlined in the last paragraph of this section.

Section 9 provides that every employee coming within the provisions of the act shall consent and agree to the deductions from salary, pay, or compensation, as specified in section 8, and by so doing he becomes a party to the contract between himself and the Government. This section modifies certain provisions of the Revised Statutes which fixes the classification of salaries of employees in the departments.

Section 10 defines the conditions under which employees in the unclassified service at the time of the passage of the act, but who subsequently attain a classified status, may obtain credit for service rendered prior to classification, or prior to the passage of the act. Provision is also made for those who become separated from the service and who are subsequently reinstated.

In both such cases it is necessary that a sufficient sum shall be deposited with the Treasurer of the United States to equalize their deductions with those of the employees who shall have been continuously in the classified service from the passage of the act, otherwise they will be treated as new entrants in the service. A provision is made, however, so that failure to make the requisite deposit shall not operate to deprive the employee of credit for service rendered prior to the date when the act shall become effective.

Section 11 makes provision for return of deductions with accrued interest under three contingencies:

First. In case of separation of an employee from the service for any cause whatsoever before reaching the retirement age the total amount of deductions with accrued interest shall be returned to the employee.

Second. In case an annuitant shall die without having received annuities equal to the total amount of deductions with accrued interest, the difference shall be paid to the legal representatives of the annuitant.

Third. In case an employee shall die without having reached the retirement age or before establishing a valid claim for annuity, the total amount of deductions with accrued interest shall be paid to the legal representatives of the employee.

Section 12 provides for payment of annuities monthly under such rules and regulations as the Secretary of the Interior may prescribe. If the present practice in the payment of pensions is followed checks will be issued, without requiring separate vouchers, in all cases where payments are to be made directly to the annuitant. In other cases vouchers may be required.

Section 13 requires the Civil Service Commission to keep a complete record of all appointments, changes in grade, separations from the service, and all other relevant data which will enable it to furnish the Commissioner of Pensions with a report upon each individual claim whenever called for, showing all facts necessary to a proper adjustment of such claim. The commission is also required to keep needful tables and records as a basis for future valuations and adjustments of the plan for retirement of employees under the provisions of the act.

The Commissioner of Pensions is required to make an annual report, showing in detail all relevant data in connection with



receipts and disbursements on account of annuities, refunds, and allowances.

Section 14 provides that none of the moneys mentioned in this act shall be assignable in law or equity and that they shall not be subject to execution, levy, attachment, garnishment, or other legal process.

Section 15 authorizes the appropriation of the sum of \$100,000 for the purpose of carrying out the provisions of the act and makes provision for future estimates.

Section 16 provides for the establishment of a board of actuaries, who will operate under the authority of the Commissioner of Pensions. The establishment of this board insures reducing the system, ultimately, to a sound financial and actuarial basis.

Section 17 repeals all laws in conflict with the act.

STATEMENTS AND LETTERS SUBMITTED BY CABINET OFFICERS, HEADS OF DEPARTMENTS, AND COMMISSIONS OF THE GOVERNMENT.

Mr. Saltzgeber, Commissioner of Pensions, stated at a hearing before the Senate Committee on Civil Service and Retrenchment, on June 25, 1919:

My convictions have existed for a long time that it is to the interests of the Government and of the employees, as well as economic and humane, that a bill like this should be enacted into law. I presume that in the Pension Bureau we have the most conspicuous example of the need of such legislation. We have a great many clerks who have served the Government for a long period of time, some of them over 50 years, and they have reached an old age at which they are no longer efficient, some of them; and yet Congress does not require it, and we do not turn them out of employment. They are still carried on the roll, but practically they are of very little, if any, benefit to the Government by way of service that they render.

Mr. Galloway, a member of the United States Civil Service Commission, submitted to the Committee on Reform in the Civil Service of the House, on June 18 and June 25, 1919, the commission's views as to the necessity for retirement legislation, and later appeared before the Senate committee:

In response to your communication of June 12, your attention is invited to the inclosed extracts from recent reports to the commission relating to retirement of employees.

The commission as at present constituted is in accord with the views therein expressed, and trusts that the subject will have the earnest attention of your committee. The Government is now actually pensioning its superannuated employees, and this in a very expensive, indirect, and unsatisfactory way. Heads of departments and bureaus have not the heart to discharge men and women who have grown old and infirm in the service, and so their names are carried on the pay rolls year after year with little regard for ability to render an equivalent in service. Many of these old people, who would otherwise resign, continue in their positions in the hope of having the benefit of a retirement law. With provision made for retirement, appointing officers would have less hesitation in relieving the service of the deadwood that now encumbers it. A retirement law is urgently needed in the interests of efficient public service.

Yours, very truly, \_\_\_\_\_, *President.*

In the annual report of the Civil Service Commission for the year 1916, under the heading of "Retirement," the report says:

Superannuation is older than the civil-service act, and any increase does not result from the merit system. That system does not protect incompetents. Improved administrative methods and the standardization of salaries can not be effectively made until a retirement system is established which will provide for superannuated employees. The commission believes that a contributory plan would be just and practicable and earnestly recommends its adoption.

In its annual report for the year 1917, under the heading of "Retirement," the commission said:

The increased demands upon the personnel of the civil service by the war have given emphasis to the need of a retirement system. It is too costly to continue the aged and infirm in positions requiring alertness and vigor, especially where they have supervision of other employees, and a retirement system is possible which would be alike in the interests of the Government and of the worker. While inefficiency is a just cause for removal, appointing officers naturally hesitate to dismiss old employees who have become incapacitated after rendering long and efficient service, and a virtual pension system thus exists.

The commission does not favor a system of straight civil pensions. Temporary or permanent injuries received in the performance of duty are already provided for out of the Public Treasury in the compensation act of September 7, 1916, which extends to personal injuries sustained while in the performance of duty and applies to all civilian employees of the United States Government.

The commission favors a general system of retiring annuities, based upon length of service, the annuity to be provided by deductions from the salaries of employees invested under the supervision of the Government, the interest on which will be sufficient to provide the annuity to be paid.

A retirement system would give stability to the service, create an inducement to capable men to continue in it, contribute to improved administrative methods, and make possible a standardization of salaries and other needed reforms. The benefits to the service from an equitable retirement system would justify a direct contribution from the Public Treasury to create an annuity for superannuated employees in the service at the time the system is established.

The Hon. Newton D. Baker, Secretary of War, had the following to say before the Senate Committee on Civil Service and Retrenchment on June 25, 1919:

I do not believe that anybody who has had an executive place has failed to realize the practical impossibility of securing the dismissal of superannuated employees who have been faithful and whose only fault is their superannuation and enfeeblement by the process of age. It leads to the clogging up of the service; it discourages and dispirits those who are already in the service.

I myself am frequently called upon to reduce clerks who have given practically the whole of their lives to the service of the Government, and yet have reached a place where the maximum of their capability is that they should be the custodian of more or less dead files, and they get into positions of inactive occupation, as it were, with very modest income but always with a feeling of grievance and resentment, and a difference of opinion between them and their superiors as to whether their enfeeblement is real or their reduction is based upon some prejudice. As a matter of fact, every department in Washington has employees whose entire life has been devoted to the Federal service, who have now reached the place where nothing but the necessity of their daily bread keeps them at any occupation, and where out of pure humanity and against all reason the head of the department is obliged to retain them in the service.

There is another consideration to which I would like to ask the attention of the committee. I do not want to moralize about it, but I have a very strong feeling that we ought to do everything we can to make the service of the Government dignified, to make it honorable and respected, and to attract into it the very best material that we can possibly find. Generalizations are always dangerous, and this will be dangerous, but I am going to suggest it. I feel perfectly sure that in the vast emergency which this war has presented, if the public service had been intrinsically more dignified, it would have enabled us to get along with fewer employees, and would have enabled us to do away with a very large number of wholly inexperienced employees who were brought into the service because they were the only people who were procurable through the channels of the civil service or otherwise.

I think that the public service should be put upon a dignified basis, so that it would mean not only just compensation during the period of active service, but that it would provide a system of retirement which will enable that same employee who has given full service to the Government to have enough to live upon in a very modest way for the remaining years of his life. Every consideration that I can think of, humanitarian, toward the employee, and the good of the service, so far as the Government itself is concerned, so far as getting the best type of employees and getting the best service out of those we have, dictates, I think, the necessity of some sort of retirement provision for the employees in the public departments.

Mr. Paul F. Myers, chief clerk of the Treasury Department, before the Senate committee on June 25 made the following statement and submitted a letter of the Secretary of the Treasury, Mr. GLASS:

I should like briefly to say a few words in support of the retirement measure. The Secretary of the Treasury, in response to the request of the chairman of this committee, has submitted a letter, which I will make a part of the record here, with your permission, indorsing the general retirement measure.

The CHAIRMAN. This may go into the record, and I had expected to put it into the record until I learned that you might possibly come. (The communication referred to is here printed in the record, as follows:)

TREASURY DEPARTMENT,  
Washington, June 25, 1919.

HON. THOMAS STERLING,  
*Chairman Committee on Civil Service and Retrenchment,  
United States Senate.*

MY DEAR SENATOR: In compliance with the request contained in your letter of the 23d instant, I take pleasure in inclosing excerpts from recent annual reports of the Secretary of the Treasury relating to retirement of superannuated and disabled employees.

In reply to your request for an expression of my personal views on the subject of enacting legislation which will provide for retiring civil service employees, I am of the opinion that an efficient service is not practicable without a method of honorably and justly retiring persons whose efficiency because of age or physical or mental incapacity is seriously impaired. The Treasury Department is constantly engaged in the work of increasing its efficiency and diminishing the relative expense of operation, but any extensive and successful effort to improve the administrative operations of this large department is very heavily handicapped by the absence of a just method of retirement.

The efficiency of the department is retarded for want of a retirement law. I believe that the enactment of legislation providing for superannuated or disabled employees of the civil service in this department would result in economies and increased efficiency in the transaction of public business. It would be a measure of benefit to the Government and of justice to the employees, who faithfully have devoted their talents and the best years of their lives to the interests of the Government.

In this connection I should like to draw particular attention to the following recommendation contained in the annual report of my predecessor, Secretary McAdoo, for the fiscal year 1918:

"Recommendation has been made in previous annual reports of the Secretary for the enactment of an equitable retirement law for civil-service employees. The necessity for effective action of some character along this line has been accentuated during this period of war. It would seem to be not only a measure of justice to faithful public servants who have devoted their lives and talents to the Government, but it would be also in the interest of economy and increased efficiency in the administration of the public business.

"In considering this important question the attention of Congress is respectfully invited to the possibilities of an expansion of the principles underlying the Bureau of War Risk Insurance. Humanity demands that something be done for the civil employees of the Government and suggestions of pension systems, while praiseworthy as an effort to render justice, and effective as an expedient, would probably not afford a real solution. It is confidently believed that the solution lies along the lines of insurance with both the Government and the civil employees contributing to a scientific plan that will provide for retirement as well as insurance against death."

I heartily indorse the suggestion outlined above.

Sincerely yours,

CARTER GLASS, *Secretary.*

Excerpts from annual reports of Secretaries of the Treasury. The 1909 report is as follows:

Any inquiry into the efficiency of administration very soon involves a consideration of a policy of civil service retiring pensions. And it seems to me that the conclusion is unavoidable that a really efficient service is out of the question without a method of honorably and justly retiring persons whose efficiency is seriously impaired. It is quite true that the older clerks of the service are no more likely than the younger



clerks to be inefficient. Indeed, their experience and their settled relations to the service could easily compensate for the lack of some other personal equipment. But just as there are instances where the younger clerks should be disciplined or dismissed so there are many cases of the older clerks where, in justice to both themselves and the service, they ought to be honorably relieved.

The service is blocked in many instances by the unwillingness of the officials in charge to throw out of place worthy men and women who have given the best of their lives to the work of the Government. So that, in a very important and wholly unsatisfactory manner, practically a pension system is and long has been in operation.

The United States is the only Nation that has no general legal retiring pension for the employees of its civil service. We have this unique position in the world, along with a reputation for great wealth and for otherwise liberal expenditures. The entire civilized world has shown great and growing recognition of pensions or retiring allowances; and while the United States is so far behind the rest of the world in civil pensions, it has by far the largest pension list among the nations. The war and navy pensions are a recognized part of our policy; and in civil service pensions have been extended to the judiciary. And though as a Government we have halted at a general retirement allowance for civil employees, the great universities of our country and the great corporations have been taking immense steps along this very line, and the Federal Government is becoming more and more isolated.

While I have spoken only of the effect upon the service itself of the lack of a system of retiring pensions, there are, as everyone knows, other claims upon the Government to establish this policy. I hope that the Congress will take up and consider favorably one of the various forms of law that are proposed. This subject has been before the country and before the Government for a long while; and if the policy were to be adopted at this time, it would undoubtedly give a strong impulse to that improvement of every branch of the service which is now so much desired by the people and which is a matter of so much interest to the Congress and to the administration. In expressing my opinion in favor of the retiring allowance I purposely avoid the expression at this time of a preference for any particular plan or system.

The following letters from members of the Cabinet were read into the record of the hearings on this retirement bill:

JUNE 15, 1919.

MY DEAR MR. CHAIRMAN: I am glad, in response to your favor of the 11th instant, to hand you extracts from the annual reports of this department during the past six years relating to the subject of legislation for retirement of superannuated and disabled Government employees.

Since the extracts forwarded were written by myself, it may hardly be necessary to add to them in further expression of my views, yet I regard the subject as of such importance that I must not leave undone anything within my power to advance it.

I look at it from the standpoint of common justice, on the one hand, and from that of efficient service on the other hand. Large private concerns recognize that a lifetime spent in their service carries with it an obligation of honor toward the employee who has thus served faithfully when years make him incapable of further effective work. The business house that would turn out an aged employee, saying to him, in substance "Now, look out for yourself," after a long and good record, would be damned by the common opinion of the business world, and ought to be.

The only conceivable excuse that could be made would be that the employer had paid during the long service a sufficient salary over and above all the exigencies of life to have enabled the employee to provide himself for his own old age.

No one will charge the Government with doing that, especially when objection is made to an employee endeavoring in his own time to add something to his or her income.

Failure to be as just in these matters as private concerns are injures the Government, either by causing the ambitious to seek better opportunities for service elsewhere, or by relaxing the efforts of its employees generally through the unconscious drag that comes from hopeless service.

The result of the present condition is seen in the survival of many old people in the Government work who struggle on, when they should have ceased from their labors because they needs must. Enactments requiring these aged workers to be discharged are substantially repealed by the higher law of humanity. They are demoted and maintained at reduced pay, thus creating what is in substance a pension without retirement, without the dignity of a recognition by the Government of their worth, and maintaining the inefficiency which everyone seeks to remove.

I am not specially concerned as to the details of any measure, but do earnestly hope it may be possible soon to establish a civil retirement system which will at once justly provide for those who have served many years, open the door to a more rapid promotion and to larger opportunities for younger and more active employees, and make the Government work more efficient not only through the removal of ineffectives but by the unconscious but very real self-discipline that comes in response to wise and farseeing treatment of the employee.

I firmly believe that after a year of experience with any sound retirement system no voices will be lifted against it.

Yours, very truly,

WILLIAM C. REDFIELD,  
Secretary of Commerce.

HON. FREDERICK R. LEHLBACH,  
Chairman Committee on Reform in the Civil Service,  
United States House of Representatives, Washington, D. C.

DEPARTMENT OF LABOR,  
OFFICE OF SECRETARY,  
Washington, June 25, 1919.

HON. THOMAS STERLING,  
Chairman Committee on Civil Service and Retrenchment,  
United States Senate, Washington, D. C.

MY DEAR SENATOR: Your letter of June 23, inviting me to attend the hearing held by your committee to-day on the subject of civil-service retirement, or to submit any statement I might desire to make on the subject matter, was received this morning. As your office has been advised, my engagements to-day were such that I was unable to be present at the hearing.

In view of the fact that practically all other Governments have long ago enacted legislation of this character and that a very large percentage of the private employing corporations have inaugurated retirement pension systems, Congress would do well, in my judgment, to lose no time in enacting an adequate civil-service retirement law.

Entirely apart from the humanities and justice involved in such legislation, it would seem to be high time to recognize the fact that the executive departments have a pension roll, whether they like it or not,

and that it is the most expensive, cumbersome, and in many ways inhuman sort of a pension system. What I refer to here is the water-logged pay roll, which in all essentials produces a pension system without the retirement. In other words, aged and decrepit employees who have been worn out in Government service are retained on the pay roll at a salary which is considerably higher in most cases than would provide an adequate pension. These people are not discharged, can not and will not be discharged by the heads of departments for humane reasons, which we need not go into here. On the other hand, they must be at their desks each day for seven hours in order to receive the salary at which they are listed. This is not only a physical hardship upon them, it is a useless and inhumane one.

On the other hand, it has a demoralizing effect upon the other employees, particularly those who, going in at the entrance grade, are perhaps getting a salary for real work much less than the pensioners are receiving. These old people do nothing and are expected to do nothing, and the young clerks coming in at a lesser rate are naturally more or less incensed at being required to do the work that these "old-timers," so called, are unable to do.

If the pay rolls could be relieved of this water logging, the Government could pay the entire cost of a reasonable system, such as is outlined in your bill, and save money.

You will see from this that I do not look upon the retirement of civil-service employees as a charity measure. All of the great corporations do it as a business proposition. Some of these corporations and some foreign Governments have a contributory system and some pay the amount outright from the treasury. Personally I do not favor the contributory system. I believe that ultimately the Government of the United States will adopt a fair civil-service retirement annuity paid from the Treasury of the United States.

However, at this time and for the purpose of getting the principle of retirement accepted, I should be glad to see even a contributory system enacted.

I sincerely trust that Congress will enact at this session some sort of civil-service retirement.

Sincerely, yours,

W. B. WILSON, Secretary.

DEPARTMENT OF STATE,  
Washington, June 25, 1919.

HON. THOMAS STERLING,  
Chairman Committee on Civil Service and Retrenchment,  
United States Senate.

MY DEAR SENATOR STERLING: I have just this morning received your letter of the 23d of June, informing me that hearings on the subject of civil-service retirement will be held this afternoon, June 25, at 2 p. m., in room 450, Senate Office Building, by the Senate Committee on Civil Service and Retrenchment, and inviting me to appear and state my views for the consideration of the committee.

It so happens that I have official engagements which make it impossible for me to appear before the committee to-day, and therefore I hasten to say that if the committee should desire especially to ask me any questions upon the subject of civil-service retirement I should be glad to appear before it at some other time. I have no information to present to the committee further than to say that I am strongly in favor of the adoption of some practical plan for retirement of civil-service employees as a measure greatly in the interest of efficiency and one which in the end would be economically advantageous. It is my belief that this is one thing that would help to bring about a much-needed improvement in the Government service, not only by making suitable provision for worthy men and women who have devoted their best years to the service of the Government at a very modest rate of compensation, but also by offering inducement to persons of ability to devote their lives to the service of the Government with the assurance that when their usefulness is at an end the Government will provide an annuity for the period after their earning capacity shall have ceased.

Thanking you for your invitation, I am, my dear Senator STERLING, Very sincerely, yours,

FRANK L. POLK.

[From hearings on Post Office appropriation bill, 1921, before the Committee on the Post Office and Post Roads, December, 1919.]

Mr. KOONS. If there is any prospect of a return to duty at the end of the year, we do not drop them. If there is no prospect that they will return to duty at the end of the year, sometimes we put them at the foot of the substitute roll. They hope to get a pension law passed, and we put them at the foot of the substitute roll in order to carry them, if possible, beyond that time. But as long as we carry them on the roll as a regular employee, it prevents us from appointing a regular clerk, and we try to take care of them in each particular case as best we can.

Mr. MADDEN. How many employees injured in the performance of their duties who were unable to return to work within one year were required to resign or have been dropped from the rolls?

Mr. KOONS. None during the past year.

Mr. MADDEN. Then I would like to know what procedure is followed in cases where employees become incapacitated through age and are no longer able to perform their duties?

Mr. KOONS. The policy in those cases, when a person becomes incapacitated and is no longer able to perform his duties, is to reduce him one grade or to the next lower grade. And as he becomes less efficient we reduce him down until finally some of them reach the lowest grade. It is very seldom a person is dropped from the service because he is incapacitated. There are occasions where that is done, but that is only in cases where it has reached such a stage that we could not under the law possibly keep him in the service any longer.

Mr. MADDEN. In your judgment, would the enactment of a retirement law for superannuated employees benefit the Postal Service?

Mr. KOONS. Yes. The passage of a retirement law for superannuated employees would benefit the Postal Service, but in my judgment it would not benefit the employees to the extent they expect.

Mr. MADDEN. In what respect?

Mr. KOONS. Because, at this time, the minimum salary is \$1,200, and it is very rarely we ever drop one from the service. When they reach the lowest point they are retained at the minimum salary. Now they draw that salary and they have some employment. But if a retirement bill were in effect they would be dropped. I think all the bills have provided a maximum of \$600, which is all they could receive, and they would not have any employment. And if you take a man who has been active all of his life and take his employment away from him, it is more serious than to allow him to perform what service he can and pay him for it.



Mr. MADDEN. So you think it is best for the men to comply with the practice which is followed by the department at the present time?

Mr. KOONS. Yes; it is better for the men themselves, but not for the Postal Service.

Mr. MADDEN. Do you think economy and efficiency would result from the elimination of those men through a system of retirement?

Mr. KOONS. There would undoubtedly be economy and efficiency both, Mr. Madden, because the maximum retirement rate is \$600 and there would be a saving of \$600 in the salary alone. And, of course, the old employee who would leave the service would be replaced by a young man who is more active and efficient.

This bill, having been passed by the Senate, approved by Cabinet officers and heads of departments and bureaus, and by the rank and file of the classified civil-service employees, and approved as sound and economical both to the Government and the employees by our best governmental actuarial experts, should have an overwhelming vote for its passage by the House and be enacted into law.

This law would mean the dawn of a better day for economy and efficiency in our governmental service and would make it possible to inject the beginning of a program of real efficiency and administration of our Government business. The Government in its final analysis is but the business of the entire Nation. It would also mean the beginning of a more efficient, happy, and contented Federal employee. [Applause.]

Mr. GOODYKOONTZ. Mr. Chairman, on yesterday I made some remarks upon the subject of the container bill which was under consideration, and I ask unanimous consent to revise and extend my remarks in the RECORD upon that bill.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, I am very glad that the time has finally arrived for the consideration of this legislation. It has been pending before this Congress for a long time and has been agitated for a great deal longer time. The tendency of the business public throughout the world is to provide for those who are in its employ when they can no longer provide for themselves. I have always believed that the Government should not be less generous than the business public that helps to maintain the Government. If the business public believes it to be economic wisdom to pension the men and women who are in its employ when they are no longer able to function, it certainly ought not to be considered unwise for the Government to do the same thing. We are here affording an opportunity for many faithful men and women who have passed the meridian in life in the Government service to retire, with the knowledge that they are not going to suffer for the remaining years of their lives. We give here an opportunity for people who are in the Government service, when they have reached the age of 60 years, up to 65, to take advantage of the privileges of retirement after having contributed part of the earnings which they have made during their employment to the payment of the annuity which they are to receive as the result of their retirement.

It is said by those who have given careful study to the question that there is not a very large number of people to be affected immediately by the enactment of this law, but there is a sufficient number who have passed the age of usefulness still in the Government service who, if they were turned out on the streets, would be compelled to go to the poorhouse; and since they have given the best that is in them in the early years of their lives to the faithful service of the Government, the enactment of this law is but the extension of a measure of relief which indicates the intention of the Government to deal justly with those who are upon its pay rolls.

It must be known to any person who has given any consideration to the matter that many people are still in the service of the Government who are not able to function, and that if we deal with this question purely as a matter of economy it will be an economic method of conducting the Government to retire these people on some sort of pension, because to-day I think it will be acknowledged by all who know the facts that somebody else in many instances is required to do the work for which other people are being paid. I am not as clear that it will save a large amount of money annually to the Treasury of the United States as is the gentleman who just preceded me, but that should not be the prime consideration. The prime consideration should be justice, and inasmuch as we are endeavoring to make the Government function efficiently, then to the extent that we can mete out justice and at the same time promote the efficient conduct of the Government bureaus, even if we are obliged to add something to the cost, I am in favor of it. The time has come in the world's activities when more serious consideration must be given to the comfort and well-being of the

masses of the people, and while the people in the United States, generally speaking, and particularly those upon the Government pay roll, are better compensated than those who are employed by other nations and other peoples, yet I believe we should begin to realize that we are the only nation in the world, with one or two exceptions, that has not already entered upon the policy of providing for those who are in the Government service when they are no longer able to do that kind of a day's work that people are expected to do in their early years. I have seen a great many of these patriotic men and women who have devoted their lives faithfully to the service, who have been hanging on, so to speak, with the hope that some legislation of this sort would be enacted before they were compelled to retire to the poorhouse, and even the compensation provided for in this bill is not going to enable those who are to become its beneficiaries to live in great luxury, because the highest compensation to be paid in any case will be \$720 a year and the lowest \$180. So that it will be a meager living they will receive at best, but it will be an evidence of the good intention of the Government, through the Congress, to recognize the merits of their case.

I am glad to have this opportunity to say in a general way that I am proud that the time has come, under the leadership of my distinguished friend from New Jersey, Mr. LEHLBACH, to present this meritorious measure to the consideration of the House. Mr. LEHLBACH has given more consideration and study to the question than anyone that I know of. His heart and soul is embodied in the legislation. He will be able in more detail than yet has been presented to tell us the merits of the measure. I congratulate him as a young Member of the House upon his success in bringing this bill before the body for consideration [applause], and I congratulate the men and women who are to be permitted to come under the provisions of the bill upon the fact that they have had such an able, earnest, young champion of their cause. He has never hesitated night or day to urge and plead with his fellows in this House to give early consideration to this measure, and if he never does anything else during his membership in the Congress than to be the sponsor of this beneficent legislation he is entitled to the hearty thanks and the earnest and enduring gratitude of those who are to come under its provisions. [Applause.]

Mr. GODWIN of North Carolina. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. HAMILL].

Mr. HAMILL. Mr. Chairman and gentlemen of the committee, I am glad to see this day arrive, when the Congress of the United States is proceeding to consider the necessity of doing an act of long-delayed justice to a most worthy class of Government employees and at the same time something which will promote greater efficiency in the transaction of public business in the various departments of the Government. I eagerly join with the gentleman from Illinois [Mr. MADDEN] in offering cordial congratulations to my colleague from New Jersey [Mr. LEHLBACH], the chairman of the committee, on the successful result of his efforts in behalf of this bill. I am sure it can be predicted now at the beginning of the debate that the bill will pass the House by a substantial majority and that it will receive presidential sanction and be written into the statute books of the country.

There are two main reasons why this bill ought to become a law. They are the promotion of efficiency in the transaction of public business and the rendering of justice and fair treatment to our deserving public employees. It is a well-recognized fact that the Government departments are filled with deserving men and women who have worn out their energies and become superannuated through long years of devoted public service. The period of their usefulness is past. But there is no way whereby they can be fairly separated from the service. They can be discharged and thus in their declining days deprived of their means of earning a livelihood. It is to the credit of the respective heads of our various departments that they have not resorted to this drastic procedure. I remember talking several years ago to a distinguished head of the War Department on this very subject. He told me that when he came into the department he was amazed at the number of employees who were superannuated, and he called his assistant into consultation and asked him what he could do with them. His assistant told him that the only course he could follow would be to discharge all employees who had outlived their usefulness. He declined to take this step on humanitarian grounds. The alternative was that he had to conduct the business of his department under the conditions and difficulties caused by superannuation. I am glad to be able to say that his attitude toward his employees was not exceptional, but that it is the way in which the matter is dealt with by practically every department head.

Many touching instances could be recited here showing the necessity for a retirement law. Aged letter carriers are seen



on our streets burdened with bags of mail which would tax the strength of much younger men. Old department employees are compelled to ride in hacks to their offices, and I have heard it said, and truthfully said, that if in some of our large Government office buildings the elevators failed to work it would be impossible for a large number of the aged clerks to reach the floor where their desks are located.

It is strange to think that this condition exists in the United States. It does not exist in Great Britain, nor in France, nor in any of the progressive European countries.

It is true that the operation of this measure will entail expense to the Government. One of the speakers estimated the cost at about \$9,000,000 annually. But, against this figure, we must consider the increased efficiency and the greater volume of business which would be discharged by the young and vigorous entrants into the service who would take the places of the older men. I think experience will demonstrate that there will be an actual saving through the operation of a retirement plan. Take the case of an employee earning \$1,500 or \$1,600 a year, who is retired at about half of this amount and whose place is taken by a new employee at \$1,000 a year. The Government procures the services of a more capable man and loses practically nothing, because in time the aged pensioner will die, while it will take some years before his successor reaches by seniority rule the salary that the old employee received before he was pensioned.

The great corporations of the country, ruled as they are by men of ability and foresight, have seen that it is not only humanitarianism but good business as well to pension their employees. The Pennsylvania Railroad, the American Sugar Refining Co., the American Telephone & Telegraph Co., can be cited as examples. These concerns pay pensions not as a matter of charity; they pay them because they know that when an employee is assured of a means of subsistence until his death he will work with contentment and fidelity and perform a higher character of service than is the case where he does not have a pension to look forward to in his declining years.

This pension bill must not be regarded as governmental generosity. Pensions are not gratuities, and they should not be considered as such. They should be looked upon as deferred wages—as payments of wages which were not disbursed at the time when they were earned. When an employee gives all the best that is in him of skill, of industry, of ability, and of loyalty to the Government; when he devotes his whole life to Government service, then the least the Government might do is to pay him a pension to sustain him when age and consequent weakness render him unfit for further service.

Mr. Chairman, I am glad to support this measure. For years I have introduced and worked for the enactment of a pension bill. The measure which I proposed provided for what is known as the straight pension plan, according to which the Government would pay 100 per cent of the pension. The plan of this bill is known as the contributory system, whereby the cost of the pension is borne between the Government and the employee. While I consider that as a matter of principle the Government should pay the full amount of the pension, nevertheless this measure provides the relief which at this time is sorely needed.

I was glad to hear the first speaker on the Republican side of this Chamber refer to this bill as a nonpartisan measure. I have always so considered the question of pension legislation. There should be no partisanship in this Congress when it comes to performing an act of simple fairness and common justice to deserving employees. In the agitation carried on throughout the country for the past 10 years Members of Congress, heads of departments, business men, clergymen, and men prominent in professional life all united to create a sentiment in favor of this legislation, and there was no taint or suggestion of partisanship in their noble endeavors. This measure is a response to the Nation-wide demand for justice to the public employees. I feel satisfied that the vote by which it will pass will be a vote in which both parties in this Chamber will cordially and enthusiastically unite. [Applause.]

Mr. GODWIN of North Carolina. How much time did the gentleman yield back?

The CHAIRMAN. Three minutes.

Mr. GODWIN of North Carolina. I yield 10 minutes to the gentleman from Texas [Mr. BLACK]. [Applause.]

Mr. BLACK. Mr. Chairman, it will not take me long to state my position on the civil-service retirement measure. I believe that we ought to have a retirement law, but I believe that the employees themselves should create the fund to pay the annuity, and that the only part of the expenses which the Government can be fairly asked to assume is the cost of the overhead expenses of administering the fund. There is, however, one addi-

tional expense which I think the Government can fairly afford to pay in order to get the system started, and that is the cost of retiring those aged employees who are now in the service and have not made any contributions to a retirement fund. Further than this I do not think the Government should go. The ideal condition, of course, would be for the Government to pay its employees a salary or wage which would be sufficient not only to support the employee and his family in average American standards of living but would also be sufficient to enable a man of ordinary thrift and economy to lay by a sinking fund to maintain himself and such family as he may be expected to have at that age in life in reasonable comfort, and trust to the employee to accumulate these funds by his own efforts. That would be the most desirable thing to do from many standpoints, but as a practical proposition it does not work out. Some men are thrifty and economical and have no difficulty whatever in making provision for their old age on salaries which others spend without apparent extravagance or dissipation and find themselves without funds in their old age.

For instance, we have here, for example, Mr. A and over here Mr. B, drawing the same annual compensation, and Mr. A comes down to his old age with a fund that he has accumulated himself sufficient to keep him in reasonable comfort. Mr. B, without apparent extravagance or dissipation, comes down to his old age without anything to maintain himself and family; and the unfortunate part is that, in Government as well as in most other employment, a very large number of people are in the class with Mr. B. So these practical facts we must reckon with, and I think it is to the advantage of the Government to make provision against them.

It is a fact which is well known that there are many employees now in Government employment who are too old to render efficient service, and many of them render scarcely any at all. Some one answers, why not discharge them? And looking at the matter from the cold logic of business, that would be the thing to do; but I am very glad to know that even in this age of so much unrest and discontent, when civilization is yet so far from perfection, that we do not look at everything from the cold logic of business. Sentiment sways us in some things, and it would be a bad old world, indeed, if it did not.

That man may last, but never lives,  
Who much receives but nothing gives,  
Whom none can love, whom none can thank,  
Creation's blot, creation's blank.

So as a practical proposition the executive heads of our departments do not discharge these old men when they can no longer perform useful service; and, I guess, under the same or similar circumstances the most of us would act in the same way.

So what is to be done? The only logical answer, to my mind, is to create some kind of a retirement system. What kind shall it be? There are three plans possible of adoption. First, the cost thereof to be borne entirely by the Government; second, the cost to be borne by the Government and the employees by joint contributions to the fund; and, third, the cost to be borne entirely by the employees. I could not possibly bring myself to favor the first plan, wherein the Government would pay all, because that would simply amount to old-age pensions to civilians, and unless we are going to make it general in its application I would not single out one group of our civilian workers and make them a favored class at the taxpayers' expense.

I can not favor the second plan for substantially the same reasons, because if it is not right for the Government to contribute all of the fund out of general taxation it is not right for it to contribute any part of it. Under the plan proposed in the bill now under consideration, the 62.3 per cent which the Government would ultimately pay of the retirement fund would only be less wrong to the extent as it would differ in degree from a 100 per cent contribution by the Government to the fund.

So the plan that I do favor is that which requires that the Government shall deduct from the compensation of its employees a fund sufficient to create the retirement fund. And at the proper time in the consideration of the bill I will offer an amendment to accomplish that purpose. What shall the percentage of deduction be? The present bill now under consideration provides that the rate of deduction shall be 2½ per cent; and, according to Mr. Beach, the actuarial expert from the Bureau of Pensions, who advised the committee in the preparation of this bill, this rate of 2½ per cent will pay about 37.7 per cent of the retirement fund, and the Government would therefore have to contribute about 62.3 per cent.

Mr. Herbert D. Brown, of the Bureau of Efficiency, in the figures which were inserted by Senator Smoot in the CONGRESSIONAL RECORD of April 3, places the Government's contribution

at a considerable higher percentage than 62.3 on a basis of the rates contained in the present bill. But, assuming that the figures of Mr. Beach are correct, then the rate which it would be necessary to collect from the employees to make the system self-sustaining would be slightly in excess of 6 per cent of their annual compensation. Therefore, at the proper time, I shall move to strike out the figures 2½, on line 22, page 12, and insert 6 per cent.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. BLACK. I will.

Mr. HARDY of Texas. Is not the gentleman of the opinion that if this system of cooperative or self-serving insurance were adopted that it would ultimately result in the Government having to raise the salary of the employee enough to include the sum which would be deducted from his pay for insurance?

Mr. BLACK. I will say in answer to my colleague that I do not think there should be any reasonable connection whatever between the salary paid to a Government employee and this retirement fund. If it is a proper thing to do to create a retirement fund, it should not affect in any way whatever his salary. The salary of a Government employee should be the amount which his services are reasonably worth.

Mr. HARDY of Texas. Is not the gentleman, however, facing this condition: That if circumstances arose under which it was claimed that the employee barely received enough to support or give him a living, that he would have to receive that sum over and above what was deducted from his pay for insurance?

Mr. BLACK. I will say to the gentleman that a statement of that kind would simply be an argument that would go to the inadequacy of the salary. His salary should be high enough, as a matter of simple justice, to permit him to support his family in reasonable comfort and in addition make provision for his old age. If we are justified in creating a retirement fund, then I contend that we should take it out of the employee's annual compensation, for the very reason that I stated awhile ago—that if you admit the duty of the Government to contribute 100 per cent of it, or 65 per cent of it, then you admit the principle of civilian pension, and you have no better right to pension a civilian employee of the United States Government than you have a right to pension any civilian worker in my district. [Applause.]

Will the gentleman yield me five minutes more? I will conclude in that time.

Mr. GODWIN of North Carolina. I yield five minutes more to the gentleman.

Mr. CANDLER. Will the gentleman yield?

Mr. BLACK. I will.

Mr. CANDLER. The gentleman referred a moment ago to a statement that appeared in the RECORD by Senator SMOOR. Will the gentleman put in his remarks, so that it will be clear, what the estimated cost of this bill will be?

Mr. BLACK. Yes; I will be glad to do that.

Now, in conclusion, let me say this 6 per cent will, of course, not cover the overhead expenses of administering the fund, nor will it provide the funds necessary to retire the aged employees now in the service who will be eligible for retirement. That expense will have to be borne by the Government, because it would not be just to tax it against the younger employees. All that they should be required to do is to contribute a fund which will be sufficient to take care of their own retirement.

Now, it is admitted that a definite estimate in this matter is difficult to make, and if it should turn out that the rate of 6 per cent will fall short of the amount required to pay the annuities, then, of course, the Government will have to make up the deficit out of the Treasury. If it should, however, prove to be too much, the employees will not be hurt, because under the terms of the bill if an employee quits the service before reaching the age of retirement all that he has paid in will be refunded to him plus compound interest at the rate of 4 per cent. If he dies in the service before reaching the age of retirement, all that he has paid in is paid to his legal representative plus compound interest at the rate of 4 per cent. Also, if the committee amendment on page 6 is adopted, if the employee stays in the service until he reaches the age of retirement and his contribution of 6 per cent with interest at the age of retirement will purchase an annuity of the kind provided in the bill in excess of the annuity therein provided, the employee shall receive an annuity which the amount of his contributions with interest will purchase. So the only party that would stand any chance to lose on the 6 per cent rate would be the Government, and therefore I hope that it will be adopted; and if it is adopted I shall certainly vote for the bill, as will, I think, a good many others who will not otherwise do so. [Applause.]

Mr. Chairman, under leave to extend my remarks I insert a table prepared by actuarial experts for Senator SMOOR, and which he referred to in debate when this bill was pending in the Senate. I insert the table at the request of the gentleman from Mississippi [Mr. CANDLER].

APPENDIX.

Estimated cost by years of retiring employees in the classified civil service at ages 60, 62, and 65, under the provisions of the Sterling bill (S. 1699), and at age 70, with the same benefits. (Based on 263,152 employees.)

| Years.  | Total costs.                    |                    | Cost to Government.             |                    | Per cent of cost to Government. |                    | Cost to employees.              |                    | Per cent of cost to employees.  |                    | Total cost of retirement at age 70 expressed as per cent of cost to Government of retirement at ages 60, 62, and 65. |
|---------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------|
|         | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. |                                                                                                                      |
| (a)     | (b)                             | (c)                | (d)                             | (e)                | (f)                             | (g)                | (h)                             | (i)                | (j)                             | (k)                | (l)                                                                                                                  |
| 0.....  | \$4,584,871                     | \$2,051,389        | \$4,584,871                     | \$2,051,389        | 100.00                          | 100.00             |                                 |                    |                                 |                    | 44.74                                                                                                                |
| 1.....  | 5,030,420                       | 2,270,591          | 5,026,256                       | 2,268,163          | 99.92                           | 99.89              | \$4,164                         | \$2,428            | 0.08                            | 0.11               | 45.17                                                                                                                |
| 2.....  | 5,558,782                       | 2,449,662          | 5,547,303                       | 2,443,245          | 99.79                           | 99.74              | 11,479                          | 6,417              | 0.21                            | 0.26               | 44.16                                                                                                                |
| 3.....  | 6,220,023                       | 2,636,992          | 6,193,959                       | 2,622,720          | 99.58                           | 99.46              | 26,064                          | 14,272             | 0.42                            | 0.54               | 42.57                                                                                                                |
| 4.....  | 6,890,559                       | 2,832,472          | 6,843,152                       | 2,807,261          | 99.31                           | 99.11              | 47,407                          | 25,211             | 0.69                            | 0.89               | 41.39                                                                                                                |
| 5.....  | 7,629,299                       | 3,066,582          | 7,553,885                       | 2,971,694          | 99.01                           | 98.84              | 75,414                          | 34,888             | 1.09                            | 1.16               | 39.80                                                                                                                |
| 6.....  | 8,429,037                       | 3,268,293          | 8,316,096                       | 3,152,425          | 98.66                           | 98.32              | 112,941                         | 53,868             | 1.34                            | 1.68               | 38.56                                                                                                                |
| 7.....  | 9,288,172                       | 3,454,971          | 9,126,863                       | 3,376,900          | 98.25                           | 97.74              | 161,309                         | 78,071             | 1.74                            | 2.26               | 37.85                                                                                                                |
| 8.....  | 10,155,866                      | 3,732,247          | 9,933,671                       | 3,621,802          | 97.81                           | 97.04              | 222,195                         | 110,445            | 2.19                            | 2.96               | 37.57                                                                                                                |
| 9.....  | 11,106,843                      | 4,034,813          | 10,809,244                      | 3,887,207          | 97.32                           | 96.34              | 297,599                         | 147,606            | 2.68                            | 3.66               | 37.33                                                                                                                |
| 10..... | 12,070,624                      | 4,388,062          | 11,685,218                      | 4,193,105          | 96.81                           | 95.56              | 385,406                         | 194,577            | 3.19                            | 4.44               | 37.55                                                                                                                |
| 11..... | 13,031,234                      | 4,831,050          | 12,541,676                      | 4,579,519          | 96.24                           | 94.79              | 489,558                         | 251,531            | 3.76                            | 5.21               | 38.54                                                                                                                |
| 12..... | 14,066,265                      | 5,366,783          | 13,457,386                      | 5,041,838          | 95.67                           | 93.95              | 608,879                         | 324,945            | 4.33                            | 6.05               | 39.88                                                                                                                |
| 13..... | 15,258,676                      | 5,920,950          | 14,505,743                      | 5,507,275          | 95.07                           | 93.01              | 752,933                         | 413,675            | 4.93                            | 6.99               | 40.82                                                                                                                |
| 14..... | 16,500,992                      | 6,533,956          | 15,641,402                      | 6,022,428          | 94.45                           | 92.17              | 919,590                         | 511,528            | 5.55                            | 7.83               | 41.77                                                                                                                |
| 15..... | 17,887,206                      | 7,146,618          | 16,875,478                      | 6,524,098          | 93.82                           | 91.29              | 1,111,788                       | 622,520            | 6.18                            | 8.71               | 42.35                                                                                                                |
| 16..... | 19,350,101                      | 7,704,886          | 18,027,923                      | 6,964,855          | 93.17                           | 90.40              | 1,322,178                       | 740,031            | 6.83                            | 9.60               | 42.74                                                                                                                |
| 17..... | 20,694,703                      | 8,273,228          | 19,144,720                      | 7,414,560          | 92.51                           | 89.62              | 1,549,983                       | 858,668            | 7.49                            | 10.38              | 43.21                                                                                                                |
| 18..... | 22,162,843                      | 8,825,292          | 20,333,337                      | 7,831,005          | 91.84                           | 88.73              | 1,809,506                       | 994,287            | 8.16                            | 11.27              | 43.36                                                                                                                |
| 19..... | 23,770,154                      | 9,432,283          | 21,672,936                      | 8,289,774          | 91.18                           | 87.89              | 2,037,218                       | 1,142,509          | 8.82                            | 12.11              | 43.52                                                                                                                |
| 20..... | 25,227,838                      | 10,122,487         | 22,895,409                      | 8,794,231          | 90.50                           | 86.88              | 2,402,429                       | 1,328,256          | 9.50                            | 13.12              | 44.21                                                                                                                |
| 21..... | 26,876,601                      | 10,911,414         | 24,144,825                      | 9,367,474          | 89.84                           | 85.85              | 2,731,776                       | 1,543,940          | 10.16                           | 14.15              | 45.19                                                                                                                |
| 22..... | 28,569,097                      | 11,746,573         | 25,471,139                      | 9,962,501          | 89.16                           | 84.81              | 3,097,968                       | 1,784,072          | 10.84                           | 15.19              | 46.12                                                                                                                |
| 23..... | 30,146,830                      | 12,624,313         | 26,676,132                      | 10,564,000         | 88.49                           | 83.68              | 3,470,698                       | 2,000,313          | 11.51                           | 16.32              | 47.32                                                                                                                |
| 24..... | 31,625,026                      | 13,570,455         | 27,764,880                      | 11,198,813         | 87.79                           | 82.52              | 3,860,146                       | 2,371,642          | 12.21                           | 17.48              | 48.88                                                                                                                |
| 25..... | 33,064,667                      | 14,444,735         | 28,798,664                      | 11,675,856         | 87.10                           | 81.39              | 4,266,003                       | 2,668,879          | 12.90                           | 18.61              | 49.81                                                                                                                |
| 26..... | 34,522,890                      | 15,160,319         | 29,823,822                      | 12,167,752         | 86.41                           | 80.26              | 4,693,068                       | 2,992,567          | 13.59                           | 19.74              | 50.82                                                                                                                |
| 27..... | 35,761,612                      | 16,057,252         | 30,652,578                      | 12,756,230         | 85.71                           | 79.44              | 5,109,034                       | 3,301,022          | 14.23                           | 20.56              | 52.38                                                                                                                |



APPENDIX—continued.

Estimated cost by years of retiring employees in the classified civil service at ages 60, 62, and 65, under the provisions of the Sterling bill (S. 1699), and at age 70, with the same benefits. (Based on 263,152 employees.)—Continued.

| Years.  | Total costs.                    |                    | Cost to Government.             |                    | Per cent of cost to Government. |                    | Cost to employees.              |                    | Per cent of cost to employees.  |                    | Total cost of retirement at age 70 expressed as per cent of cost to Government of retirement at ages 60, 62, and 65. |
|---------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|---------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------|
|         | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. | Retirement ages 60, 62, and 65. | Retirement age 70. |                                                                                                                      |
| (a)     | (b)                             | (c)                | (d)                             | (e)                | (f)                             | (g)                | (h)                             | (i)                | (j)                             | (k)                | (l)                                                                                                                  |
| 28..... | \$36,934,145                    | \$16,596,830       | \$31,406,355                    | \$13,234,316       | 85.03                           | 78.32              | \$5,527,790                     | \$3,662,514        | 14.97                           | 21.68              | 53.80                                                                                                                |
| 29..... | 38,095,501                      | 17,707,769         | 32,143,948                      | 13,673,246         | 84.38                           | 77.22              | 5,951,553                       | 4,034,523          | 15.62                           | 22.78              | 55.09                                                                                                                |
| 30..... | 39,168,775                      | 18,576,206         | 32,798,554                      | 14,130,026         | 83.74                           | 76.07              | 6,370,221                       | 4,446,180          | 16.26                           | 23.93              | 55.64                                                                                                                |
| 31..... | 40,003,757                      | 19,408,016         | 33,250,504                      | 14,535,480         | 83.12                           | 74.90              | 6,753,253                       | 4,871,533          | 16.88                           | 25.10              | 56.37                                                                                                                |
| 32..... | 40,784,257                      | 20,082,215         | 33,647,346                      | 14,801,054         | 82.50                           | 73.70              | 7,136,911                       | 5,281,161          | 17.50                           | 26.30              | 56.98                                                                                                                |
| 33..... | 41,428,608                      | 20,694,940         | 33,934,245                      | 15,029,639         | 81.91                           | 72.62              | 7,494,363                       | 5,665,301          | 18.09                           | 27.38              | 57.60                                                                                                                |
| 34..... | 41,938,515                      | 21,351,265         | 34,107,252                      | 15,244,900         | 81.33                           | 71.41              | 7,831,263                       | 6,106,365          | 18.67                           | 28.59              | 58.22                                                                                                                |
| 35..... | 42,429,271                      | 21,821,095         | 34,255,011                      | 15,337,741         | 80.73                           | 70.29              | 8,174,260                       | 6,483,354          | 19.27                           | 29.71              | 58.84                                                                                                                |
| 36..... | 42,768,720                      | 22,204,383         | 34,271,466                      | 15,363,669         | 80.13                           | 69.19              | 8,497,254                       | 6,840,714          | 19.87                           | 30.81              | 59.47                                                                                                                |
| 37..... | 42,873,784                      | 22,608,139         | 34,104,374                      | 15,404,943         | 79.55                           | 68.14              | 8,769,410                       | 7,203,196          | 20.45                           | 31.85              | 60.10                                                                                                                |
| 38..... | 42,920,989                      | 22,993,399         | 33,894,988                      | 15,393,322         | 78.97                           | 66.95              | 9,026,001                       | 7,600,077          | 21.03                           | 33.05              | 60.74                                                                                                                |
| 39..... | 42,902,616                      | 23,221,093         | 33,640,823                      | 15,316,079         | 78.41                           | 65.96              | 9,231,793                       | 7,905,014          | 21.59                           | 34.01              | 61.37                                                                                                                |

Mr. GODWIN of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I have been impressed with the statements of the gentleman from Wisconsin [Mr. NELSON] and the gentleman from Illinois [Mr. MADDEN], to the effect that this was simply an act of justice. I am inclined to look at it from a different angle. I think that it is an act possibly inspired by the humanity which runs through our Government, as well as our own hearts, and an act of business, looked at from the standpoint of the Government that has a great many officers on its pay rolls who have become utterly inefficient from age. But I want to discuss from the justice standpoint, just a minute, the reasons for reporting and pressing this and certain other bills at this time, if justice is that which is actuating the rushing of bills through this House.

Last June I introduced a bill to carry out a simple contract made by this Government with some of its employees, and also to do justice to them as between them and others, and that bill slept in the Committee on Military Affairs until December. And then, on their suggestion, being introduced in different form, it has slept there again until the 28th of February, when it was assigned to two other committees, and finally landed in the Committee on Interstate and Foreign Commerce, where it still sleeps. And that is a measure calling for justice to men who are deserving of justice at our hands—bill H. R. 10835, to provide that disabled officers of the Army of the late war who were not Regular Army officers and were disabled in the service should receive the same compensation as like officers of the Regular Army who were retired for disability. And I want to know why, if this is for the purpose of justice, we can not get a little justice for these other people also. I want to read you the act upon which the men who enlisted as officers of the Army at the beginning of the war enlisted, and under which they were invited to enlist:

That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions, as officers and enlisted men of corresponding grades and length of service in the Regular Army.

The courts of this country have decided that the retirement privilege is a pension, and the Judge Advocate General of the Navy to-day makes that decision, and that is the stand of the Navy. And the officers who went into the service and who went to France and were disabled from work for the balance of their days, and many of them shot all to pieces, came back here and said, "Give us justice," and they said, "You are not entitled to any retirement pay. We contracted that you should have the same consideration as the Regular Army officer, but you can not get it."

And then I introduced a bill and have been pressing it here for justice to these officers, for these men that have not got as many votes as many other people—some 2,000 of them—who are a spectacle to behold to-day, with a compensation of \$80 a month as a maximum, while Regular Army officers, the very least of them, are retired at \$157 a month. Yet these men are denied the privilege of being heard on this floor because they

can not get a committee to report a bill here that will give them justice, which was promised in the act cited above. And then Members come in here and talk about doing justice in this House. Not only that, but they propose in the next few days to give a bounty to all the men who served, those who were in and who were not, and expressly exclude the officers, the very men who led the men in the fighting, and are back here maimed and blind and halt, and then gentlemen get up here and talk about doing justice in the public service. I am in favor of this bill properly guarded, giving a pension to people who have always been in an office here in Washington, a very much sought after position. We are giving a bonus to a million men, many of whom never saw a fight and never received a scratch, giving retirement privilege to the officers of the Regular Army, and yet to the young men who left their positions of standing and were selected by the Government to go out and lead the fight, and have come back here disabled for life, we say to them, "You are not entitled even to the bonus; we are going to give it to the men who never heard a gun fired and never were in reach of the bullets of the enemy, but not to you." I am tired of hearing about justice when I see a rank injustice like this being perpetrated, and that which purports to be perpetrated by gentlemen who propose to force a bonus bill here through the House giving \$500 and \$1,000 to the men all over this country, many of whom were never touched. I do not oppose that if the money is obtained from the proper sources, but I say do justice to these disabled men.

The CHAIRMAN. The gentleman will suspend. Unanimous consent was agreed to for debate on this bill, to be limited to the bill. The Chair will admonish the gentleman to proceed in order.

Mr. STEVENSON. The gentlemen over here discussed the question of the justice of the Government to its employees, and I heard nobody call them to order. I am discussing the question of whether it lies in the mouth of these gentlemen who control these committees and who have refused for six months to give a tardy recognition of justice to these men, to come in here and talk about justice to us when they are pensioning everybody else except the men who were shot on the battle fields of France.

Now, Mr. Chairman, when will justice cease to trot through this House on three legs? She is limping badly now, and if we get through what is proposed in the next few days she will be limping much worse, and the men at Walter Reed who are appealing to this Congress for a mere pittance which will enable them to live without being the objects of charity in the neighborhood in which they live have been appealing here for six months for a mere consideration at the hands of this House, and the committees controlled by the gentlemen who talk of justice over there but have failed and refused to give them the first show here. Is it because they have only about 2,000 votes and the bonus is to be given to about 2,000,000? Is that the reason that thus far they have been unable to get a hearing on their bill in this House? And the leader on that side has stated that he hopes the committee will not allow that measure to come before this. And yet they propose to pension the people who

have been in the departments in a snug berth all their lives and deny it to these men who carry the marks of the bloody strife in which they participated in the defense of this country in their bodies and will carry them to their graves. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Idaho [Mr. SMITH].

The CHAIRMAN. The gentleman from Idaho is recognized for five minutes.

Mr. SMITH of Idaho. Mr. Chairman, any observing person who during the last third of a century has walked through the corridors of the departments of the Government, or watched the clerks entering the various Government buildings in the mornings or leaving them at the close of the day, must have noticed the large proportion of elderly and infirm among them. Prior to the establishment of the classified civil-service law most of those clerks who had outlived the term of the Congressman from their district were replaced at the request of the new Member by more active persons from among his constituents; but when the civil-service law became effective, preventing removals except for cause, and providing for appointments by a competitive examination, the clerks were permitted to remain, regardless of advancing years and increasing inefficiency.

Every new Cabinet officer or bureau head no doubt approaches the responsible duties of this position with a determination to eliminate the inefficient clerks, especially those advanced in years, in order that the work of the department may be kept up to date and disposed of in the most efficient manner. He soon discovers, however, that there is a human element entering into the matter which he can not ignore, and after a few weeks or months he drops into the old groove, because he has not the heart to throw out of employment faithful clerks whose only shortcomings are infirmities incident to advancing years.

At the beginning of the Harrison administration Hon. T. B. Coulter, of Ohio, an old friend of mine, was appointed Auditor for the Post Office Department. He soon discovered that some of the work was over three years in arrears; that nearly one-fifth of the force, consisting of 600 clerks, was inefficient, and that there were approximately 75 who, because of old age, were incapable of performing their duties in an efficient manner. Most of these were drawing the highest salaries paid in the bureau. The auditor stated that his first move would be to discharge these inefficient clerks and have their positions filled through the Civil Service Commission with younger clerks, in order that the work might be brought up to date and kept current. But before he could carry out his plan he had met personally many of these inefficient clerks, who, he discovered, were apprehensive that they would lose their positions in view of the statement he had made publicly, and acquainted him with their personal affairs. He learned that in almost every instance members of their family were dependent upon them; that they had accumulated nothing during their years of service; and that practically only a month's salary remained between them and their daily living. Few of them owned their own homes, and scarcely any of them had any other income than their salaries. Col. Coulter, the auditor, being an especially kind and large-hearted man, later stated that he would resign his position before he would be responsible for turning out of the service any of these aged clerks.

He called together the clerks in the various divisions, explained the embarrassing situation confronting him, and asked for volunteers to return in the evening and devote three hours of work five days a week, without compensation, to bring the work up to date. As an evidence of patriotism and devotion to the service of the Government, over three-fourths of the clerks cheerfully acquiesced, and during a period of nearly three months worked three hours in the evening during five days of the week, in order to bring the work up to date.

It will thus be easily understood why the Cabinet officers and the heads of bureaus refuse to assume the responsibility of discharging the aged clerks and the absolute necessity of enacting a general retirement law.

For the last 25 years the problem of how to take care of the faithful but aged clerks has been a constantly increasing one, and the necessity of formulating some humane and practical plan has engaged the attention of Congress, the Cabinet heads, and the clerks themselves during the intervening years. In 1893 and 1894 the Civil Service Commission called attention in its annual reports to the necessity of making some provision for the retirement of the aged clerks, and again in 1902, 1903, 1905, and 1908. The department and bureau heads earnestly and repeatedly urged favorable consideration of such legislation.

The Secretary of the Interior in his annual reports for the years 1904, 1905, 1908, 1909, 1910, 1911, and 1912 gave the subject of retirement particular attention, and the annual reports of the other heads of departments since 1909 have set forth the pressing need of some general plan of retirement of superannuated employees both as a matter of justice to the employees and in the interests of the efficiency of the service. Reference may be made particularly to the annual reports for 1911 by the Secretary of the Treasury (p. 7), the Secretary of War (p. 33), the Postmaster General (p. 15), and the Secretary of the Interior (p. 17).

In respect to the War Department, Secretary Dickinson, in his annual report for 1909, recommended that some provision be made for retirement on annuities of employees who become superannuated in the service, and in his annual report for 1910 he renewed this recommendation, inviting attention to extracts from the annual report of the several bureau chiefs setting forth the need that some measures be taken to provide for the retirement of superannuated members of the civil service.

President Taft, in his annual message to Congress in 1909, under the caption of "Reduction in cost of governmental administration," recommended legislation for the retirement of civil-service employees, coupling with it a recommendation for an increase in salary to meet the increased cost of living.

Again, in his message to Congress, December 21, 1911, he said:

I have already advocated in my last annual message the adoption of a civil-service retirement system, with the contributory features added to it, so as to reduce to a minimum the cost to the Government of the pensions to be paid. After considerable reflection I am very much opposed to a pension system that involves no contribution from the employees. I think the experience of other Governments justifies this view, but the crying necessity for some such contributory system, with possibly a governmental outlay in order to cover the initial cost and to start the system going at once while the contributions are accumulating, is manifest on every side. Nothing will so much promote the economy and efficiency of the Government as such a system.

On February 18, 1908, the special committee on personnel of the Keep Commission—a commission appointed by the President June 2, 1905, on business methods in the executive departments—after careful consideration of this subject, presented a plan for the retirement of superannuated employees on the basis of monthly deductions from the salary of each employee to provide a fund for the purchase of annuity on his retirement. More recently the subject has received thorough consideration by the President's Commission on Economy and Efficiency.

Responsive, presumably, to the recommendations of the Civil Service Commission, the bureau and department heads, the recommendation of the Keep Commission and of the President, the matter has received consideration at the hands of Members and committees of Congress. Since 1903 no less than 50 bills have been introduced in Congress for the retirement of the employees of the civil service, and the matter has been the subject of repeated hearings before committees of Congress.

The following are recommendations from department and bureau heads as to the necessity of retirement legislation:

#### RECOMMENDATIONS OF CABINET OFFICERS.

##### SECRETARY OF THE TREASURY CARTER GLASS, 1910.

The efficiency of the department is retarded for want of a retirement law. I believe that the enactment of legislation providing for superannuated or disabled employees of the civil service in this department would result in economies and increased efficiency in the transaction of public business. It would be a measure of benefit to the Government and of justice to the employees who faithfully have devoted their talents and the best years of their lives to the interests of the Government.

In this connection I should like to draw particular attention to the following recommendation contained in the annual report of my predecessor, Secretary McAdoo, for the fiscal year, 1918:

"Recommendation has been made in previous annual reports of the Secretary for the enactment of an equitable retirement law for civil-service employees. The necessity for effective action of some character along this line has been accentuated during this period of war. It would seem to be not only a measure of justice to faithful public servants who have devoted their lives and talents to the Government, but it would also be in the interest of economy and increased efficiency in the administration of the public business."

##### SECRETARY OF COMMERCE WILLIAM C. REDFIELD, 1919.

I look at it from the standpoint of common justice on the one hand and from that of efficient service on the other hand. Large private concerns recognize that a lifetime spent in their service carries with it an obligation of honor toward the employee who has thus served faithfully when years make him incapable of further effective work. The business house that would turn out an aged employee, saying to him in substance, "Now look out for yourself," after a long and good record would be damned by the common opinion of the business world, and ought to be.

The only conceivable excuse that could be made would be that the employer had paid during the long service a sufficient salary over and above all the exigencies of life to have enabled the employee to provide himself for his own old age. No one will charge the Government



with doing that, especially when objection is made to an employee endeavoring in his own time to add something to his or her income.

Failure to be as just in these matters as private concerns are injuries the Government either by causing the ambitions to seek better opportunities for service elsewhere or by relaxing the efforts of its employees generally through the unconscious drag that comes from hopeless service.

The result of the present condition is seen in the survival of many old people in the Government work who struggle on when they should have ceased from their labors because they needs must. Enactments requiring these aged workers to be discharged are substantially repealed by the higher law of humanity. They are demoted and maintained at reduced pay, thus creating what is in substance a pension without retirement, without the dignity of a recognition by the Government of their worth, and maintaining the inefficiency which everyone seeks to remove.

SECRETARY OF LABOR HON. W. E. WILSON, 1918.

Entirely apart from the humanities and justice involved in such legislation it would seem to be high time to recognize the fact that the executive departments have a pension roll, whether they like it or not, and that it is the most expensive, cumbersome, and in many ways inhuman sort of a pension system. What I refer to here is the water-logged pay roll, which in all essentials produces a pension system without the retirement. In other words, aged and decrepit employees who have been worn out in Government service are retained on the pay roll at a salary which is considerably higher in most cases than would provide an adequate pension. These people are not discharged, can not and will not be discharged by the heads of departments, for humane reasons which we need not go into here. On the other hand, they must be at their desks each day for seven hours in order to receive the salary at which they are listed. This is not only a physical hardship upon them, it is a useless and inhumane one.

On the other hand, it has a demoralizing effect upon the other employees, particularly those who, going in at the entrance grade, are perhaps getting a salary for real work much less than the pensioners are receiving. These old people do nothing and are expected to do nothing, and the young clerks coming in at a lesser rate are naturally more or less incensed at being required to do the work that these "old-timers," so called, are unable to do.

[From Postmaster General Burselson's report for 1913, p. 187.]

RETIREMENT OF DISABLED OR SUPERANNUATED CLERKS.

The requirements of the Railway Mail Service are exacting, and the performance of duty is attended by danger and hardship. From the nature of the work performed it is necessary that the force be active and energetic, and it must be replenished constantly with an element of that character in order to maintain a high degree of efficiency. When the work of a railway postal clerk deteriorates it is necessary to change his assignments to postmasterships in second, third, and fourth class post offices if these positions are placed under the civil service. Provision should also be made for their retirement from the Railway Mail Service when disabled or superannuated upon some system of limited payment provided for by a contributory plan or otherwise.

[Postmaster General Wanamaker's report for 1890, p. 38.]

I wish that some scheme might be devised by which the departmental force, and all parts and branches of the Postal Service, classified or to be classified, might be encouraged into new exertions by some just, general, and certain plan of promotions. This would perhaps involve the retirement at a certain age of Government employees who have been efficient in the past, and would possibly involve, too, the payment to them of a stated sum, or of smaller sums at stated periods. But scores of places in the departments, and in the large post offices, as I doubt not, are to-day filled with superannuated clerks who fail to do the work which the department is required by Congress and the public to expect of them, and also prevent those from taking their places who would be glad to do all of the work well. It would seem as if we might either heartlessly remove these useless Government employees or else confess that we really have a civil pension roll. In any occupation it is the man who is looking for better work to do and for better pay for doing it that deserves the better work and the better pay; and I am certain that the efficiency of the whole postal force would be increased beyond all calculation if there could exist, in it and through it, a continual upward movement, a regular and certain retirement in some just and humane way, and a consequent influx of the young, the strong, the ambitious.

[Extract from the Annual Report of the Secretary of Commerce, 1913.]

SUPERANNUATION AND RETIREMENT.

The problem of utilizing the services of aged employees to the best advantage is constantly becoming more difficult of solution. The growing volume of work, the demand for increased efficiency, and the introduction of new methods and ideas require the services of men and women whose minds are active and capable of development. It seems inconsistent that the Government should expend large sums of money in attempting to procure properly equipped eligibles to enter its employ and at the same time retain on its rolls those who have long passed their usefulness. The heads of bureaus are reluctant to discontinue the services of superannuated clerks, for to do so would in most cases deprive the latter of their only source of income. Demotion is but a palliation, and does not fully meet the difficulties of the case. It would therefore seem to be only just to provide in some manner for the retirement of such employees on annuities at least partly commensurate with the rates of pay which they have been receiving. In some cases the reduction of force possible through the greater efficiency of younger men and women would go far to meet the cost of these annuities.

A brief statement of a few reasons in favor of the contributory plan for retirement:

"(1) The experience of England shows that pensions furnished entirely by the Government are considered practically as deferred pay; in that sense they tend to keep salaries down; and in a similar sense they form an indirect contribution from the employees. At the urgent request of the employees, moreover, the English system was modified a few years ago in the direction of a contributory plan.

"England and Russia are still considered straight-pension territory. Germany, France, Austria, New Zealand, Australia, Canada, etc., are in the contributory column.

"(2) According to the experience of the straight-pension system in England, only one in six or seven employees lives or remains in the service long enough to secure a pension. Under the contributory plan an employee may leave at any time, taking his savings with him.

"(3) Under a straight-pension plan, it is believed, there would be a constant tendency to seek through Congress special dispensations on account of those employees who died before the pensionable age and whose families might be left destitute. This matter of special privilege would not only have a demoralizing effect upon the employees in general but would tend to bring the whole civil service into public disrepute.

"(4) A straight pension undoubtedly would tend to bind a man to his job. An employee might be deterred from leaving the service and bettering himself simply because he felt the binding power of a pension and realized that provision for his old age depended upon holding his job until the time of retirement. It has been argued, also, that the average employee under such circumstances might hesitate or refuse to protest against possible injustice or maladministration for fear of incurring the displeasure of the powers that be. Such an argument, however, would hardly apply in the case of a contributory plan, since an employee might be assured, in so far as his pension were concerned, of withdrawing his savings if he should resign."

[From the report of the Commissioner of Pensions for the fiscal year ended June 30, 1918.]

CIVIL-SERVICE RETIREMENT.

The question of retirement of certain employees who have passed the age of usefulness is one that is frequently before Congress and is ever present to the officials of this bureau.

We have a great number of employees who have served the bureau loyally for many years, but who have now become physically less effective in the activities of the service. These people have generally been the supporters of families and have been unable to make any provision for their latter years. It would be a heartless and inexcusable proceeding to dismiss these worn-out servants of the Government, and yet their continuance in the service is indefensible, except on humanitarian grounds. Unless these people are to be summarily dismissed, the Government would be a gainer in a financial way by devising some retirement plan, and the bureau would greatly profit in increased results by the elimination of the nonefficient class.

The argument favorable to civil-service retirement draws much strength from conditions in the Pension Bureau.

The following statement shows the number, ages, etc., of employees in the Pension Bureau on the 1st day of July, 1918:

|                                                                   |       |
|-------------------------------------------------------------------|-------|
| Number in the classified civil service.....                       | 925   |
| Age of oldest employee.....                                       | 87    |
| Number over 80 years of age.....                                  | 24    |
| Number between 70 and 80 years of age.....                        | 163   |
| Based on age of 70, number eligible for retirement.....           | 192   |
| Percentage of all employees eligible for retirement.....          | 20.75 |
| The average age of all employees in December, 1917, was 57 years. |       |

NEED OF A RETIREMENT LAW AS APPLICABLE TO PENSION BUREAU.

Mr. Edward C. Tieman, former Deputy Commissioner of Pensions, in a statement to the committee, said:

I think, because of the fact that the Pension Bureau is one of the oldest bureaus in the Government service, we can demonstrate there in the most effective and easily recognized way the advisability, both from an economic and a humane point of view the advantages of a retirement law. At present we have about 870 employees on our rolls. We find that 295 of that number are eligible for retirement under the provisions of this bill. They are 65 years of age, have had the necessary service, and come within the requirements of either the voluntary or the compulsory provisions of this act.

I have found, on making a personal investigation, that approximately 150 of the 870 employees in our bureau would probably take advantage of a retirement law. I can say this, without any reflection upon that 150, nearly all of whom are employed in some manner, that we could dispense with their services at this time and not lose in appreciable degree any measure of efficiency in the bureau. It is not to us a helpful service, so far as the administration of pension matters go. I would say further that at least 50 of that 150 are inefficient and do not render any useful service whatever to us. They could be retired. In order that you may understand just what I mean by what I have said with reference to the number who might retire or be retired under this law, I would say that for the 150 whose services could be dispensed with 50 efficient clerks would render us a better service and a more useful service than those 150 clerks. If those 150 clerks were to take advantage of the provisions of this bill, the annuity paid to them would approximate \$90,000. The amount of salary paid to them is approximately \$190,000. If their services were not replaced at all with new appointees in this bureau, there would be an outright saving in salaries of \$100,000. But, of course, it goes without saying that we would have to appoint persons to take the places of those who are going out. But I repeat that 50 efficient persons would render us a far more valuable service than is rendered by the entire 150.

Now, I think that demonstrates, in a practical way, the benefits in the Pension Bureau of this bill or of any other retirement bill as an economic and humane proposition. It is humane, because it is our experience that old people, who have been efficient, who have rendered loyal and splendid service, who have had their responsibility of families, who have educated their children, and who have reached the ages where they have become inefficient, ought to be taken care of, because it would be absolutely inhumane to retire them arbitrarily from the service without any sort of provision for meeting the exigencies of life. We use our inefficient people down there the best way we can. We shift them from one place to another. They render all the service they can, and they render it in the best way that they can. But these people ought to be retired. They do not render a service that is valuable to us nor could they render it elsewhere.

ABILITY OF PENSION BUREAU TO ADMINISTER A RETIREMENT LAW.

The proceedings incident to adjudicating claims for pensions and the proceedings incident to the administration of a bill of this character are so nearly related and so similar in general character that the practice which now obtains in the Pension Bureau and the practice which would obtain in administering the benefits of an act of this character are so nearly alike that the training and experience of the clerks now in the bureau would be invaluable if they were required to take up this additional work. While we have a large number of inefficients, there are

about 700 trained expert clerks in the Pension Bureau who are not only capable of giving advice but they are capable of supervising and directing the efforts and energies of other clerks. Out of that 700 clerks we have a sufficient number who could be put in charge of this work and other less experienced clerks could be put under them, so that this work from its very inception would go forward without a particle of delay. At the same time, with the addition of such help as will be required, because of the retirement of some clerks who are engaged upon pension work, we could handle the pension work and go ahead with the administration of both laws without delay with absolute satisfaction to everybody concerned, and with great economy.

#### COST OF ADMINISTRATION.

There would be no considerable expenditure because of this additional work. We have the building, equipment, and a system of filing already in operation which could be used in this connection. We have a corps of trained clerks which, if increased as was found necessary to administer the pension laws and this law, would not involve a large amount of expense. We have a medical division which would determine all medical questions. We have a special examination division which covers practically the entire United States, which would investigate every question that brought up a matter of doubt. Our medical division has under its control local examining boards in practically every county in every State of the United States, before which an applicant for the benefits of this law might appear for examination. Those boards are maintained without a dollar of expense to the Government, because the members of the board are paid only for the examinations they actually make and report. Now, those same boards would handle this business just as they handle the pension claims, because the same character of questions would be considered. We have a disbursing division where, already installed, is all the machinery necessary for the payment of this annuity. We are paying now about 630,000 pensioners every quarter. The employees in the disbursing division are engaged 12 months in the year in making out and mailing checks, and the financial division is making out vouchers for those who are paid under voucher. The record division is maintaining a perfect system of indexes, which could be enlarged to include the beneficiaries of this law.

The persons entitled to annuities under a retirement law could be paid every month through our disbursing division without the expenditure, I think, of a single dollar for additional mechanical appliances. The only requirement would be a few more clerks.

The plan contained in the pending bill is the result of a most careful study on the part of actuaries and Government experts, as well as by Senators and Representatives in Congress, and it is believed that it is as nearly perfect and will come as nearly as possible to accomplishing what is so much desired as any legislation that could be framed.

I am heartily in favor of its provisions and earnestly hope that it may be placed upon the statute books before the close of the present session of Congress. [Applause.]

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

Mr. SMITH of Idaho. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GODWIN of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. FERRIS] and ask unanimous consent that he be allowed to use the 15 minutes of my time out of order.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the gentleman from Oklahoma be allowed to use the 15 minutes granted out of his time out of order. Is there objection?

There was no objection.

Mr. MANN of Illinois. Mr. Chairman, I will not make any objection, although I suggest to the gentleman to withdraw his request. It is not within the power of the committee to change the order that was presented in the House. I shall make no point of order on the gentleman; I do not care what he talks about or what he talks, but it is not within the power of the committee by unanimous consent to change the order that was made by the House requiring the debate to be confined to the bill. Probably the Chair will call the gentleman down if nobody else does.

Mr. GODWIN of North Carolina. Mr. Chairman, I will state to the gentleman that the time will not be extended and that the 15 minutes will be used out of my time, and the subject to be discussed is so near to the subject matter under discussion that I thought it would not be unreasonable to make the request.

Mr. MANN of Illinois. I know. I was simply stating that the committee can not change by unanimous consent the orders presented in the House.

Mr. BLANTON. Mr. Chairman, this is just a little House courtesy to the distinguished coming Senator from Oklahoma [Applause.]

Mr. FERRIS. Mr. Chairman, will the gentleman from Illinois yield to me?

Mr. MANN of Illinois. Yes. I am not objecting.

Mr. FERRIS. I am fully aware of the rule and I am fully aware that it is out of order.

The CHAIRMAN. The unanimous-consent request is not in order under the agreement. The gentleman from Oklahoma [Mr. FERRIS] is recognized for 15 minutes. [Applause on the Democratic side.]

Mr. FERRIS. Mr. Chairman and gentlemen of the Congress, out of the war with Germany, in which 4,800,000 men participated, sprang an organization known as the American Legion, conceived in the highest purposes and which will be a live, active force in the Republic for the next half century. The executive committee of that organization, pursuant to request, have drafted a relief bill that meets their approval. It was introduced by Chairman FORDNEY. It affects 4,800,000 soldiers. It affects the taxpayers. It affects the Treasury. It is important that a grateful Republic do its duty.

#### SYNOPSIS OF THE BILL.

They have drafted a bill and submitted it to Congress. It is up for consideration to-day. It consists of four well-defined proposals of relief:

First. The land settlement provision.

Second. Home-purchase provision—long-time loans, low rates of interest, homes to be selected by the soldier.

Third. Vocational training, trades, science, education, and general improvement of the soldier.

Fourth. Adjusted compensation—bonus to enable the soldier to recoup part of the financial loss suffered while in the service.

Fifth. The committee has added a fifth option to the soldier, known as the paid-up insurance policy provision.

It is roughly estimated by those in charge of the bill and on the Ways and Means Committee that it will cost about \$2,000,000,000. This money must be raised from the taxpayers. The committee has reported that it shall be raised in two years. They provide five sources from which to raise this necessary two billions of revenue.

The sources are as follows:

First. Consumption tax—sales tax—from which it is estimated they can raise \$400,000,000 per year, or \$800,000,000 for the two years the tax is to run.

Second. Tax on tobacco.

Third. Tax on real estate transfers.

Fourth. Stock-exchange transactions.

Fifth. A gradual raising of the general income-tax laws, and from the latter four sources are to be raised \$1,200,000,000 necessary to make up the two billion.

Roughly speaking, the average days of service for the men are 400 days. The adjusted compensation is figured on a basis of \$1.25 per day, which would approximate roughly \$500 per man.

The bill as it is to be reported from the committee includes all enlisted men and officers up to and including captains. It does not include widows, as they are provided for in the war-risk insurance law. It includes the Regular Army personnel during the period of the war only. It ought to include all men and women who served; we can not afford to cut out part of them—they all served.

#### HISTORY OF THE LEGISLATION.

The history of this legislation is interesting. It originated primarily in Secretary Lane's office. That bill received consideration during a preceding Congress and was first reported from the Irrigation Committee. That bill also received consideration during the early part of this session of Congress by the House Public Lands Committee. Numerous bills have been introduced on the question, some 50 in number—long hearings were had before the Public Lands Committee, which resulted in the final reporting of the Mondell bill. That bill was not acceptable to the soldiers—it was not acceptable to the Congress.

Recently by an appropriate resolution all of the 50 bills that had been introduced by the several Members of Congress, some 50 in number, were summarily referred to the Committee on Ways and Means for consideration.

The executive committee of the American Legion drafted and promulgated a bill; it was introduced by Chairman FORDNEY of the Ways and Means Committee. That bill has been considered by five subcommittees. It is a very important bill affecting 4,800,000 soldiers, a far-reaching effect upon the Treasury, a draft upon the taxpayers, and is a bill of first importance. It should not be considered under suspension of rules, which excludes the offering of amendments, only allowing 40 minutes debate, as a gag rule intended only for emergency, and no emergency is here asserted to exist.

#### VIEWS OF MEMBERS CLASSIFIED.

The membership of the House of Representatives, consisting of 435 Members, may well be classified into four groups, as follows:

First. Those actively and energetically in favor of soldier legislation.

Second. Those vigorously opposed to any legislation for the soldiers whatever.

Third. Those in favor of land and home legislation but opposed to bonus.



Fourth. Those who pretend to be in favor of legislation, but who hope to make it so obnoxious that it will be without value to the soldiers, and who are striving to attach to it a method of taxation so odious that it renders the bill unsatisfactory to the soldiers, if not a reflection upon their patriotism and devotion to country.

MY OWN PERSONAL VIEWS.

I am one of those who feel it the duty of Congress to pass soldier relief legislation for the soldier and pass it now. I did what I could to get it passed last Congress. Other countries engaged in the war have granted some substantial recognition to their soldiers, why should not we do the same? We are better able to provide for them; we should even do more than they.

I am in favor of including every person connected with the service, both men and women, both officers and men. I do not believe in haggling, cheeseparing, and driving any sharp bargains with these soldiers. A great portion of them were drafted into the service. They were our Nation's defenders then. We should be their defenders now. [Applause.]

I am in favor of passing legislation that will benefit the 4,800,000 soldiers, sailors, and marines and not only 3,000,000 of them, as provided for in this proposed bill. They were all soldiers. They were all the Nation's defenders; true, some served more than others, but each one served as he was directed to serve; each one stood ready to do his Government's bidding and his Government's call; it was not within his power to determine whether he had active service or inactive service; his was to serve; he did serve, and this is no time to drive sharp bargains with him—to make fish of one and fowl of another.

I am in favor of making the land-settlement provision, the home-purchase provision, the vocational-training provision, the paid-up insurance provision, so attractive that not a single man of the 4,800,000 will elect or feel it to his best interest to select a so-called bonus or cash provision. I feel that by so doing the Nation's defenders will receive benefits more lasting in character, will receive benefits that will make them better citizens, will receive benefits that will improve the community in which they live; whereas it is without doubt in many cases true that the cash bonus will not be availing, will not be lasting in character, and will not do more than temporary good, if even that, for the ones receiving it.

There are, however, doubtless some cases where the cash bonus will be the only assistance the Government could render and the soldier could accept, and for that reason I am in favor of the adjusted compensation for that soldier, or soldiers, as provided for in the American Legion bill.

I take no stock in the proposition that this is a sale of the soldier's patriotism, and I receive those statements as coming from those who either have not thought upon the subject or are seeking to strike a body blow at this legislation. It is to be regretted that such talk would be even tolerated. The 4,800,000 men who have just offered their lives to their country are not entitled to be subjected to any such talk.

I am one of those who believes this legislation is just—is due from Congress, and that the soldier may accept it without a feeling that his Government has done something that justice does not demand and something that a grateful Republic would not only be willing but anxious to do.

I am one of those who believes this Government can not afford to fail to pass this bill which will enable our boys to again gain their stride and take their several places in society in the community in which they live.

I am one of those who believes the legislation should be freely given without any humiliation to the soldier, without any vicious haggling, nasty criticism of the soldier. The soldier should not be subjected to humility and beggary because this Nation is asked to do what other nations do. Members here who make such criticisms are, I fear, unmindful of the services these soldiers rendered. They have forgotten the dangers of yesterday. They have forgotten the sacrifices made, the ends achieved. They brought the flag back in victory, not in defeat. They did what a grateful Nation asked them to do. They did what the Nation could do only through their patriotism, their zeal, and devotion to country.

UNWHOLESOME PROVISIONS OF BILL.

FIRST OBJECTION.

I am opposed to attaching to this legislation any revenue legislation of any sort. If this is just legislation that should be passed, and I assert that it is, it should become a charge against the general revenues of the Government and should not have an irritating special tax provision attached to it. This course is without precedent, is without justice, is an innovation which, in my opinion, amounts to a slur and a reflection upon the soldier. Even if it is not so intended it will amount

to that. This should not be done. I am in favor of striking from this soldier-relief bill the revenue bill attached to it and let the revenues necessary to carry forth this legislation be provided for in the future in the regular way as a separate bill, standing on its own bottom, and not hitched on or attached to this soldier bill at all. In my 14 years of service in this House I have never before been called upon to vote for remedial legislation of any sort and at the same time hang a tariff bill on to it. The raising of revenue is one question and within the jurisdiction of the Ways and Means Committee. The creation of a charge against the Treasury and the appropriating of money is another question. These two questions can not properly be linked together. Taxes are always odious, always heavy to bear, always unpopular; therefore I do not want this special irritating "sales tax" hung on to this soldier-relief bill. The soldiers will feel hurt about it. It is not fair or just to them. It should not be done.

I submit the Ways and Means Committee have erred in tying these two provisions together. I assert that it is economically unsound. I assert that it is wrong in principle. It will reflect on the soldiers and it is unfair to the Members of Congress who desire to vote for soldier-relief legislation to couple with it and force them to vote for a tax proposition which they believe to be unsound, unfair, unworkable, and unjust.

OBJECTION TO ANNOUNCED PLAN OF ALLOWING BUT 40 MINUTES' DEBATE AND NO OPPORTUNITY OF AMENDMENTS.

Even if it were proper to hang onto this soldier legislation a revenue bill of any sort, I am bitterly opposed to the raising of this necessary money by any "consumption or sales tax" of any kind or sort. Such a tax on every sale is at best a taxing of the poor, who can ill afford to pay it; it is the imposition of an irritating tax that will be an annoyance to the retail merchant; it will be an irritation to the public; cost more than it amounts to to collect it; make tax collectors of our business men; bring humiliation and disgrace to our soldiers; it will be forcing our soldier population to be themselves taxed to pay for this legislation; it will be a lifting of the burdens from the rich, the war profiteer, and the ammunition maker, and heaping it onto the shoulders of the poor. I submit this is not as it should be. I submit the 4,800,000 boys do not desire this. I submit the already overtaxed public can not endure this. I submit it should not be raised in this way.

THIRD OBJECTION.

Lincoln said, "God must have loved the poor, because he made so many of them." It seems to me we should observe and avoid any steps that make more of the poor than has been decreed to us. To pursue such a course is to breed socialism, distress, discontent, and, finally, to submerge the Government. Let me without partisanship, without any desire other than to help our Republican friends who are in full control, not to do this thing, not to raise this money in this way.

FOURTH OBJECTION.

The bill affects 4,800,000 soldiers; it creates a charge upon the Treasury of \$2,000,000,000; it is the highest duty a Nation owes; it is a duty to its soldiery. Still the Republican side of the House allows but 40 minutes' debate; not a single Member of the House is given permission to offer an amendment; we are forced to vote yes or no, however imperfect, improper, insecure, and lacking in feasibility the bill may be found to be. Such a procedure is without precedent, vicious, unpardonable, and will live to plague the party that forced it down the throats of 435 patriotic Representatives of the people duly elected and brought here to do their full duty.

I am sure I am not alone in my hostility toward the procedure adopted by the majority for the consideration of this bill. I am sure every Democrat on this side of the House objects to it. I am sure a large majority of the Republicans who believe in fair play, full consideration, and justice to the membership of this House are likewise opposed to it. This legislation is entirely too important, affects too many people, creates too great a charge on the Treasury to be handled in this summary way. If Speaker GILLET does his duty—and in this instance it is discretionary with him—he will refuse to recognize any Member to move to suspend the rules to pass such a bill as this with but 40 minutes' debate and without the right to offer a single, solitary amendment, which precludes the right to even make a motion to recommit.

To pursue this course is to say that every Member of Congress who desires to vote for soldier legislation must likewise adopt and vote for this infamous provision of a consumption or sales tax.

I submit that this tax provision should stand on its own bottom. If it is just to thus tax the poor, the membership will approve it standing alone; if it is unjust to thus tax them, it should not be forced upon them in order that they may accord

their friendship, help, and support for the 4,800,000 soldiers who richly deserve their support.

The membership of this House should at least be entitled to a chance to register its will; the country is entitled to know who favors this consumption or sales tax and who opposes it. The country is entitled to know who favors these soldiers and who really opposes them; the soldiers are entitled to know who really favor them and who really oppose them; and by coupling these two proposals together, which, to my mind, is almost infamous, it enables the Member who is really opposed to soldier legislation to hide behind the cloak of taxation and thereby really conceal his motives. I submit this is indefensible; I submit the exigencies are not so great to perform such a day's work.

WEALTH OF THE COUNTRY ABLE TO BEAR BURDENS.

Members of Congress here, on one pretext and another, are asserting that the Government can not afford to pass this legislation; they are asserting that the 4,800,000 boys do not need this assistance; some of them are even going so far as to speak scornfully of the men who so recently served them; some of them are asserting that the men received \$30 a month during this war and but \$15 during previous wars, and that is true; but the conditions are so different and the purchasing power of the dollar is so reduced and the ability to earn for those behind the lines had so increased that the financial sacrifices made by the soldier have been greater than he may well be expected to endure. They likewise paid about \$7 per month for insurance, \$15 for family allowance, until their salaries really were not only consumed but more than consumed. They came out broke. They need this legislation. They deserve it.

The real question to determine is whether or not the taxpayers of the Republic can really afford this additional drain upon them.

Let us observe what the Treasury Department shows as to the fortunes actually amassed by war profiteers—by ammunition profiteers—behind the lines during the war. We are told that there are 23,000 new millionaires—made during the war, came to us as a result of the war, out of the war. These millions were made by men behind the lines, in safety, while 4,800,000 of America's sons were fighting and dying in the service of their country on sea and land that free government might live. The soldiers were performing this hazardous service at \$30 a month. They were baring their heads and their breasts to all the dangers, horrors, suffering, and terrors of war while the millions were being amassed by those behind the lines, in safety, selling their wares to the Government at fabulous profits.

Can these 23,000 millionaires thus created afford to be taxed to enable their Government to do justice to their soldiery? Will they desire to protest a modest levy against their fortunes made during the war, out of the war, to adjust the losses of America's soldiery? I do not believe it. The fortunes thus amassed could be put to no better purpose than help these boys to their feet, help a Nation keep its pledge, show a Nation's gratitude, and do a Nation's duty.

We are told that the corporations of this country who earned annually more than \$100,000 made war profits during the war of more than \$2,000,000,000. We are told that 69,000 men made war profits alone of \$3,000,000,000 during the war years. If this be true, and my information is that it is true—my information is that it is but a mere scratching of the surface of what has actually been made—will these shrewd business men, brilliant, able, virile, thrifty, strong, capable of earning millions, will they come here and protest this legislation which levies a tax against their profits, their swollen fortunes, their earnings—that have climbed mountain high, made possible by conditions occasioned and brought about by the war?

If they do come and protest, will a just Congress or a just constituency tolerate them and their millions of war profits to be tax free while the soldier stalks the street, penniless and alone? Will the 435 chosen representatives of the people, sworn to do their duty, acting under their oath of office, tax the farmer on his implements, the workman on his tools, the 20,000,000 toilers and wage earners on every purchase they make, to the end that these swollen fortunes may not be interrupted or molested or exactions levied against them?

No; I can not believe America's thrifty, thriving, teeming business men would have this Congress adopt such a course. I can not believe the 4,800,000 soldiers, a major portion of whom were drafted into the service, would accept or tolerate us to thus render their legislation unpopular, irritating, undesirable, unsatisfactory, by such a tax.

No; I repeat, the 4,800,000 soldiers were the flower of the Republic; they were the fairest flowers in all the garden; they

carried the flag across 3,000 miles of surging sea, that free government might live; they fought on foreign soil; they brought victory out of chaos; brought hope out of despair. They brought the flag back in honor, not in dishonor; they served America well; they served civilization well. They are home with us again; they are our soldiers. Let us encourage them; let us disclose that the heart of a grateful Republic beats for them and with outstretched hands embraces them. Give to them some substantial recognition to help them find their way; to enable them to start anew; to urge them to nobler and better things.

This relief should not be grudgingly given. No irritating tax features should be injected into it or hung onto it. No nation can long endure that does not stand true to its soldiery. [Applause.]

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Chairman, I yield two minutes to the gentleman from North Dakota [Mr. YOUNG].

The CHAIRMAN. The gentleman from North Dakota is recognized for two minutes.

Mr. YOUNG of North Dakota. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. YOUNG of North Dakota. Mr. Chairman, I would like to get the special attention of all those gentlemen who represent districts covered by grants of lands to railroads. I have just obtained a very important decision from the Solicitor of the Treasury in reference to certain claims that have been gathered up by attorneys, accompanied with powers of attorney, in which they are to get \$100 for simply using a 2-cent postage stamp to mail them across to the Commissioner of Lands to the effect that the claimants may revoke those powers of attorney if they desire.

There is one firm of attorneys that did do a considerable amount of work in connection with this matter in establishing the law. They brought a case in one of the lower courts and took it through to the Supreme Court, and, of course, as to them they have earned perhaps a substantial fee. But other attorneys who have been gathering up claims, who absolutely did nothing to help establish the law, are to get 50 per cent, and it seems to me those who are claimants ought to know that they can revoke those powers of attorney, and that as much publicity as possible should be given to this—

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

The CHAIRMAN. Does the gentleman from North Dakota yield to the gentleman from Oregon?

Mr. YOUNG of North Dakota. I do.

Mr. SINNOTT. Are the gentleman's observations directed toward those railroad grants where the double minimum has been charged unlawfully by the Government?

Mr. YOUNG of North Dakota. Yes.

Mr. SINNOTT. And the attorneys have taken the matter up for a refund of one-half of the double minimum?

Mr. YOUNG of North Dakota. Yes. That is what it is designed to cover.

Mr. SINNOTT. Does the gentleman know whether the Northern Pacific grant down from the Columbia River is included?

Mr. YOUNG of North Dakota. Does the gentleman mean the grant of 1889?

Mr. SINNOTT. Yes.

Mr. YOUNG of North Dakota. It is.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG of North Dakota. Under the leave granted to me, I shall extend in the RECORD copies of the letter from the Commissioner of the General Land Office and the decision of the Solicitor for the Treasury, and other letters and telegrams, which I am sure will be of interest to all Representatives from railroad land-grant States:

FARGO, N. DAK., April 22, 1920.

HON. GEORGE M. YOUNG,  
Congressman Second District North Dakota,  
House Office Building, Washington, D. C.:

Have just sent Secretary of Interior following telegram:  
"Regarding rebate due settlers who filed in odd-numbered sections within railroad-grant area, great injustice has resulted in cases where settlers, without any knowledge of department's decision of September 10, were induced to sign contract with attorneys at Washington to collect Government rebate on terms outrageously exorbitant. Much



dissatisfaction expressed because of Government's failure to notify settlers of decision months ago."

Suggest you get in touch with department immediately regarding this matter and insist upon some measure of relief. Also suggest that you communicate by wire with the different United States land offices in North Dakota for further particulars. Answer.

THE NORTH DAKOTA LEADER,  
By JOHN ANDREWS, *Managing Editor.*

[Telegram.]

APRIL 23, 1920.

JOHN ANDREWS,  
*Managing Editor North Dakota Leader,*  
*Fargo, N. Dak.:*

Your telegram in respect to rebate due settlers who filed on odd-numbered sections within railroad-grant area just received, and will have immediate attention.

GEORGE M. YOUNG,  
*Member of Congress.*

TELEGRAM CONTAINING INFORMATION AND ADVICE.

APRIL 23, 1920.

JOHN ANDREWS,  
*Managing Editor North Dakota Leader,*  
*Fargo, N. Dak.:*

In further response to your telegram will say that I have investigated at the General Land Office the matter of rebates due to settlers who filed on lands in odd-numbered sections within the railroad-grant areas and commuted their entries. It is entirely unnecessary for anyone at this time to employ attorneys to collect these rebates. It is a simple matter for any man to collect it by asking for blanks either from the Land Office or from his Congressman. The trouble is that many have already sent claims to attorneys at Washington coupled with a power of attorney to handle the claims and retain one-half the amount collected for their services. About 95 claims out of 100 coming in now are being presented by attorneys, and only about 5 per cent are coming in where the checks will be made out in full to individual claimants. It occurred to me that perhaps it would be well for each claimant to file a revocation of his power of attorney with the Commissioner of the General Land Office. The chief law clerk claimed that this could not be done, because of the rule of law that a power of attorney coupled with an interest is not revocable. I thrashed this out with the chief law clerk, and he is now in considerable doubt about it, but is inclined to think that the power of attorney used in these cases is revocable, because of the law which provides that claims against the Government can not be assigned, and that in these cases they have attempted to assign a half interest in the claim. So far as I can learn it will be impossible to get an opinion from the Solicitor of the Treasury Department in advance of an actual case being presented to him. This can be done by some one filing a revocation of his power of attorney with the Commissioner of the General Land Office, which, if done, will be sent by the commissioner along with the claim and power of attorney to the solicitor for his opinion. I am going to do the best I can to obtain an opinion from the solicitor without waiting for this process; but it would seem to me that it would be well to get word to every claimant possible through the press to file revocations, because the claims are coming in fast, and, of course, it will do no good to file a revocation after the claims have been paid. It would seem to me well worth while for all having claims to quickly forward revocations, either direct to the Commissioner of the General Land Office or to their Congressman to be filed with him.

The commissioner has taken under advisement the matter of issuing a general statement to the press in respect to the fact that claimants need not employ attorneys.

GEORGE M. YOUNG,  
*Member of Congress.*

REPAYMENT INFORMATION.

DEPARTMENT OF THE INTERIOR,  
GENERAL LAND OFFICE,  
Washington, April 17, 1920.

Hon. GEORGE M. YOUNG,  
*House of Representatives.*

MY DEAR MR. YOUNG: Referring to your telephone call of the 23d relative to the practice of Copp & Andrews and other attorneys of this city in the matter of repayment of portions of moneys paid on lands within the limits of railroad-land grants, I have the honor to advise you that for many years this department held that both odd and even numbered sections within the primary limits of railroad-land grants as fixed by map of general route, or definite location, should be rated at \$2.50 per acre.

The firm of Copp & Andrews in the year 1912 filed in this office the claim of Robert A. Laughlin for repayment of \$1.25 per acre of the money paid on cash entry No. 106, The Dalles, Oreg., series. The entry is located in an odd-numbered section within the limits of the grant of the Northern Pacific Railroad Co. as fixed by map of general route filed August 13, 1870, for that portion of the grant of July 2, 1864 (13 Stat., 365), through what is known as the Columbia Valley from Wallula Junction, Wash., to Portland, Oreg. No map of definite location was ever filed, and the road was never constructed as to that portion, and the grant to that extent was forfeited by the act of September 29, 1890 (26 Stat., 496).

The act of 1864 granted to the railroad company the odd-numbered sections for 20 miles on each side of the road after the general route should be fixed, excepting from said grant the odd-numbered sections which had been settled upon or otherwise segregated from the public domain prior to the date that the line of road was definitely fixed. It was further provided that the alternate reserved even-numbered sections should "not be sold by the Government at a price less than \$2.50 per acre when offered for sale." This department, following uniform previous decisions, held that all lands within the limits of said branch line, as shown by map of general route, both in odd and even numbered sections, were properly rated at \$2.50 per acre from the date of withdrawal on map of general route to the date of forfeiture in 1890.

In the Laughlin case, which was pursued through the Court of Claims and the Supreme Court by Copp & Andrews, the latter court held, in effect (249 U. S., 440-447) that since the granting act did not authorize the increase in price, and there was no other authority

for such increases on lands in odd-numbered sections, the price should be \$1.25 per acre where no map of definite location of the road was filed, unless a different price was fixed by a special act providing for the sale of such lands.

Following this decision of the Supreme Court, the department in its decision of September 10, 1910 (47 L. D., 258), heirs of E. D. Baldwin, held, in effect, that odd-numbered sections which had been excepted from railroad land grants because of prior settlement or segregation, whether the road had been definitely located or not, should be \$1.25 per acre, instead of \$2.50, as had been theretofore charged.

It follows, in the absence of special provisions of law to the contrary, that one who purchased an odd section of land within the limits of a railroad grant where the map of general route has been filed, and who has theretofore been required to pay in excess of \$1.25 per acre for such land, is, generally speaking, entitled to repayment for such excess; or one who has entered land so situated under the homestead laws and has paid commissions computed on the basis of more than \$1.25 per acre, is entitled to a repayment of such excess commissions.

This office has given full information concerning claims of this character, in response to all inquiries, and where the record showed a prima facie right to repayment blank forms were enclosed; but we have not searched our records to ascertain the possible existence of such claims with a view to giving notice thereof. Circular No. 664, under date of December 13, 1919, notified the local offices of the change of the rule relative to the price of odd sections in railroad grant limits. I presume we have received a thousand applications for repayment by reason of the decision above referred to, about equally divided between applications for excess purchase price and excess commissions.

Referring to the telegram you have received, will say that the department is in no way responsible for the activity of attorneys in this connection, so long as such activity is not unprofessional in character. Any contracts which prospective claimants have entered into with such attorneys are, of course, purely private transactions.

Very respectfully,

CLAY TALLMAN, *Commissioner.*

REQUEST TO SOLICITOR FOR OPINION.

APRIL 23, 1920.

SOLICITOR FOR THE TREASURY DEPARTMENT,  
Washington, D. C.

DEAR SIR: I am very anxious to obtain as quickly as possible your opinion as to whether certain powers of attorney are revocable which were filed by attorneys for the collection of a portion of the commutation fees upon homesteads in odd-numbered sections within the land-grant areas.

The following is a sample of the form of power of attorney referred to:

"I hereby appoint \_\_\_\_\_, of Washington, D. C., my true and lawful attorney, with full power of substitution to prosecute my claim for repayment of money due me under this application and to receive warrant in payment thereof."

While I have not had an opportunity to investigate, I assume that the particular attorneys who carried the test case through the courts are entitled to reasonable compensation for their services. I do understand, however, that there are other attorneys who did absolutely nothing to test out the law who gathered in some claims without doing any work on them at all and filed them with the Commissioner of the General Land Office and expect to collect by reason of the powers of attorney and retain 50 per cent of the amount collected.

Would not the law against assigning claims against the Government take these powers of attorney out of the general rule of law that powers of attorney coupled with an interest are not revocable?

I want to protect the men who executed powers of attorney against cutting their claims in the middle by men who did nothing more to earn the fee than walk over to the Commissioner of the General Land Office and file the claim, or else send it to him through the mails, and I am very anxious to have an opinion from you as quickly as possible so as to put a stop to this, if it can be stopped; in other words, an opinion several weeks from now would be of no value, because it will be like locking the barn door after the horse has been stolen.

Thanking you in anticipation for an expression of your opinion in this matter quickly, I remain,

Yours, respectfully,

GEORGE M. YOUNG,  
*Representative in Congress, Second District, North Dakota.*

OPINION OF SOLICITOR OF THE TREASURY.

DEPARTMENT OF JUSTICE,  
OFFICE OF THE SOLICITOR OF THE TREASURY,  
Washington, D. C., April 27, 1920.

In re revocation of power of attorney for collection of part of commutation fees upon homesteads.

Hon. GEORGE M. YOUNG, M. C.,  
*House of Representatives, Washington, D. C.*

SIR: Your letter of the 23d instant, relative to whether a certain power of attorney given for the collection of a portion of commutation fees upon certain homesteads is revocable, was received.

The power of attorney referred to reads as follows:

"I hereby appoint \_\_\_\_\_, from Washington, D. C., my true and lawful attorney, with full power of substitution, to prosecute my claim for repayment of money due me under this application and to receive warrant in payment thereof."

Generally speaking, the law is well-settled that if no term of service has been agreed upon, the principal may at any time revoke the authority of his agent so far as it relates to things to be done and remaining unexecuted, unless the authority is coupled with an interest. Of course, if the authority has been executed it can not be revoked. The power of revocation exists even though it be expressly stipulated that the agency is irrevocable. American and English Encyclopedia of Law, second edition, volume 1, pages 1216 et seq. Also see Greene's Digest, volume 3, page 3369, of the American State Reports.

It is clear to my mind that the foregoing power of attorney can be revoked.

The Auditor for the Interior Department informed me that until such power of attorney is revoked the warrant issued on the claim for repayment of money due the claimant who executed such power of attorney would be delivered to the attorney named in such instrument; but a written revocation of such power of attorney sent either to the Auditor for the Interior Department or the Secretary of the Treasury would result in such warrant being sent direct to the claimant.

A mere notice setting out a copy of the power of attorney to be revoked, signed by the claimant, and delivered to the Auditor for the Interior Department or the Secretary of the Treasury, would be sufficient of such revocation. Of course, if the attorney performed any service, either personal or through some other parties, under the powers conferred by such instrument, he could collect for such services by an action in court under a contract made by and between him and the claimant.

If I can be of any further service to you in this or any other matter, I shall be pleased to do so.

Very respectfully,  
LAWRENCE BECKER, *Solicitor.*

TELEGRAM TO THE GOVERNOR.

APRIL 29, 1920.

To the GOVERNOR OF NORTH DAKOTA,  
*Bismarck, N. Dak.:*

Yesterday the 28th I sent a telegram to P. E. Byrne, register of the United States land office, Bismarck, in the following words:

"Am pleased to inform you that I have just obtained a written opinion from the Solicitor for the Treasury Department, in which he states that the powers of attorney obtained by Washington attorneys for the collection of claims for excess amount paid by homesteaders in commuting entries upon odd-numbered sections within railroad grants can be revoked. The decision is written in response to my written application to the solicitor for decision made on April 23, and after citing authorities and giving copy of the power of attorney used by the attorneys, reads as follows:

"It is clear to my mind that the foregoing power of attorney can be revoked. The Auditor for the Interior Department informed me that until such power of attorney is revoked, the warrant issued on the claim for repayment of money due the claimant who executed such power of attorney would be delivered to the attorney named in such instrument, but a written revocation of such power of attorney sent either to the Auditor for the Interior Department or the Secretary of the Treasury would result in such warrant being sent direct to the claimant. A mere notice setting out a copy of the power of attorney to be revoked, signed by the claimant, and delivered to the Auditor for the Interior Department or the Secretary of the Treasury would be sufficient notice of such revocation. Of course, if the attorney performed any service either personal or through some other parties under the powers conferred by such instrument he could collect for such services by an action in court under a contract made by and between him and claimant."

"Now, if the widest publicity can be given to this it will result in a saving of about \$100 for those who learn about it and act quickly. Only one firm of attorneys can show they earned anything to speak of, namely, Copp & Andrews, because they took the test case through the courts, but even that firm in case of revocation of power of attorney would have to go into court and prove the real value of their services. Other attorneys can probably show no services performed of any value and will probably never go into court. Of course, those who have not yet signed powers of attorney should be cautioned not to do so, and should write to their Congressman for blanks."

Have received to-day, the 29th, a telegram from Receiver Brandt, of the United States land office, saying that he is not at liberty to act without the authority of the Commissioner of the General Land Office, and the Commissioner of the General Land Office has just refused to give such authority, saying that he does not care to interfere with agreements made between claimants and their attorneys. I am therefore calling the entire matter to your attention, believing the information should be made as public as possible.

GEORGE M. YOUNG,  
*Member of Congress Second District.*

A copy of my telegram respecting decision was also sent to Mr. John Andrews, Fargo.

HOW TO GET \$100 FROM THE GOVERNMENT BY WRITING A LETTER.  
[Copy of open letter.]

DEAR SIR: I inclose herewith a copy of an important decision rendered by the Hon. Lawrence Becker, Solicitor of the Treasury Department, which holds that powers of attorney may be revoked which were given by claimants to attorneys authorizing them to collect claims for overpayment by those who commuted their entries upon odd-numbered sections within the railroad grant areas.

Those who have heretofore given powers of attorney to the firm of Copp & Andrews may revoke the powers of attorney given to them, but thereafter may be obliged to pay the amount which they agreed to pay them, because these particular attorneys presented and argued the case in the Court of Claims and also in the Supreme Court of the United States, and it was through them that the right to secure a rebate was established. All other attorneys, in my judgment, performed only nominal services. They had nothing to do with establishing the law and can collect the money merely by presenting it to the Commissioner of the General Land Office or by simply mailing it to him. It would seem that no one should consent to pay anything other than a very small amount for such nominal services, and it would seem now that everyone who has outstanding a power of attorney under these circumstances should immediately revoke it. Attorneys in Oregon who brought action in the State courts to recover fees under somewhat similar circumstances failed to secure a judgment.

If the revocation of the power of attorney is forwarded to me, I will file it promptly. Of course, it must be filed before the Government pays the money. It will do no good thereafter.

If any claim has not yet been made, I shall be pleased to forward blanks upon which to make out the claim, present it, secure the money, and forward it without any charge whatsoever.

It should be remembered that the man who made final proof is entitled to a rebate even if he doesn't live on the land now.

In order to assist you in the preparation of the revocation of power of attorney, I have obtained the approval by the Solicitor of the Treasury Department to the following form:

"Revocation of power of attorney.

"Know all men by these presents that whereas I, \_\_\_\_\_, of \_\_\_\_\_ post office, State of North Dakota, did, in my letter of attorney, constitute and appoint \_\_\_\_\_, of \_\_\_\_\_, my true and lawful attorney for me and in my name to prosecute my claim for repayment of money due me under the application attached to said power of attorney, in which said application a claim was made for \$1.25 per acre erroneously and improperly collected from me by the Government of the United States at the time of making final proof by

me covering the following-described land: \_\_\_\_\_, and which said power of attorney also authorized said \_\_\_\_\_ to receive a warrant in payment thereof.

"Now, therefore, I, the said \_\_\_\_\_, by these presents do hereby revoke, countermand, annul, and make void said letter of attorney and all power therein and thereby or in any manner given or intended to be given to the said \_\_\_\_\_.

day of \_\_\_\_\_, A. D. 1920.

"Signed, sealed, and delivered in the presence of—

"\_\_\_\_\_"  
"\_\_\_\_\_". [SEAL.]

"STATE OF NORTH DAKOTA,

"County of \_\_\_\_\_"

"On this \_\_\_\_\_ day of \_\_\_\_\_, A. D. 1920, before me, a notary public in and for said county and State, personally appeared \_\_\_\_\_, known to be the person who is described in and who executed the foregoing instrument and acknowledged that he executed the same freely and voluntarily.

"Notary Public, \_\_\_\_\_ County, N. Dak."

"My commission expires \_\_\_\_\_.

If this does not interest you kindly hand it on to your neighbor, who may be saved \$100 by it.

Those who desire further information upon this subject are invited to write me about it, in care of the House of Representatives, Washington, D. C. Everything will be done free of charge.

Yours very truly,

GEORGE M. YOUNG,

*Representative in Congress from Second District North Dakota.*

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. KELLY].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for five minutes.

Mr. KELLY of Pennsylvania. Mr. Chairman and gentlemen of the committee, Uncle Sam is the greatest employer in the world and should be the fairest and most just. This Government, with a pay roll greater than that of any other enterprise in the world, can and should blaze the way for the solution of the great problems involved in the relations between employer and employee.

'Tis pity but 'tis true that the United States and Turkey alone of the nations of the world have failed to provide retirement pay for worn-out public servants. That the richest Nation in the world has been sending its faithful employees to the scrap heap in old age has been cause for shame. The passage of this retirement measure will be cause for congratulation and approval.

I have been urging the passage of a measure of this kind since I first entered this Congress. It has always seemed to me that by insisting upon humanity and justice in our dealings with Government employees we would be setting an example which would be of great value in the struggle for industrial justice in the Nation. That is the vital problem in America. Upon its solution depends the future of this Nation and its institutions, and this measure is a long step in the right direction.

The gentleman from Texas [Mr. BLACK] made an interesting statement a moment ago when he said that the wages paid Government employees have nothing whatever to do with the question of retirement. As a theory this assertion may be correct. As a practical condition it is woefully wrong. I will admit that the wage paid every real worker should be sufficient to not only provide food, clothing, and shelter for the worker and his family but also to provide a fund for the days of old age. The fact is that present wage standards for Government employees make necessary a constant struggle to maintain the American standard of health and decency for the present, to say nothing of the future.

Senator STERLING, joint author of this measure, in the debate in the Senate stated that the average yearly compensation for employees of the United States Government is \$1,138. Of course, that includes many with low salaries along with those who receive high salaries, but the average is fixed at that figure.

Now, does any sane man think that such an income in these days of skyrocketing prices will meet the cost of the actual necessities of life? It will not provide for a family to-day in Washington or any other large city in the land.

The best summary of the income necessary to support the average family at a level of health and decency has been prepared by the Bureau of Labor Statistics. It is based on the prices of last August, which were lower than they are to-day on almost every item. It is the result of wide investigation and careful study. It considers the average American family to consist of the parents and three children, and the figures are on that basis.

This budget states that the minimum quantity of food will cost \$773.93 for the year. The clothing costs are fixed at \$513.72. Rent, fuel, and light are figured at \$428. All other items are computed to amount to \$546.82. The total income



necessary to permit the family to have the ordinary necessities of life is fixed at \$2,262.47.

When you study this report you will find no extravagance, to say the least. The weekly food bill for the entire family is \$14.55. On the bill of fare made possible by that sum I promise there will be no gluttony and overeating.

The clothing items are figured to a razor edge. The man is allowed a hat every two years, a pair of gloves every two years, an umbrella every three years, and an overcoat every four years. The wife is awarded a suit every two years and a coat every three years.

Still more interesting than the items covered in the budget are the items omitted entirely. There is not a cent for the purchase of a book or magazine. There is not a cent for the purchase of furniture, although house furnishings and furniture have a way of wearing out. There is nothing for moving expenses, although in these days of the rent profiteer moving day is a fixed day in the calendar. There is no provision for a postage stamp nor a sheet of letter paper. There is nothing for funeral expenses, even though the grim reaper comes some time or other into every home.

This latest and best report on a living income for the average American family fixes the amount required at \$2,262.47. It is issued under the auspices of the Government by Government investigators. Place beside that fact the other fact that the average pay of Government employees is \$1,138 a year and then ask yourself if there is no connection between the income received and the need for protection from the poorhouse in the days of old age.

Mr. Chairman, down all the years there has been a terror in the hearts of mankind. It is the fear of poverty and helplessness in the days of old age. It has put despair in the minds of men and women and has cast a pall over countless lives.

None have been more subject to this terror than the Government employee, giving all their days of usefulness to the work of America. They know no other work, and when Uncle Sam casts them off the only door open is that leading to the charitable institution, which is worse than death itself.

Simply as a matter of common humanity and decency, I contend that we can not take the best efforts of faithful employees for a lifetime and then throw them out as waste on the scrap heap. Such a policy is against every principle of Americanism; it can not be endured in a land of justice.

Most department heads in the public service have taken that stand and as a result have refused to discharge old and worn-out employees, and they have been kept on the pay roll long after their days of usefulness have passed. Of course, that is better than heartlessly casting them out, but such a course is not fair to either the employee or to the Government.

I believe this retirement bill will substitute for the present haphazard, unscientific, inefficient pension system a just and fair plan, which will assure a square deal to every employee. It will save this Government millions of dollars in the end. No longer will we have a situation where a man's very life depends on his being kept in the service. Under this system those who have become inefficient through age and infirmity will be glad to step aside for younger men to assume their tasks and carry them through more effectively.

Mr. Chairman, one of the finest instances of patience and loyalty is to be found in the average Government employee. Through the discouragements of less than a living wage, of debt and privation, there have been faith and devotion which deserve admiration. They were in the public service. They believed the Nation's business must be carried on. In the midst of soaring prices for every necessary of life, with the increases cutting their incomes in two, they held to the faith that America would be just.

It is a pleasure to see this retirement measure so near passage. It is an evidence that this Congress wants to be fair, and that, though long delayed, justice will be the final reward of every faithful worker in this Nation, both in and out of the Government service.

Mr. LEHLBACH. I yield 10 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman, this is essentially new legislation on the part of the Government of the United States. It has been denominated progressive legislation, just legislation, legislation that takes into account the fact that a human being can not be made most efficient by merely mechanical means. Yet I have no doubt there are men who seriously and honestly think the legislation is unwise, perhaps unjust, and possibly not economic.

It might be well to reflect that the legislation is not proposed suddenly, or without very long and careful study. As I understand it, for almost a quarter of a century there have been

those in this House who have advocated legislation of this sort. Various bills have been proposed, and after the most careful consideration and study of the bill the Senate has passed the measure that is now reported out into the House by our committee.

It is easy, perhaps, to cripple a bill of this kind in essential features by unwise amendments. There has been no disposition on the part of any who have spoken thus far to do that. We have been led to understand that any agency, whether governmental or private, that employs vast numbers of men and women becomes in a sense responsible for their physical well-being. A great corporation enters a community, organizes its industry, advertises for help, men are called, and there is a large concentration of population in a certain industry. There has been a disposition in this country to say that if they do not want to work at that particular thing let them quit. But a closer study of the problem of efficiency has revealed that if there is one peculiarity to a human being it is that, so far as industry is concerned, he is absolutely immobile—he can not change or shift after many years of employment in a particular industry—and because of that fact many of the great industries of this country have already thought it wise in an economic sense, in a humanitarian sense, to take care of their employees when they become unable to discharge their duties either by virtue of age or inability.

That responsibility rests upon every agency that is willing to take, even by solicitation, young men and keep them in their employment; and the Government, employing more than 350,000 men and women in the classified service, can not shirk that responsibility.

This bill—the first that has ever passed the Senate, as I understand it, and the first time that it has had, in all probability, an assurance of passing the House—is an effort to discharge the responsibilities of the Government as an employer to its employees.

It is true that in a sense it is a radical departure from what we had thought either wise or economic in the handling of this Government. But many years ago old Thomas Carlyle made a very pertinent remark with regard to the Government of the United States. He said:

You have never had problems to solve in that country because you have had abundance of room; but wait until a crowded population begins to trench upon substance; wait until in a compact civilization you are faced with the great problems that constantly confront the concentrated populations of Europe, and then you will begin to understand something of the difficulties inherent in human government.

We are beginning to understand in the development that has rapidly come with the rise of great cities, with the taking up of public lands, with all the perplexing problems of social, economic, and industrial unrest, some of the difficulties that confront us. And so this legislation will go out to the people stamped with the idea that the Government of the fathers is capable of adapting itself to the new and untried situation, and is capable of so adapting itself as to show forth that immortal idea that gave the Republic birth, that the people are to have the first consideration. And so, gladly, I am supporting this bill. [Applause.]

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

Mr. ROBINSON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. MOONEY].

Mr. MOONEY. Mr. Chairman, at the outset I must confess the very greatest enthusiasm for retirement legislation. Upon my election to Congress, when the Democratic Ways and Means men suggested that new members submit a preferred list, I asked for membership on the Committee on Reform in the Civil Service, and this request followed my desire to try to help in retirement and reclassification work.

My interest came largely from years in the life insurance business, which calls most sharply to attention the very small percentage of men who approach old age with anything like a competence, and the appalling number who in later life are wholly or in part dependent upon relatives or public charity. It follows my profound conviction that there is a social and moral obligation upon the part of each employer to care for the aged employee who has given to him many years of faithful service, and its practical advantages were emphasized by my knowledge of the substantially increasing number of large employers who through group insurance or private endowment have made provisions for annuities for their aged employees.

A large acquaintance with and friendship for postal employees in my own city has emphasized the need for this kind of legislation at the earliest possible date. As has happened in all industrial centers, the cost of living in Cleveland has greatly increased through the past several years; salaries, generally, have also risen, and Federal pay is now below the standard of



like work outside. Many of the very best employees have been forced by their expenses to leave the service, but there still remain a great many men who can leave the Government tomorrow and accept private employment at increased pay—these men have full knowledge of that fact, yet with a sense of duty that almost passes understanding have remained at their posts and by increased efforts are attempting to maintain the former high standard of efficiency with new helpers—in many instances young boys. There is no gentleman present who does not appreciate how absolutely we all depend upon uninterrupted mail service. I have felt, and do feel, that this department of the Government, which is not only self-supporting but earns a surplus, owes retirement provisions to its employees as a mark of appreciation for this loyalty and as deferred payment on salaries that are now much too small. [Applause.]

While originally there was more personal concern in the Postal Department and while perhaps the same reason for retirement does not exist in other branches, I am now convinced of its absolutely universal necessity. It is true that this legislation marks a distinct change in the civil-service employment policy of our Government, but the principle has been established for many years in both the Army and the Navy; there has been no effort to take away Army or Navy retirement rights, and should be none; yet I submit there can be no reason for its application there that does not here apply.

There is difference of opinion as to the outlay involved. One gentleman in particular, in whose judgment I have unusual confidence, who believes in retirement legislation and has given the subject careful study, opposes this measure, because he feels the expenditure will eventually be great. I do not easily disagree with the mature judgment of this gentleman, but have given to this measure unusual study; have tried to approach it as a business proposition; have given to it the very best of whatever little ability there is in me; and am convinced that it is a measure not of expense but of economy; that it is absolutely essential to efficient conduct of the Government's business. I have talked with men who from large actuarial and industrial experiences are best qualified to pass upon the subject; have carefully gone through the facts developed at our hearings; have looked for but have not found one country in which retirement legislation has been enacted and repealed; have talked with firms which carry this form of insurance, who regard it not as philanthropy but good, sound business; and have had my own judgment in the matter absolutely confirmed. There are many persons now eligible for retirement, many others who soon will be and whose contribution toward this fund will be small. Of course, it goes without the saying that their retirement payments will run into money, but the question is not how many persons but how much accomplishment will be taken from the service; whether or not the cash difference between retirement and present pay will do this work. It is a matter of common knowledge that there are very many men and women in the departments here and elsewhere who, because of age or ill health, are unable to render efficient service; it is known that incompetency for these reasons does not cause dismissal from the service; and until retirement legislation is enacted the time will never come when it does cause dismissal. It therefore follows that the Government is conducting a most expensive pension plan, and instead of receiving dividends in contentment and added loyalty of its employees is thereby demoralizing its own service. [Applause.]

The present policy forces a heartless and undeserved humiliation upon faithful employees; it crowds offices, retards promotions, and warns the ambitious and younger employee of what will happen in the evening of his own life; it advises the competent to seek private employment and will have the tendency to crowd Government service with those who have neither the ambition nor energy to succeed in outside work. There has never been a time in the history of the Republic when it was more essential that not one unnecessary dollar be expended, and in all proper measures to save money I shall go as far as anyone, but proper economy does not mean to sacrifice the aged and infirm. [Applause.] In the interest of efficiency there must be neither man nor woman in public service who could not retain a like position in private employment. The business of this Government is too vast and too important to be inefficiently handled, for, after all, an organization is just so good as its weaker links.

There is, in my judgment, not the slightest doubt that while some departments are staggering on without sufficient help other bureaus have very many more clerks than there is either reason or work for. This is not at all surprising, nor does the fault lie in any one man or set of men, because the vast machine has never since its organization been properly coordinated, nor

have additions to personnel ever been made under any plan that would be permitted in private enterprise. Many bureaus were hastily enlarged and others formed under stress of war, with more concern for expedition than expenditure; but this reason no longer exists and it is my conviction that a joint congressional committee on reorganization can perform a real public service and can accomplish real economy. The Committee on Reclassification has just reported that work has been done, and I think well done, but the reclassification and reorganization work should go together, for it is the theory of civil service that by competitive examinations efficient, energetic help may be obtained and to prove successful these positions must be at least equally as desirable as positions in private employment. [Applause.] In the last analysis it is my judgment that the multiplicity of clerks and the inefficiency of which we all complain is largely the fault of Congress.

It is my observation that generally you get what you pay for, and when positions in the Government are made a little more desirable than those outside they will be filled with men and women who expect to make the service their life work. The Government should not retain in its service one unnecessary employee, for, after all, and particularly at this time, each one of these is kept from useful service elsewhere and there are more than enough positions for all of them, but there is a clear duty upon the part of Congress to set an example in fairness to its people, not to be far behind the average corporation in treatment accorded employees. [Applause.]

I believe that great economy in governmental work will follow proper treatment to the correct number of efficient employees; that the passage of this bill will go a long way in the right direction, and I hope it will pass without amendment. [Applause.]

Mr. ROBINSON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I am one of the free lances of the House, in the sense that I always say what I think, and I commend that kind of life to my colleagues. You have no idea what a feeling of satisfaction it is to be absolutely unhampered and unshackled in what you say and do here in the House. I have been that way ever since I have been here—I say what I think, always. I have sense enough to know that the kind of a speech that I am going to make is unpopular with the men who sent us the two letters of instruction received by you and me this morning—mine went into the waste basket. I know that my speech is not popular with those organizations that told you a short time ago, through the newspapers, that they are card indexing you now; they are finding out what you do in your office, in your home, and everywhere else, and will use it against you on the hustings when election time comes. They say they are going to beat you when the time comes if you have not done exactly as they want you to do. My speech is not popular with the four newspapers here in Washington that make their living off the Government employees and Congress.

My speech is not going to be popular with such business concerns as the one here in Washington, so very successful that the other day it declared a dividend of 200 per cent, made here in Washington off the Government employees. I am not for a paternalistic government. I am for a government which is to be supported by the people; I am not for a government that is to support a few of the people at the expense of the many.

I have only 10 minutes, and I must pursue my line of thought, which is untrammelled, unshackled, and unhampered, in the manner in which I deem best. There are clerks here who have been permitted to grow old in the service. They have been permitted to believe that the Government owes them something more than it owes anyone else. They have been led, through the extravagant atmosphere of Washington, to eat, drink, and be merry, and to promptly spend as it comes extravagantly. Some of them have not much of this world's goods. I have as much humanity, I have as much sentiment, I have as much of the milk of human kindness in my heart as any of my colleagues in this House when it comes to spending my own money out of my own pocket, but when it comes to spending other people's money I am a little careful. I know that when I make a speech against this bill I put myself up here as the target for the darts of some of my colleagues. I realize that, but I do my duty just the same.

The fault of the whole business is in the civil-service law that we have on the statute books, which says to men and women, stay in the Government service, spend what you may at the time you get it, get your pay check to-day and spend it tomorrow, because when you get old the Government will take care of you. Go down in your districts, my friends, and take the doctors, when they get old and are not able to perform the



service in competition with other doctors, they go to the scrap heap. Therefore they are thrifty, energetic, and save for old age. Take your lawyers, when they get old and can no longer win their cases in the courthouse in competition with other lawyers, they go to the scrap heap. Therefore, they are thrifty, energetic, and save for old age. Take your preachers, the men of God who faithfully serve the people in the pulpit. The great majority of them in this great Nation, when they get old, when they can not deliver the goods, when they can not keep their congregations awake 30 minutes on Sunday morning, must go to the scrap heap. They are therefore thrifty, energetic, and save for old age. Take your merchants, take your clerks in the stores, take your employees in banks, and when they get where they can not deliver the goods, in competition with others, they go to the scrap heap. And therefore they are thrifty, energetic, and save for old age. The greatest incentive there is for thrift and economy, the greatest incentive there is to fight extravagance and to produce the best there is in men and women in this country, is the fear of old age. It is the preparation for old age that makes men and women thrifty and economical in this country, and when you take from them the fear of old age, when you take from them the thought that they do not have to prepare and save for it, you take away from them the best incentive for thrift and economy there is in mankind.

I can not vote for this bill. I am going to be one of the few men who is going to vote against it. Do you know what the Government of the United States is? It is the best employer in the world. I have worked for \$20 a month, at the hardest work a man ever did in his life—\$20 a month. I know what money is worth. Yesterday in Chicago a man was convicted of theft by a jury before a distinguished Federal judge. Judge Landis then took occasion to criticize this Government by saying in substance that the United States Government was a poor employer of people, and by what he said led his readers to believe that, because it paid this man who was guilty of theft only \$1,200 a year, therefore it was not much of a crime for a man to steal when a man was paid only \$1,200 a year. I want to tell you right now that the great majority of the people of this country until lately have not made more than \$1,200 a year. In my day and time \$100 a month has been a big salary for a clerical employee in a bank, with responsibilities of finances running up into the millions on his shoulders. We are getting careless about what we do with public money. This Government pays some of its employees as much as \$2,500, as much as \$3,500 and even as much as \$4,500 a year, and those who get between \$3,500 and \$4,500 a year, not long ago demanded of us that we should pay them a bonus of \$240 a year.

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

Mr. BLANTON. Mr. Chairman, will the gentleman not grant me one minute more?

Mr. GODWIN of North Carolina. I yield one minute more to the gentleman.

Mr. BLANTON. Mr. Chairman, the employees of this Government here in Washington get 30 days' vacation on full pay each year and get 30 days' more sick leave on a doctor's certificate on full pay each year. They get a half holiday every Saturday during the three summer months and get a holiday on every occasion when we have a national holiday. They get all 52 Sundays, something that I have never been able to get since I have been in Congress. They get all of the pleasures of Washington. Up to \$2,500 salaries they get a bonus of \$240. They go to work under pleasant environments, in comfortable buildings, work only seven hours per day, and everything is pleasant around them. Thousands of them here are rich, if you will but refer to the amount of taxes they pay. Thousands of them own their own homes, thousands of them drive their own automobiles, thousands of them are this week paying \$4.40 apiece for tickets at the Follies down here at one of the theaters in this city, something I am not extravagant enough to do for my family, because I am not that careless with money, even on my salary. Uncle Sam is the finest employer in the whole world.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. LEHLBACH. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. Focht].

Mr. Focht. Mr. Chairman, the gentleman who has just taken his seat made some observations about the scrap heap, that place of lost hope for doctors, lawyers, and preachers. I doubt very much whether he or anyone else ever heard of a doctor going on the scrap heap, which means, of course, the poorhouse, or of a lawyer ever going to the scrap heap, which is the poorhouse, and certainly the preachers are always taken care of under provisions made by the various church councils throughout the United States. That, it would seem, settles that part of his argument.

I want to call attention now to what virtually amounts to an attack upon men who are worn out in the Government service and are ready to go to what has been characterized as the scrap heap unless humane provision is made for them. And they are not all department clerks, for right now I have a case in my congressional district of a most capable and worthy young man who has gone totally blind as a consequence of his long hours engaged in that nerve-racking and brain-and-body exhausting service as a railway-mail clerk. Would any Member vote to deny this man the allowance this bill provides? God forbid.

We have seen in operation during the late war, and it is a recognized fundamental right of this Government to take everything you have, tax your land away from you, confiscate your barns gorged with the fruits of the field, take the coat from your back, and conscript you and your son into the military service to be wounded or shot, and we believe in supporting and defending the Government that that is correct. And we have submitted to it and still continue to submit to it; but, my friends, when the Government has the right to do that, and we recognize freely and cheerfully that right, it is also the right and the duty and high obligation of the Government to protect her citizens. It is the duty of the Government, not only the duty, but the very good policy to take care of the youth in the morning of life, give them a proper start, teach them how to make a living honestly so that they do not have to steal or beg or grow up in ignorance. But, on the other hand, at the end of the journey of the life, if after they have contributed all of mental power and physical strength to our good Government, in the name of all that is worthy of men where is the Member who would refuse to the aged men and women who happen to fall a little short in their ability to make enough to sustain life the pittance asked for, and send them to the scrap heap or earth's hell, the poorhouse? [Applause.] My friends, you will recall the sop handed the people after the French revolution. All the world thought and hoped and fervently prayed that following that bloody event there was something going to come to the people. We saw revealed that all the people got were parliaments where men could talk and the nobility still held the land and all things good and useful and worth while having. Quite different here. As Emerson says, this is the land of opportunity, and as a great poet adds, "Yes; and of work also." Why, my friends, would you allow your hated and despised enemy, the German Empire or Austria, to give a pension to the aged and not give it here? In England, in Switzerland, even bloody Turkey, and Venezuela and Australia give a pension to the aged people. But in an investigation of this subject as compared with our American standards and ideals it is so small as to suggest the sop and mere husks thrown to the people after the French revolution to make them contented. Let us do the big, broad, substantial, humane thing and show our humanity. Since we have the right to take the man and all he has, we should show that there is philanthropy and justice enough in the Government of the United States to take care of him in his declining and sunset years. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The Chair desires to admonish the occupants of the galleries that they are not permitted under the rules of the House to indulge in demonstrations either of approval or disapproval, and that this rule will be observed. Otherwise the galleries will be cleared. The gentleman has 27 minutes remaining. If no one desires further time, the Chair will direct the Clerk to read the bill.

Mr. GODWIN of North Carolina. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM]. [Applause.]

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, a very distinguished speaker of Baltimore in addressing a large concourse of men the other evening said:

No man can really enjoy this life and perform the duty he owes to humanity and himself until he has reached that stage when he can eliminate the fear of death.

I say to-day that no Government employee can perform the duty and service to the National Government which he should perform until after some provision is made for him which will enable him to eliminate the fear of poverty and want of himself and family in old age. [Applause.]

The retirement bill before this committee to-day is a long step in that direction. I have favored retirement legislation ever since I became a Member of Congress, nearly 10 years ago. It took only one visit to the departments of the Government, where I beheld those far beyond the age of profitable employment endeavoring to perform the work assigned them

and which convinced me that certainly something should be done to enable the retirement of these superannuated employees.

I believe the present bill, whereby the Government bears about three-fifths of the retirement expense and the employees two-fifths, will enable the Government to more efficiently carry on the work and at less expense to the taxpayers. I believe that it will make Government employment more desirable by the people of our country; that we will be able to keep a steadier force instead of having so many resignations because of small pay.

When the employees realize that by entering the Government service they not only will receive a fair salary for the work performed but that they will be protected by retirement when disabled or too old to work they will be more willing to enter the service and make it their life employment. It will enable the Government to retire many of the employees who are so anxious to leave the service because of inability to perform the work owing to age. It will save the Government money rather than be an expense. It will be a protection to the old employees in time of retirement. It will make Government service an employment sought for and will redound to the great advantage, efficiency, and financial gain of the National Government, the people, and the taxpayers of the land.

Certainly if the great corporations found it advisable to establish a retirement system for financial reasons, as well as efficiency, the National Government need have no fear of its advantages. Long years ago the English Government found the retirement system necessary and beneficial and have always continued it.

Statistics plainly demonstrate the economy of the retirement system and show that the Government will be saved a very large sum in addition to efficiency.

I have been told by Government statisticians that the change of employees or their employment is most detrimental to the service and causes vast loss to the Government, as well as greatly cripples the service itself.

This retirement bill will wonderfully aid stability of employment and lead to Government work as a profession in itself. I look forward to great advantages from the passage of this bill.

The enactment of this retirement bill by the present session of the Sixty-sixth Congress is an indication of the fact that the people of this country have learned the lesson of the day and will go forward toward reconstruction and world peace in safety.

We have just learned the lesson that we can not all some day be rich and quit work, but rather that each one should ask the question, "What can I do to help in the community's work?" then find something to do and do it.

We as a great community are wresting our living from the earth, the air, and the sea. The rank and file of us must get up early and work hard and long with brain and brawn to get the kind of living we desire, for one year's harvest will barely last till the next crop is gathered, one year's cloth is worn ere next year's yarn is woven, the paint on the roof will keep out the weather for two years at most.

When the whole community problem is viewed it is plain that any able-bodied, able-minded man or woman who does not do his or her best at some useful task is a slacker.

We can do this. We can rear and educate the children free from care. We can nurse and protect the sick and disabled. We can gently and reverently care for the aged in the land.

It has been said, and with some truth, that if we enact all demanded legislation such as this retirement bill that every man will be carrying two men on his shoulders. We are not, however, enacting all such legislation. Only this retirement bill is before us. Truthfully, though, are we not each carrying two men, and are we not remiss in our duty if we refuse?

Our years are threescore years and ten, though by reason of strength they may be fourscore years. Twenty years of that time is unproductive youth, the greater part of the years after 60 is leisurely old age. Five of the other 40 years are taken in vacation or sickness, so that we have 35 years of productivity to carry 35 years of growth, recreation, and retrospection. Every man should cheerfully be willing to carry two men on his back during his prime and not lazily depend on child labor and the aged odd-job man to ease his righteous burden.

But to advert to the phase of governmental efficiency. The civil service is the great governmental machine. We change chauffeurs, as it were, every four years, but we have found that we do not desire to get out a new model machine every time we get a new head. However, no machine can run without lubrication and replacement of worn-out parts.

The lubrication we should supply is reasonable bonus, fair pay, proper leave and sick leave, opportunity for promotion, and healthy working conditions. But with the best of lubrication parts will wear after 15 to 30 years' use, and a retirement law to revive these worn parts from this living governmental machine is absolutely essential to its proper functioning. Human scrap is far more precious than scrap iron or scrap brass, and employees who have given long years of service should be given honorable retirement with as large an annuity as the state of the Treasury and fair taxation will warrant.

Even the trees now throwing out their new leaves of opalescent green will in the fall crown these same leaves with robes of crimson and yellow and brown before they enter into their long sleep covering the roots of the trees.

The enactment of this law is in accord with all the laws of social and business life. It serves the ends of justice, efficiency, and safety. We should make it as generous as we dare, having due regard for taxation of the people, whose shoulders are bowed with war burdens and reconstruction requirements.

The truth is I believe the retirement of the aged and the enrollment of the young and vigorous will reduce the cost of government, secure more prompt service, and inure to the great advantage, in taxation and efficiency, of all the people of the land. [Loud applause.]

Mr. Chairman, I submit the following figures to justify the economy to be derived from its passage and approval:

*Estimated cost to the Government of not retiring clerks inefficient through mental or physical incapacity, based upon a total number of 390,000 employees.*

|                            | Estimated number of clerks who chiefly through age are inefficient. | Annual salary of employees. |               | Total cost of— |             |
|----------------------------|---------------------------------------------------------------------|-----------------------------|---------------|----------------|-------------|
|                            |                                                                     | Average salary.             | Total salary. | Nonretirement. | Retirement. |
| 100 per cent inefficient.. | 5,202                                                               | \$900                       | \$4,681,800   | \$4,681,800    | \$3,121,200 |
| 75 per cent inefficient..  | 1,737                                                               | 1,000                       | 1,737,000     | 1,302,750      | 1,042,200   |
| 50 per cent inefficient... | 1,256                                                               | 1,200                       | 1,507,200     | 753,600        | 753,600     |
| Total.....                 | 8,195                                                               | .....                       | 7,926,000     | 6,738,150      | 4,917,000   |

That is, the Government is now paying annually some 8,195 employees \$6,738,150 for work not performed by them but actually performed by other employees. It would cost about \$4,917,000 per year to retire these employees, a net saving by retirement of about \$1,821,150.

The CHAIRMAN. The time of the gentleman has expired.  
Mr. LINTHICUM. I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none.

Mr. LEHLBACH. Mr. Chairman, I yield three minutes to the gentleman from West Virginia [Mr. BOWERS].

Mr. BOWERS. Mr. Chairman, I rise to support the Sterling-Lehlbach bill. In the early part of this week the House passed the Fuller pension bill, a bill whose provisions will materially benefit the old veterans of the Civil War and their widows. In these days of high cost of living one should not forget the old and incapacitated who have served their country and their Government.

For nearly 16 years it was my pleasure to be at the head of an important Government bureau. I came in contact daily with governmental employees, and I want to add my testimony that as a whole they were worthy, conscientiously performed their duties, were loyal and faithful, and considering the amount of compensation they received then as compared with their present salaries in these days of prevailing high prices they are the poorest paid people in the world. Twenty years ago these employees bought the necessities of life for one-third of the amount that they pay for the same things to-day. Sugar was then 5 cents per pound; to-day it is 30 cents. Shoes were \$3.50 a pair; to-day good shoes cost \$14 a pair. I find employees now, messengers in the departments, who received then only \$60 per month, others who received from \$1,000 to \$1,600 per annum, and the only stipend that has been given them in these long years of varying changes is the insignificant bonus of \$240.

Mr. Chairman, this is a delayed act of justice. It is not right, it is not just and true to the traditions of this Government, the greatest and best Government on earth, that its employees should be so niggardly paid. I know of men who 20 years ago were receiving eighteen hundred and two thousand dollars a year, and in those days they lived in the good residential sections of the city, because their salaries would permit them to



live there. Since that time many of these people who have come within my own observation have been demoted on account of their increasing years, and to-day, with the high cost of living and with the profiteering that is evident in Washington, these faithful employees are compelled from actual necessity to move to the more remote and less desirable sections of the city in which practically their whole life has been spent in the service of the Government. Many of these have reared large families, there have been times of sickness and death, and with the necessities of life increasing a little more from year to year it has been impossible for them to lay aside a competence for their old and declining age. It is the duty of every man in the House, irrespective of party affiliations, to support this just and beneficent measure. With a familiarity of the conditions that existed then and exist to-day, it is a step in the right direction to pass this bill. Many of the labor organizations have for years been endeavoring to bring about this legislation. They are to be commended for their efforts; every organization has a right to use its earnest endeavors to bring about a situation that will inure to the benefit of its members and to its fellow man. Members of Congress are frequently criticized for the side upon which they cast their votes. Take my own case. I have been subject to severe criticism because I voted according to my best judgment and for the good of the American people, yet I challenge a thorough investigation of my attitude toward labor. I was for years an officer in a labor organization and have always employed my best talent and means to better labor conditions wherever and whenever I have found them bad. And now that the opportunity has arisen to be of consequence to those who have spent their lives in the service of the Government, I am surprised that any Member of Congress should speak unfavorably against this bill, and it is not my purpose to sit idly by and permit an individual to malign people all of whom are better than himself. I feel it my duty as well as a pleasure to vote for this long-delayed and much-needed legislation.

Mr. LEHLBACH. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I am going to speak a word in behalf of a certain group that will be beneficiaries under this bill, the railway postal clerks. We all demand a very high order of services from Government employees, and we find here the assertion made that Government employees are inefficient. I want to call your attention to a few figures which show how dependent we are as a people on the efficiency of this particular group of employees. This Government handles over 15,000,000 pieces of mail each year, which is one-third of the aggregate postal business of the world. The Postal Service handles more than 800,000 letters every hour of the 24 every day in the year. Aside from this, each day 250,000 money orders are handled, and thousands of tons of second, third, and fourth class mail. Now, let us see what we expect of the postal clerks.

Each clerk must be familiar with the location of from 5,000 to 20,000 post offices, and is required to be able to tell instantly on which railroad each one is located, through what junction point a letter dispatched by him from that office must pass, and a multitude of other details. Every day that we go to our office, every day a business man or professional man goes to his office, he is absolutely dependent upon the efficiency of these men. They are men who are highly specialized in a certain line of work. We have to have a certain type of men, who are accurate and efficient.

Let me give you this statement in order to show how efficient these men become: One clerk made a record of handling 17,000 cards addressed to as many post offices at the rate of 60 a minute, without putting a single card in the wrong pigeonhole in the mailing case. Every business house is interested in that type of efficiency. When a clerk becomes faithfully schooled so that he is efficient and of value to the country he is not particularly well fitted for any other position. I know a man to-day 70 years old who has the efficiency which I have just described. He is not able to do anything else. And there are thousands of them in the same position, and they should be taken care of in their old age. They have given the best they have. Look at the risk involved. The mail clerks travel in the aggregate 272,413,940 miles annually.

It is not only the risk of life and limb that is involved in these miles of travel, but it is the days and weeks that these faithful men are obliged to be away from their families. It is difficult, too, to imagine a service where longer hours of strenuous work are required. These men stand on their feet for hours handling tons of mail with a degree of skill and accuracy rarely equaled in any other service with which we are familiar.

Thousands of these railway mail clerks entered the service when comparatively young at a time when the compensation they received was sufficient for their maintenance. Time went

on and they became more efficient, but their compensation was not increased in proportion to their ability. If it had not been for the fact that they had been in the service so long that they were practically unfitted for any other kind of service, they would have yielded to the opportunities which the business world of to-day has to offer. In many cases, however, it was not this fact alone that kept them in the service. The loyalty and the morale of the railway mail clerks is a matter of common knowledge. They stayed because they were in the service of their country and realized the importance of the high order of the service they were rendering to the business and social life of the Nation. It is not enlarging upon the facts at all to state that the whole business fabric of this country is dependent on efficient mail service. We can not hope to retain the younger men now engaged in this service unless the compensation is materially increased or unless in lieu of such increase this bill becomes a law and thereby protects these faithful employees in their old age. It can hardly be claimed by any person who has given any study to living conditions for some years past that these men could hope to save very much money from the meager salary that they have received. It is my firm belief that we owe far more to these faithful employees than we realize. It is not too much to say that the Railway Postal Service, with its almost 20,000 employees, constitutes the backbone of the American postal system. Every person engaged in business demands the efficient handling of the business mail of this country, and so far as the railway clerks are concerned there has never been the slightest cause to complain. This legislation will retain good men in the service, eliminate the inefficient, and provide an incentive to render good service. It will make the service appeal to men who are fitted temperamentally and mentally for this line of work. It will be a forward step in social and economic legislation. I am for this measure because I believe it is a matter of good business for the country as a whole to enact it.

Mr. LEHLBACH. Mr. Chairman, I would like to say to the gentleman from North Carolina [Mr. GODWIN] that there is only one more speech left on his side.

Mr. GODWIN of North Carolina. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has 11 minutes remaining.

Mr. GODWIN of North Carolina. I yield six minutes to the gentleman from Tennessee [Mr. MOON].

Mr. MOON. Mr. Chairman, there is but little I can say in a few minutes about this question. I recollect that not many years ago gentlemen of this House cast their votes upon principle rather than on questions of expediency or to meet the wishes of a particular class. Unfortunately, that time has largely passed. Let us still stand by the doctrine announced by all the great parties of this country, that it is contrary to its best public interests to grant civil pensions to anyone. The question of granting a pension to a soldier was a mooted one, but how could the Government live without defense by its soldiers and its sailors? So it was granted. I favor the granting of pensions to all indigent soldiers and all needy and worthy soldiers, and that has been the policy of the Government. I do not favor the proposition of taking the money of the people from the Treasury and giving it to private individuals. The necessities for the existence of the Government demand a pension to the soldiers. Who can say that this is a meritorious measure? Who can say that it is honest? Who can say—who is willing to stand for the interest of the American people—that we as trustees of these people and of their funds have a right, a moral right, to go into their Treasury and take their money and give it away to the private individual in annuities?

Are there no obligations upon us to the people to economize that we may meet the great demands of Government, even if there were a right to grant these pensions under the law to private citizens? If the employees are not paid enough, pay them more that they may save something for old age. Do not make them wards of the Government. As a gratuity, if you desire to retire the superannuated on pay, do so, and make the law such that this necessity may not exist again. There may be some equity in this view, but not otherwise. The public debt amounts to \$25,000,000,000. Divide it among the congressional districts and you will find an average of \$60,000,000 of money that these people must raise to meet this great obligation. How can we pay it if the people's money is given away in civil pensions? We must economize. This is no time for extraordinary expenses; this is no time for building monuments; this is no time for the creation of commissions and the expenditure of public money in that way.

It would have been better had we repealed four-fifths of these Government commissions and put an end to government by commission in this country. We can and we ought to run this

Government at one-third of its expense now. We, this Congress, are more largely responsible than any other body on earth for the high cost of living to-day. Why? Because you are maintaining upon the statute books the war statutes, restrictions upon trade and commerce, limitations upon the individual and the power and right of the citizens. Until you wipe away these statutes, until you bring back the normal, legal conditions which existed, there can be, and will be, no yielding to the ordinary law of supply and demand. They who produce, and especially the middleman in trade, will exact under the laws from the consumer until we turn men free to contend in commerce and trade among themselves, and thereby, under the law of supply and demand, reduce the cost of living and produce revenue from the citizen by the encouragement of business and individual prosperity so that he can pay taxes. The relief must come from your legislation. The law to restore the normal conditions by the repeal of war statutes must come. Trade and commerce must be free and restrictions removed, else the conditions that now exist will remain. [Applause.] Taxes must be reduced and the payment of the war debt spread over a long period of time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GODWIN of North Carolina. Mr. Chairman, I yield the remainder of my time to the gentleman from California [Mr. RAKER].

The CHAIRMAN. The gentleman from California is recognized for five minutes.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman, I am in favor of the purposes and objects of this legislation. I am for this bill with the House amendments. I am in favor of making promises to the people, and I am as strongly in favor of carrying out to the letter these promises. When we do that, we will get results. Here is an opportunity to carry out one of the promises made by the Democratic Party in 1916, and upon which they were successful in the election. I want to read that part of the platform:

#### GOVERNMENT EMPLOYMENT.

We hold that the life, health, and strength of the men, women, and children of the Nation are its greatest asset, and that in the conservation of these the Federal Government, wherever it acts as the employer of labor, should, both on its own account and as an example, put into effect the following principles of just employment:

1. A living wage for all employees.
2. A working day not to exceed eight hours, with one day of rest in seven.
3. The adoption of safety appliances and the establishment of thoroughly sanitary conditions of labor.
4. Adequate compensation for industrial accidents.
5. The standards of the "uniform child-labor law" wherever minors are employed.
6. Such provisions for decency, comfort, and health in the employment of women as should be accorded the mothers of the race.
7. An equitable retirement law providing for the retirement of superannuated and disabled employees of the civil service, to the end that a higher standard of efficiency may be maintained.

We believe also that the adoption of similar principles should be urged and applied in the legislation of the States with regard to labor within their borders, and that through every possible agency the life and health of the people of the Nation should be conserved.

You will notice that No. 7 is particularly applicable to this bill:

An equitable retirement law providing for the retirement of superannuated and disabled employees of the civil service, to the end that a higher standard of efficiency may be maintained.

[Applause.]

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

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Texas?

Mr. RAKER. Yes; I yield for a question.

Mr. RAYBURN. Does that commit us to the proposition that the Government should pay it all or that we should simply make up a deficit?

Mr. RAKER. No; it does not require that the Government should pay it all. It is a division. It is an equitable retirement bill.

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

Mr. RAKER. Yes.

Mr. FOCHT. Why was this delayed so long? Why did you not do it during the years when your party was in power? [Laughter on the Republican side.]

Mr. RAKER. Oh, we were working on it, and we would have got it through beyond all question, but the war was on, and we put aside all other legislation in order to win the war, which was done. [Applause on the Democratic side.] Now the opportunity presents itself for the Democratic Party. Every Member ought to vote for this bill. I am glad that it has been

presented, to the end that this legislation, which has been much needed and long delayed, might be placed upon the statute books. It is indefensible to try to defeat it. It is right and proper from every standpoint, and the Government ought to stand as an example to private employers to properly provide for and protect and make proper provision for their employees.

Mr. SMITH of Idaho. The only opposition that is coming to it is coming from the Democratic side.

Mr. RAKER. Oh, I do not think so. I think there will be little opposition to the bill, and I think it will be passed in proper form. It will be voted for by the almost unanimous vote of the House.

The bill is not altogether perfect, but it should be put on the statute books, and in whatever respect it may be found to be imperfect additions and subtractions should be made later. Take these superannuated people in the various departments from the departments and place therein virile men and vigorous women, so that the work can be done and so that at the same time these old men and women who have given their lives to the Government service may be permitted to live in peace and comfort and not as paupers. [Applause.]

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

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey is recognized for 20 minutes.

Mr. LEHLBACH. Mr. Chairman, the fundamental difficulty with the people who oppose this legislation on principle is that they conceive what they would like the conditions to be, and then they attempt to legislate or refuse to legislate in conformity with those ideal conditions which they have conceived. I have a great deal of sympathy for the proposition, the view, that the human race ought to be composed of men and women who have sufficient strength of character, self-denial, forethought, and prudence as they go through life, no matter what their situation is, to take care of themselves when they arrive at old age. But we are not considering things as we would like to have them. We must consider them as they are, and in a great proportion of the people we find that, through restricted opportunities and the want of a sufficient force of character and self-denial, the great mass of people do not in fact reach old age in such a position financially as that they are able to take care of themselves.

Now, that proposition has been recognized by the industrial and the business world of our country. Every great industry employing large numbers of people has, through experience, learned that they can have recourse to one or the other of two courses of action with respect to their employees. When these employees, after having devoted a great portion of their lives to the service of their employer, reach an age where their services are no longer efficient or competent, the employers can do either one of two things: They can discharge them and throw them upon the charity of relatives, friends, or the public, or they can provide for their retirement. Self-interest as well as the dictates of humanity have taught the industries and the great commercial enterprises of our country that it is a part of wisdom for the employer to choose the humane course as being in fact in the long run the more economical course; and so we find that there is not a railroad in the United States, there is not a big insurance company in the United States, there is not a big employer of labor in the United States, that does not as a matter of sound business practice provide an annuity for its employees on a sound basis when those employees have been in its service for a certain length of time. It is exactly as the proposition of the workmen's compensation and the employers' liability. To a very large extent, the employer's liability for accidents or disability incurred in service, whether the fault of the employer or not, has been forced upon the employer by legislation.

The retirement proposition they have with forethought and in the exercise of their own common sense burdened themselves with, and this proposition is simply that the Government as an employer should treat its employees with respect to this question exactly as every other big employer in the country has found it wise to treat its employees. [Applause.]

Now, inasmuch as we find that the employees generally, either through their restricted means or possibly their want of providence—because they are no different from the rest of the run of human beings—reach old age without adequate provision to take care of themselves, the question of the Govern-



ment solving this problem presents itself. In effect the Government has unofficially already solved this problem. It has solved it in the most clumsy, uneconomic fashion that you could possibly conceive. The way the Government solves the question of taking care of employees who have reached a state of inefficiency and incompetency because of old age is simply to retain them on the pay roll and let somebody else do the work and pay them their salaries. It is unjust to the Government. It is unjust to the chief of a division or the head of a bureau to have incompetent and inefficient superannuates on the pay rolls, because they are responsible for the quantity of work done under them, and they are handicapped by these older employees. It is unjust to the old employee himself, because it places him in a precarious position, where he continues to exist and draw the means of subsistence at the will or whim of a superior.

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

Mr. LEHLBACH. Yes.

Mr. KINCHELOE. I want to ask a question for information.

Mr. LEHLBACH. Yes.

Mr. KINCHELOE. I understand and know that what the gentleman has said is true, that the old employees are still kept on the rolls even when they are unable to perform the service expected of them and the work is performed by others. Would that be true also of the rural-route carriers? If they were incapable of performing their duty, would they still be retained on the rolls and the work performed by somebody else?

Mr. LEHLBACH. As far as possible, even in the Post Office Department, men who have become inefficient and incompetent have been for humanitarian reasons retained on the roll as long as it was at all possible; but in that employment to which the gentleman refers it is more difficult to retain them on the rolls than it is in departmental work, and for that reason we find that within the last few years 37 railway mail clerks have been separated from the service because they were no longer efficient.

Mr. ROGERS. Will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. ROGERS. As I understand it, this bill includes only classified civil-service employees of the Government.

Mr. LEHLBACH. With certain exceptions, which, as the bill is read, will be fully explained.

Mr. ROGERS. Is there any reason, in the gentleman's opinion, why a group of men like our consuls general and consuls should not come within the provisions of such a bill as this?

Mr. LEHLBACH. There is no reason why they should not if those most conversant with the duties and qualifications of those officers should decide that they ought to be within the provisions of the bill; and the bill provides that the terms of this act may be extended to other groups by Executive order, just exactly as the classified service may be extended by Executive order.

Mr. ROGERS. In the opinion of the chairman of the committee an Executive order can be issued which will cover the consuls general and consuls of the United States?

Mr. LEHLBACH. Yes.

Now, the proposition that an individual should take care of himself as far as possible has been recognized in this bill. This bill is an evolution, and the result of the study of various measures that from time to time have been proposed within the last 20 years. It is by no means perfect, but it is the best measure which experiment and consideration and discussion and study for the period of the last two decades has brought forth. For that reason I bespeak for it indulgent consideration on the part of those who believe in the principle of retirement.

The bill provides that each employee shall contribute from his salary throughout the term of his employment 2½ per cent of his salary toward his retirement in old age, and it provides that when the time for retirement comes his retirement pay shall be based upon a certain percentage of his salary during the last 10 years, proportionate to his length of service; that a person who has been in the service for 30 years or more shall be entitled to an annuity of 60 per cent of his salary and a person who has been in the service of the Government from 27 to 30 years gets a smaller percentage of his salary, but there is a maximum of \$720 for the annuities and a minimum of \$180.

Now, the plan works out in this way, that when the time comes for the employee to retire, the accumulation of his contributions and the interest earned thereby would pay a certain portion of the annuity, and the Government contributes the difference. The less a man has an opportunity to take care

of himself by means of saving from his earnings in the course of his active life the greater the Government's contribution will be, and the more a man is capable of taking care of himself by reason of higher pay, and therefore ability to save a greater amount of money toward his old age, the less the contribution of the Government is. The committee and those furthering this legislation have thought that was fair, that the Government should contribute not a constant sum to each Government employee, but a little more to those who need it most and less to those who are best able to take care of themselves.

Mr. BLACK. Will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. BLACK. I notice that there is a committee amendment which says that if the amount paid by the Government employee should create a greater annuity than \$720, the employee shall get that amount. Now, if that amendment is agreed to, why then, if I understand the bill, the employee who pays a greater amount will not be contributing anything to the annuity of the man who is paid a less amount, because he is guaranteed in that committee amendment to get the full face value of his contribution.

Mr. LEHLBACH. Under this bill no Government employee can possibly contribute one single penny toward the annuity of another employee. He contributes to his own annuity only.

Mr. BLACK. That is what I want to bring out. I understood the purport of the gentleman's argument to be that the man who was drawing a larger salary would in some way contribute to the man who was getting less.

Mr. LEHLBACH. No; I said in that case the contribution of the Government would be less, and if a man is getting a sufficient salary so that his contribution toward his retirement annuity is sufficient to pay the annuity provided for, the Government does not contribute anything, because it ought not to contribute anything toward the retirement of a man who through his active life has been able to take care of that himself.

Now, the age limit in the bill as reported from the committee and the age limit in the bill as originally introduced are permissive limits. There is no compulsory retirement at any specific age, for the first 10 years of the operation of this bill.

The fact is that a man or woman who for 15, 20, 25, or 30 years has been exclusively in the employment of the Government and reaches the age of 65 or more is unfit to leave the Government service and get remunerative employment on the outside. In very rare instances would that be possible, and so rare are the exceptions that no legislation need be made to cover that kind of a case.

Consequently it is to the interest of every Government employee, as he becomes old, if he is still able to work efficiently, to remain in the service, notwithstanding the fact that the permissive retirement age limit has been reached; and this bill provides that upon the application of anyone reaching the retirement age, if his superiors will certify that he is competent and efficient to do the work, he may have his term of active service extended for a period of two years, and at the end of that two years' period of extension he may have it extended again for a period of two years, and so on, except that after 10 years have elapsed the bill contemplates that every person should be retired eventually when he reaches his seventieth year. Now, the effect of this provision is that there being an overwhelming motive for an employee to remain at his salary of \$1,400 or \$1,600 rather than retire at a maximum annuity of \$720, the Government will have the right to refuse to continue on the rolls the man at \$1,400 or \$1,600 who can not do the work and retire him at \$720. If, on the other hand, there is an employee who is able to continue to do the work, even if he has reached the stipulated age, he will be continued on the rolls and do the work for the salary, and will not get any retirement annuity at all until he becomes inefficient to do the work for the Government and is retired.

The bill as originally introduced and as amended by the committee enables the Government to get rid of every inefficient man whether he wishes to retire or not.

Mr. HICKS. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. HICKS. Did I understand the gentleman to say that the head of a department had the power, at his discretion, to say whether or not a man shall be continued in the service after he reaches the age of 70 years?

Mr. LEHLBACH. Yes; after the retirement age is reached as fixed by the bill; there are different ages for different classes.

Mr. HICKS. The question I would like to ask the gentleman is, if that be the case and that discretion is lodged in the head of the department, will not that employee who is contemplating to be retired use every pressure he can bring to bear to retain his position?

Mr. LEHLBACH. Yes; it is for his interest to do so. The bill provides that after this has been in operation 10 years, when an employee reaches 70 years he shall get no further extension, because cases where there is complete efficiency after that age are rare indeed.

Mr. HICKS. The bill makes it compulsory?

Mr. LEHLBACH. Yes; after the bill has been in operation 10 years. There is no age at which a man must retire if he can do efficient work until the bill has been in operation 10 years.

Mr. CANNON. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. CANNON. I got an impression from a hasty glance at the bill that a Government employee who would come under its terms could quit at any time and get his money at compound interest that had been taken from him. Is that correct?

Mr. LEHLBACH. That is correct. This money is not to be used for the retirement of other employees, but he gets it back with interest. That prevents the thing that so frequently occurs under present conditions. It prevents a man being separated from the service either with or without his own fault in a penniless condition. It makes every employee save a portion of his pay, so that when he is separated from the service he has something to live on until he can locate himself in some other pursuit. That is one of the incidental benefits.

Mr. EAGAN. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. EAGAN. In the event that the employee takes issue with the Government head, the chief of a bureau, has he any opportunity to submit his case to any other authority than the department head?

Mr. LEHLBACH. As to his efficiency, no.

Mr. EAGAN. Is any physical examination required?

Mr. LEHLBACH. No. Naturally the man who is at the head of the department would naturally and obviously know the capacity of the man or employee to do efficient work. Somebody has got to determine it, and the man who is responsible for his work has the right to decide it.

Mr. EAGAN. Then the employee has no appeal if he insists that he is competent and the bureau chief says he is not.

Mr. LEHLBACH. The bill provides for no appeal in such an instance.

Mr. EAGAN. Does not the gentleman think it would be practicable to have some such plan worked out?

Mr. LEHLBACH. If the employer is satisfied that one of his employees is inefficient, why create some kind of machinery composed of persons who know nothing about his work that can come in and reverse it.

Mr. EAGAN. A man might claim that he was competent except for physical disability.

Mr. LEHLBACH. Then he is not competent or efficient. Now, Mr. Chairman, I want to say a word as to the cost of this proposed system of retirement. I am reading from a report from a Government actuary, Joseph S. McCoy, in the Treasury Department, transmitted by Secretary GLASS while Secretary of the Treasury, in response to inquiries from the other branch of this legislative body. He said:

At first the burden of paying these annuities would be entirely upon the Government, those who are retired at once not having contributed at all. This would change gradually until those who are now entering the service would be retired. Finally the contribution on the part of the Government would be somewhere around 50 per cent. If entrance to the service was limited by age to those under 30 years, the Government's contribution would probably fall below 50 per cent.

The maximum number of annuitants will not probably exceed 30,000. The total annual payment to these would be about \$18,000,000, of which the Government would probably contribute not in excess of \$10,000,000 annually, and this could readily be reduced to not in excess of \$9,000,000 annually, much less than the bonus now paid.

In accordance with the estimates of the actuary, the cost of this system will be substantially equal upon the employees themselves and on the Government, and on the cash outlay for the annuities would be substantially in the neighborhood of \$10,000,000.

The CHAIRMAN. The time of the gentleman has expired. All time has expired, and the Clerk will read.

Mr. BOWERS. Mr. Chairman, before the Clerk begins to read, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

Mr. GARD. Mr. Chairman, reserving the right to object, upon what subject?

Mr. BOWERS. Upon this bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

Mr. GARD. Upon what subject?

Mr. FOCHT. Upon this bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GODWIN of North Carolina. Mr. Chairman, I ask unanimous consent that all Members be allowed three days in which to extend their remarks in the RECORD.

The CHAIRMAN. That request is not in order in Committee of the Whole. The Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.,* That, beginning at the expiration of 90 days next following the passage and approval of this act, all employees in the classified civil service of the United States who have on that date, or shall have on any date thereafter, reached the age of 70 years and rendered at least 15 years of service computed as prescribed in section 3 of this act, shall be eligible for retirement on an annuity as provided in section 2 hereof.

The provisions of this act shall include superintendents of United States national cemeteries, employees of the Library of Congress, excepting persons appointed by the President and confirmed by the Senate, and may be extended by Executive order, upon recommendation of the Civil Service Commission, to include any employee or group of employees in the civil service of the United States and classified at the time of the passage of this act. The President shall have power, in his discretion, to exclude from the operation of this act any employee or group of employees in the classified civil service whose tenure of office or employment is intermittent or of uncertain duration.

All regular annual employees of the municipal government of the District of Columbia, appointed directly by the commissioners, including those receiving per diem compensation paid out of general appropriations, but whose services are continuous, and including public-school employees, excepting school officers and teachers, shall be included in the provisions of this act, but members of the police and fire departments shall be excluded therefrom.

Postmasters, and such employees of the Lighthouse Service as come within the provisions of section 6 of the act of June 20, 1918, entitled "An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes," shall not be included in the provisions of this act.

With the following committee amendments:

Page 1, line 4, strike out the words "passage and."

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. MANN of Illinois. Mr. Chairman, I do not know why the committee proposed this amendment. I think what it ought to provide is "following the passage of this act." It has been very customary to say that an act takes effect upon its approval. The approval of an act means the signing of it by the President. The passage of an act is when either the President signs it or it is passed over the President's veto or it is deposited with the Secretary of State because it has not been vetoed within 10 days. I presume that the President will sign this bill; but if I were drawing it, and wished to draw it properly, I would provide that it should take effect upon its passage.

Mr. LEHLBACH. Mr. Chairman, the gentleman from Illinois has brought to the attention of the chairman of the committee the technique of the situation and I ask unanimous consent to withdraw the committee amendment.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to withdraw the committee amendment. Is there objection?

Mr. GARD. Mr. Chairman, reserving the right to object, is not the proper procedure to vote down the committee amendment and then amend the bill as it is desired?

Mr. MANN of Illinois. I think that is correct.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken, and the committee amendment was rejected.

Mr. MANN of Illinois. Mr. Chairman, I move to amend by striking out the words "and approval," line 4, page 1.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Line 4, page 1, strike out the words "and approval."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 7, strike out the word "seventy" and insert the words "sixty-five."

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. BLANTON. Mr. Chairman, I think this proposed committee amendment, to change the retirement age from 70 to 65, is a reflection upon the splendid service that has been given in this House by numerous Members. You can search the whole United States over and you can not find to-day a more valuable member of any legislative body in the world than our beloved



friend the distinguished gentleman from Illinois [Mr. CANON]—84 years old, with a mind as clear as a bell, daily vigorously fighting for and against various measures on the floor of this House. [Applause.] Where is there a legislator stronger to-day than this distinguished colleague of ours? Yet you want to say that when a man gets to be 65 years old he is no longer able to attend to business affairs. Look at our distinguished colleague from Delaware [Mr. LAYTON].

Mr. LAYTON. Great Scott! [Laughter.]

Mr. BLANTON. He hates to admit it, and none of us would think he is 65 years old. He would easily pass for 50, but if you were going to cut according to the provisions of this bill, you might reach him. Oh, I could just pick them out here and there all over this House.

Mr. ANDREWS of Nebraska. How about CHAMP CLARK?

Mr. BLANTON. Yes; take the able and distinguished leader of the minority. Take them all over this House. Take my distinguished friend on the Republican side, Gen. HULINGS, who walks as straight as an Indian across this floor every time he rises from his seat. To see him walk across this floor you would think that he was not over 40, with a mind also as clear as a bell. You could pick them out all over this House, and yet you say by this bill that when a man reaches the age of 65 he is ready to step aside. I am not going to be personal with Members and friends and colleagues, whom it might embarrass, and I only mention those I have mentioned because I know it will not embarrass them. If you go to the other end of the Capitol, you find that the majority of the distinguished Members who serve in the Senate are over 65 years of age. Go to the Supreme Court of the United States, and to the Cabinet, and you will find men over 65 years of age. Go to the White House, and you will find an able man over 65 years of age—

A MEMBER. He ought to be retired.

Mr. BLANTON. Oh, he will be the idol of the public eye when lots of you gentlemen on the other side are gone and forever forgotten. This is the most ridiculous provision I have ever heard of being placed in any piece of legislation.

Mr. UPSHAW. Mr. Chairman, the thought occurs to me that my friend from Texas [Mr. BLANTON] has not remembered that if all of these employees, thousands of them, were equal in ability to the very distinguished gentlemen to whom he has referred this afternoon, they all might have been in Congress or in the United States Senate.

Mr. BLANTON. Oh, but they perform a different kind of service, and these distinguished gentlemen I have mentioned are here under a strain of nerves all of the time.

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

Mr. BLANTON. Oh, well, the committee amendment is not worthy of discussion more than five minutes by anyone; it is so ridiculous.

Mr. LEHLBACH. Mr. Chairman, the distinguished Don Quixote of Texas has again been fighting a windmill. The committee amendment is not designed to retire a single Government employee at the age of 65 if he is efficient and competent to do his work. It is simply designed to allow the Government to retire an inefficient and incompetent man when he reaches that age.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. ANDREWS of Nebraska. Under the existing law that may be done now. As I understand the law now, it not only makes it possible to retire a person at that age—65 years—when he becomes incompetent, but it is the duty of the department to do it. That is the law now.

Mr. LEHLBACH. Mr. Chairman, the statute law does permit a man who reaches the age of 65 years in the Government service, because of inefficiency, to be retired out on the street without a cent and without—

Mr. ANDREWS of Nebraska. Or at 40 years of age.

Mr. LEHLBACH. And without the slightest care or consideration of the years of service he may have given the Government. But this bill, if this amendment is not adopted, will preclude any number of inefficient and incompetent between the ages of 65 and 70 from being severed from the service, and while the statute does permit the incompetent or inefficient at the age of 65 now to be severed from the service, the common law, that is founded on humanity, has made it impossible to do so.

Mr. ANDREWS of Nebraska. Will the gentleman yield again?

Mr. LEHLBACH. I will.

Mr. ANDREWS of Nebraska. Does the gentleman mean to say that this law repeals the provisions of the general statute

now which empowers the head of a department to release from the service a person who is incompetent at any particular age?

Mr. LEHLBACH. I will ask the gentleman to show me a single instance in 10 years where a man in a department here in Washington over 65 years of age has been released for incompetency.

Mr. ANDREWS of Nebraska. I know of many of them.

Mr. GARD. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I rise to seek some information of the proposed amendment. I suppose that an act for the retirement of employees in the classified service is a necessary concomitant of the classified service, but what I would like to know is the reason for the committee changing the time in the Senate bill from 70 years to 65 years, and with special reference to what investigation the committee has made as to how many more employees would be brought in the purview of this bill at 65 than at 70 years, and before the gentleman answers I want to make this slight observation on the bill. Everyone believes, of course, that efficiency should be rendered in all governmental branches, and we recognize there is an age, probably not a given age because some men are stronger at an advanced age than others, but there must be some average age of retirement, but the question is in the service of the United States not so much of getting people in, especially the service here in the District of Columbia, but of getting them out. Now, I read the other day that over 5,000 employees in the service here were 100 per cent inefficient; I do not know whether that is true or not. Under section 6 of this bill it provides for automatic retirement, and it subsequently provides that they may be retained by the heads of the bureaus for a period of two years, and they may be retained even after they reach the age of 65 years, and then for two years after that, and so on up until 10 years after the passage of this act, and you can run them along—men and women both—from 65 to 75 years if some particular person, as a head of the bureau, will certify to their being efficient or competent. Now, that is the trouble with the whole business. There never has been an executive officer who would take it upon himself—and the reason is through their natural sympathy—there never has been a supervising officer who would undertake to discriminate and put out the old men and women. Now, if you reduce the age to 65 years and carry on this same section 6 as you are carrying it on, you carry on an age not of 65 years for retirement but a retirement age of 75 years. That is too great an age to carry even in a bill of this kind. I make these observations and trust the gentleman will answer them, because I view it to be pertinent, my position being I favor a bill of this kind but I desire to do what I can to make a proper bill.

Mr. LEHLBACH. I will say in answering the gentleman from Ohio, if he will yield—

Mr. GARD. Yes; I yield.

Mr. LEHLBACH. That there is no compulsion on the part of the Government to retire anybody at any age at all as long as he is efficient, but this bill gives the Government the option of retiring a man after he becomes 65 years of age if his services are inefficient and are so found by his superior officer. Now, it has been suggested, just as the gentleman from Ohio suggests, that possibly the benefit of a doubt in an undue number of cases will be given by the superior officer to men who wish to be retained in the service.

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

Mr. GARD. I will ask for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LEHLBACH. It has been suggested that men who are really inefficient after they reach the age of 65 will be certified as efficient by their superiors because of the desire of the man to retain his full salary and his place on the roll rather than be retired on an annuity, and for that reason it has been suggested to amend that portion of the bill and make it read that the certification of efficiency must be with the approval of the Civil Service Commission, which would afford just such a check as the gentleman from Ohio suggests.

Mr. GARD. Well, under the provision of this section 6 it provides that all these men who reach the age of 65 shall automatically retire, and then they may be continued after a certain certification is made by the head of the department, branch, or independent office of the Government that he or she is qualified by reason of his or her efficiency or willingness to stay on.

Mr. LEHLBACH. Yes.

Mr. GARD. Now, I venture the assertion that if this language is continued and the age of 65 remains in, the gentleman will not get anybody to retire because the retirement pay is

much less than the full pay, and with the difficulty of getting the head of a department to separate the inefficient now, how much more difficult is it going to be to get them to insist on automatic retirement when they might say, Here is a man or woman 65½ years of age, and he or she is good for two or four years, and so it can run up to 10 years. So you really write in this bill now a retirement at 75 years of age. Is not that right?

Mr. LEHLBACH. It is not, because we must assume some sense of duty is implanted in a chief of a bureau or head of a division, and the motive that causes him to retain an inefficient on the pay roll is because it has become the custom recognized as such, and because it leaves a person separated from the pay roll absolutely destitute.

But with a retirement provision and annuity the strong motive for retaining an inefficient man in the service will be taken away from the bureau chief, and his sense of duty—with the motive and sanction of custom to set it aside no longer present—will govern, and we can trust the bureau chiefs and heads of divisions to not certify a man efficient who, in fact, is not at all efficient.

Mr. GARD. How many more persons are eligible to retirement at the age of 65 than at the age of 70?

Mr. LEHLBACH. I have not the exact number in such shape that I can state it. Of course, there are a large number of people between 65 and 70 in the Government service and who will be continuously reaching that age.

I want to impress upon the committee this, that with the Senate amendment you can not get a person who is inefficient between the age of 65 and 70 out of the service, but with the committee amendment you can get them out and, on the other hand, you can retain every efficient employee no matter how much older than 65 years he may be. With that statement, I trust the amendment will be agreed to.

Mr. RAKER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen, it was stated that no effort was made to relieve the department of superannuated employees. That is a mistake. Then the statement of the gentleman from Ohio, to the effect that if the bill is as the House amends it there will be no one retired, I think is a mistake, because they will receive an annuity and unquestionably the department will relieve them from the service and they will get enough to live on and can and will be retired. And gentlemen ought to remember and the committee ought to remember that some six years ago the Department of the Interior, under the supervision of a couple of new heads or directors of the various branches, thought it would have certain superannuated employees relieved because they were doing practically nothing. There was no provision made for their care. Some complained then that there were too many in there and the department should exercise the provision of the law and separate them from the service. So they proceeded to do so. The first man shot himself the next day. He had to go out on the street as a pauper. The next day the second one was taken sick and had to go to the poorhouse. And one or two more were in like position. Old people in the service in all the departments became panic-stricken. Certain old, faithful servants thought they were going to be turned out. So the department simply had to quit for humanity's sake, and the Government has been paying a salary to many old men and women who ought to have been retired and would have been retired had this bill been in force with the House amendment in it as suggested by the gentleman from New Jersey [Mr. LEHLBACH].

Now is an opportunity to correct what has been done in the past, so far as the future is concerned, and so far as those old people are now in the departments. It ought to be done. And unquestionably the heads of the departments can and will separate these from the departments, because they know they will not be turned out on the streets, nor will they be compelled to go to the almshouse. And that is the very object and purpose of this legislation, namely, to give relief, first, to the Government—and it ought to be thus considered—and, second, on behalf of the good, old, faithful servants that have been giving their time and attention to this work.

While it is not in this bill, while I am not making any declaration now, if those who are interested would look into the old-age condition of the men and women of this country and observe the cost that the State, the county, and Government are paying to-day, they would find out that you could provide for them good, fair, proper homes, without sending them to the poorhouse, and the Government, the State, and the county would be the gainers in dollars and cents, to say nothing about removing the humiliation. We have not seemed to reach that yet, but we are now at a point where we can hastily pass this bill, and the provision that the committee of the House has placed in here

ought to remain. The argument made by the gentleman from Texas [Mr. BLANTON], that certain men in the House of age and experience might be affected, I do not think brings any comparison. This relieves the situation, because the automatic handling of the law would end that when the man or woman has reached that age that they could not perform the service that they ought to do at 65, and the officer in charge can and will separate them from the service, and he can do it with a good conscience; he can do it knowing that the party is going to be protected and cared for. And I hope the amendment will be adopted.

Mr. SIMS. Mr. Chairman, I favor the committee amendment. I think it is reasonable, proper, and right. It is the length of time the employee has served rather than the age at which he renders the service. If a gentleman or lady enter the service at 20 years of age, at 65 they will have performed 45 years of service. Now, what would be the difference in giving him or her this privilege of retirement, which reduces their pay one-half or one-quarter, voluntarily, as it would be, practically?

Now, with the privilege of being reexamined and retaining their positions, the average man or woman who is able and willing to perform the service is sure to make application to be continued, and there is no question but that the bureau chief, unless he has some grouse against an employee, would be willing to make the statement and certificate.

Now, as I said before, after a man has worked 45 years, although efficient and faithful, what difference does it make about the age at which he entered the service? I want to suggest to some of my economical friends the fact that the judges of the Federal courts may retire at the age of 70 on full pay for the balance of their lives, provided they have been on the bench for 10 years prior to that time. In the case of a poor man or a poor woman who has worn himself or herself out in the service of the public—not in so dignified and important a service, to be sure, but after all a service that has to be rendered—why should not such a person have the privilege of retiring at the age of 65? No one can get anything under this bill who has not served 15 years, but the Federal judge that has served 10 years, when he reaches the age of 70, can retire on full pay.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. EVANS of Nebraska. Does not section 5 permit any employee to retire on his own application?

Mr. SIMS. You mean after 65?

Mr. EVANS of Nebraska. No; before 65.

Mr. SIMS. And get an annuity?

Mr. EVANS of Nebraska. And get the annuity.

Mr. SIMS. I do not so understand.

Mr. EVANS of Nebraska. That is the way the bill provides.

Mr. SIMS. That is better than I thought it was. That is when he is totally disabled. But suppose a person is able, but has served for 45 years of his life and has reached the age of 65; why should he not be permitted to quit? If you bring in a younger person, you let him have the salary that the older person had. Now, half of this comes out of the salaries of the employees themselves, but in the case of the Federal judges all of it comes out of the taxpayer, and all of it continues to go to the judge for the balance of his life. How many judges retire after serving 10 years? Very few. The truth of it is they frequently remain on the bench too long. There ought to be some limit to service in a hard position where they have been bending over a desk for 40 years. They ought not to be turned out to starve. Therefore I think the committee amendment permitting retirement at the age of 65 ought to be adopted.

Mr. LUCE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Massachusetts rises in opposition to the amendment.

Mr. LUCE. Mr. Chairman, six or seven years ago, when my State created a teachers' retirement system, I was asked to serve as a member of the board intrusted with its administration, and until I came here a year ago I was in constant touch with the details of administering a system like this. If out of that personal experience I can bring to the House anything of value, I shall be very glad. Hoping that this experience might prove of help, I studied the bill with some care, and observed, among other things, that it should be changed, as it seems to me, in the matter of administrative details in respect to the very point to which the gentleman from Ohio [Mr. GARD] called attention, and I have drafted an amendment which will be introduced at the proper time and which, I think, will meet the difficulty.

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

Mr. LUCE. Certainly.



Mr. GARD. Will the gentleman give us the benefit of the amendment that he intends to offer? Will he advise us now what the amendment is?

Mr. LUCE. Certainly. As the bill now stands, decision rests wholly with the superior of the man who is to be retired, and it is perfectly true that very great pressure will be brought to bear upon him. I may recall that in our experience school committees would come to us and ask that a woman might be employed beyond the age of 70 years, and in one case a woman pleaded with us that she might be permitted to work without pay, although she had reached the age of 74, because, she said, she would die if she could not continue. But our law being mandatory, we could not yield to this pressure.

This pressure is sure to come, and there ought to be added to the approval demanded of the man's superior the approval also of the Civil Service Commission, an outside body, which undoubtedly would not be affected by this pressure. The bill as drafted simply requires certification by the Civil Service Commission. My suggestion to the committee is that we make it with the approval and certification of the Civil Service Commission, which, I think, will meet the case.

And to the gentleman who has just spoken [Mr. ANDREWS of Nebraska] I would say that in the Massachusetts and nearly all other retirement systems it has been found wise to permit men to retire at the age of 60, to say that retirement shall be optional from 60 to 70, and mandatory at the age of 70.

This bill gives most of the employees option until the age of 65, and therefore it is more severe and less elastic than most of the approved systems.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. ANDREWS of Nebraska. Is it the gentleman's understanding of the bill that at the age of 65 it is wholly optional with the clerk whether he retire or not?

Mr. LUCE. No; not to that extent. At 65 the option is dependent upon his fitness, but should the suggestion of the gentleman from Nebraska prevail he could not in any event retire before the age of 70. You compel him to stay there five years longer.

I knew one case where a superintendent of schools who was in excellent health and perfect condition at the age of 60, when it was optional with him to retire, came to us and asked us to let him take advantage of his option. We expressed surprise that a man in such condition should want to stop at 60, and he gave as his answer, which I thought was a very wise answer, that he knew when it was time for him to get into some other occupation, where he could spend the rest of his days. He wanted to go out and get on a farm before he had broken down, and so took advantage at the age of 60 to avail himself of the opportunity to establish himself on his farm, whereas if he had been compelled to wait until he was 70 he might not have been able to do this.

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

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask that the gentleman have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. ANDREWS of Nebraska. With whom does the option at the age of 65 rest, with the head of the department or with the clerk?

Mr. LUCE. With both.

Mr. ANDREWS of Nebraska. Could the head of the department retire him whether the clerk desires to retire or not?

Mr. LUCE. The head of the department can retire him if the head of the department says he is inefficient and ought to be retired.

Mr. ANDREWS of Nebraska. Just as he can now.

Mr. LUCE. Oh, Mr. Chairman, it is perfectly true that it can be done now. At this very moment you can retire every one of these gentlemen standing at the doors of the galleries above this Hall, but all humanity forbids it. [Applause.] No public official has done it, and no public official ought to do it. [Applause.]

Mr. ANDREWS of Nebraska. I hope the gentleman does not understand me as favoring retirement without the fund. I was among the first to help lay the ground for bringing about the retirement fund.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. SMITH of Idaho. Does the gentleman's amendment contemplate that the Civil Service Commission will examine the applicant?

Mr. LUCE. It is contemplated that the word "approval" will secure from the Civil Service Commission an intelligent examination of the case.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. CHINDBLOM. Has the gentleman observed that in section 6 it is provided that after 10 years a continuation of 4 years of service only beyond the age of 65 or 70, whichever may be prescribed in section 1, may be permitted? So that if we adopt this age of 65 as the age of retirement, after 10 years it will be impossible to retain anybody in the service beyond the age of 69 years?

Mr. LUCE. Mr. Chairman, I observed that, and made inquiry of the chairman of the committee. I shall but repeat his argument if I explain why he satisfied me on that point. He said that those who are now in the service, having held their positions up to this time without contemplation of such a provision, ought to have the opportunity, but that those who enter the service after this will face a situation which it must be presumed they have contemplated, and for which they ought to have made provision. In other words, this is a matter, shall I say, of generosity to those who are now in the service, but contemplates that those afterwards entering the service shall face the certainty that at the age of 69 they must give way to younger and more capable employees.

Mr. CHINDBLOM. What I meant to convey was that if 70 years is the proper age for actual final retirement, we will have practically that provision after the end of 10 years by making it possible to have 4 years of additional service beyond the 65-year retirement age.

Mr. LUCE. At the age of 69.

Mr. CLARK of Missouri. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. CLARK of Missouri. What sense is there in making age the standard of retirement? [Applause.] Ought not the standard of retirement of these people to be unfitness?

Mr. LUCE. It certainly ought, but in the affairs of life it has never been discovered that it is possible to prescribe the standard which the gentleman suggests, and for that reason many corporations, many municipalities, many States, and many nations have decided that this is the only practicable way to proceed. It is the experience of mankind to which I must advert in order to answer the gentleman, and not what I should wish and what I think he would wish.

Mr. CLARK of Missouri. Have not these heads of departments down the Avenue got sense enough to rig up some kind of a plan by which they can tell when a person is fit or unfit to discharge his work?

Mr. LUCE. Why, sir, I have been employing men and women for 30 years, and all through that time have wrestled with this problem of reconciling humaneness and expediency and have not succeeded in finding the solution.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. Without objection, the pro forma amendment will be withdrawn. The question is on the committee amendment.

Mr. HARDY of Texas. Mr. Chairman, I should like to be heard just a moment. I will not detain the House long.

I have always opposed this character of legislation, which is the beginning of a civil-service pension system, because employment in the civil service of the United States is a voluntary employment. No citizen is under compulsion to take it, and always when such employment is obtained it is considered a benefit and a favor. In addition to that, no citizen in his employment by the United States is under compulsion to remain there. He is free to quit when he sees proper; that is to say, he may quit whenever he can find a job that pays him more or suits his fancy better. But, as a matter of fact, the efficiency of the service of the United States is the thing most to be subserved by the passage of legislation like this. I was on the Committee on Reform in the Civil Service some 10 years ago when a similar bill came up. The committee disposed of that bill in short order by laying it away after considerable investigation. We had up also the proposition to try to provide an annuity or pension derived from assessments made upon the salaries of the employees. The idea was something like the amendment suggested by my friend and colleague from Texas [Mr. BLACK]. We soon reached the conclusion that that would indirectly come to the same thing, because the employees' salary would be increased enough to cover the deductions and still give ample compensation for the service.

Mr. BLACK. Will my colleague yield just there?

Mr. HARDY of Texas. Yes; if I have time.

Mr. BLACK. Does the gentleman think there is any real reason for making a presumption of that kind? Does he think there ought to be any relation whatever between the amount of the salary paid to the employee and the creation of the annuity?

Mr. HARDY of Texas. We knew there was this connection, that under all circumstances the salary to be actually received by the employee would necessarily have to be ample to give him a living, and in these days of the high cost of living if we gave enough salary to give a living over and above the deduction for the purpose of the sinking fund to create this annuity we would probably have to raise the salary by the amount that we imposed in the way of an assessment, so we discarded that and discarded the bill. That at least was the way we looked at it in those days. As a matter of justice and equality we did not believe the Government employee had any more right to a pension in his old age than any other citizen who had reached old age without having accumulated a competency, and my real reason for opposing this kind of legislation was that I believed in equality of all the people before this Government and before the State governments; that if we were to help the unfortunate, the aged, the disabled, it should be a uniform and equal law. The Government of the United States, however, has no power to provide a uniform old-age pension such as other nations have provided, but it has the power to take care of those who have been in its employment. It has the power to pension its own employees.

In addition to that, our own platform at the last Democratic national convention declared that it was the duty of the Government to establish an equitable retirement law providing for the retirement of superannuated and disabled employees of the civil service.

I doubt, however, Mr. Chairman, that a man reaching the age of 65 is either superannuated or disabled. I believe that the Senate placed the right measure of age. A large percentage of the Members of this body have reached the age of 65 and are still practically in their prime; and as the gentleman from Illinois [Mr. CHINDBLOM] said a moment ago to the gentleman from Massachusetts [Mr. LUCE], it is a fact that under this bill, if we adopt the amendment and make 65 the limit, you can not extend the period of service beyond the age of 69.

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

Mr. HARDY of Texas. I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The gentleman from Texas asks that his time be extended one minute. Is there objection?

There was no objection.

Mr. HARDY of Texas. Under these circumstances, if this bill is not amended by changing the age from 70 to 65, under the plank in the platform of my party at the last election I shall be bound to support the bill.

Mr. LEHLBACH. Will the gentleman yield?

Mr. HARDY of Texas. Yes.

Mr. LEHLBACH. The gentleman realizes that 65 is merely permissive and not a limitation.

Mr. HARDY of Texas. This amendment permits the retirement at 65, and I think 65 is too young, and it forces a retirement at 69. By adopting the age of 65 as the general age of eligibility for a pension and the age of 62, and even 60 years as the age of pensionable status under this bill for certain classes of employees, you will perhaps double the number of pensioners under the law, and I therefore hope that the committee amendment will be defeated. It may be that we will be forced to grant civil employees pensions in order to secure efficiency in Government service, but I trust we will make the list no longer than absolutely necessary.

#### MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. MANN of Illinois having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Dudley, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 13108) making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes; had requested a conference with the House of Representatives upon the bill and amendments and had appointed Mr. PAGE, Mr. BALL, Mr. McCORMICK, Mr. SWANSON, and Mr. SMITH of Maryland as the conferees on the part of the Senate.

The message also announced that the Senate had passed the bill (S. 2977) to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber culture

laws, and for other purposes, approved March 3, 1891, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 13266) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1921, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon and had appointed Mr. CURTIS, Mr. PHIPPS, and Mr. SMITH of Maryland as the conferees on the part of the Senate.

#### RETIREMENT OF CIVIL-SERVICE EMPLOYEES.

The committee resumed its session.

Mr. LEHLBACH. Mr. Chairman, I suggest that debate on this amendment has long since been exhausted.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 82 ayes and 30 noes.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 10, after the word "hereof," insert: "Provided, That mechanics, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 62 years of age, and railway postal clerks at 60 years of age."

Mr. BARKLEY. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from New Jersey a question. The original provision of section 1 provided for the retirement at the age of 65, as amended, and it provided that the employee must have been in the service of the Government for 15 years. This proviso does not carry that provision. I desire to ask the gentleman if it is his interpretation that the 15-year provision shall also apply to rural carriers and others cared for in this proviso?

Mr. LEHLBACH. Yes; it applies to all mentioned in section 1.

Mr. BARKLEY. What is the principal reason for permitting the retirement of these employees at the age of 62 instead of 65?

Mr. LEHLBACH. Because of the difference in the character of employment and work that they must do, which results in an earlier superannuation and the degree of physical hardihood and strength that is necessary to perform the work which will render a man less able to do it at an earlier age than it would if performing services in the departments in Washington under pleasant surroundings in well-heated and well-lighted buildings. The gentleman knows what rural carriers and city carriers have to do.

Mr. BARKLEY. Does not the gentleman take into consideration the advantages of an outdoor life in postponing the age of incapacity as it applies to those in this class of service?

Mr. LEHLBACH. I believe that the question of the gentleman is rhetorical instead of asking for information. I believe the work of the rural or city carrier, the hardships to which he is exposed, the extreme heat of the summer, the storm and the blizzard of the winter, the 60 or 70 pound mail sack, will render him unable to do the work at an earlier age than an employee of the Department of the Interior or the Department of Commerce who works here in Washington.

Mr. BARKLEY. Under the regulations of the Post Office Department you may have an examination of rural carriers at the age of 50. He would reach the age of 62 after 12 years of service. Is he entitled to retirement?

Mr. LEHLBACH. He is not.

Mr. BARKLEY. He would have to be 65 before he could retire under the provisions of the bill?

Mr. LEHLBACH. He would.

Mr. UPSHAW. Mr. Chairman and gentlemen of the committee, I feel that I would be recreant to an impulse of both patriotism and humanity if I were to fail to register my hearty support of this bill. I am in favor of it, partly because of the increased efficiency it will bring, because of the replacement of old and infirm people by young and more efficient helpers; but, supremely, I am in favor of this bill because I believe that the attitude of this Government toward those who have served it long and faithfully ought to be one of gratitude and of guardianship. Only to-day I had the honor of having as my guest at luncheon Mr. M. E. Geer, of Douglasville, Ga., president of a number of cotton mills in the South. He referred to this bill and declared warmly that he hoped it would pass.

He made mention of one man, old in years but noble in record and purpose, who, he said, can not do the efficient work he one time did—indeed, he can not earn his salary—but the mill can



not let him go, because such a course would be cruel. And surely this Government, as a great family corporation, if you please, of general, national fellowship, ought to sustain a relation toward its employees of a lifetime as kind and generous as that of commercial organizations. Only to-day I had a long-distance call from a noble old man down in Virginia, 84 years old, who has been an employee of the Pension Department for nearly 30 years. The weight of old age has forced him to give up his work. The long illness and recent death of his dear old wife left him with a broken heart and an empty purse. Do not tell me that the Government which this faithful old man has served so long has no concern about his present condition. With a pathos that would break your heart he said, "Do your best for us to-day." Gentlemen, if I ever err by any vote I cast on the floor of this House, I want to err trying to find that side of any provision that means the larger comfort and happiness of humanity. I know that our National Treasury is burdened now because of the new billions of debt that were added by our country's necessary part in the Great War, and I am in favor of our meeting this tremendous responsibility like brave American citizens ought to do; but we must remember that the strength and even the safety of the Republic depend on the faith and love of its citizenship. Pass this old-age retirement bill, and the Government not only does its duty to those who have blessed it by their long and faithful services but it wins that strength that comes from the living and dying gratitude of the gray-haired veterans in civil life, together with the grateful faith and love of the younger millions who shrine these aged ones in their hearts—the loyal millions who constitute the Nation's strength to-day and the hope of our national future.

Mr. LEHLBACH. Mr. Chairman, I suggest that the debate upon this particular amendment has been exhausted, and that gentlemen who wish to speak will have ample opportunity to do so as there are other amendments in this section.

Mr. CALDWELL. Mr. Chairman, I have a perfecting amendment which I desire to offer.

Mr. GARD. Mr. Chairman, I have an amendment to the committee amendment which I have already sent to the Clerk's desk.

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent that debate be limited to the amendment and to the amendment to the committee amendment, and that then it be voted upon.

The CHAIRMAN. Does the gentleman desire to limit the time for debate?

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent that all debate upon this particular amendment and amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent that all debate upon this amendment and amendments thereto close in 10 minutes. Is there objection?

Mr. CALDWELL. Mr. Chairman, reserving the right to object, I want to offer an amendment to the committee amendment, and to speak to it for a moment or two.

Mr. LEHLBACH. I contemplated that the gentleman would have opportunity to discuss that, in the request that I made.

Mr. CALDWELL. I do not know. An amendment has been offered by the gentleman from Ohio and there is five minutes' debate upon that and then someone is entitled to five minutes against it.

Mr. LEHLBACH. These gentlemen will have opportunity in 10 minutes to discuss the amendment that they have offered.

The CHAIRMAN. Is there objection?

Mr. CALDWELL. I object. There will be two amendments instead of one, and five minutes is allowed for debate for and against each amendment.

The CHAIRMAN. The gentleman from New York objects, and the Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment by Mr. GARD to the committee amendment: Page 2, line 2, after the word "age" strike out the period, insert a comma, and add: "if said mechanics, city and rural carriers, post-office clerks, and railway postal clerks shall have rendered at least 15 years of service, computed as prescribed in section 3 of this act."

The CHAIRMAN. The question is on the amendment to the amendment.

Mr. LEHLBACH. Mr. Chairman, does not the gentleman from Ohio think that the limitation which he repeats in his proposed amendment and which is found in lines 7, 8, and 9 of the section, governs the proviso which is in the shape of a committee amendment?

Mr. GARD. There is some question in my mind, so out of caution I have offered the amendment.

Mr. LEHLBACH. There can not be any question about it. It says that anybody who has reached the age of 65 years and rendered at least 15 years of service may be retired, and it

says, "provided, mechanics, city and rural letter carriers and post-office clerks shall be eligible for retirement at 62 years of age, and railway postal clerks at 60 years of age." It is entirely unnecessary.

Mr. MONTAGUE. But is the gentleman not making it possible that the word "provided" may be construed as "except"?

Mr. LEHLBACH. I have no objection to the amendment, except that it is unnecessary.

Mr. GARD. I think the amendment is necessary, because—

Mr. LEHLBACH. The committee will accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment to the amendment was agreed to.

Mr. CALDWELL. Mr. Chairman, I offer an amendment. Page 1, line 10, strike out the words "city and," and on page 2, line 1, after the word "clerks," the last word in the line, insert the words "and city carriers."

Mr. MANN of Illinois. City carrier is already in.

Mr. CALDWELL. I strike them out in one place and insert them in another.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. CALDWELL: Page 1, line 10, after the word "mechanics," strike out the words "city and." Page 2, line 1, after the word "clerks," insert the words "and city carriers."

Mr. MANN of Illinois. Will the gentleman yield for one question?

Mr. CALDWELL. Yes, sir.

Mr. MANN of Illinois. If the gentleman's amendment goes on, should it not be "city letter carriers"?

Mr. CALDWELL. I guess that would be proper, and I ask unanimous consent that the words be changed to "and city letter carriers."

The CHAIRMAN. The gentleman asks unanimous consent to modify his language by the insertion of the additional word. Is there objection? [After a pause.] The Chair hears none.

Mr. CALDWELL. Mr. Chairman, I offer this amendment for the purpose of putting the city letter carrier on the same status as the railway mail clerk. Now, those of us who live in the great cities and see the man in gray walking from house to house with a great pack on his back realize that when a man gets to be 60 years of age that it is very, very rare that this is not a burden that it is impossible for him to continue on. I go frequently to the meetings of the City Letter Carriers' Association in my great city. I see these old men in the declining years of their lives bowed down with these loads they have carried in the service of the people, and I say that we should endeavor to give them the justice to which they are entitled. And there is no reason in my mind that they should not be considered with the same degree of fairness and with the same degree of justice we give to the man who is in the Railway Postal Service.

Mr. BEE. Will the gentleman yield?

Mr. CALDWELL. I yield to my friend from Texas.

Mr. BEE. Does the gentleman from New York think, though, that this provision is not one that the average employee is looking forward to except with dread? In other words, it is forcing this retirement on him when he is not able to carry himself?

Mr. CALDWELL. No; as I understand it the man if he wants to stay in can, but when a man is 60 years of age and has worked, as he will work when he goes in the letter carrier service, and considering the age he must be when he goes in you must realize that he is working the very life out of him and ought to be permitted to go on the retired list when he reaches the age of 60 years if he so desires. If the service of a railway mail clerk makes it necessary, surely the service of a letter carrier makes it necessary, and I therefore, Mr. Chairman, offer and strongly urge this amendment.

Mr. LEHLBACH. Mr. Chairman, I think it will commend itself to the judgment of the committee that the city letter carrier is rather in the class of the rural carrier and other postal employees, while, on the other hand, the service of the railway postal clerk, by reason of the arduous and nerve-racking and dangerous character of such employment, is in a class by itself. I think that the divisions as contemplated by the committee amendment will commend themselves more to good judgment than the amendment offered by the gentleman from New York, and I ask for a vote on the amendment.

Mr. BARKLEY. Will the gentleman yield for this question? He might save time while he has the floor.

I desire to ask the gentleman on what theory he puts the post-office clerks under the 62-year age limit, while the other clerks in the Government are put at 65?

Mr. LEHLBACH. Because the post-office clerks work under different hours than the clerks here in the departments work. They have their night shifts and day shifts, and they have their work to get out in a specified time. And they are working at high pressure and, to a certain extent, excepting weather conditions, they are subject to the extra pressure that is on carriers and the other employees in the Post Office Department, which is not on the general run of Government employees and clerks.

Mr. BARKLEY. They do not work longer hours than the other Government clerks.

Mr. LEHLBACH. They have night shifts. They work at night under regular swings, and they must get their work out by the clock. They must have their work ready for trains; they must have it ready for certain hours of delivery. They should be classed with the city carriers and with the rural carriers rather than with the ordinary Government employees in the departments.

Mr. MADDEN. What they do is this: They are on duty 10 hours a day, and in that 10 hours they work 8 hours and have 2 hours of the day when they have to study distribution schemes.

Mr. RANDALL of California. And 80 per cent of the post-office clerks work at night.

Mr. LEHLBACH. That is what I said.

Mr. BROOKS of Pennsylvania. Mr. Chairman, I move to strike out the last word to make a few remarks on the amendment to the amendment. I think that that amendment is a proper one, for the reason that I have observed in my city that when carriers start out with their bag full of mail, since they have been loaded up with this additional parcel-post service, many times they carry a bundle of 100 pounds and more. And when men get to the age of 60 years in that kind of work, where they are subject to the heat of the summer and the cold weather of the winter, they can not stand the severe hard work after they become 60 years of age. And I think of the various men that are provided for in this committee amendment the city carriers are the hardest worked.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New York [Mr. CALDWELL].

The question was taken, and the amendment was rejected.

Mr. BARKLEY. Mr. Chairman, I desire to offer a substitute for the entire committee amendment.

The CHAIRMAN. The gentleman from Kentucky offers a substitute, which the Clerk will report.

Mr. BARKLEY. I do not have it written. I will state it. It is as follows:

After the word "hereof," on page 1, line 10, insert: "Provided, That mechanics, city and rural letter carriers, and post-office clerks and railway mail clerks shall be eligible for retirement at 60 years of age."

It provides a full retirement age of 60 for all classes provided in the proviso, without this little finicky difference between 60 and 70.

The CHAIRMAN. The gentleman from Kentucky offers a substitute to the amendment, which the Clerk will report.

Mr. CALDWELL. Mr. Chairman, I would like to informally ask the chairman of the committee a question. I ask unanimous consent to speak for one minute.

The CHAIRMAN. That will not be in order until after the amendment is read. The Clerk will report the substitute offered by the gentleman from Kentucky [Mr. BARKLEY].

The Clerk read as follows:

Substitute offered by Mr. BARKLEY for the committee amendment: After the word "hereof," page 1, line 10, insert: "Provided, That mechanics, city and rural letter carriers, and post-office clerks and railway mail clerks shall be eligible for retirement at 60 years of age."

The CHAIRMAN. The question is on the substitute offered by the gentleman from Kentucky [Mr. BARKLEY].

Mr. MANN of Illinois. Mr. Chairman—

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. BARKLEY. Mr. Chairman, I do not care to occupy the time now.

Mr. LEHLBACH. If the gentleman from Illinois will yield for a suggestion, I want to suggest to the gentleman from Kentucky that his amendment as it stands takes out of the amendment the amendment to the amendment of the gentleman from Ohio, which has been accepted.

Mr. BARKLEY. Yes. I desire to insert that at the end of it. Mr. MANN of Illinois. Mr. Chairman, I think this substitute would be a mistake. The gentleman from Kentucky is evidently under the impression at present that this retirement is a great benefit to these employees; but what is proposed is to retire a letter carrier at half pay at an age when he is not able, probably, to get into other employment very successfully. The majority of these officers, mechanics, rural carriers, and post-office clerks are quite competent at the age of 62 years, and

there is not one of them who is competent that will desire to be retired at half pay.

Why not give them the opportunity to remain in the service at their full pay two years longer, as is provided in the bill?

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

Mr. MANN of Illinois. Certainly.

Mr. BARKLEY. Under the provisions of the bill those who have reached the age of retirement and are still competent, or think they are, may have an extension of 10 years.

Mr. MANN of Illinois. No; not at all. They may have an extension of four years.

Mr. BARKLEY. Ten in all.

Mr. MANN of Illinois. No; not at all. The gentleman is mistaken.

Mr. BARKLEY. There may be a repetition.

Mr. MANN of Illinois. The limitation as to four years does not take effect for 10 years. During the first 10 years the extension may be made for 10 years, or up to the limit of 10 years from now. But there are lots of clerks in the post office 60 years of age who would like to remain in the service until they are 62 and four years longer, and who are quite competent to perform the service. I do not think there is any occasion for turning them out at this time against their will.

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

Mr. MANN of Illinois. I yield.

Mr. BARKLEY. Under the proviso on page 11 of the bill, at the end of 10 years after this act becomes effective, no employee shall be continued in the civil service beyond the age of retirement defined in section 1 for more than four years.

Mr. MANN of Illinois. I have stated that while the gentleman was getting that information from somebody else. [Laughter.]

Mr. BARKLEY. I thank the gentleman for the information that I get from him. I am always glad to get it. [Laughter.]

Mr. MANN of Illinois. I say for the next 10 years they can extend the time, but after 10 years from now they can not extend it under the bill for more than 10 years.

Mr. BARKLEY. Then, if this bill is a benefit to the retired employee, why should he not be permitted to take advantage of it at 60 years, if his employment has been such as to incapacitate him, without compelling him to wait until he is 65?

Mr. MANN of Illinois. If he is incapacitated he gets the benefit of the retirement anyhow; but under the gentleman's amendment at the age of 64 a letter clerk, in good, efficient condition, is forcibly separated from the service at half pay.

Mr. BARKLEY. But under the amendment offered by the committee the railway mail clerk is in the same situation. My amendment seeks to make the option at the age of 60 apply to the railway postal clerk and mail clerk.

Mr. MANN of Illinois. I understand railway mail clerks are in poorer condition physically at the end of their service when they reach the age of 60 than a letter clerk or a mechanic. The strain on the nerves of a postal railway clerk is the greatest strain that can be found upon any class of employees in the United States in or out of the Government service. But that is not the case with the mechanic; that is not the case with the post-office clerk; and they find places where these men can perform good service. Now, of course, it is only cutting them out of two years' salary. I do not believe that it ought to be done. They do not want it. I have more of these letter carriers in my district, I expect, than there are in the whole State of Kentucky. [Laughter.]

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Kentucky [Mr. BARKLEY].

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question is on the adoption of the committee amendment as amended by the amendment offered by the gentleman from Ohio [Mr. GARD].

The amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 3, after the word "include," insert "American employees of the Panama Canal above the grade of laborer."

Mr. GARD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment to the amendment. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. GARD to the committee amendment: Page 2, line 3, after the word "American," insert the words "citizens who are."

Mr. GARD. Mr. Chairman and gentlemen of the committee, I have offered what I think is a necessary perfecting amendment after the word "American," on line 3 of page 2, to insert



the words "citizens who are." I do it for the reason that the language of the bill is intended to include only American citizens who are employees of the Panama Canal, and not all employees who are employed by America on the canal, because it might take in employees of all nationalities.

Mr. LEHLBACH. Does the gentleman think the adjective "American" refers to the employer or the employee?

Mr. GARD. The American employee is an employee of the American Government. There can not be any other than an American employee if you say "America" refers to the employer, which is the Panama Canal Commission. The term "American employee" may be properly construed, I take it, under the terms of this bill, to mean the employees of the American Government, and not necessarily an American citizen.

Mr. LEHLBACH. What other employees of the Panama Canal can there possibly be than employees of the American Government, of which the Panama Canal is an arm? If "American" means anything, it means the nationality of the employee. However, the committee will accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. GARD] to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on agreeing to the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 6, after the word "Congress," insert "and the Botanic Gardens."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 18, after the word "Columbia," strike out the words "appointed directly by the commissioners."

Mr. LEHLBACH. Mr. Chairman, in explanation of that amendment, I desire to say that that will embrace the employees and the clerks in the courts here in the District and the employees of the Municipal Public Library, who are employed, respectively, by the judges under the District of Columbia and by the library trustees, although paid by the District.

Mr. HUDSPETH. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Texas.

Mr. HUDSPETH. I should like to ask the chairman what were the reasons which actuated the committee in excluding school officers and school-teachers in the District of Columbia?

Mr. LEHLBACH. School-teachers already have a retirement fund. The bill includes public-school employees, except the school-teachers and officers who are already cared for in a separate retirement fund.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. SUMNERS of Texas. Referring back to the language in the fourth line on page 2, "the Panama Canal," is that the corporate name?

Mr. LEHLBACH. That is the corporate title of the activities there on the Isthmus. It is not the Panama Canal Commission, but it is called the Panama Canal.

Mr. SUMNERS of Texas. Does it include the Panama Railroad employees?

Mr. LEHLBACH. It does not include the employees of the railroad, because the Panama Railroad is a corporation operating under the jurisdiction of the Government but employing its own railroad force as a private corporation.

Mr. SUMNERS of Texas. But, as a matter of fact, the Government owns the railroad?

Mr. LEHLBACH. One line of steamships plying between this country and the Panama Canal is controlled by the Panama Railroad.

Mr. SUMNERS of Texas. But the Panama Railroad, as a matter of fact, is owned by this Government?

Mr. LEHLBACH. A majority of the stock is owned by the Government.

Mr. SUMNERS of Texas. It owns the railroad.

Mr. LEHLBACH. A majority of the stock is owned by the Government, but it is a separate corporate entity, and run by directors.

Mr. SUMNERS of Texas. I understand. I was just trying to get the mind of the chairman of the committee. Are these

employees taken care of in any provision of this or any other bill?

Mr. LEHLBACH. The railroad employees?

Mr. SUMNERS of Texas. Yes.

Mr. LEHLBACH. They are not. They are not directly Government employees.

Mr. SUMNERS of Texas. Why are they not treated like ordinary Government employees, which they practically are?

Mr. LEHLBACH. Because they are hired and fired by the directors and managers of the railroad, which, no matter what the Government interest in it may be, is a private corporation in so far as its dealings with its employees are concerned.

Mr. KNUTSON. The Panama Railway Co. is incorporated under the laws of the State of New York.

Mr. LEHLBACH. And, furthermore, the railroad employees have not the civil-service status of the classified employees of the Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARD. I ask that the gentleman may have one minute additional. I want to ask him a question.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the time of the gentleman from Texas be extended one minute. Is there objection?

There was no objection.

Mr. GARD. Is it the gentleman's purpose, in striking out these words in lines 18 and 19, to provide for the court bailiffs and court criers and messengers and other people appointed directly by the judges of the Supreme Court of the District of Columbia and the municipal court and the other courts here in the District?

Mr. LEHLBACH. Principally the clerks, and so forth, in the court. I presume the attendants would come in, if they are regular annual employees of the municipal government.

Mr. GARD. Does the gentleman think it is a wise amendment to include personal employees of the judges, like stenographers, clerks, and bailiffs?

Mr. LEHLBACH. If they are regular annual employees and have served at least 15 years, they can come in under the provisions of this act. Under those circumstances they are substantially not personal appointments, but akin to the classified civil service. The act can not affect a personal appointee who does not serve continuously at least 15 years. Therefore the personal appointee of a judge who might for the time being be an incumbent of the office would not be carried by this clause.

Mr. GARD. These employees are purely personal employees, and not under the classified civil service.

Mr. LEHLBACH. A purely personal employee changes with the personality of the appointing power. In order to get the benefit of this act at all, such an appointee must have at least 15 years of service under the Government, and that makes him a permanent employee.

Mr. STEVENSON. Mr. Chairman, I want to ask the chairman of the committee one question. Will this include the clerks of the courts?

Mr. LEHLBACH. It will.

Mr. STEVENSON. And the recorder, who gets fees, and gets a very large compensation?

Mr. LEHLBACH. No. He must be either a regular annual employee, which means he is on an annual salary, or receive a per diem compensation. That excludes fee officers.

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, after line 6, insert the following:

"The provisions of this act shall extend to all persons who were in the service of the Government on the 30th day of September, 1919."

Mr. BLANTON. Mr. Chairman, I have an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 3, line 9, after the figures "1919," strike out the period, insert a colon, and add the following proviso: "Provided, That none of the provisions of this act shall apply to and none of its benefits shall be received or enjoyed by any person who is a member of any association, society, organization, or union of Government employees which is affiliated with, subject to, or a member or component part of, or acknowledges the authority of, any higher or superior body or institution of organized labor; and, subject to the approval of the Secretary of the Interior, the Commissioner of Pensions shall make and enforce rules for the enforcement of this section and governing the method and character of proof required in order that employees may receive the benefits of this act."

Mr. LEHLBACH. Mr. Chairman, is the amendment read for information or is it offered at this time?

The CHAIRMAN. It is an amendment to the committee amendment, and is offered at this time.

Mr. BLANTON. It is a proviso following the committee amendment.

Mr. LEHLBACH. Mr. Chairman, I make the point of order that the amendment is not germane to the committee amendment that it purports to modify.

Mr. BLANTON. Mr. Chairman, I would like to be heard on the point of order. Mr. Chairman, the amendment to the committee amendment is clearly germane. The amendment of the committee seeks to prescribe the kind of employees to whom this provision of the bill shall extend. This is merely a limitation on the employees. The committee amendment seeks to state what employees shall have the benefit of the provisions under this act, and this amendment is merely a limitation saying that they shall have such benefits only under certain limitations.

Mr. LEHLBACH. Section 1 extends the provisions of the act, specifying the character of the employment of the various Government employees to whom the provisions of this retirement act shall apply. In each instance it deals solely with the character of the employment of the person to be affected. It does not deal with any outside activity or any activity whatsoever of the employee, but it deals with the character of the employment, provided he is of a certain age and has served a certain length of time. It relates to the classified service and those to whom it may be extended, the postal clerks, the railway mail clerks, employees of the Botanic Gardens, and all those who have been in that character of employment up to the 30th of September, 1919. It has nothing whatever to do with any characteristic adhering to the employee or any affiliation of any employee, but simply relates to his service to the Government, and therefore the amendment which limits the application of the provisions of this act to persons who do or do not do certain things has nothing to do with the character of their employment and is not germane.

The CHAIRMAN. The Chair is ready to rule. This bill seeks to retire employees in the classified service and presents certain limitations to those who may come within the provisions of the bill. The amendment offered by the gentleman from Texas merely provides additional limitations beyond those already provided for in the fore part of the paragraph. It seems to the Chair that the amendment offered is in order and germane, and the point of order raised by the gentleman from New Jersey is overruled.

Mr. BLANTON. Mr. Chairman, the whole bill deals with the subject of efficiency. If it was not for the fact that when an employee gets to be a certain age he becomes in the eyes of the legislators inefficient, he would not be retired. So, dealing with the question of efficiency is the practical subject of the legislation at this time. We have provided in this House and in the Senate, and the measure has been signed by the President of the United States, that no policeman in the city of Washington or the District of Columbia employed by the Government may belong to an organization which acknowledges any higher or superior body or institution of organized labor. Why did you pass that? On the ground of efficiency of the service here in the District of Columbia. We have gone further; we have provided that no fireman who is an employee of the Government in the District of Columbia can belong to these organizations. Why have you provided that? On the ground of efficiency of the firemen. I put in the Record some time ago a letter from the chief of the Bureau of Efficiency of the United States, Mr. Herbert D. Brown, wherein he tells you over his own signature that you can never expect high efficiency from the Government employee as long as they belong to the organization which this seeks to eliminate. He tells you over his signature that as long as they affiliate with this organization they will depend, not upon their service, but upon their union card, their card of affiliation, and will render service accordingly. He gives you good reasons for it. I hope my colleagues have read that letter. What reason have you for not eliminating this affiliation? What reason have you when you go home to give to your constituents and they ask you why you allow your Government employees to thus affiliate with the American Federation of Labor, when you cut off your firemen and policemen? Do you know why you waited so long to cut them off? I introduced bills to cut them off months before the House and Senate passed the provision. Why did we wait so long? I will tell you. The police strike prematurely pulled off in Boston woke you up to the danger of such affiliation, when in one night in the great city of Boston \$300,000 worth of property was destroyed by thugs and lawbreakers. It woke you up, and it did not take long after that police strike in Boston for us to pass that kind of a law. What are you going to do about this? I think the time has come to insert a provision, even in a limited

measure, against such a thing. Here is a special privilege that we are giving the employee, and every man here to-day knows that eventually the Government is going to pay every bit of this retirement fund, because you are going to give the employees a living wage, even after you take this little stipend out of their pay. When you do that, are you still going to let them join these bodies that come in here and send up instructions like we received this morning from Mr. Morrison, the Secretary of the American Federation of Labor? What has Mr. Morrison got to do with a question of legislation between you and the Government employees?

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment to the committee amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 22, noes 85.

Mr. BLANTON. Mr. Chairman, this is such an important matter that I ask for tellers.

The CHAIRMAN. The gentleman demands tellers. Those in favor of taking this vote by tellers will rise and stand until counted. [After counting.] One gentleman has risen, not a sufficient number, and tellers are refused.

Mr. ALMON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. ALMON: Page 23, line 8, strike out the words "the 30th day of September, 1919," and insert in lieu thereof "the 1st day of January, 1920."

Mr. ALMON. Mr. Chairman, there may be some good reason why this act should be retroactive. I have not heard any debate or discussion of that feature. It passed the Senate without any retroactive feature. This date, the 30th of September, of course, is fixed without any special reason, unless it be it will give those in the service about six months before the act is supposed to become a law, the benefits of the act. The gentleman from Texas [Mr. RAYBURN] has indicated that he would make a motion to strike this entire amendment out and let the bill stand as it passed the Senate. If the chairman of the committee has any good reason why this bill should be made retroactive in this respect and why the 30th day of September, 1919, about six months before he is expecting the law to be approved, to be fixed, I should like to hear it. Why not make it the first day of this month or the first day of the year? The bill passed the Senate some time this month. I do not know that those in the service on the 30th of September have any reason to believe that the law would be passed at that time any more than those now in the service. If the gentleman has any good reason why this time should be fixed, I would be glad to hear it.

Mr. LEHLBACH. Mr. Chairman, if the gentleman will yield, it was urged with considerable force before the committee that by reason of the desire to contract the expansion of the departments, due to war activities, and economy manifest in making appropriations, in order to bring about a contraction of the clerical force in the various departments, instead of dismissing in every instance those who had come here as war workers some were retained, and instead some of the old employees who were about 69, 70, and 73 years of age were let go.

And that this situation occurred about the 30th of September when the appropriation bills were beginning to be reported and acted upon and the departments were having notice that these contractions of service were expected by Congress. The total number would be 37; 6 in the Treasury, 2 in the War Department, 1 in the Navy Department, 11 in the Interior Department, 4 in the Department of Agriculture, 12 in the Department of Commerce, and 1 in the Interstate Commerce Commission, which would make 37 in all. Now, the reason why September 30 was fixed, as I say, was that this separation, due to contractions in anticipation of reduced appropriations, began about that period and continued practically the winter months. That is the reason for the amendment and why these dates were fixed.

Mr. ALMON. Has the gentleman any information of the number of the other employees who have been severed from the service other than those in the District of Columbia amount to that will be affected by this bill?

Mr. LEHLBACH. Those are all to be affected by the bill under the classified service whether in or out of the District.

Mr. ALMON. What about those who are not in the District of Columbia, rural letter carriers?

Mr. LEHLBACH. They are supposed to be included here. The committee requested from every department and every Government activity a report of cases and those are all the cases.



Mr. BARKLEY. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman a little further about this amendment. It says that the provisions of this act shall extend to all persons who were in the service of the Government on the 30th day of September, 1919. Does that mean all who were not in the service at that date are excluded from the operation of this law?

Mr. LEHLBACH. No; but all those who come into the service in the future are taken care of by section 1.

Mr. BARKLEY. I am speaking now of those who were in the service prior to September 30, 1919, in computing the 15-year period, if they should hereafter come back into the service. For instance, if any war worker who was employed and who was dismissed from the service or separated prior to September 30, 1919, having worked a year or a year and a half prior to that date and on that date was not in the service, should in the future come back in the service would he be permitted under section 3 to add his prior service before the 30th of September, 1919, to his future service in order to arrive at the 15-year period?

Mr. LEHLBACH. Yes; the service does not necessarily have to be continuous and they would in the instance the gentleman outlined be entitled to figure the year and a half, or whatever the time is, if they return to the service at a future date and then eventually become eligible for retirement.

Mr. BARKLEY. This amendment seems to be somewhat contradictory. Section 3 provides for a method of computation and it might be construed so as to exclude the person who did not happen to be in the Government service on that date.

Mr. LEHLBACH. I do not think that it would be reasonably susceptible to that construction, and I think that the gentleman need have no fear.

Mr. BARKLEY. I hope the gentleman is right.

Mr. LEHLBACH. I ask for a vote.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is now on the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. LEHLBACH. Mr. Chairman, I offer on behalf of the committee an additional amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 6, after the word "of," insert the words "and Superintendent of the Capitol Building and Grounds."

Mr. LEHLBACH. Mr. Chairman, in explanation of that amendment I wish to say that Mr. Elliott Woods, the Superintendent of the Capitol Building and Grounds, has permanent employees exactly in the same status as employees of the Library of Congress and the Botanic Gardens. They are employed to the number of 104 and take in the power plant and mechanics engaged in repairs of the building. They are not in the class known as patronage or police but are permanent employees here year in and year out and have been here for 15, 20, or 25 years. As I said, the total number will be 104, and I believe they ought to be eligible to retirement if they seek to take advantage of it, but they possibly are still efficient and will continue. There are eight of those. We might as well let them in because they have the same status practically as in the Library of Congress and the Botanic Gardens.

Mr. MANN of Illinois. Mr. Chairman, I am not opposed to the amendment, but I would like to make an inquiry. This covers the elevator operators in the House Office Building?

Mr. LEHLBACH. I am under the impression those gentleman are what is loosely known as "patronage."

Mr. MANN of Illinois. I am under that impression myself, but I am under the impression also that they are part of the force of the Superintendent of the Capitol. And I am not sure you can make a distinction very well in the House between one class of political appointees and another class. Very likely there is no one of them who will ever acquire any benefit under the act because of a service of 15 years. Yet, if one of the employees of the House says that he has had a retirement bill passed which covers his case, how will the other employees of the House feel when their cases are not covered?

Mr. BARKLEY. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. BARKLEY. My attention has been attracted to one case. Out in the document room is Mr. Joel Grayson, who has been in the employ of the Government for many years. Is there anything in this bill that would include him?

Mr. MANN of Illinois. There is not, and I trust that Mr. Grayson will remain in the employ of the House at full salary as long as he lives. [Applause.]

Mr. BARKLEY. I hope so, too.

Mr. MANN of Illinois. Because his knowledge, even if he had to be brought in a wheeled chair or brought in a bed to the document room, would be worth to us more than he draws out of the Treasury many times. [Applause.]

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from New Jersey [Mr. LEHLBACH].

The question was taken, and the Chair announced that the yeas seemed to have it.

Mr. LEHLBACH. Division, Mr. Chairman.

The committee divided; and there were—ayes 93, yeas 9.

So the amendment was agreed to.

Mr. LEHLBACH. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. McARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1699) for the retirement of employees in the classified civil service, and for other purposes, and had come to no resolution thereon.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 13387. An act to extend the time for the construction of a bridge across the St. Louis River between the States of Minnesota and Wisconsin; and

H. R. 9629. An act for the relief of the Merritt & Chapman Derrick & Wrecking Co.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13387. An act to extend the time for the construction of a bridge across the St. Louis River between the States of Minnesota and Wisconsin;

H. R. 9629. An act for the relief of the Merritt & Chapman Derrick & Wrecking Co.; and

H. R. 12610. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes.

SENATE BILL REFERRED.

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

S. 2977. An act to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891; to the Committee on the Public Lands.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BRAND, for balance of week, on account of illness in family.

To Mr. GOLDFOGLE, until further notice, on account of illness.

To Mr. WELTY, indefinitely, on account of illness in his family.

To Mr. AYRES, indefinitely, on account of sickness.

POINT OF NO QUORUM.

Mr. DYER. Mr. Speaker, I make the point that there is no quorum present.

Mr. GOOD. Will the gentleman withhold that until I can present this bill?

The SPEAKER. Will the gentleman from Missouri withhold that until the gentleman from Iowa can report the bill?

Mr. DYER. Not at this time.

The SPEAKER. The Chair will count.

ADJOURNMENT.

Mr. MONDELL (interrupting the count). Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until Friday, April 30, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting draft of requested legislation to amend article 38 of the articles

for the government of the Navy; to the Committee on Naval Affairs.

2. A letter from the Secretary of the Navy, transmitting draft of requested legislation to authorize officers of the naval service to accept offices with compensation and emoluments from Governments of the Republics of South America; to the Committee on Naval Affairs.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. RAKER, from the Committee on the Public Lands, to which was referred the bill (S. 795) to provide for the disposition of public lands withdrawn and improved under the provisions of the reclamation laws, and which are no longer needed in connection with said laws, reported the same with amendments, accompanied by a report (No. 903), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RODENBERG, from the Committee on Flood Control, to which was referred the bill (H. R. 13313) to authorize the construction of flood control and improvement works in Boise de Sioux River, the Red River of the North, and Lake Traverse, between the States of Minnesota, North Dakota, and South Dakota, reported the same without amendment, accompanied by a report (No. 904), which said bill and report were referred to the House Calendar.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ZIHLMAN: A bill (H. R. 13846) to regulate the practice of undertaking and embalming in the District of Columbia and to safeguard public health; to the Committee on the District of Columbia.

Also, a bill (H. R. 13847) to provide for the closing of Cedar Road between Quincy Street and Shepherd Street NW., in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HICKS: A bill (H. R. 13848) authorizing the Secretary of War to donate to the village of Rockville Center, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. MANN of Illinois: A bill (H. R. 13849) authorizing the Secretary of War to donate to the Bob Evans Camp, No. 76, Department of Illinois, United Spanish War Veterans, 1 German machine gun and 12 old models of Springfield rifles; to the Committee on Military Affairs.

By Mr. FERRIS: A bill (H. R. 13850) to authorize the purchase of Federal farm-loan bonds by the Secretary of the Treasury; to the Committee on Banking and Currency.

By Mr. HAYDEN: A bill (H. R. 13851) to authorize mining for nonmetalliferous minerals on Indian reservations; to the Committee on Indian Affairs.

By Mr. FERRIS: Resolution (H. Res. 538) authorizing and directing the Federal Trade Commission to investigate the price of sugar and report to the House of Representatives; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Washington: Resolution (H. Res. 539) for the immediate consideration of House bill 13646; to the Committee on Rules.

By Mr. STEDMAN: Joint resolution (H. J. Res. 348) to correct the records of certain naval and marine officers who joined the Confederate forces; to the Committee on Naval Affairs.

By Mr. GOLDFOGLE: Memorial of the Legislature of the State of New York, asking that the water-power bill be reported from conference; to the Select Committee on Water Power.

By Mr. GRIFFIN: Memorial of the Legislature of the State of New York, disapproving and opposing the operation of barges, tugs, and other equipment by the Federal Government on the canals of the State of New York, and requesting the transfer of all of said property to the State of New York for its use; to the Committee on Interstate and Foreign Commerce.

By Mr. CAREW: Memorial of the Legislature of the State of New York, requesting the expediting of the Federal water-power bill; to the Committee on Water Power.

#### 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. 13852) granting an increase of pension to Lilla May Pavy; to the Committee on Pensions.

By Mr. DUNBAR: A bill (H. R. 13853) granting a pension to James A. Haley; to the Committee on Pensions.

Also, a bill (H. R. 13854) granting an increase of pension to Lucina Heath; to the Committee on Invalid Pensions.

By Mr. ESCH: A bill (H. R. 13855) granting a pension to Dora B. Brown; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 13856) granting a pension to Harriet M. Powers; to the Committee on Invalid Pensions.

By Mr. HARRELD: A bill (H. R. 13857) granting a pension to Mary M. Frantz; to the Committee on Invalid Pensions.

By Mr. HUDSPETH: A bill (H. R. 13858) for the relief of E. W. King; to the Committee on Claims.

Also, a bill (H. R. 13859) for the relief of Benito Viscaina and Maria Viscaina; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 13860) granting a pension to Edward L. Miller; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 13861) granting a pension to Sallie J. Pile; to the Committee on Invalid Pensions.

By Mr. RIORDAN: A bill (H. R. 13862) for the relief of Bridget McGrane; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 13863) granting an increase of pension to Eva Estes; to the Committee on Pensions.

By Mr. SINNOTT: A bill (H. R. 13864) for the relief of Milburn Knapp; to the Committee on Claims.

By Mr. SUMMERS of Washington: A bill (H. R. 13865) granting a pension to Rebecca Martin; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 13866) granting a pension to Annie J. Peters; to the Committee on Pensions.

Also, a bill (H. R. 13867) granting a pension to Sarah Athens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13868) granting an increase of pension to Mary B. Houk; 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:

3306. By Mr. BURDICK: Petition of James J. Dunn and others, desiring the passage of House bill 1112, providing for the parole of Federal prisoners; to the Committee on the Judiciary.

3307. Also, resolutions of Rhode Island Ladies' Auxiliary of the Ancient Order of Hibernians, urging the Foreign Relations Committee of the House of Representatives to report the Mason resolution, and that same be passed as a declaration of America's policy toward Ireland; to the Committee on Foreign Affairs.

3308. By Mr. BURROUGHS: Resolution of New Hampshire Division Sons of Veterans Auxiliary, United States Army, Gertrude C. Messer, division president; Arie L. Doyle, division secretary, advocating passage of Smith-Towner bill, House bill 7 and Senate bill 1017; to the Committee on Education.

3309. By Mr. CAREW: Petition of American officers of the Great War, Philadelphia Chapter, Philadelphia, Pa., protesting against discrimination between the enlisted and commissioned personnel in bill providing compensation for ex-service men; to the Committee on Ways and Means.

3310. By Mr. DARROW: Petition of Philadelphia Board of Trade, favoring military training provisions of the Army reorganization bill; to the Committee on Military Affairs.

3311. Also, petition of Philadelphia Board of Trade in opposition to House bill 12379; to the Committee on Banking and Currency.

3312. By Mr. GOLDFOGLE: Petition of National Guard Association of the State of New York, regarding legislation affecting State National Guards; to the Committee on Military Affairs.

3313. Also, petition of National Association of Audubon Societies of New York City, protesting against use of Yellowstone Park for public utilities and private interests; to the Committee on the Public Lands.

3314. Also, petition of Chamber of Commerce of the State of New York, opposing the bonus for soldiers and sailors; to the Committee on Ways and Means.

3315. Also, petition of Amalgamated Ladies Garment Cutters' Union, Local 10; Cloak and Skirt Makers' Union, Local 11; and



the White Goods Workers' Union, all of New York, favoring amnesty for political prisoners; to the Committee on the Judiciary.

3316. By Mr. GRAHAM of Pennsylvania: Petition of Philadelphia Board of Trade, opposing the passage of House bill 13201; to the Committee on Ways and Means.

3317. Also, petition of Philadelphia Board of Trade, opposing the passage of House bill 13262; to the Committee on Coinage, Weights, and Measures.

3318. By Mr. HUDSPETH: Petition of commissioner of agriculture of the State of Texas and fertilizer-control officials, protesting against the enactment of legislation for the sale and use of fertilizer; to the Committee on Agriculture.

3319. By Mr. KELLY of Pennsylvania: Petition of committee on transportation and railroads of Chamber of Commerce of Pittsburgh, Pa., opposing seasonal freight rates on coal; to the Committee on Interstate and Foreign Commerce.

3320. By Mr. KENNEDY of Rhode Island: Resolutions of Ladies' Auxiliary to the Ancient Order of Hibernians of Rhode Island, urging passage of the Mason bill, House bill 3404; to the Committee on Foreign Affairs.

3321. Also, petition of Mr. D. J. O'Sullivan and 22 others, of Providence, R. I., urging passage of the Raker bill, House bill 1112, providing for the parole of Federal prisoners; to the Committee on the Judiciary.

3322. By Mr. LEA of California: Petition of star-mail contractors in California, requesting extra compensation of 50 per cent on amount of their contracts, the increase to date from July 1, 1914; to the Committee on the Post Office and Post Roads.

3323. By Mr. MACGREGOR: Petition of International Brotherhood of Electrical Workers, of Buffalo, N. Y., favoring 1 cent rate for drop postage; to the Committee on the Post Office and Post Roads.

3324. Also, petition of sundry citizens of the United States favoring passage of House bill 1112; to the Committee on the Judiciary.

3325. By Mr. MOONEY: Petition of 300 citizens of Cleveland, Ohio, opposing Senate bill 3718; to the Committee on the Post Office and Post Roads.

3326. By Mr. O'CONNELL: Petition of National Civil Service Reform League, urging favorable consideration of the recommendations in the report on the Joint Committee on Reclassification of Salaries; to the Committee on Reform in the Civil Service.

3327. Also, petition of American Federation of Labor, favoring the Sterling-Lehbach civil-service retirement bill; to the Committee on Reform in the Civil Service.

3328. Also, petition of National Sheep and Wool Bureau of America, favoring the passage of the truth in fabric bill; to the Committee on Interstate and Foreign Commerce.

3329. Also, petition of International Brotherhood of Electrical Workers, favoring 1-cent drop letter postage; to the Committee on the Post Office and Post Roads.

3330. By Mr. RAKER: Petition of sundry citizens of the State of Arizona, favoring the passage of House bill 1112; to the Committee on the Judiciary.

3331. By Mr. STINESS: Petition of the Ladies' Auxiliary of the Ancient Order of Hibernians of Rhode Island, indorsing the provisions of the Mason bill providing for the recognition of the Irish Republic and the appointment of an American minister to Ireland; to the Committee on Foreign Affairs.

3332. By Mr. TAGUE: Petition of W. S. Best Printing Co., of Boston, Mass., protesting against the passage of House bill 12976; to the Committee on Ways and Means.

3333. Also, petition of American Federation of Labor, favoring the Sterling-Lehbach civil service retirement bill; to the Committee on Reform in the Civil Service.

3334. Also, petition of Citizens' Correspondence Committee, of New York, for the retirement of superannuated civil service employees of the Federal Government and favoring the Sterling-Lehbach retirement bill; to the Committee on Reform in the Civil Service.

3335. Also, petition of C. H. Simonds Co., protesting against House bill 12976; to the Committee on Ways and Means.

3336. By Mr. TAYLOR of Tennessee: Petition of Sterchi Bros., Knoxville, Tenn., opposing House bill 12379; to the Committee on Banking and Currency.

3337. By Mr. TILSON: Petition of M. S. Wadham and others, of New Haven, Conn., in favor of House bill 1112; to the Committee on the Judiciary.

## SENATE.

FRIDAY, April 30, 1920.

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

Almighty God, we come before Thee for the divine inspiration for this day. Whatever the vulgar mass call work may count with the mass; Thou dost look upon the spiritual qualities that sometimes can not find expression in word or act. Thou dost read the hearts of men. We come before Thee, who dost see our secret thoughts. We would be right with God at the beginning of a new day of work, that the finer qualities of service may be expressed in that which we do for our fellow men in the fear of God. To this end do Thou bless us at the beginning of this day. For Christ's sake. Amen.

The Reading Clerk proceeded to read the Journal of yesterday's proceedings, when on request of Mr. CURTIS, and by unanimous consent, the further reading was dispensed with and the Journal was approved.

## PETITIONS.

Mr. CAPPER presented a petition of Farmers' Union No. 1946, of Winfield, Kans., and a petition of the Farmers' Union of Oak Ridge, Ark., praying for the enactment of legislation granting to farmers the right of collective bargaining, which were referred to the Committee on the Judiciary.

Mr. FERNALD presented a petition of the National Association of Box Manufacturers, praying for the revision of the so-called antitrust law, which was referred to the Committee on the Judiciary.

## MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House dis-agrees to the amendments of the Senate to the bill (H. R. 13677) making appropriations to supply a deficiency in the appropriations for the Federal control of transportation systems, and to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1920, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. GOON, Mr. CANNON, and Mr. BYRNES of South Carolina managers of the conference on the part of the House.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

H. R. 9369. An act to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War and the War with Mexico, to certain widows, including widows of the War of 1812, former widows, dependent parents, and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in certain cases;

H. R. 10917. An act to amend an act entitled "An act to incorporate the National Education Association of the United States" by adding thereto an additional section;

H. R. 12610. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes;

H. R. 12956. An act extending the time for constructing a bridge across the Bayou Bartholomew, in the State of Arkansas;

H. R. 13253. An act to grant the consent of Congress to the Elmer Red River Bridge Co. to construct a bridge across the Red River; and

H. J. Res. 301. Joint resolution to authorize the Secretary of War to grant revocable licenses for the removal of sand and gravel from the Fort Douglas Military Reservation for industrial purposes.

## REPORTS OF COMMITTEES.

Mr. JONES of Washington. From the Committee on Commerce I report back favorably without amendment the bill (S. 4076) to amend section 4404 of the Revised Statutes of the United States as amended by the act approved July 2, 1918, providing that the supervising inspectors of the Steamboat-Inspection Service be included under the classified civil service, and I submit a report (No. 566) thereon. I should like to ask for its immediate consideration. It is a very short bill; and it simply places the supervising inspectors of steamboats under the classified service. They have come up from the classified service, but when they become district supervisors they are not in the classified service. The bill does not increase any salaries or anything of the sort.

Mr. SMOOT. Let the bill be read first.  
The Reading Clerk read the bill.