

of Chicopee Falls, Mass., held Sunday, June 5, 1921, and the Western Massachusetts District of the International New Thought Alliance, requesting Congress to do what in it lies to further all efforts made by the executive or by any branch of the Government looking to a conference among the representatives of the principal nations with a view to reducing armaments; to the Committee on Foreign Affairs.

1153. By Mr. KISSEL: Petition of the Niagara Asbestos Corporation, Buffalo, N. Y., protesting against the proposed increase of tariff on manufactured asbestos products; to the Committee on Ways and Means.

1154. Also, petition of the Private Soldiers and Sailors' Legion of the United States of America, Washington, D. C., urging support of the Sweet bill, the defeat of the fivefold bonus bill, H. R. 1, and to secure the passage of a straight cash bonus as provided in the Mason bill, H. R. 2186; to the Committee on Ways and Means.

1155. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., favoring the enactment of a law putting into effective operation a moderate general sales tax to supplement the modified income and excise taxes; to the Committee on Ways and Means.

1156. Also, petition of Mrs. B. Conlon, Brooklyn, N. Y., urging the recognition of the Irish republic; to the Committee on Foreign Affairs.

1157. By Mr. MAPES: Petition of A. H. Sturgis and 40 others of the Bostwick Lake Congregational Church, of Rockford, Mich., for a conference of leading nations on naval disarmament; to the Committee on Naval Affairs.

1158. By Mr. RAKER: Petition of the California Cotton Mills Co., Oakland, Calif., protesting against the excess profits tax and favoring some form of sales tax; to the Committee on Ways and Means. Also, petition of A. Mattei, of Fresno, Calif., urging the passage of H. R. 2486; to the Committee on Ways and Means. Also, petition of the California Club, San Francisco, Calif., requesting citizenship for the American Indian; to the Committee on the Judiciary. Also, petition of the San Francisco District, California Federation of Women's Clubs, indorsing the Smith-Towner bill; to the Committee on Education.

1159. Also, petition of the Tacoma Brewing Co., San Francisco, Calif., urging the passage of H. R. 2486; to the Committee on Ways and Means. Also, California Assembly joint resolution No. 30, State of California, relative to adoption of the metric system; to the Committee on Weights and Measures. Also, California Assembly joint resolution No. 11, State of California, relative to use of airplanes in forest-fire protection; to the Committee on Agriculture. Also, California Assembly joint resolution No. 17, State of California, relative to national forest reserves being exempt from local taxation; to the Committee on Ways and Means.

1160. By Mr. RAMSEYER: Petition of citizens of Oskaloosa and Mahaska County, Iowa, urging the recognition of the Irish republic; to the Committee on Foreign Affairs.

1161. By Mr. REBER: Resolution adopted by the congregation of the First Methodist Episcopal Church of Schuylkill Haven, Pa., urging the President and Congress to call a conference of the leading nations to consider the question of disarmament; to the Committee on Foreign Affairs.

1162. By Mr. RIORDAN: Petition of 53 citizens of the eleventh congressional district of New York, urging the enactment of H. R. 3208; to the Committee on the Judiciary.

1163. By Mr. RYAN: Petition of John F. McGowan and 228 others, of the fifteenth congressional district of New York, urging recognition of the Irish republic; to the Committee on Foreign Affairs.

1164. Also, petition of Johnny Daly and 14 others, protesting against the Volstead Act; to the Committee on the Judiciary.

1165. By Mr. SWING: Petition of Thomas C. Armstrong and 20 others, recommending construction of needed naval bases on the Pacific coast; to the Committee on Naval Affairs.

1166. By Mr. THOMPSON: Petition of certain residents and citizens of Defiance and Williams Counties, Ohio, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

1167. Also, petition of Edward S. Matthias Post, No. 46, United Spanish War Veterans, Van Wert, Ohio, in favor of H. R. 4; to the Committee on Pensions.

1168. By Mr. TREADWAY: Resolutions adopted by the First Congregational Church and parish of North Adams, Mass., on May 29; the First Baptist Church of North Adams, Mass.; and the First Baptist Church and congregation of Adams, Mass., in favor of calling a conference among the representatives of the principal nations with a view to reducing armaments; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, June 9, 1921.

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

Our Father, we thank Thee for the privileges continued unto us. Help us to realize not simply the utterance of speech but the deep throbbings of our hearts as we ask for companionship with Thee through all the devious ways of life. Help us, we beseech of Thee, to be true to the highest ideals, to the glory of Thy name. Through Christ our Lord. Amen.

The Vice President being absent, the President pro tempore took the chair.

The Assistant Secretary proceeded to read the Journal of the proceedings of the legislative day of Monday, June 6, 1921, when, on request of Mr. McCUMBER and by unanimous consent, the further reading was dispensed with and the Journal was approved.

RECOGNITION OF FOREIGN GOVERNMENTS (S. DOC. NO. 37).

Mr. McCUMBER. Mr. President, on the 5th day of January, 1904, the senior Senator from Massachusetts [Mr. Lodge] delivered in the Senate a very full, comprehensive, and elaborate speech upon the matter of the authority of the President of the United States in the question of recognizing new States or any other States. There is but one copy extant of that speech, I understand, in document form. It goes into the matter very fully, giving the decisions of the Supreme Court on the subject, the letters of Attorneys General, the action of the Presidents, and the views of law writers logically arranged.

I think at this time when quite a number of prospective new nations are in process of incubation the Senate may find the material gathered in that speech of great use. I therefore ask that it may be printed as a public document.

The PRESIDENT pro tempore. Is there objection? It is so ordered, without objection.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 6300) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes; that the House had receded from its disagreement to sundry amendments of the Senate to the bill and agreed to the same, and that the House receded from its disagreement to sundry amendments of the Senate and agreed to the same with amendments, in which it requested the concurrence of the Senate.

THE MEAT-PACKING INDUSTRY.

Mr. MYERS. I present a memorial of the Legislature of Montana and also a telegram from an official of the Legislature of Montana in regard to the unfinished business now before the Senate. I ask that the memorial and the telegram in relation thereto be printed in the RECORD.

There being no objection, the memorial and telegram were ordered to lie on the table and to be printed in the RECORD, as follows:

HELENA, MONT., January 24, 1921.

Senator H. L. MYERS,
Washington, D. C.:

A resolution passed both house and senate unanimously, part of which follows:

"Whereas there is pending before Congress Senate bill 3944, by Gronna, Senate bills by KENDRICK and KENYON, and House bill by ANDERSON, which we consider to be detrimental to our industry, we believe the remedy for abuses of power and inefficient service by large concerns lies in strict and broad-minded supervision and not in curtailment of production that might result from the delegating of a commission with arbitrary power."

Copies going forward, to-day's mail, as confirmation of the above wire.

C. J. McALLISTER,
Secretary of the Senate.

Senate memorial 1, introduced by committee on stock growing and grazing, relative to the regulation of the packing industry.

Whereas there is pending before the Congress of the United States Senate bill 3944, introduced by Gronna, and Senate bills by KENDRICK and KENYON, and House bill by ANDERSON, the purposes of which are to provide transportation, storage, and marketing facilities for, and to regulate commerce among the States in, live stock, meats, and other products derived from live stock or the slaughtering of live stock, which we consider to be detrimental to our industry; and

Whereas, regardless of our objections to said bills on the foregoing grounds, we believe that the remedy for the abuses of power and inefficient service to the public by large concerns throughout the country lies in strict and broad-minded supervision and not in the curtailment of production that might result from the delegating of a commission with arbitrary powers: Now, therefore, be it

Resolved by the senate of the seventeenth legislative assembly (the house of representatives concurring), That we do hereby protest against the passage of said bills or like legislation tending to create any further agitation; be it further

Resolved, That a copy of this memorial be forwarded by the secretary of the senate to our Senators and Representatives in Congress, and they are urged to use their best efforts to prevent the passage of said bills.

NELSON STORY, Jr.,
President of the Senate.
C. J. McALLISTER,
Secretary of the Senate.

THE MERCHANT MARINE.

Mr. EDGE. Mr. President, on the 2d instant the Senate received a communication from the United States Shipping Board submitting a very valuable report which required several months to compile, and which was made at the request of the Senate through a resolution unanimously adopted during the last Congress. It had been my understanding that the report had been ordered printed, but I have just learned otherwise. I think it is a very valuable document.

It has been discussed more or less in the public press, and in my own mail I have many inquiries for copies of the report. Its publication might tend to throw light on many matters which are frequently under discussion relating to Shipping Board activities. On making inquiry, I find that the report was not ordered printed. I should like to ask unanimous consent that the report be printed as a public document.

Mr. SMOOT. Did the Senator say the report was made in response to a Senate resolution?

Mr. EDGE. Yes; a Senate resolution adopted by the last Congress. It required some six or seven months for the Shipping Board to compile the statistics and information asked for by the resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Jersey?

Mr. FLETCHER. The Senator now asks to have the report printed as a public document?

Mr. EDGE. I ask that it be printed as a public document.

Mr. FLETCHER. What is the nature of the report?

Mr. EDGE. Generally it gives the details of receipts and expenditures, forms of contracts, number of ships in operation, where they are in operation, information as to claims that have been settled and adjusted, as well as those which are still in process of adjustment; in other words, it answers in great detail many of the criticisms which we have heard from time to time in the Senate and elsewhere. It seems to have been a great mistake that the report was simply filed, and that we do not have it for reference, as it should be had when matters relating to the Shipping Board are under discussion before the Senate.

Mr. FLETCHER. I know that the law requires the Shipping Board to make reports to Congress, and I was wondering if their report to Congress did not include this material.

Mr. EDGE. No; this was the report called for by special resolution passed unanimously by the Senate.

Mr. SMOOT. It gives no account of the banquets which they have held in New York?

Mr. EDGE. I think the report of a congressional investigating committee might go more into detail with reference to matters of that kind.

Mr. SMOOT. I think some committee ought to go into it.

Mr. KENYON. May I ask the Senator from New Jersey if the report shows the number of employees who have been to New York, Chicago, and other places at various times attending banquets and whose expenses have been paid by the Government?

Mr. EDGE. I am sure I can not answer the query of the Senator from Iowa. I am very positive, however, that the report is a very valuable document and should be printed for such purposes as we usually print public reports covering important activities. Here is a department of the Government spending, as has been frequently stated, more money than any other department of the Government. There has been much criticism, some undoubtedly justified and some perhaps not justified. The information called for by the report was compiled in answer to direct questions. So far as I have had time to go over the report I think they have given us very valuable information. I ask unanimous consent that the report may be printed as a public document.

The PRESIDENT pro tempore. The Chair hears no objection, and it is ordered as requested.

DEATH OF COL. FREDERICK W. GALBRAITH.

Mr. FRELINGHUYSEN. Mr. President, the morning newspapers convey the sad news of the accidental death of Col. Frederick W. Galbraith, head of the American Legion. It might not be inappropriate at the present time for some one to

say a few words of appreciation of the services of this distinguished soldier.

Col. Frederick W. Galbraith, jr., entered the service as lieutenant colonel of the One hundred and forty-fifth United States Infantry, an Ohio regiment, and commanded his regiment on the other side through all of its activities in the Argonne and Belgium. He was twice wounded in action and was decorated by the United States Government with the distinguished service cross and by the French Government with the *croix de guerre*. In civil life he was identified with the paper-manufacturing business in Ohio.

As the oldest member of a large family, he started as a sailor on a sailing vessel and worked up to the position of first mate before he became 20 years of age, yet he was only 47 years old at the time of his untimely death. He was chosen last year as the national commander of the American Legion and has since devoted himself earnestly to assisting those who suffered by reason of their services in the war.

In my association with him in matters of legislation pending before the Committee on Military Affairs I have found him at all times a great patriot, a good American, entirely unselfish in the great work he has done for the benefit of our soldiers who served in the great World War.

Mr. WILLIS. Mr. President, it would be difficult, if not impossible, to add to the very fitting tribute to Col. Galbraith that has been spoken by the Senator from New Jersey. As a representative in part of the State of Ohio, I feel it appropriate, however, that I should add just a word and say that in the untimely taking off of this great soldier the people of Ohio feel that they have lost a great citizen. Not only was he a great soldier, but he stood for the things that were the highest and finest in the civic life of his State and his Nation. I have therefore risen to add my word of personal tribute to Col. Galbraith. He was the soldiers' friend; he toiled unceasingly in the cause of the World War veterans.

RELIEF OF DISABLED EX-SERVICE MEN.

Mr. WALSH of Massachusetts. Mr. President, I do not know of any better way to show our respect for the patriotic services rendered by Col. Galbraith than to advance the splendid work for which he stood as the administrative head of the American Legion by taking action on the resolution that has been pending here for several weeks and which seeks to investigate into all agencies and bureaus dealing with the welfare of the veterans of the World War. I therefore ask unanimous consent to call up Senate resolution 59.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent for the present consideration of Senate resolution 59, which the Secretary will read for the information of the Senate.

The Assistant Secretary read the resolution (S. Res. 59) submitted by Mr. WALSH of Massachusetts April 28, 1921, and reported by Mr. CALDER from the Committee to Audit and Control the Contingent Expenses of the Senate May 27, 1921, as follows:

Resolved, That a select committee of five Senators, three from the majority party and two from the minority party, be appointed by the President of the Senate to investigate all bureaus and agencies of the Government dealing with the care, treatment, insuring, compensating, rehabilitating, and hospitalizing of the veterans of the World War.

That said committee shall investigate specifically the manner, methods, and scope of the activities of the Bureau of War Risk Insurance, the United States Public Health Service, and the Federal Board for Vocational Education.

That said committee so appointed shall be authorized to select its own chairman, to send for persons and papers, to visit such places and institutions as it may deem necessary, to administer oaths, and to employ a stenographer or stenographers to report such hearings as may be held in connection with such investigation, at a cost not exceeding \$1.25 per printed page.

That said committee may sit during the sessions and recesses of the Senate, and it shall report its findings and make recommendations for such amendments and changes in existing laws as it may deem necessary for the welfare of ex-service men and their dependents to the Senate at the earliest possible date.

All expenses in connection herewith to be paid out of the contingent fund of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. WILLIS. Mr. President, reserving the right to object, I should like to have the Senator from Massachusetts make some statement or give some reason as to how or why he thinks the adoption of the resolution would promote the interests of those in whom we are all interested. I reserve the right to object until I hear the Senator's statement.

Mr. WALSH of Massachusetts. Mr. President, I presume it is generally known to the Members of the Senate that there is a good deal of unrest and complaining upon the part of the veterans of the late war because of the treatment or lack of consideration which their incapacitated comrades have received from the Government. I am surprised that it should be neces-

sary to have explained that there is a general demand on the part of our ex-service men for some action on the part of Congress that will seek to put at rest the discontent and dissatisfaction rampant among the war veterans of this country. My mail—and I think the statement applies to the mail of a good many other Senators with whom I have conversed—contains altogether too many complaints of delays and postponements in obtaining decisions relating to the fixing and paying of reasonable and just compensation to our incapacitated veterans.

The situation in regard to hospitalization was explained at length, so far as I have been able to find out what the conditions are, in a speech made by me on the floor of the Senate on April 27 last. Members of the House of Representatives have discussed this question; posts of the American Legion and other war-veteran organizations have criticized conditions and demanded relief; women's organizations have also pleaded for reform; and I supposed if there was any one fact that is generally conceded to have a sound basis it is that the veterans of the late war are justified in making very serious complaint in regard to the manner in which they have been treated in the matter of insurance, of compensation, and of hospitalization.

This resolution seeks for the first time upon the part of the Senate and, so far as I know, of the House of Representatives to undertake an investigation and inquiry into these complaints. To be sure, the Executive, the President of the United States, has caused to be made an investigation into the hospitalization of our war veterans, and, so far as I know, the results of that investigation have been very helpful and very beneficial; but the representatives of the people, the Congress of the United States, have sat silently by all these months and have apparently shown no interest or no purpose to study the whole ex-soldier problem and to find out what is the reason of the prevailing discontent, what is the reason why our soldiers and their friends and relatives are complaining about the indifferent if not neglectful treatment they have received from their Government.

It seems to me that no better service could be rendered to our country and to these men than for the Congress of the United States to say, "Here is a committee selected and chosen to hear you; to find out what your complaints are; to ascertain the reason why the activities of these governmental bureaus have been unsatisfactory." We should send a committee to the hospitals to talk with the invalids of the late war and take every practicable step necessary to prove conclusively that our Government, or at least its representatives in Congress, are desirous of straightening out the injustices and removing the neglect of which they, with apparent good reason, complain. That is the purpose of the resolution; that is the whole problem, to seek by public inquiry and by remedial legislation to restore confidence and trust in the breasts of the veterans of the late war. I can conceive of nothing that will do more to restore a high morale among our ex-service men.

Anyone who has talked with them knows that they are, as a class, very much dissatisfied with the treatment that has been accorded them. Only a short time ago a veteran at one of the hospitals, where 40 men were housed, told me that they had had a secret ballot to see what action they would take if our country were involved in another war, and the 40 men unanimously voted that they would refuse to enlist in another war.

Of course, that judgment is to be discounted by reason of the fact that those men are invalids, and are more or less pessimistic and dissatisfied; but, Senators, the state of mind of these men is not what it should be. It is a serious matter to let this feeling go on without an earnest effort to check it. The veterans of the World War are to be the future leaders of America and of American public opinion. We want them satisfied and contented; we want them to feel that their Government is doing everything possible to show full appreciation for their splendid services and sacrifices. We want them above everything else to realize that they have not been abandoned nor neglected. They feel and believe—and my investigation leads me to the same conclusion—that they have just complaints. Can there be any question but that a poor fellow suffering with tuberculosis, who is unable to get a decision month after month as to his compensation, his right to receive permanent hospital treatment or to have his insurance restored, has a grievance, and a just grievance, of which Congress ought to take cognizance and into which I think we ought to speedily inquire?

I can not conceive of any better service than to have Senators go to these veterans of the horrors of war service and assure them of our deep and lasting interest in everything that pertains to their care and treatment. Let us say to them, "We are your friends; we are the representatives of the American Government; we representatives of the Senate of the United States want to know what your troubles and difficulties are; and if

these bureaus are not treating you right we purpose to see that an immediate change of policy is adopted; we are determined to help you back to health and happiness; we intend that your dependents shall not suffer because of your war disability; we are your friends; America appreciates your service; Congress should reflect by deeds the wishes of the American people." Mr. President, I urge the Senate to enter into the proposed inquiry in a spirit of enthusiasm and earnestness, determined to bring these brave and patriotic ex-service men back to a contented state of mind. We must not delay another day. Their discontent and dissatisfaction must be banished. Sunshine and cheer must take the place of gloom and pessimism.

Mr. SMOOT. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from Utah.

Mr. SMOOT. I think the Senator from Massachusetts ought to state that the fault of which he complains is not with Congress. There are now some 262,000 of these disabled men, and yet I know of no case where a request has been made for money for the soldiers that has not been granted by Congress.

Mr. WALSH of Massachusetts. To whom are these bureaus responsible but to Congress?

Mr. SMOOT. I am not now objecting in any way to what the Senator from Massachusetts has said, but I desire to state that the Congress of the United States is appropriating each month \$172 for every one of the 262,000 disabled soldiers. I believe that the Senator from Massachusetts will admit that such an appropriation, if handled properly, is sufficient to take care of every one of our disabled soldiers.

Mr. WALSH of Massachusetts. Yes; and my resolution seeks to try to have it handled properly by trying to find out what the various bureaus and agencies have been doing and why they have failed to hold the confidence, trust, support, and approval of the soldiers and of their friends. That is the very purpose of the resolution—to find out why, with the vast sums of money which we have been appropriating, there still exists this discontent and dissatisfaction; why the delay continues; why these men feel they are treated with suspicion rather than sympathy.

Only a few days ago I had a college man suffering with an acute case of tuberculosis—admitted active—come to me with a letter ordering his discharge from a Government hospital because the Bureau of War Risk Insurance had decided that the young man had not filed sufficient evidence connecting his tubercular condition with his war service. Think of throwing our fine, brave heroes, suffering with disease, out in the highways because they can not furnish affidavits that they had a cough, or spit blood, or got wet feet while in the Army. Where, Senators, did these physically fit boys get their tuberculosis if they did not contract it during the strenuous, unusual, and abnormal life of the war camp? Twenty-five thousand of them! What is the matter with our manhood if the explanation is not clearly and unmistakably that the taking of our youth from their comfortable homes, contented employment, and avocations and suddenly putting them into the open life of the camp and the trench and through the strenuous and fatiguing drills and Army maneuvers, which will in many cases apparently improve them physically while really undermining their constitutions? Is it not well known that worry and mental anxiety is frequently the cause of disease? Who will deny but what many an American boy spends days away from home with hearts breaking with grief and longing for those at home?

I had two unfortunate fellows from Walter Reed Hospital call at my office this very morning and tell me that they were suffering with tuberculosis; that they had been insured and carried their policies for over three years; but while they were waiting for their compensation they did not have any money, and, therefore, could not pay their premiums and their policies lapsed. They tried to have their policies renewed, but they could not have them renewed, because they are now physically unsound and have, therefore, lost their status. Do you think it will help improve the state of mind of a tubercular soldier who is facing death to know that he has been refused the right to take up his lapsed policy, in order that his dependents may have a little insurance money at his death?

I tell you that these cases, and there are hundreds of them, are breeding discontent and creating a very serious situation. Every American Legion post in the country is overwhelmed with the complaints from our disabled soldiers.

If all our Senators could hear these ex-soldiers discuss their troubles, they would begin to appreciate that it is time for action; that it is time for some assurance to be given that the Congress is interested in them.

We are passing resolutions here to investigate strikes; we are passing resolutions to study the highway, the postal, and the farm problem; we are passing resolutions to look into troubles of

various kinds amongst civilians in different parts of the country. Why not the problem of our dying and diseased soldiers? Is there any service that we can render more helpful in the direction of restoring confidence and trust in the United States of America than to show that we are interested in our veterans?

Let me say here that before any other problem of reconstruction I consider that the first problem we should have solved and settled was that which concerned the restoration to health, to strength, and to competency the men who fought the war and brought victory to their country. I place this work of Congress before reconstruction of industrial conditions or taxation or tariff schedules.

The restoration to health of the sick and disabled veterans of the war, the payment of our debt of gratitude to them, are the first obligations of a grateful Government and of a generous people; and the American people are grateful. The fault is with the officials of our Government, if anywhere. It certainly is not with the American people, for they want these men dealt with generously; they want them given the best hospitals and the best of care, regardless of cost; they want them given every assurance of our appreciation and gratitude; and I repeat I think that we can render no better service now than to find out what their grievances are, to ascertain what can be done in the way of amending the laws passed during the war, which were enacted before we knew what the terrible havoc to the health of our soldiers was to be, and to present to the Congress a report which will show that Congress purposes and intends to do everything possible and reasonable for the welfare of the World War veterans. I want this whole question thoroughly surveyed by Congress and settled once for all.

Mr. SMOOT. Mr. President, I did not interrupt the Senator with any idea of criticizing what he has said in any way.

Mr. WALSH of Massachusetts. I understand that.

Mr. SMOOT. I simply felt that if the Senator's statement was going to the country I would not want the inference from what the Senator says to get into the minds of the people that Congress had not appropriated the money.

Mr. WALSH of Massachusetts. I think Congress has been very generous in its appropriations. I think a great deal of the trouble has been due to the lack of proper administration and also to the failure to have a proper afterwar resurvey of the laws which were enacted for the benefit of the soldiers during the war. Now that the war is over, action should be taken to amend existing law or pass new laws which will remedy the evils of which complaint is made. For instance, who would have thought that we would have had the terrible situation of about 10,000 men mentally incapacitated as the result of the war, and of 25,000 tuberculosis patients within two years? Was any law drafted anticipating such a situation, providing how we should care for them, and what should be granted to them in the way of compensation?

Mr. OVERMAN. Such an inquiry as the Senator from Massachusetts proposes might have the effect of cutting a little of the red tape with which so many of these matters are entangled. Soldier patients can not get their cases acted on for weeks and weeks, and in the meantime many of them are dying because they can get no help, when they ought to be able to secure action on their applications at once. I learned yesterday of a case where a man who was ordered to a hospital died before he could get there. If the order had been issued weeks before, his life might have been saved.

Mr. WALSH of Massachusetts. It is a scandal, as the Senator from North Carolina suggests, and the worst feature of it is that in cases of tuberculosis for a patient to have worries and cares on his mind will retard his recovery more than anything else. If Senators had visited hospitals, as I have, and seen these poor fellows as soon as I appeared run to their trunks and bring out their war-risk insurance letters, as if they were the most precious thing in life, setting forth what their Government was going to do or not do for them in the way of compensation, they would appreciate how real this situation is to them. The treatment of our soldiers is, gentlemen of the Senate, a pathetic story—and one that no public man can be proud of. I repeat that for those suffering from the dread disease tuberculosis, worry and discontent accentuates their condition more than anything else. Delay in securing action on their applications for compensation is a prolific cause of worry and discontent, and, as has been indicated, the whole story is one of unnecessary delays and nonsensical red tape.

Mr. NORRIS. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from Nebraska.

Mr. NORRIS. I thought the Senator had concluded. I wanted to be recognized in my own right.

Mr. WALSH of Massachusetts. I yield the floor.

Mr. NORRIS. Mr. President, I listened some time ago to the very able and eloquent address delivered by the junior Senator from Massachusetts, who had made a personal investigation of some of the so-called hospitals where our wounded and disabled soldiers are receiving treatment. I confess that I was horrified at the disclosures made by him. It seemed to me that his testimony, given after personal observation and investigation, disclosed a state of facts for which the American people can not stand.

We have before us very important legislation; the Government is greatly in debt; we have all manner of difficult problems to settle, Mr. President, but there is one thing it seems to me must take precedence over everything else, no matter what it may be, and that is that the American Government shall do justice to its soldiers who served in the late war, particularly to its wounded soldiers. I thought before I listened to the Senator from Massachusetts that we had appropriated large sums of money, as the Senator from Utah [Mr. Smoot] has stated; that we had provided all that had been asked for, and I was dumfounded to learn that notwithstanding that fact such conditions actually existed as were narrated by the Senator from Massachusetts. The fact that we have appropriated all the money that has been asked for, Mr. President, taken in connection with the statement made by the Senator from Massachusetts based on his personal observation and investigation, makes it all the more necessary, it seems to me, that the Senate should ascertain what is wrong. It seems to me that the resolution of the Senator from Massachusetts will accomplish that result.

Evidently the soldiers are not receiving fair treatment. Everybody wants them to get the very best treatment that is possible. They are not getting it. We have been led to believe that we have appropriated money enough to give it to them. If there is something wrong in the handling of the money, and if they have not received this treatment, we ought to know it so as to rectify it. If it takes more money, we ought to know it and to appropriate more; but under no conditions ought we to delay. This committee ought to be at work. The country, and especially the legislative Members, who are responsible for legislation, ought to know, and ought to know without delay, what the difficulty is, and just how to remedy it.

Mr. REED. Mr. President, I simply want to say a word in support of this resolution. I do not want to charge anybody with dereliction of duty or in any manner to overstate the conditions which exist, but statements have been made to me of such a character as to indicate a gross failure to properly organize the work of caring for the soldiers.

I am going to give the Senate a very simple illustration.

I went home the other day and found my wife making a pair of pajamas. I asked her why. She said that word had come to the wives and families of Senators that they did not have a proper change of undergarments at Walter Reed Hospital, and that the women had again taken up the work in which they had been engaged during the war, and that what she was doing others were doing. I do not state that to bring either my wife or these other ladies into prominence, but if it be the case that in the Capital of the Nation men are so destitute of proper bedclothing that the ladies have to take it up it is significant of what must exist in other branches of the hospitals in Washington and in other hospitals more remote from the Capital.

Mr. OVERMAN. Mr. President, will the Senator yield to me a minute?

Mr. REED. Certainly.

Mr. OVERMAN. I have just returned from home myself, and I found some good women there organized, from the information they had, to get cast-off clothing and money to take care of the destitute soldiers in hospitals. They did not have clothes and they had no money to spend and they were absolutely destitute.

Mr. REED. Mr. President, I do not want to criticize, but I say that if the fact to which I have called attention and the fact just brought to our attention by the remarks of the Senator from North Carolina are true—and they must be—if the gentlemen in charge of the hospital service of the United States can not run it any better than that, in God's name let us again call on the women and organize them, and they will take care of these soldiers.

I was not much of a woman-suffrage man, but there is one thing that I know a woman can do better than any man on earth can do it, and that is to take care of people in distress; and while we ought not to impose this burden upon the women, if the gentlemen running this business can not take care of it and do it right, let us call on the women, and they will do it right.

The last time I was in my home city one of the ladies there wanted me to go and visit a hospital. She was doing work in

it. My situation was such that I could not go that day, and the next day I was called out of town, and I have regretted ever since the fact that I did not go. I am going to be home in a few days, and I shall visit that hospital; but the report I got later through her husband as to her particular complaint was of such a character as to astonish me.

You must put some humanity into these hospitals. These soldiers are entitled to a different kind of treatment than would be meted out at some eleemosynary institution. They are entitled to the best medical care the world's science can give them. They are entitled to it promptly. There is no sense in any red tape about it. Every soldier ought to be furnished with papers, if he does not possess them, that identify him and show his standing and his position; and an examination by a physician ought to be possible within a few minutes' time after an application is made.

I do not intend to take time to go into any details, or to hold the Senate here. I know that there is not a Senator in this body who does not feel exactly as I feel. I think the resolution offered by the Senator from Massachusetts [Mr. WALSH] is a good way to get this matter started, and I hope it will be adopted this morning.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none.

The Senate proceeded to consider Senate resolution 59, submitted by Mr. WALSH of Massachusetts on April 28, 1921, which was read, as follows:

Resolved, That a select committee of five Senators, three from the majority party and two from the minority party, be appointed by the President of the Senate to investigate all bureaus and agencies of the Government dealing with the care, treatment, insuring, compensating, rehabilitating, and hospitalizing of the veterans of the World War.

That said committee shall investigate specifically the manner, methods, and scope of the activities of the Bureau of War Risk Insurance, the United States Public Health Service, and the Federal Board for Vocational Education.

That said committee so appointed shall be authorized to select its own chairman, to send for persons and papers, to visit such places and institutions as it may deem necessary, to administer oaths, and to employ a stenographer or stenographers to report such hearings as may be held in connection with such investigation at a cost not exceeding \$1.25 per printed page.

That said committee may sit during the sessions and recesses of the Senate, and it shall report its findings and make recommendations for such amendments and changes in existing laws as it may deem necessary for the welfare of ex-service men and their dependents to the Senate at the earliest possible date.

All expenses in connection herewith to be paid out of the contingent fund of the Senate.

Mr. TRAMMELL. Mr. President, I have always tried to pursue a policy of not being unreasonable in my expectations of those charged with grave and stupendous responsibilities. Following the war, it was my inclination as far as possible to throw the mantle of charity over the shortcomings and the neglect of those upon whom devolved the duty of caring for our sick and wounded, and those upon whom fell the responsibility of adjusting their compensation claims. Feeling this way, I have refrained heretofore from any public expression, at least, of displeasure and dissatisfaction at the manner in which our sick and wounded have been cared for; but I feel that this resolution at the present time meets a need and a necessity, and that it has become high time that Congress was acting for the purpose of trying to correct the neglect which has been going on.

I have received from time to time communications from soldiers from my State indicating to me and impressing me with the fact that the disposition on the part of those in authority, instead of being that of sympathy, that of a policy of trying to assist in relieving the distressed, to the contrary was a policy of indifference. One of the most recent cases that I have in mind is that of a soldier who has been in the hospital for four or five months trying to get his compensation claim adjusted, having once been upon a grade of probably 100 per cent disability, and then graded down to 10 per cent, although he is still in the hospital, and has been for months; and I have been giving my personal attention to that matter for at least six of eight weeks. My efforts have proven absolutely futile; and instead of getting a reply within a few days, it is two or three weeks or a month, probably, before you can get any information upon a claim and upon affidavits that are presented.

In this particular case it seems to me that the disposition of those having it in charge is unsympathetic; that instead of resolving any doubt in favor of the man who served his country, and served it faithfully, and in this particular instance was at the front for some 18 months, every presumption is resolved against the poor fellow who is upon a stricken bed in a hospital to-day, and has been trying for the last four months to get his compensation adjusted.

There is no reason in the world why the business in regard to handling these compensation claims and in regard to assigning the soldiers to the hospitals should not be expedited and handled promptly and with proper sympathy for these unfortunate men who so faithfully served their country.

I hope the resolution will pass, and that some relief will be afforded.

Mr. REED. Mr. President, I should like to make an inquiry from the Senator from Florida, or from any other Senator, as to whether it is not a fact that in the War Risk Insurance Bureau, where they are already behind with their work, they are now discharging a vast number of employees?

Mr. TRAMMELL. I understand that that is the policy that is being pursued.

Mr. WILLIS. Mr. President, I reserved the right to object to the consideration of this resolution in order to elicit some information as to the nature of the resolution, not having had an opportunity to examine it. I shall not object at all to its consideration and I shall support the resolution.

While I am on my feet I want to say that I think there is no difference of opinion amongst the Members of the Senate as to the desirability of making every proper effort to promote the interests of the service men. I know there is no one on this side but that desires that every action shall be taken that can possibly be taken; but I want to say that my humble experience in a legislative body other than this has not led me to have great confidence in the efficacy of investigations. So far as I am concerned, what I want these departments to do is to function—I think they are functioning pretty well in some directions now, as I shall have occasion to say in a moment—rather than to put in their time answering questions in an inquiry. It has not been my experience that the public business has been particularly promoted by investigations. It may be that in this case it will be. At all events, I shall support the resolution in the hope that it will be productive of good.

The experience I have had with certain of these bureaus and departments that have to do with the soldiers' claims has not been of the character that other Senators seem to have had. For example, in the Bureau of War Risk Insurance there is, in my judgment, very much greater efficiency and activity than formerly. I am having less difficulty in getting a prompt adjustment of claims. I think that ought to be said. I think it ought to be said that in this administration the President and all the executive departments, as every Senator knows, are making active and earnest and honest and energetic efforts to get results along the lines that are desired for the relief of the ex-service men.

Personally, I doubt whether the adoption of this resolution and the investigation which it contemplates will forward that action. However, in the hope that it may do so, I shall support the resolution. But it must be understood that there is not any difference of opinion as to whether the interests of the ex-service men should be advanced. There may be differences of opinion as to the methods that should be adopted to advance those interests.

Mr. TRAMMELL. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Florida?

Mr. WILLIS. I yield to the Senator from Florida.

Mr. TRAMMELL. I would like to ask the Senator if a great many of the cases which are brought to his attention are not finally brought to his attention because the ex-service men themselves can not get any prompt service or reply from the bureau?

Mr. WILLIS. That possibly is true in some cases; in some cases it is not true. And since the Senator inquires about it and forces me to say it, I say to him that in the little experience I had before the 4th of March, as compared with the experience I have had with those cases since the bureau has been under a different administration, there has been a tremendous improvement, and cases are handled very much more rapidly and efficiently than they were theretofore.

Mr. TRAMMELL. Mr. President, I very much hope that there is improvement; there was great room for improvement, and there is still a great deal of room for improvement. As far as some cases I have been handling for ex-soldiers in my State are concerned, I have not observed any very glaring indications of improvement; but I hope there has been some improvement.

Most of these cases come to the attention of Senators in my experience, because the ex-service man has been unable to get proper attention from the bureau. I think it is a great travesty upon justice, and it is an outrage against the ex-service man, that he has to appeal to a Senator or Representative to get a hearing or to get a reply from a bureau in regard to a matter in which he is vitally interested.

Of course, I know that these bureaus have adopted a policy of giving a good deal more attention to a Senator or Representative; but I take the position, Mr. President, that the ex-service man himself, his relatives, or friends who are interested in him, should have prompt response and prompt attention to matters pending before these bureaus without the necessity of the intervention of a Senator or a Representative.

Somehow or other it seems that more or less of these departments have this idea of a little more folding of hands and a little more doing of nothing and running a month or two behind in everything. I can never understand why Government business should not be expedited and carried along promptly, the same as private business. Who ever heard of a big private corporation adopting a policy of running a month or two behind all the time? That is the trouble, more or less, with the Bureau of War Risk and other Government offices.

Take, for instance, the Pension Bureau. I had a letter this morning in regard to a pension claim which has been pending for about a year. The parties insist that all the proof is there, and when I made inquiry about it I found that it was more customary to pigeonhole a pension application and act upon it later on, when somebody calls it up, than to put it in business channels and go ahead and handle it promptly, as it should be handled.

I think it is high time that Congress should get behind this matter and that Congress should see that the ex-soldiers get what they are entitled to receive and what they merit from the Government.

Mr. WALSH of Massachusetts. Mr. President, I do not want to prolong the discussion, because there does not seem to be any serious opposition to the resolution. This is not a question for party division. Both sides of the Chamber are sympathetic with this movement for a full inquiry. My distinguished colleague [Mr. LODGE], the leader of the majority, as well as the very able leader of the minority [Mr. UNDERWOOD], have both assured me of their sympathy and support of this resolution. I wish, however, before the debate closes, to call the Senate's attention to a very interesting chart or diagram which was printed in the RECORD on May 27, at page 1825. That diagram is being distributed pretty generally throughout the country. It shows that there are about 25,000 veterans in hospitals; that 15,000 of that number are in United States Government hospitals; and that 10,000 are in so-called contract hospitals; and that there are 20,000 more in need of hospital treatment.

The chart further shows that Congress appropriated at the last session \$18,000,000 for new hospitals, which will take care of 7,000 of the 20,000 incapacitated veterans now without hospital treatment. The chart further shows that there still will be left uncared for 13,000 incapacitated veterans, and that even after the money we have appropriated has been spent there still will be need to provide accommodations for 13,000 additional incapacitated veterans. The chart also shows that the number of tuberculosis patients is increasing at the rate of 1,500 per month.

I can not vouch for the accuracy of this diagram, but it is being generally distributed, and seems to have been prepared with great care. But the fact alone that the hospitalizing of these men is so inadequately taken care of ought to be a sufficient reason for the inquiry I have proposed. In any event, the whole question should be studied and solved for all time.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

LUMBER INDUSTRY ON PACIFIC COAST.

The PRESIDENT pro tempore laid before the Senate a communication from the Federal Trade Commission transmitting a report analyzing the activities of the trade associations composed of Douglas fir loggers and lumber manufacturers of the Pacific coast, which was referred to the Committee on Interstate Commerce.

ORDER OF BUSINESS.

Mr. LODGE. Mr. President, in order to dispose of certain nominations pending, I move that the Senate proceed to the consideration of executive business.

Mr. HARRISON. Will the Senator withhold the motion?

Mr. LODGE. It will take but a moment.

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

Mr. LODGE. I have no objection to the Senator offering his resolutions, or whatever he has to present. The morning business has not been concluded. The Senator can put in all his business in five minutes, if he will let the Senate go into executive session and dispose of some nominations.

Mr. HARRISON. It may take longer than the affable Senator from Massachusetts thinks to dispose of the nominations.

Mr. LODGE. Very well, Mr. President; I yield to the Senator to offer his resolutions, or whatever they are.

ADMIRAL SIMS'S STATEMENT ON THE IRISH QUESTION.

Mr. HARRISON. I offer a resolution, Mr. President, and ask for its immediate consideration.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent, out of order, to submit a resolution. Is there objection?

Mr. LODGE. Let it be read.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The Assistant Secretary read the resolution (S. Res. 89), as follows:

Whereas Admiral William S. Sims is quoted in newspaper reports as having used the following language in an address before the English Speaking Union in London Tuesday night, June 7, 1921: "There are many in our country who technically are Americans, naturalized and born there, but none of them American at all. They are American when they want money but Sinn Feiners on the platform. They are making war on America to-day. The simple truth of it is that they have the blood of English and American boys on their hands. They are like zebras, either black horses with white stripes or white horses with black stripes. But we know they are not horses; they are asses. But each of these asses has a vote, and there are lots of them": Therefore be it

Resolved, That the Naval Affairs Committee of the Senate is directed to make a thorough investigation of the purported remarks of Admiral Sims and report to the Senate with recommendations.

The PRESIDENT pro tempore. Is there objection to receiving the resolution at this time, on the request of the Senator from Mississippi? The Chair hears none, and the resolution is received.

Mr. HARRISON. I ask for its immediate consideration.

The PRESIDENT pro tempore. The Senator from Mississippi asks for immediate consideration of the resolution. Is there objection?

Mr. WADSWORTH. Mr. President, may I ask the Senator from Mississippi if it is not a fact that the Secretary of the Navy has taken steps in this matter?

Mr. HARRISON. That is what the papers say; but it seems to me that the charges touching the Senate membership are so grave, and the indictment against certain of our citizens so heinous, and the remarks so indiscreet, that the Senate can not ignore them, notwithstanding that the Secretary of the Navy may have requested information touching the truthfulness of the alleged statement. I might say, Mr. President, in answer to that question, too, that the distinguished Senator from Illinois [Mr. McCORMICK], one of the leaders on that side of the aisle, is quoted in this morning's Washington Post as follows:

Senator MEDILL McCORMICK, who sustained the admiral in his controversy with Secretary of the Navy Daniels, was one of the first to take up the admiral's latest speech and immediately visited the White House and the Navy Department, demanding that cognizance be taken of what he terms "grossly improper" remarks.

So I imagine that there can not be any opposition to the proposed resolution for an immediate investigation. It is so outrageous, that the resolution should pass and the Naval Affairs Committee should take it up immediately and make a thorough investigation.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution? The Chair hears none, and the resolution is agreed to.

EXECUTIVE SESSION.

Mr. LODGE. I renew my motion that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After eight minutes spent in executive session the doors were reopened.

THE FEDERAL RESERVE SYSTEM.

The PRESIDENT pro tempore. Petitions and memorials are in order.

Mr. SMITH. Mr. President, I wish to take this occasion to call attention to a rather remarkable but very encouraging document that seems not to have received the notice that it is entitled to in view of the distressed condition in which the business of the country finds itself. I wish to read some paragraphs from the document, hoping that Senators, who, like myself, are receiving distress signals from their people, may be enabled from official sources to notify them that the condition is not without hope. The matter contained in the article is rather startling in view of the condition in which business, and particularly the agricultural and stock-raising industry, finds itself.

I am going to read from a statement—

Mr. KENYON. Mr. President, a parliamentary inquiry. I should like to know under what order of morning business we are working?

The PRESIDENT pro tempore. The presentation of petitions and memorials is now in order, and the Senator from South Carolina is presenting a petition or a memorial.

Mr. SMITH. It partakes of the nature of both to some extent. The document is startling in view of the condition known to exist, and I am going to read the article in order that it may appear in the Record in full.

The article was released to the press on Monday, June 6, and reads as follows:

Gov. Harding, of the Federal Reserve Board, left Sunday night for a two weeks' trip through the cattle-producing sections of the country. Stopping en route at Des Moines, Iowa, he will visit Cheyenne, Wyo.; Denver, Colo.; Albuquerque, N. Mex.; El Paso, San Angelo, San Antonio, and Dallas, Tex., returning thence direct to Washington.

Before leaving Gov. Harding gave out the following authorized statement from the Federal Reserve Board:

Therefore it is an official statement from the entire board.

It is the opinion of the Federal Reserve Board that the country is approaching a new crop season with underlying conditions far sounder than they were a year ago. While there are still large amounts of staple products being carried over, financed partly in bank credit, the reserves of the 12 Federal reserve banks combined are nearly 40 per cent higher than they were at this time last year, standing at about 57.5 per cent as against 42 per cent. There is no ground for apprehension regarding the ability of the banks to meet the requirements of both agriculture and industry.

The Federal reserve system now holds the largest amount of gold in its history, more than \$2,400,000,000, and the inflow from other countries still continues. While the loans and invested assets of the Federal reserve banks have been reduced since the peak on November 5 last by more than \$1,000,000,000, most of this liquidation has come about in an orderly and natural way. Liquidation has been most pronounced in financial and industrial centers rather than in agricultural sections, as is evidenced by the fact that while the rediscounts held by the Federal reserve banks are materially less than at this time a year ago, these banks are now carrying more than twice as much agricultural and live-stock paper (maturities from 90 days to 6 months) as they had on hand a year ago.

I would have the Senate bear in mind the particular paragraph which I am about to read. It is as follows:

It should be understood that until there is a broadening of the market for agricultural products many farmers will have to be granted extensions on loans already made them and will in many cases require additional credits pending the making and marketing of the new crops. The Federal Reserve Board is gratified to know that the Federal reserve banks are prepared to extend liberal credits to member banks, and through them to nonmember banks, for these and other productive requirements of their customers, and the board urges all banks to aid in easing along the situation in the agricultural districts until normal and regular processes of production and distribution can be further developed. The board feels that the financial emergency which menaced the country during the year 1920 has definitely passed.

The reason why I call attention to this is the fact that a great many of us have been using our best efforts to see if there could not be given some financial relief to the situation, and here comes a statement from the Federal Reserve Board in the midst of all this trouble, in the midst of all these failures and bankruptcies that are occurring throughout the country, that the Federal reserve system has the greatest gold reserve in its history, and that it is in a position to relieve the situation and begging the member banks and the nonmember banks to avail themselves of the reserve and to relieve the situation.

The article continues:

There is, however, in some sections a situation which affects seriously producers of some highly essential products. In the stock-raising industry particularly additional credit facilities are urgently needed. Live-stock paper running not longer than six months is eligible for rediscount at Federal reserve banks, and loans for the purpose of feeding and fattening cattle are, therefore, more easily obtained than the longer time loans for breeding cattle and young calves. The banks of the country are urged to bear in mind the needs of the live-stock industry and to extend as liberal accommodations to those engaged in the industry as circumstances will permit.

The board does not believe that it would be advisable to amend the law by making one and two year paper eligible for rediscount at the Federal reserve banks, but in view of the emergency which threatens the entire live-stock industry, recommends, with the concurrence of the Secretary of the Treasury, that Congress authorize the Secretary of the Treasury to make available to the War Finance Corporation \$50,000,000, and that said corporation be empowered to make advances up to this amount on live-stock paper. These loans could be made through the Federal reserve banks as fiscal agents of the War Finance Corporation rather than as banks of discount. This recommendation is made in order to meet the peculiar emergency existing in the live-stock industry, where the process of production is unusually long and requires longer term credit facilities than can be afforded by means of paper with six months' maturity. The board would suggest, however, that the time for making such loans be limited to three years from the passage of the necessary legislation, with a view of having the funds thus advanced ultimately returned to the Treasury.

This legislation, in the board's opinion, will meet the present emergency and should give ample time for the development of permanent plans for the financing of the live-stock industry. It would also tend to stabilize the credits affecting this industry and serve to demonstrate the value to those desiring short-time investments of cattle paper running longer than six months.

At the proper time I shall take occasion to address the Senate on the condition that existed last year and that exists now and, as far as my investigation goes, I shall undertake to show the responsibility for the condition in the country in view of the startling fact that we have no money panic and have not been in any danger of a money panic; but there has been and is now the most terrific commodity panic that the country has ever seen.

AMENDMENT OF FARM LOAN ACT.

Mr. KENYON. Mr. President, in view of the startling statement of Governor Harding, of the Federal Reserve Board, I think this is an opportune time to move to take up a bill which I believe will not require very much discussion. It was unanimously reported from the Committee on Banking and Currency and it will be helpful to the financial situation, as far as agriculture is concerned.

I move to proceed to the consideration of the bill (S. 1811) to amend the Federal farm loan act as amended.

Mr. FLETCHER. I do not wish to interpose any objection, but I am wondering if we can not get through with morning business first?

Mr. KENYON. Apparently there is no chance of getting through with morning business. We have had speeches on almost every subject this morning.

Mr. FLETCHER. I have a little report from a committee which I am anxious to submit when we reach that order of business.

Mr. KENYON. I should like to get this bill up, and then I shall be glad to yield for routine business.

The PRESIDENT pro tempore. The Senator from Iowa moves that the Senate proceed to the consideration of Senate bill 1811.

The motion was agreed to.

Mr. LA FOLLETTE. May I ask the Senator from Iowa if he will yield to enable me to introduce a Senate resolution?

Mr. KENYON. I yield for that purpose.

THE SHIPPING BOARD.

Mr. LA FOLLETTE. I submit a resolution, which I ask to have read, and that it then may lie on the table. I shall call it up and submit some remarks upon it at the earliest opportunity.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and the Secretary will read the resolution.

The Assistant Secretary read the resolution (S. Res. 90), as follows:

Whereas a controversy exists between the United States Shipping Board and the men employed upon its ships, and between the men and the private owners of American ships, as a result of which hundreds of ships are idle, including those owned by the Government and those privately owned, and many thousands of men are out of employment; and

Whereas the loss to the owners of the ships, including the Government, as a result of the first month of the controversy amounts to many millions of dollars, conservatively estimated at about \$30,000,000, and the loss to the men in wages alone amounts to several million dollars monthly; and

Whereas the controversy and the resulting idleness of both ships and men if long continued will disorganize the shipping business of the country and endanger the entire program for the upbuilding and maintenance of a merchant marine, upon which billions of dollars of the people's money have already been expended; and

Whereas the people of this country, who are the real owners of the ships controlled by the United States Shipping Board, have the right to know fully all the facts respecting the controversy which has resulted in the idleness of these ships and the consequent loss and injury not only to the shipping interests but to the entire business interests of the country; and

Whereas the settlements recently made of strikes and controversies between seamen and ship owners and operators in Great Britain and other countries have released the full maritime resources of those countries to compete with the disorganized merchant marine of this country; and

Whereas the continued idleness of our ships and men, which must result in closing foreign markets to our agricultural and other products, except as they may be carried in foreign ships and upon terms dictated by foreign rivals, presents a situation which menaces the interests of all classes of our people; and

Whereas grave charges against the integrity and efficiency of the management by the Shipping Board of the public business and the property committed to its care have been made in the press and in the public debate in the United States Senate: Now, therefore, be it

Resolved, That the Senate Committee on Commerce, or any subcommittee thereof to be appointed by it, is hereby authorized and directed to make a thorough and complete investigation into the controversy above mentioned, and the causes thereof, and into the questions of wages and working conditions involved in said controversy, and into the claims and contentions of the respective parties to said controversy and the merits thereof, and into the conditions existing in the marine service of this country on both publicly and privately owned ships; and that said committee thoroughly investigate the methods and practices of said Shipping Board, and the agreements, understandings, and relations, if any exist, between the shipowners or operators in the United States, including said Shipping Board, and all association of shipowners, among themselves, and with the shipowners or operators or associations thereof in other countries, and any control, or attempt

to control the shipping interests or business of this country, or any portion thereof, or the regulation thereof, by any foreign interests, concerns, or influences whatsoever, and to report its findings and conclusions thereon to the Senate with all convenient speed.

The said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper, and to require the attendance of witnesses by subpoena or otherwise, and to require the production of books, papers, and documents, and to employ counsel and other assistance, and stenographers at a cost not exceeding \$1.25 per printed page. The chairman of the committee, or any member thereof, may administer oaths to witnesses, sign subpoenas for witnesses, and every person duly summoned as a witness before said committee or any subcommittee thereof, who fails or refuses to obey the process of said committee or appears and refuses to answer questions pertinent to said investigation, shall be punished as prescribed by law. The expenses of said investigation shall be paid from the contingent fund of the Senate on vouchers of the committee or subcommittee, signed by the chairman and approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDENT pro tempore. The resolution will lie on the table.

PETITIONS AND MEMORIALS.

Mr. FLETCHER presented a petition of the pastor and congregation of the Methodist Episcopal Church South, of Chattahoochee, Fla., praying for the calling of an international conference for the purpose of considering the question of disarmament, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry members of the congregation of the First Presbyterian Church of Green Cove Springs, Fla., praying that an international conference be called for the purpose of considering the question of a reduction of armaments, which was referred to the Committee on Foreign Relations.

Mr. LODGE presented resolutions of the First Baptist Church of Springfield; the Church of Middlefield; the First Unitarian Society of Berlin; the Richmond Congregational Church; Norfolk Pomona Grange, of Dedham; the Holliston Congregational Church; the Trinity Congregational Church; the Bethany Congregational Church, of Quincy; the First Baptist Church of North Adams; the Second Congregational Church of Palmer; the First Baptist Church of Adams; the First Congregational Unitarian Society of Sterling; the Methodist Episcopal Church of Hingham; the Emanuel Methodist Episcopal Church, of Mansfield; the Methodist Episcopal Church of Hudson; the Central Baptist Church of Middleboro; the Maple Street Congregational Church, of Danvers; the Grace Episcopal Church, of Everett; the Morgan Memorial Church of All Nations, of Boston; the First Presbyterian Church of Waltham; the Pigeon Cove Congregational Church, of Rockport; the South Congregational Society of Boston; the Winslow Congregational Church, of Taunton; the Christ Memorial Church of North Brookfield; the Second Congregational Church of Dorchester; the Central Congregational Church of Boston; St. John's Church, of Arlington; the First Congregational Church of North Adams; the Brayton Methodist Episcopal Church, of Fall River; the Pilgrim Congregational Church of Duxbury; the Epworth Methodist Episcopal Church, of Cambridge; the St. James Methodist Episcopal Church, of Springfield; the Methodist Episcopal Church of Leominster; the Grace Union Church, of North Wilbraham; the Trinitarian Congregational Church of New Bedford; the First Baptist Church of Framingham Center; the First Congregational Church of Sharon; the First Congregational Church of Whitman; the Park Street Congregational Church, of Boston; the Methodist Episcopal Church of Franklin; the First Parish of West Roxbury; the Old Cambridge Baptist Church, of Cambridge; the Zion Congregational Church, of Haverhill, all in the State of Massachusetts, praying for the calling of an international conference by the President of the United States for the consideration of disarmament, which were referred to the Committee on Foreign Relations.

Mr. KEYES presented a resolution of the Women's Auxiliary to American Legion, Post No. 29, of Claremont, N. H., favoring the enactment of legislation providing adequate relief for disabled ex-service men, which was referred to the Committee on Finance.

Mr. KNOX presented a resolution of the City Council of Conneltsville, Pa., favoring the recognition of the Irish republic, which was referred to the Committee on Foreign Relations.

He also presented four resolutions of the Felix Building and Loan Association, the Pannonia Beneficial Building and Loan Association, the Ellwood Building Association, and the Lester Building and Loan Association, all of the city of Philadelphia, Pa., favoring the enactment of legislation exempting building and loan associations from income tax where the income derived by a member from savings in shares does not exceed \$500, which were referred to the Committee on Finance.

He also presented four resolutions of the Women's Auxiliary, Donald McLeod Post, No. 336, American Legion, of North

Wales; Quota Club of Scranton; Kiwanis Club of York; and Harrisburg Post, No. 27, American Legion, of Harrisburg, all in the State of Pennsylvania, favoring the enactment of legislation to provide adequate relief for disabled ex-service men, which were referred to the Committee on Finance.

He also presented 45 petitions of sundry citizens of Pittsburgh, Pa., praying for the enactment of legislation providing for physical education, which were referred to the Committee on Education and Labor.

Mr. WILLIS presented five resolutions of the pastor and congregation of the First Presbyterian Church of Dresden; the pastor and congregation of the Muskingum Presbyterian Church, of Dresden; the pastor and congregation of the Church of the Brethren of Fort McKinley, of Dayton; the pastor and congregation of the Salem Church of the Brethren, of Phillipsburg; and the pastor and congregation of the Church of Christ of Coshocton, all in the State of Ohio, favoring the calling of an international conference for the purpose of considering the question of disarmament, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented two resolutions of sundry citizens of Kansas City, Kans., favoring the recognition of the Irish republic, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Burdick, Lost Springs, Herington, and Delovan, all in the State of Kansas, praying for the enactment of legislation to prohibit gambling in grain and other agricultural products, which was referred to the Committee on Agriculture and Forestry.

He also presented five resolutions of the pastor and congregation of the First Congregational Church of Christ of Alma; the pastor and congregation of the Christian Church (Disciples of Christ) of St. Francis; the pastor and sundry members of the Central Congregational Church of Topeka; and resolutions adopted at the monthly meeting of Friends of Haviland, on June 6, and of Bethel Friends at Liberal, on May 27, 1921, all in the State of Kansas, favoring the calling of an international conference for the purpose of furthering disarmament, which were referred to the Committee on Foreign Relations.

Mr. HARRIS presented five resolutions of the Commissioners of Roads and Revenues of Fulton County, Commissioners of Roads and Revenues of Baldwin County, Chamber of Commerce of Dublin and Laurens Counties, Chamber of Commerce and Kiwanis Club of Dawson, and Commissioners of Roads and Revenues of Candler County, all of the State of Georgia, favoring the enactment of legislation to aid the States in the construction of rural post roads, which were referred to the Committee on Post Offices and Post Roads.

He also presented three petitions of the pastor and congregation of the First Christian Church of Atlanta, the Missionary Society of the Methodist Church of Decatur, and W. H. Major, president of the Evangelical Ministers' Association of Atlanta, all in the State of Georgia, praying that an international conference be called for the purpose of considering disarmament, which were referred to the Committee on Foreign Relations.

Mr. BURSUM presented a petition of sundry citizens of Bueyeros, N. Mex., praying for the enactment of legislation to prohibit gambling in grain and other agricultural products, which was referred to the Committee on Agriculture and Forestry.

Mr. NORBECK presented two concurrent resolutions of the Legislature of South Dakota, which were referred to the Committee on Commerce, as follows:

Hon. C. A. BURKHART,
Secretary of State.

The following concurrent resolution has been adopted by the senate and concurred in by the house of representatives.

A concurrent resolution memorializing the Congress of the United States to cooperate with the Dominion of Canada in the enlarged canalization of St. Lawrence River for the passage of ocean-going vessels into the Great Lakes.

Whereas the Dominion of Canada has provided for the improvement of the Welland Canal connecting Lake Ontario and Lake Erie so that such canal will accommodate ships of 25-foot draft, 800-foot length, and 80-foot width, work on which improvement was suspended during the war and is now again being taken up and will be completed in the near future.

Whereas the St. Lawrence River between Montreal and Lake Ontario can not be used by vessels of over 14-foot draft and 270-foot length; and

Whereas it is deemed to be a matter of great and vital importance to the United States that the St. Lawrence River be so improved that larger vessels may be accommodated and may move between the Great Lakes and the ocean: Now, therefore, be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring). That we earnestly and urgently petition the Congress of the United States to take such steps as may be deemed best and most expeditious looking to the early improvement of the St. Lawrence River by joint arrangement with the Dominion of Canada.

Resolved further, That a copy of this resolution, duly attested by the signatures of the presiding officers and chief clerk of the two houses, shall be transmitted to the President of the Senate, to the Speaker of the House of Representatives, and to each of the Senators and Representatives in Congress from this State.

For the senate.
For the house.

W. H. McMASTER, *President.*
A. B. BLAKE, *Secretary.*

LEWIS BENSON, *Speaker.*
WRIGHT TARBELL, *Chief Clerk.*

Dated at Pierre, S. Dak., this 10th day of February, A. D. 1919.
Filed in the office of secretary of state on the 11th day of February, 1919.

C. A. BURKHART,
Secretary of State.

Certificate.

UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA,
Secretary's Office.

I, C. A. Burkhardt, secretary of state, do hereby certify that the annexed resolution, to wit, a concurrent resolution relating to national parks and monuments, was duly passed by the seventeenth session of the Legislature of the State of South Dakota.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota at the city of Pierre, May 17, 1921.

[SEAL.]

C. A. BURKHART,
Secretary of State.

House concurrent resolution requesting the Congress of the United States to pass a bill exempting the national parks and monuments from the provisions of the water power act of June 10, 1920, and urging that the Smith irrigation bill (H. R. 12466) be not passed.

Be it resolved by the House of Representatives of the State of South Dakota (the Senate concurring):

Whereas through the fine patriotism of that group of men comprising the Washburn Expedition of 1870 in setting aside their opportunity and right to file upon and profit by the ownership of the lands of the Yellowstone explored by them, it was made possible for the entire American people to have and enjoy, for all time, the marvelous beauty and natural wonders of that territory, and through their untiring efforts a law (section 2474, R. S.) was by Congress enacted in 1872 reserving and withdrawing from settlement, occupancy, or sale, and dedicating and setting apart as a public park or pleasuring ground for the benefit and enjoyment of the people, that territory now included in the Yellowstone National Park; and

Whereas under section 2475 of such law it was, among other things, provided that such public park shall be under the exclusive control of the Secretary of the Interior, whose duty it shall be * * * to provide for the preservation, from injury or spoliation, of all timber, mineral deposits, natural curiosities or wonders, within the park, and their retention in their natural condition; and

Whereas by the passage of the water power act of June 10, 1920, commission of three members was created, with authority to issue licenses to citizens of the United States, or to any association of such citizens, or to any corporation organized under the laws of the United States, or any State thereof, or to any State or municipality, for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient * * * upon any part of the public lands or reservations of the United States, such act specifically defining the term "reservations" and including within its meaning national monuments and national parks; and by such water power act of June 10, 1920, the intent and purpose of the founders of, and the statutes creating, the Yellowstone National Park will be subverted and annulled and the park itself thrown open to commercialization; and

Whereas by the terms of said water power act all national parks are similarly affected and the opportunity for the commercialization thereof thereby created; and it is evident from projects already proposed that the leasing of the water facilities of the national parks will be cumulative and result in their devastation and ultimate destruction; and

Whereas a plea had been made by Stephen T. Mather, director of the National Park Service, against the encroachment on the national parks by corporations seeking to develop water power and irrigation projects, declaring that the Federal water power act permits the invasion of the parks for power purposes, and that such development would destroy many of the scenic beauties within the parks, and urging that immediate action be taken on proposed amendments to the act which will exclude the national parks from the operation of said act; and

Whereas if it was not and is not the intent and purpose of Congress to permit the opening up of the national parks for commercial purposes, there can be no possible objection to the adoption of an amendment to said act, or the passage of a bill, which will exclude all national parks from the operation of said law; and

Whereas the Smith irrigation bill, H. R. 12466, now before Congress, is an added and even more serious menace to the preservation of the national parks: Therefore be it

Resolved, That the Legislature of the State of South Dakota does, therefore, petition the Congress of the United States that such honorable body take prompt action to exempt the national parks and monuments from the provisions of the water power act of June 10, 1920, and that it do not pass the Smith irrigation bill, H. R. 12466; be it further

Resolved, That the secretary of state of the State of South Dakota be instructed to send a copy of this memorial to each of the Representatives from the State of South Dakota in the Congress of the United States.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
C. O. BERDAEL,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk of the House.

File No. 65748; Box No. 584: Concurrent resolution (house) relating to national parks and monuments.
Filed in the office of the secretary of state on the 26th day of February, 1921.

C. A. BURKHART,
Secretary of State.
By GEO. F. SAYERS,
Assistant Secretary of State.

Mr. NORBECK also presented 15 resolutions of Bryant Post, No. 37, American Legion, of Bryant; Auxiliary of Robert E. Kelley Post, No. 70, of Flandreau; Groton Post, No. 39, American Legion, of Groton; Leo Stover Post, No. 48, American Legion, of Rosholt; Garrette Harris Post, American Legion, of Mellette; Pedersen Post, No. 144, American Legion, of Belvidere; Women's Auxiliary to American Legion Post of Sisseton; Women's Auxiliary to the American Legion Post of Alpena; Ralph Leul Post, No. 135, American Legion, of Gettysburg; Charles Curry Post, American Legion, of Clear Lake; Hutchinson Post, American Legion, of Gregory; Edwin Hodgeton Post, No. 124, American Legion, of Dupree; Young Men's Booster Association of Sioux Falls; John Fonken Post, No. 113, American Legion, of Willow Lake; and Codington County Post, No. 17, American Legion, of Watertown, all in the State of South Dakota, favoring the enactment of legislation providing adequate relief for disabled ex-service men, which were referred to the Committee on Finance.

He also presented six petitions of sundry citizens of Wolsey, Egan, Sioux Falls, Flandreau, Mellette, Brentford, Millboro, Colome, Firesteel, Isabel, and Jordan, all in the State of South Dakota, praying for the enactment of legislation to prohibit gambling in grain and other agricultural products, which were referred to the Committee on Agriculture and Forestry.

Mr. SHORTRIDGE. Mr. President, I have here a great number of telegrams and a vast number of letters from citizens of California praying that the republic of Ireland be recognized by this Government. I wish to present them and ask that four of them, each of which is brief, be printed in the Record, and that the others be noted.

There being no objection, the letters indicated were referred to the Committee on Foreign Relations, and ordered to be printed in the Record, as follows:

1348 SHATTUCK AVENUE,
Berkeley, Calif., April 16, 1921.

HON. SAMUEL M. SHORTRIDGE,
Washington, D. C.

"I am charged by Congress to assure you that means will be found to establish your freedom in the fullest and amplest manner." (Benjamin Franklin to the People of Ireland, Oct. 4, 1778.)

The time has arrived for the recognition and redeeming of the foregoing pledge.

JOHN McDONALD.

OAKLAND, CALIF., May 25, 1921.

HON. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.

DEAR SIR: As a native-born American citizen, who contributed three sons, all I had, to our country's defense, one of whom, Sergt. G. C. Ahern, Company L, Three hundred and sixty-fourth Infantry, was killed at Argonne, as well as putting all the money I had into Liberty bonds, I feel I may say that I am an American of the genuine type, and that my earnest desire should have some weight in shaping the policy of our Government; therefore I wish to express for myself and by proxy for my immediate family and numerous relatives and friends at their request, that you miss no opportunity to recognize the Irish republic as an independent nation and to protest in strongest terms the barbarous treatment by the British Government of the terribly outraged people of Ireland.

As you know, we may find many precedents in our country's history for such procedure, to say nothing of the fact that we were led to believe by our late President as well as by the British Government during the World War that we were fighting for the freedom of small nations. How long would we hesitate if the offender were some other than the British Government? Why can't we be consistent?

Respectfully,

D. J. AHERN,
2010 East Sixteenth Street.

1323 FIFTEENTH STREET,
Santa Monica, Calif., March 12, 1921.

HON. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.

DEAR SENATOR SHORTRIDGE: In the name of humanity, in the name of decency, in the name of liberty, and in the name of the sacred memory of our thousands of brave men and women who died for the sake of freedom, I add my petition to that of every other justice-loving American citizen that you do all in your power to see that the Government of these United States recognizes the republic of Ireland.

Ireland is fighting a heroic fight for the freedom that we hold so dear and that we promised her, with all the rest of the small nations. We have kept faith with the other oppressed nations. Why not with Ireland, the most oppressed of all?

We would be insulted if anyone insinuated that we are afraid of England. But if we are not, what are we waiting for? Ireland does not ask us to fight for her. All she asks is that we keep our word to the world, and if we do that we must recognize her right to freedom. She deserves and must have our support; and you, as a representative of the people, are in honor bound to reflect the will of the people and uphold the honor and sacred duty of our country.

Very truly, yours,

ADELL W. FITZPATRICK.

HON. SAMUEL M. SHORTRIDGE.

SAN FRANCISCO, May 13, 1921.

DEAR SIR: The United States Government has given recognition and assistance to various European Governments lately. Why discriminate against the struggling government of Ireland? The claim of Ireland is surely equal to that of any State in central Europe.

RICHARD POWER,
753 Lisbon Street.

Mr. SHORTRIDGE also presented petitions, letters, and telegrams from the following-named citizens of the State of California, praying that the republic of Ireland be recognized by the United States, which were referred to the Committee on Foreign Relations:

C. E. Wilson; P. J. McSherry, president Branch 137, American Association, Recognition of Irish Republic; Hugh O'Connor; Myler A. Walsh, secretary Branch 129, American Association, Recognition of Irish Republic; John A. Fitzgerald, secretary American Association, Recognition of Irish Republic; A. Ward; R. M. Tobin, chairman Relief for Ireland; James E. Buckley, Frances Gross, Branch 148, American Association, Recognition of Irish Republic; P. A. Carroll and others, committee, Council 1311, Knights of Columbus; C. D. Daly; Marian Griffin; Madera Branch American Association, Recognition of Irish Republic; Branch 3, American Association, Recognition of Irish Republic; Division 5, Ancient Order of Hibernians; M. Doyle, president Kevin Barry Branch, American Association Recognition of Irish Republic; M. J. Jordan, president Branch 40, American Association, Recognition of Irish Republic; J. B. Smith, Branch 31, American Association, Recognition of Irish Republic; Declan Hurton, Division 2, Ancient Order of Hibernians; William Doyle; Epiphany Branch, American Association, Recognition of Irish Republic; Patrick McCarthy; M. A. McCullough; P. J. Lennon; Josie Lamb, secretary Plunkett Branch, American Association, Recognition of Irish Republic; T. E. Collins, president Fresno Branch, American Association, Recognition of Irish Republic; Declan Hurton, past commander Veterans of Foreign Wars of the United States; Nora McCormack; Nurses Branch, No. 67, American Association, Recognition of Irish Republic; H. P. Krohm; Stephen Connolly; Nita Goodwin; Mrs. C. J. Kilmartin; J. H. Carroll; Made De la Cour; Katharine White; Mrs. M. C. Price; Elizabeth Smith; Timothy Daly; Mary A. De Rye; Mrs. F. J. Miller; C. W. Golden; T. F. Corcoran; Agnes H. Downing; Tim Daly; M. J. Keegan; Daniel Deasy; Mrs. Nora Graham; D. McAuliff; Cornelius Reilly; A. M. Keely; Catharine White; M. F. Haussler; Mrs. Fannie Mahon; Miss Frances Mahon; A. L. Mahon; William Mahon; M. M. Daly; F. E. Collins and J. T. O'Shea, Fresno Branch, No. 33, American Association, Recognition of Irish Republic, Fresno, Calif.; Margaret A. Shannon; Mary A. Smith; Catharine McManus; F. E. Carroll, Branch No. 32, American Association, Recognition of Irish Republic, San Francisco, Calif.; J. J. Coghlan, American Association, Recognition of Irish Republic, Madera, Calif.; John B. Smith, Branch No. 31, 3021 Buchanan Street, San Francisco, Calif.; Mrs. T. P. Donohue, 982 York Street, San Francisco; Martin J. Ryan; K. White; Mrs. T. J. Miller; Albert J. Riley; Michael McDonough.

Resolution of citizens from Los Angeles, mass meeting of 1,200; John M. Elligott; Celia Coleman; Michael O'Keefe; John F. Connolly; Margaret J. Baillie; Adell W. Fitzpatrick; Andrew J. Gill; James McBride; G. E. D. Higgins and Thomas F. Marshall, president and vice president, American Association, Recognition of Irish Republic, Assembly Hall, Oakland, Calif.; M. J. O'Keefe; William Boyle; Patrick Deasy; R. E. Queen; Mrs. Agnes Graham; Mrs. M. McGinnis; T. J. Corcoran; Marie E. Baillie; Thomas Lennon, American Association, Recognition of Irish Republic, 604 Franklin Street, Oakland, Calif.; Maurice J. Conklin; Rev. Daniel J. Kelly; Mrs. K. O'Connor; Anna Haskett McGrath; Margaret McGrath; Sarah U. Metcalf; Mrs. C. Lynch; Mrs. Delia Kirk; Steven Durney; Katharine Dougery; Bernard M. Poer; Martin J. Ryan; James Walsh; T. J. Schultz; A. P. Kean; M. J. Flynn; P. J. Hurley; Matthew Cunningham; Catharine Hasset; Mary Isabelle McAllister; Austin S. Carey; E. J. Matheway; Timothy Sullivan; J. T. Carroll; M. J. Clifford, pastor St. Elizabeth's Church, San Francisco; P. Barnes; Mrs. Margaret Curry; George White; Mary Duffy; Mrs. M. Walsh; Josephine O'Keefe; Ellen Ready; Mrs. Anne E. Healy; Mr. James McGahey; Joseph McCarthy; Peter J. Halpin, St. Ignatius College, San Francisco, Calif.; Margaret E. Olsen; W. H. Fitzgerald; K. White; Julia A. Deasy; Maude Kelly; William I. Shelf; A. L. Barnes; W. E. Kelly; Anna R. Kelly; Ellen M. Gannon; E. Weddle; E. F. McCann; Mary Cronin; J. F. Ferry; Annie E. Ferry; Elizabeth Ferry; Josephine Ferry; William J. Ferry; F. A. Ferry; Arthur M. Murray; D. J. Ryan; Jennie McNamee; John McGarr; Mrs. T. J. Miller; Roby J. McArdle; William F. O'Callaghan; John Norton; Patrick Sullivan; Fred W. Downing; Alice M. Worsley; Francis Buckley; H. J. Corcoran; Daniel

J. Sullivan; Mary J. Sullivan; Frank Pargett; T. O. Leasy; Joseph Joyce; P. J. Sullivan; Michael J. Mullin; William T. Bowser, president San Francisco Labor Council, San Francisco; Bridget McNally; Mrs. Mary O'Connor; Carl W. Bold; Mrs. Margaret Tiegler; Miss Annie A. Fennell; M. Daly; M. Maley; C. E. Kieffer; T. J. Tierney; Mrs. F. A. Juarez; John MacDonald; James Decrey; G. E. Berner; joint petition signed by William O'Conner, Mrs. William O'Conner, Patrick O'Brien, Mrs. Mary O'Brien, A. E. Cronin, Lillian Cronin, Mildred Taber, William O'Conner, jr., and Humphrey Feehan; John Doyle; Thomas Breen; J. M. Chubbeck; Patrick W. Casey; Ida J. Ambrose; Emmett F. McCann; P. F. McCarthy; M. B. Ogilvie; Mrs. Agnes Graham; Mary Fitzpatrick; C. J. McCarthy; Margaret Corcoran; Madeline Barnartor; Mrs. Rose Marx; J. B. Foley; Chris C. Byrne; Joseph L. McLaughlin; Martin Power; I. M. Sherman; G. J. Olsen; Mrs. Katharine Tuthill; Helen McCarthy; Mrs. Patrick Furlong; Eugenia C. Ryan; Robert Weiss; J. M. Black; Mrs. Helen Larkin; Mary Gertrude McCabe; John W. Driscoll; Mrs. Mary Murphy; Julia A. Casey; Mrs. M. Quinn; Mr. Thomas Curran; Ellen Kerrigan; F. G. Burns; Mrs. Bridget Lyon; Bridget M. Conroy; John McNamara; Kathryn C. Hammer; R. O. Conovan; Joseph Burns; Mrs. John Barnes; Jane E. Ball; Mrs. Lawrence Reynolds; Agnes Lyons; Mrs. Hannah L. Cronin; Mrs. Ellen A. Crerdan; Mrs. Margaret Brooks; Katharine White; Margaret Sinnott; Rose W. Fleming; Clark C. Snow; Charles F. Regan; Mrs. Mary McDevitt; John J. Regan; A. M. Prendergrast; Mrs. Mary Flynn; John Thomas Flynn; Ellen McCarthy; A. J. Ryan; Margaret L. Thompson; Susan F. Green; L. A. Mulcahy; Mrs. E. Logan; H. J. Connors; Mrs. E. L. Schultz; Patrick Carroll; Mrs. Kate A. Carter; Mrs. Patchett; John Green; E. D. Malone; Mary J. Lynn; Josephine McCahn; Mrs. Kate Power; Michael Gaffey; Mrs. C. J. McCarthy; American-Irish Liberty League, 794 Mission Street, San Francisco; Nora A. Fenley; Catharine Casey; Mr. and Mrs. M. J. Brennan; W. J. Hernwood; Mary Crowley; Elizabeth Leonard; Mrs. M. Foley; John J. Buckley; Thomas F. Callahan; Adam Probst; Mary White; Mrs. F. L. Bellan; Maurice I. Stack; M. Pelkman; Emil A. Rhode; Neil Mulcahy; M. Maley; Richard Gallaher; Ella Delehanty; Andrew McDonough; J. E. Birmingham; Stephen Gannon; William Power; Josephine Diehl; Mrs. E. C. McDonough; W. Mooney; Robert D. Tobin; S. Hartwick; Bridget Curley; Walter Babecky; Edmond L. Casey; Thomas J. McDermott; Louis Morsell; Charles W. Berry; Mrs. Frank Scully; M. J. Toohy; James P. Nolan; E. A. Bliss; T. J. Conroy; P. J. Walsh; Alfred Thomas; R. Tewhig; Mrs. Kate Du Ross; Fred C. Walsh; Mrs. C. A. Fleming; Thomas Callahan; Mrs. Elizabeth Tynan; Claire Kerrigan; Patrick McGuire; Charles Wilson; Jack Smyth; John Bentley; Mrs. Thomas Darcy; M. J. Mulligan; James Butler; Christopher Hickson; Joseph C. McInerney; H. E. Lynch; Michael Harrigan; Mrs. Nellie Thomas; Martin Nolan; Thomas Kirk; John J. Ward; John P. Coyne; Thomas Rockford; John J. O'Connor; Edmond Burke; Elizabeth A. Fleming; Alma Byrne; Joseph C. T. Du Ross; Richard Bryne; Frank Scally; Eileen O'Gorman; Paul Kilroy; Elizabeth Barrett; John Lee; Mrs. T. J. McDermott; John F. Quinn; Joseph McConville; Robert Palmer; Lydia E. Rhode; Ed. Gillespie; Samuel Kurtz; Robert E. McCall; John B. Burlinger; Herbert Guthridge; Max Fernstein; Bartholomew Buckley; Lawrence J. O'Connor; Neil Du Ross; J. F. Vance; Daniel Creedon; Patrick W. Stack; Thomas O'Regan; Michael J. Gannon; Mrs. M. J. Cardiff; G. F. Weinmann; Helen A. Neal, executive secretary Charity Organization of Berkeley; May Concannon; Charles Peters; Frank Silva; Daniel O'Leary; M. J. Cardiff; M. E. Deely; Edward Casey; Mary Creedon; M. O. O'Neil; Margaret T. Byrne; Lydia E. Rhode; Thomas W. Meade; Patrick F. Meade; E. M. Montagas; John Byone; Lydia E. Rhode; Emile A. Rhode; Nellie McPhee; Anne Reilly; M. Sellier; Georgianna Ray; Ellen McCarthy; E. C. Wolf; Francis T. Murphy; Thomas Roche; Oscar Sillier; Anna H. Stern; James McCarthy Larmly; Mrs. Martin O'Malley; M. J. Connelly; H. Learned; Henry Morrissy; Louis J. Lamb; James D. Shea; R. F. Pieper; Ambrose Klinkhammer; Paul F. A. Conway; Alban P. Cox; William B. Jewett; Francis B. Murphy; M. Cahill; Elizabeth A. Ferry; Josephine M. Ferry; J. J. Ferry; Anne C. Ferry; F. J. Ferry; Alice Cussen; Margaret Tweed; John Phelan; Lydia C. Rhode; Jeremiah J. Lynch; Mary Vlasshaert; Rev. L. P. Golden; Alfred H. Piper; I. Munroe; Michael J. Cavanagh; Street and Electric Railway Employees, San Francisco, Division 687; James Shea; Anna Stuffer; Horace J. D'Espars; K. O'Sullivan; Jennie I. Scott; Susan C. Henry; Alice Gillispie; Mrs. M. J. Mulligan; Mr. and Mrs. F. B. Hartmann; Jesse E. Duke; Mina E. Ross; Anthony Ward; F. J. Rockwell; J. F. Fitzgerald; W. D. Griffen; Lawrence F. Stuffer; Zita C. Callahan; Mrs. J. M. Guenthard; Edmund J. O'Connor;

J. J. Ramsey; Mary Ramsey; Catharine Dyer; Y. C. Dyer; Al. Feist; A. J. Buck; Louie G. Lugo; Michael F. Campbell; W. Collins; James F. Purcell; Manus Duffy; Michael T. Shankey; John Regan; James Kelly; Ted McMahon; Samuel H. Whitaker; Michael Fergus; Frank Sullivan; Margaret Scott; Thomas F. Fitzgerald; J. J. Twomey; Nettie Mullins; John A. Hennessey; Francis T. Murphy; Isabella E. Ross; Katharine O'Gorman; H. P. Plow; Mary A. Sullivan; John Cowan; Nina Blackwell; M. A. McPherson; George A. Bill; Owen O'Donnell; John M. Eustace; John Brennan; Florence A. Casey; Martin F. Nolan; Thomas E. Burke; John O'Sullivan; John Farrell; Edward Powers; Edward J. Tynan; Thomas H. Gormley; Mrs. H. B. Twohey; Michael Kieley; Daniel Coughlin; Mary Hennesy; P. S. Dougherty; Nora C. Sullivan; J. W. Dolan; Emmett J. Doyle; Florence T. Connolly; G. T. Robinson; William Cotter; Ignatius B. Clune; James B. Mahoney; Owen Lavelle; John Gaughan; J. S. McElroy; Mrs. Bridget Armstrong; Katharine Connolly; Mrs. Mary Mulligan; Marie S. Connolly; Thomas Rochford; J. J. O'Neil; William McKilvey; John Weldon; Thomas F. Kearney; William Crowley; Fred A. Scott; August Duempe; James W. Dickinson; P. J. Sullivan; W. R. Wran; William Rennick; W. W. Crouch; M. C. Mulligan; L. J. Cronin; Thomas Rice; Anna Nielson; John Weldon; J. P. Cronin; Hans F. Neilson; A. H. Reeves; M. A. Walsh; J. C. Egan; Mary Murphy; Edward Kelly; M. J. O'Keefe; John C. Healy; Charles O'Connor; Catharine Mahoney; Claire Kerrigan; William Donohoe; Patrick Brennan; Mrs. O. P. Hanson; Patrick McCarthy; Richard Power; Mary Lynch; Mrs. H. W. Foster; Father John W. Nicholson, St. Ignatius College; K. White; Walter Fuery; D. J. Ahern; Richard H. Doyle; Mrs. Margaret O'Leary; Edward Kelly; Mrs. I. McMartin; E. B. Kane; Mrs. H. Crowley; Josephine Fitzgerald; James Crusen; John Doherty; D. M. Walsh; A. G. McCarthy; D. F. McCarthy; C. A. McCarthy; Marion E. Robbins; Mary Hickey; D. F. Garvey; B. A. Murray; John E. Reardon; Eileen Eagan; Peter Markey; M. J. Hammett; E. P. Schultz; M. Gearan; Edw. McGrath; W. J. Finn; Andrew O'Donovan; S. D. Finn; J. A. Steuger; D. P. Lynch; J. P. Conroy; P. A. Conroy; Charles A. Davis; I. D. Callahan; J. J. Griffin; P. I. Targar; M. S. Williams; Alice Tabor; M. R. Riley; Daniel O'Connell; Thomas Dowling; T. J. Lee; Mary Bohan; James D. Shea; Annie Power; John I. O'Connell; Ferry James Crusen; John W. Chilcote; Eugene J. Murphy; Basil J. Nettleton; Mary A. Cott; Gerald R. Cott; John E. Matthews; Timothy O'Donnell; Frank Robbins.

He also presented a petition of sundry citizens of Los Angeles, Calif., praying for the enactment of legislation to prohibit gambling in grain and other agricultural products, which was referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES.

Mr. FLETCHER, from the Committee on Commerce, to which was referred the bill (S. 1162) declaring Lake George, Yazoo County, Miss., to be a nonnavigable stream, reported it without amendment and submitted a report (No. 99) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (H. R. 2466) to constitute Fort Worth, in the State of Texas, a port of entry, and to extend to said port the privileges of section 7 of an act approved June 10, 1880, entitled "An act to amend the statutes in relation to the immediate transportation of dutiable goods, and for other purposes," reported it without amendment and submitted a report (No. 100) thereon.

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (H. R. 3018) granting the consent of Congress to H. H. Haynes to construct a dike across Mud Slough on Isthmus Inlet, in section 23, township 26 south, range 13 west, of Willamette meridian in Oregon, reported it without amendment and submitted a report (No. 101) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

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

By Mr. SMOOT:

A bill (S. 2010) authorizing the Postmaster General to investigate and adjust claims for additional compensation arising out of contracts for star route, screen wagon, and other vehicle service entered into prior to June 30, 1919; to the Committee on Post Offices and Post Roads.

By Mr. McCUMBER:

A bill (S. 2011) to provide the manner and method to be followed in discharging persons for the purpose of making reductions in the force of Government employees; to the Committee on Civil Service.

By Mr. HARRIS:

A bill (S. 2012) granting the consent of Congress to the county commissioners of Decatur County, Ga., to reconstruct a bridge across the Flint River at Bainbridge, Ga.; to the Committee on Commerce.

By Mr. BURSUM:

A bill (S. 2013) to protect the locators in good faith of oil and gas lands who had not made discovery thereon prior to February 25, 1920, and their successors in interest, and extending the time for making such discovery; and

A bill (S. 2014) to provide for the settlement of small holding claims on unsurveyed land in the State of New Mexico; to the Committee on Public Lands and Surveys.

By Mr. NORBECK:

A bill (S. 2015) for the relief of Harry G. Weaver (with accompanying papers); to the Committee on Military Affairs.

By Mr. TOWNSEND:

A bill (S. 2016) placing certain positions in the Postal Service in the competitive classified service; to the Committee on Post Offices and Post Roads.

By Mr. SIMMONS:

A bill (S. 2017) for the relief of John H. Gattis (with accompanying papers); and

A bill (S. 2018) for the relief of Josie N. Styron (with an accompanying paper); to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 2019) authorizing the Secretary of War to lease to the Bush Terminal Railroad Co. and the Long Island Railroad, for restricted use, the tracks of the Government railroad on the Army supply base at South Brooklyn, N. Y.; and

A bill (S. 2020) authorizing the settlement of claims of civilian employees of the United States who constituted the officers and crews of vessels engaged in the military service of the United States; to the Committee on Military Affairs.

By Mr. McCUMBER:

A joint resolution (S. J. Res. 70) providing for monthly payment of pensions; to the Committee on Pensions.

By Mr. TOWNSEND (by request):

A joint resolution (S. J. Res. 71) to amend section 3 of the joint resolution entitled "Joint resolution for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, for lessening the expenses of the war, and restoring the loss caused by the war by providing for the employment of a discovery or invention called the 'Garabed,' claiming to make possible the utilization of free energy," approved February 8, 1918; to the Committee on Patents.

AMENDMENT OF FARM LOAN ACT.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1811) to amend the Federal farm loan act, as amended, which had been reported from the Committee on Banking and Currency with amendments.

The PRESIDENT pro tempore. The Secretary will state the first amendment to the bill reported by the Committee on Banking and Currency.

The ASSISTANT SECRETARY. On page 2, line 3, after the word "amount," it is proposed to insert "and," and in line 4, after the word "terms," to strike out "and interest rate," so as to read:

That the first paragraph of section 20 of the Federal farm loan act, as amended, be, and hereby is, amended to read as follows:

"Sec. 20. That bonds provided for in this act shall be issued in denominations of \$40, \$100, \$500, \$1,000, and such larger denominations as the Federal Farm Loan Board may authorize; they shall run for specified minimum and maximum periods, subject to payment and retirement, at the option of the land bank, at any time after the minimum period specified in the bonds, which shall not be longer than 10 years from the date of their issue. They shall have interest coupons attached, payable semiannually, and shall be issued in series of not less than \$50,000, the amount and terms to be fixed by the Federal Farm Loan Board."

The amendment was agreed to.

The next amendment of the Committee on Banking and Currency was, on page 2, line 5, at the end of the bill, to insert:

They shall bear a rate of interest not to exceed 5½ per cent per annum.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. SMOOT and Mr. REED addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah.

Mr. SMOOT. Mr. President, I desire to offer an amendment to the committee amendment. On page 2, line 6, after the word "annum," I move to insert the following:

The income from joint-stock land-bank bonds issued after June 30, 1922, shall be subject to all graduated additional income taxes, commonly known as surtaxes, now or hereafter imposed by the United States upon the income of individuals, partnerships, corporations, or associations.

Mr. KENYON. Mr. President—

The PRESIDENT pro tempore. Will the Senator from Utah send his proposed amendment to the desk in order that it may be read by the Secretary?

Mr. SMOOT. I will send the amendment to the desk later.

Mr. KENYON. Mr. President, the point of this matter is this: The joint-stock land banks and the Federal farm loan banks have been held up in their operations by the case which was pending in the Supreme Court of the United States for about a year. That case has been determined. The law has been held to be constitutional. The joint-stock land banks are unable to function, are unable to sell their bonds at a 5 per cent rate, in competition with the tremendous number of tax-exempt bonds bearing 5½ per cent, and even in some instances 6 per cent. Our effort in this matter is directed not to help the joint-stock land banks, but purely for the purpose of trying to help the agricultural situation. The profit of the joint-stock land banks now can only be 1 per cent gross, if they can float the bonds at 5 per cent, because, under the act they can not charge more than 6 per cent interest.

It is idle to talk about floating 5 per cent bonds, which are the basis of this system, and securing thereby money to loan to the farmers. It is true the Federal Farm Loan Board have succeeded in making a flotation of the present issue, but that has been due to an intensive campaign which they have carried on.

Mr. President, the farm situation in this country is known, I hope, to every Senator in this Chamber. It is certainly known to those of us who come from agricultural States. Agriculture needs credit in order to tide over the present emergency. We have loaned I do not know how many billion dollars across the sea; we have appropriated money to help those in distress in Europe; but the farmer, with the best credit on earth and the best security on earth, can not get money to finance his operations. That was the situation some years ago when the Federal farm loan act was passed. The mortgage rates the farmers had to pay had grown to a very high point, but he was willing to pay almost anything in order to get money. We enacted the Federal farm loan act for the purpose of allowing the farmer to obtain money on long-time loans. Under the joint-stock land banks the loans run for 32 years, I think, with an amortization program, so that at the end of that period the farmer will have paid the loan. He can not get the money through the Federal farm loan system unless the bonds can be floated. Whenever the joint-stock land banks can float the bonds at a less rate than 5½ per cent, of course, they will do so; it will automatically work itself out, because then the banks will receive more profit.

I realize that the question of tax exemption is a serious one, and I know how opposed the Senator from Utah is to the issuance of any more tax-exempt bonds. We have over \$16,000,000,000 of tax-exempt securities in the United States; that undoubtedly involves a serious question; but of that amount of tax-exempt securities all except about \$480,000,000 are securities designed to help the cities. If we are going to stop the tax-exempt feature in connection with bond issues—and we may have to do that some of these days—we should not stop it where it is beneficial to agriculture and not stop it where it is beneficial to the city. The benefit derived from the tax exemption of course must be passed on, or is supposed to be passed on, to the agriculturist. He gets the benefit of it; the bank does not get the benefit of it.

There has been a great deal said against the joint-stock land banks as a part of the system; there is much prejudice against them. It has been stated on the floor that they have made enormous sums of money. Some of them have made some money, but I think the highest profit that has been realized is 11 per cent. The Senator from Utah said some months ago that the profits had run up around 21 and 22 per cent as to one bank, but on analysis I think the Senator will find that the figures cover a period of a couple of years. They have made nothing like the percentage of profit which the national banks have made.

Senators talk about this being a privilege. The Senator from Utah did so the other day, and of course it is a privilege; it is a special privilege to agriculture. We have given special privileges to national banks. They have the privilege of issuing circulation on securities held by them; that is a special privilege, and this is in a way a special privilege to agriculture. We have been accused, or some portions of the Republican Party at least have been accused, of standing for a good many special privileges. The tariff has been in the nature of a special privilege; railroad grants have been in the nature of special privileges; and now comes agriculture in the most depressed condition in which it has been in the history of the country, at least since the Civil War, and asks the Congress to have this system for agricultural credit put upon a functioning

basis; that is all. The farmer is not asking any gifts, such as we have made to the people across the sea. He is simply asking for more credit, and this is one of the simple and easy ways of getting more credit to him.

If the restriction of 5 per cent is removed and 5½ per cent permitted, the farmer is to get his money at exactly the same rate of interest that he does now. The bank carrying it on cuts its spread from 1 per cent to one-half of 1 per cent, and these men from the Middle West who have interested me in this matter are not in it for the money. They are urging this thing and willing to get along with no profit in order to help the agricultural situation in the Middle West, and it is the same in the South.

Mr. REED. Mr. President—

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Iowa yield to the Senator from Missouri?

Mr. KENYON. Yes.

Mr. REED. I want to get the matter clear in my mind. The Senator states that if this bill is passed and 5½ per cent permitted, the bank will cut its spread or its profit to one-half of 1 per cent where it now receives 1 per cent. Where is there a provision of that kind in this bill?

Mr. KENYON. The Senator will have to take the old act. The interest is limited to 6 per cent under the rules established under the act. That is all they can charge.

Mr. REED. I understand.

Mr. KENYON. Now, they float their bonds at 5 per cent. That is the money they get to run it, under this system. There is a spread of 1 per cent, and that is a gross profit. They have to take out of that the expenses of running it.

Mr. REED. I was about to raise the question whether this bill ought not to permit 6 or 6½ per cent to be charged instead of 5½, but have the regulatory power placed in the central board; and, if the Senator will pardon me, I will say this: I am in full accord with him on the idea that higher rates of interest must be allowed if money is to be obtained, and that condition will exist until the general financial conditions change; and I am wondering whether 5½ per cent is high enough—not that I want to see the farmer have to pay more than that but because we may not be able to sell these bonds and get the money to loan to the farmer.

I heard of this sort of a case in my State the other day: It was stated to me that a farmer with lands worth even at present figures \$40,000 had a loan of \$10,000 which he was trying to renew even for a year, and had offered 8½ per cent and a commission, and up to the time I heard of it had not been able to get the money. It is to relieve cases of that kind that I am willing to permit a higher rate of interest, in order that the bonds can be sold and the money procured.

I thank the Senator.

Mr. KENYON. I am much obliged to the Senator for his suggestion.

Mr. President, this system might have functioned all right in normal times at the 5 per cent rate. These, however, are not normal times, and it can not function now. The Federal farm loan banks have some advantages over the joint-stock land banks. Their bonds are sold presumably by the Government. There is a psychological advantage to that. They are cooperative in a way, and there is some advantage to that; so that the joint-stock land banks have really had to pay a higher rate of interest on their bonds than the Federal farm loan banks have had to pay.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Mississippi?

Mr. KENYON. Yes.

Mr. WILLIAMS. I should like to ask the Senator from Iowa whether he is seeking to put the private banks that are lending money to the farmer upon an equal footing with the public banks that are doing the same thing?

Mr. KENYON. Not at all. These banks do no commercial business. They make long-time loans. They do not do commercial business at all.

Mr. WILLIAMS. I understand that perfectly; neither do the Federal loan banks do any commercial business. Now, why do you want to destroy the Federal loan banks by enabling these private loan banks to compete with them upon equal or advantageous terms?

Mr. KENYON. No one is trying to destroy them. Does the Senator mean the farm loan banks?

Mr. WILLIAMS. Yes.

Mr. KENYON. Nobody is trying to destroy them at all. They are in the same act. They are under the same board.

They are the separate parts of a system. One covers loans of not over \$10,000, the other covers loans up to \$50,000. They are working together. There is no competition along that line.

Mr. WILLIAMS. I asked the question because I had noted, or thought I had noted, that they were not working together.

Mr. KENYON. They are supposed to work together.

Mr. WILLIAMS. The private loan banks have been working against the Federal loan banks for quite a long while.

Mr. KENYON. The joint-stock banks?

Mr. WILLIAMS. Yes; and have been sending literature to Senators, and I suppose to Congressmen, with a view of cutting down the special governmental privileges of the Federal farm loan banks—

Mr. KENYON. I never heard of it before.

Mr. WILLIAMS. The chief of which is, of course, that they are exempt from taxation as a Federal fiscal agency.

Now, I differ a little with the Senator upon one point. I do not think any debtor ought ever to tax his creditor on the note that he has given for the payment of his indebtedness. I do not think that the United States Government or that any fiscal agency of the United States Government ought to fix a tax upon a bond which is floated by them in the name and in the interest of the public, because if the tax exemption is not made there must be some tax come later.

Mr. KENYON. I do not understand what the Senator is driving at.

Mr. FLETCHER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Florida?

Mr. KENYON. I do.

Mr. FLETCHER. I suggest to the Senator that evidently the Senator from Mississippi has confused the brokers on farm mortgages—farm-mortgage banks—with farm-loan banks. The farm-mortgage banks, which are private institutions making loans on farms, and so forth, in the West, have attacked not only the joint-stock land banks but the whole farm loan act, on the ground that under the farm loan act the bonds are exempt from all taxation. That is a different thing altogether. There is no conflict between the Federal land banks and the joint-stock land banks. They are both provided for under the farm loan act and are part of one system.

Mr. WILLIAMS. But are not these joint-stock banks private institutions?

Mr. FLETCHER. No; they are under the control of the Farm Loan Board.

Mr. WILLIAMS. Oh, I understand that; but are not their bonds subject to Federal taxes and to State taxes?

Mr. FLETCHER. Not at all. They are exempt under the farm loan act.

Mr. WILLIAMS. Then I have been mistaken.

Mr. KENYON. The Senator is confused by the literature that is being sent out by the Farm Mortgage Bankers' Association.

Mr. FLETCHER. Yes.

Mr. KENYON. They are fighting this thing, of course.

Mr. FLETCHER. That is a private concern, attacking both the joint-stock land banks and the whole farm loan system.

Mr. KENYON. They are private brokers who are getting enormous commissions for the loans, and they are fighting the very thing which we are engaged in now, and sending out this literature.

Mr. WILLIAMS. If the joint-stock banks are exempt from taxation under the same law as the Federal loan banks, then, of course, I am mistaken.

Mr. KENYON. The Senator is mistaken. He rarely is, but he is this time.

Mr. FLETCHER. Section 12 of the farm loan act provides that no loan on mortgage shall be made under the act at a rate of interest exceeding 6 per cent per annum, exclusive of amortization payments. That applies to the joint-stock land banks as well as to the Federal land banks. The limitation is there as to these loans; and the other provision of the act, section 20, which is proposed to be amended by the bill advocated by the Senator from Iowa, provides that the bonds issued under the act shall bear a rate of interest not to exceed 5 per cent per annum. The Senator now proposes to make that 5½ per cent, because in that way the bonds could be sold; but he would not by that means at all increase the interest which the borrower would have to pay. That never can exceed 6 per cent; and allowing the bonds to bear interest of 5½ per cent, does not mean that the joint-stock land banks can charge the borrower any more than they charge now. They are now allowed to charge the rate of interest which the bond carries, namely, 5 per cent, plus the cost of administration, which runs up to one-half of 1 per cent, as has been the experience heretofore. Now, by allowing them to fix the rate at 5½ per cent in the bonds

they can sell the bonds where they can not sell them now, where they specify that the rate shall be only 5 per cent; but they can not charge the borrower any more than they charge now, 6 per cent. That is the limit under the law.

Mr. KENYON. Mr. President, I do not want to take any more time, because I know that other Senators desire to speak, and I wish we might get through with the bill to-day. I only want to say this: The amendment of the Senator from Utah, of course, destroys this bill. It is intended to destroy it. The Senator from Utah is always frank about things, and he is opposed to this joint-stock land bank proposition, and if he can destroy it in that way it is just as well as to have the bill passed which he has introduced, and which was before the Banking and Currency Committee, to repeal the exemption. I am willing to have an amendment adopted to the effect that whenever the exemption ceases on the other securities with which these bonds must compete we will then let it cease on these bonds. That would be fair.

Mr. WILLIAMS. Mr. President, does the Senator think it is square and fair and honest for a great Government to tax its own promissory notes, whether in the shape of bonds or what not?

Mr. KENYON. We have granted the privilege of taxing Liberty bonds.

Mr. WILLIAMS. If I owed the Senator money, and gave him a note—

Mr. KENYON. I wish the Senator did.

Mr. WILLIAMS. Does the Senator think it would be square and right for me to reserve some degree of charge against him because he had extended me the credit of taking my note?

Mr. KENYON. I think the day is coming when we shall have to stop tax-exempt securities. It will take a constitutional amendment, of course, as far as the States are concerned, and that will be difficult; but it is drawing the money of those who have great amounts into these tax-exempt securities. This is not just the same as a bond that the Government is issuing. Does the Senator understand that the Government does not issue these bonds?

Mr. WILLIAMS. I know that; but the Government is behind them, and they are declared by law to be a fiscal agency of the Government as far as the Federal loan banks are concerned.

Mr. KENYON. Yes; the Supreme Court says so.

Mr. WILLIAMS. So that they are on exactly the same footing as a United States bond. Now, the United States Government comes to me and appeals to me to put up \$10,000 and is indebted that sum to me, and then after that has passed it comes to me again and wants to tax me 1 or 2 per cent or one-half or one-tenth of 1 per cent, whatever it may be, upon its honest indebtedness to me. That is not honest. Nobody engaged in private business would undertake to do that.

Moreover, Mr. President, if the Government can float at par a 5 per cent bond, and can not float at par a 4½ per cent bond, then the difference of one-half of 1 per cent is what the people are paying for floating the bond; and if the Government can float the bond at par at 5 per cent, then the people escape that taxation of one-half of 1 per cent.

It is not honest, it is not fair, for anybody to borrow money of anybody else, and then afterwards exert a governmental function of taxing the person who has been good enough to lend the money, and lend the money at the time at par, when the man who lent the money knew that the bonds would be at a discount in less than a year.

Mr. SMOOT. Mr. President, the Senator from Mississippi—

Mr. KENYON. Mr. President, I want to get through.

The PRESIDING OFFICER. The Senator refuses to yield.

Mr. KENYON. I am not going to refuse to yield if the Senator wants to ask a question; but I would like to get through.

I appreciate what the Senator from Mississippi said; it is a valuable suggestion. But I want to get through, and the Senator can then take the floor if he so desires.

Mr. WILLIAMS. Of course, the constitutional question of the power of the Federal Government to tax a State bond, or of the States to tax a Federal bond, is outside of this discussion. I am merely talking about the honesty of the Federal Government taxing its own bonds.

Mr. SMOOT. It does it right along, in the case of the Liberty bonds.

Mr. KENYON. Of course, we are doing that with the Liberty bonds. I just want to leave the question in this way: These joint-stock land banks have approximately \$426,000,000 of tax-exempt securities, out of the \$16,000,000,000 in the Nation. Agriculture contributes about 57 per cent of the primary deposits in the national banks, and borrows about 7 per cent. Mercantile and manufacturing interests borrow about 57 per cent, and contribute very much less than agriculture does.

So agriculture, which has great credit and ought to be able to marshal its credit, is unable to do it, and I think the great problem which agriculture in this country has to face is in some way to build up the right to use its own credit, and it is going to do it.

The big banks of New York and Chicago and other places draw from the smaller banks throughout the country and from agriculture to the Federal reserve bank, under their system of apportioning credits. One bank in Chicago has had more credit with the Federal Reserve for rediscounting and borrowing than all the banks of the State of Iowa. That is not a fair situation.

The farmers have gotten into a distressed situation. They want to have the acts passed by the Congress for their relief function, and see if they will not help them. The Curtis bill, passed the other day, is going to help them. They have a right, with all the interests which they have, with their stocks and their crops and their farms, to get some credit from the Government, or some assistance, when, according to the statement made by the Senator from South Carolina, the Governor of the Federal Reserve Board has said that we have \$2,000,000,000 in gold reserve in this country.

I could talk a long while on this, and refer to the evidence taken before the different committees. The power which has been fighting this is the Mortgage Bankers' Association of the United States. They are the ones who have been flooding the country with literature. They are the ones who would profit by the defeat of this, because if these laws fail to function they can charge the farmers any rate they want to for mortgages, and they are doing it in many parts of the country.

You can loan money in my State, which is the strongest agricultural State in the Union, on farm mortgages for 7 per cent and a commission besides. Everything the farmer raises has gone to the bottom price, but the things which other people produce have not.

I am earnest about this, because I feel it is one thing that we may be able to do for the farmers, and not for the owners of these banks. They have shown a patriotic spirit in being willing to try to do business on a spread of one-half of 1 per cent, instead of the 1 per cent which they now have.

Mr. SMOOT. Mr. President, I want to ask the Senator from Nebraska whether he intends to go on with the packer bill at 2 o'clock?

Mr. NORRIS. Mr. President, I would like to go on with that bill at 2 o'clock. If the debate on the bill under consideration will not consume very much time, I would have no objection to temporarily laying aside the unfinished business. I would like to accommodate other Senators in that respect as far as I can, without unduly delaying the unfinished business.

Mr. KENYON. I will ask the Senator from Nebraska if he will not be willing at 2 o'clock to lay the unfinished business aside?

Mr. SMOOT. That will take unanimous consent.

Mr. KENYON. I suppose unanimous consent can not be obtained.

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

The PRESIDING OFFICER (Mr. McCORMICK in the chair). The Secretary will call the roll.

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

Ashurst	Hitchcock	McNary	Stanfield
Ball	Jones, N. Mex.	Myers	Stanley
Borah	Jones, Wash.	Nelson	Sterling
Brandegee	Kellogg	Nicholson	Sutherland
Broussard	Kendrick	Norbeck	Swanson
Cameron	Kenyon	Norris	Townsend
Capper	Keyes	Overman	Trammell
Curtis	Knox	Phipps	Underwood
Dial	Ladd	Poindexter	Wadsworth
Dillingham	La Follette	Reed	Walsh, Mass.
Edge	Lenroot	Sheppard	Walsh, Mont.
Fletcher	Lodge	Shortridge	Watson, Ga.
Gooding	McCormick	Simmons	Watson, Ind.
Hale	McCumber	Smith	Williams
Harris	McKinley	Smoot	Wolcott
Heflin	McLean	Spencer	

The PRESIDING OFFICER. Sixty-three Senators have answered to the roll call. There is a quorum present.

Mr. SMOOT. I have no desire whatever to prevent action upon this bill to-day, and if the Senator asks that the unfinished business be laid aside temporarily, I shall not object to the consideration of this bill. But I did not want to begin speaking and just get started and then be cut off. So if the Senator from Nebraska desires now, as it is within a few minutes of 2 o'clock, to ask that the unfinished business be laid aside temporarily, I shall not object.

Mr. NORRIS. Before I do that I would like to inquire of the Senator from Utah, or any other Senator, if he can give me any idea as to about how long the consideration of this bill will take. I do not want to lay the unfinished business aside if the whole day is to be taken up with this bill.

Mr. SMOOT. I can not give the Senator any idea as to how long it will take.

Mr. NORRIS. Has the Senator any idea about the length of time that will be consumed, or has the Senator from Iowa any idea?

Mr. KENYON. I do not know of anyone who wants to submit any remarks except the Senator from Utah.

Mr. NORRIS. Of course, I do not expect anyone to give a guaranty.

Mr. KENYON. If the Senator from Utah will indicate how much time he will take, we might be able to indicate how much time the other side will take.

Mr. SMOOT. I will say to the Senator frankly that I do not expect to take very much time.

Mr. NORRIS. I ask the Chair to lay the unfinished business before the Senate.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 6320) to regulate interstate and foreign commerce in live stock, live-stock products, dairy products, poultry, poultry products, and eggs, and for other purposes.

Mr. NORRIS. I ask unanimous consent that the unfinished business be temporarily laid aside for the purpose of discussing the farm loan bill, with the understanding that we shall resume the unfinished business if it develops later that the farm loan bill is going to consume too much time.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that the unfinished business be temporarily laid aside. Without objection, it is so ordered.

Mr. SMOOT. Mr. President, I wish to call the attention of the Senate to the amendment which I have proposed to the bill. In passing I wish to say that the remarks made by the Senator from Iowa [Mr. KENYON] with reference to the provisions of the bill as reported from the committee apply as stated by him, but my amendment in no way affects the amendments reported from the committee nor the bill as reported to the Senate. I have not asked that any part of the amendments which have been proposed by the committee as reported to the Senate be changed in any way. The amendment which I have offered reads as follows:

The income from joint-stock land bank bonds issued after June 30, 1922, shall be subject to all graduated additional income taxes commonly known as surtaxes now or hereafter imposed by the United States upon the income of individuals, partnerships, corporations, or associations.

The Senator from Iowa was correct when he said that I think the legislation creating the joint-stock land banks and giving them the privileges involved was a mistake, and it will not be many years until every Senator and every farmer in the country will realize it.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

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

Mr. SMOOT. Certainly.

Mr. NORRIS. I should like to state to the Senator that I have a great deal of sympathy for the position he is taking. My own idea is that the creation of joint-stock land banks was a mistake. I feel, however, that under the present condition, particularly, of agriculture, it would be another mistake if we repeated it immediately.

Mr. SMOOT. I think so, too.

Mr. NORRIS. I have a great deal of sympathy with the Senator's amendment, but it seems to me that he ought to extend the time.

Mr. SMOOT. I will extend it a year, if the Senator wishes; but I wish to say to the Senate now that every bond that is sold in the market by the joint-stock land banks could just as well be sold by the Federal farm loan banks.

Mr. NORRIS. Will the Senator permit another interruption? I do not desire to take up the time, but since I have said what I have, I think I ought to make my position clear.

Mr. SMOOT. I yield to the Senator.

Mr. NORRIS. Briefly stated, it is that the Federal joint-stock land banks and the regular farm loan banks that are created by the farm loan act are two methods of mortgaging real estate, both of them having their securities or bonds exempted. The difference is that the farm loan banks are operated by actual farmers who live on the land and cultivate the soil that

they own. It was intended to permit renters to become owners of homes and to encourage other people off the farms to move on the farms and buy homes. It has done a great deal of good, and I should like to help in every way I can.

In a general way joint-stock land banks perform an entirely different function. They enable men in town who are not farmers, who are holding land for speculation, to buy more land and increase their land holdings and then mortgage them, so that they come in competition in a way with the other loans; in other words, it enables the man in town who is not a farmer to buy out the farmers and get large tracts of land and the farm owners then become tenants.

The real object of the law was to get men to tilling the soil who owned the soil that they tilled and to make farm homes for them. I think the joint-stock land bank provision of the bill has had the opposite effect. I am not complaining about the man who holds the land for speculation, because that is perfectly legitimate and I am not criticizing it at all, but there is no reason why the Government should come to his relief. He does not live on the land. He is not a farmer. He is enabled to get cheap money by this tax-exemption feature and buy out the poor fellows who are real farmers and who ought to become owners under either provision of the land law, and if we were not in the condition that we are in now and agriculture in such a depressed condition that I would hate to do anything to interfere with it in any way, I would be in favor of repealing at any time that provision of the law.

Mr. SMOOT. I agree with the Senator, and the Senator has stated the differences—

Mr. FLETCHER. Mr. President—

Mr. SMOOT. Let me have just one minute and then I will yield.

Mr. FLETCHER. I just wish to correct a statement of the Senator from Nebraska. He is mistaken entirely when he said the joint-stock land banks can loan for speculative purposes.

Mr. SMOOT. I wish to say they have loaned for speculative purposes and I can prove it.

Mr. FLETCHER. Then they are not following the law.

Mr. SMOOT. Oh, not following the law? There is not a single thing in the law that prevents them from making large loans. They have made at least one loan of \$78,000, taking from the money market in the United States money that should have gone direct to the farmer, while the Federal farm loan bank is limited to \$10,000 in any one case.

Mr. KENYON. Does the Senator say that under the law a loan of \$78,000 can be made?

Mr. SMOOT. I have in my possession a photograph of papers showing that such a loan has been made upon a place to build outhouses, to build sidewalks, to make a grand home. That man has made the loan, not as a loan to the man himself, but a loan to the man and some of his family.

Mr. KENYON. Oh, yes; there may be instances of that kind. There is a limit in the law as to the amount that can be loaned.

Mr. SMOOT. Thirty-seven thousand five hundred dollars, and the Federal farm loan bank can loan \$10,000, but the speculating bank owned entirely by individuals, whose bonds are exempt from taxes of all forms, can loan three and three-fourths times that amount.

Mr. KENYON. Of course, there may be instances of that kind, but very few, that enable the Senator to talk very loudly and learnedly about it. There are murders committed in Utah, too.

Mr. SMOOT. Yes; in every State.

Mr. KENYON. But that does not prove that a law against murders should not be enacted.

Mr. SMOOT. No; and the Government of the United States does not say to the man who murders, "We will protect you and exempt you from even paying any expenses whatever in any court by way of defense."

Mr. KENYON. There might be more murders if there were some such provision. There are banks that make mistakes and there are banks that do wrong in commercial banking, but that does not or should not condemn the system.

Mr. SMOOT. I wish to say to the Senator that these very joint-stock land banks advertise to the people of the United States the advantages that they claim to have over the Federal farm loan banks. Here is what they themselves say are the advantages, not only the advantages to which the Senator from Nebraska has referred, but others. Here is what they themselves say:

Advantages possible to borrowers from joint-stock land banks as compared with the borrowers from Federal loan banks are principally these—

These are the principal ones—

That the borrower from the joint-stock land banks is not required to make any subscription to the capital stock of the banks.

The farmer can not make a loan, nor can he receive more than \$10,000 from a Federal farm loan bank unless he becomes a subscriber to the stock of the bank. These privileged individuals creating a joint-stock land bank are allowed to put a million dollars of capital stock in such a bank and then lend \$15,000,000, and then sell bonds to the amount of \$15,000,000 and make 1 per cent upon the transaction. In some cases they have owned lending institutions outside, and the men who wanted to make loans have applied to the joint-stock land bank and have been told perhaps that they could make a loan through So-and-so's institution, and it has developed that instead of 1 per cent, in many cases they have been charged another 1 per cent commission, and the people who have been interested in the other institution could get the loan when the original applicant could not.

Is that all? No. Listen:

That the borrower need not necessarily be engaged in the cultivation of the land on which the loan is sought.

Mr. KENYON. From what is the Senator reading?

Mr. SMOOT. I am reading from the statement that is made through the joint-stock land bank of San Francisco, Calif., to the people of Utah, where they are asking subscriptions to enable them to establish a bank there.

Mr. KENYON. It is some particular bank.

Mr. SMOOT. This applies to every bank in the United States, as far as privileges are concerned. I do not care what joint-stock land bank has been created, under the law the banks owned by individuals have privileges over and above those of banks that are called Federal farm loan banks. The Senator from Nebraska was correct when he said that those loans were made for the very purpose of speculation in many cases, and, in fact, I think more often that is true than otherwise.

The Senator referred to a statement which I made here as to the profit the joint-stock land bank in Chicago had made. I want to say, Mr. President, that every figure which I quoted upon this floor in relation to that bank was furnished me by the Federal Reserve Board. Why should they not make money? Why should not the Senator from Georgia and the Senator from Utah organize a joint-stock land bank? If we put in \$100,000 we could lend \$1,500,000, and when that was loaned we could pay ourselves a salary of \$10,000 and could let the bank clerk take care of the collection of the 1 per cent a year for 33 years. We would not have to look for another loan.

Mr. FLETCHER. The money could not be loaned to the farmers at more than 6 per cent.

Mr. SMOOT. No; but from a list of farmers' loans in all of the Eastern States and in all of the Northern States it appears that the average rate for such loans is less than 6 per cent.

Mr. TOWNSEND. The thing that disturbs me is how a bank with a stock of \$100,000 can loan \$1,500,000.

Mr. SMOOT. The law provides they may do so. The law gives them a right to sell those bonds in the market free from all taxation—State, school, district, city, and every other kind of taxation equal to fifteen times the capital stock.

Mr. President, the Senator from Iowa was correct when he stated that there were about \$16,000,000,000 invested in tax-exempt securities. What is the result? When we passed the revenue law in 1918 imposing higher rates on income we collected from that tax \$917,000,000 for the first year's business. On the next year's business we collected a little over \$500,000,000. This year we shall collect only about \$300,000,000. Why? Because the men who have been paying taxes upon the higher brackets of their income have purchased tax-exempt bonds. Why should they not do so? If a man's yearly income is \$100,000 a 5 per cent tax-exempt bond is worth to him over 8 per cent; if his income is \$300,000 a year such a bond is worth to him under the taxation laws about 15 per cent; if his income is over half a million dollars it is worth to him over 22 per cent. What is the effect? Instead of income being invested in business in this country it is tied up in tax-exempt bonds, and we are allowing individuals that privilege.

I wish particularly to call attention to the fact that there is a great difference between the Federal farm loan banks and the joint-stock land banks, but I must hasten on, Mr. President. This article further states that—

The borrower makes application for his loan direct, and is not required to become a member of the National Farm Loan Association.

The farmer who makes an application to a Federal farm loan bank must become a member of a Federal Farm Loan Association. Why should he not? He ought to be compelled to do so. Thereby he becomes interested not only in his own loan, but he becomes interested in the success of the whole system, not only in his own State but in every other State in the Union. In the case of the joint-stock land banks there is nothing of the kind. The borrower may make his application direct to the president of the bank; there is no one else to say him yea or nay.

Mr. HITCHCOCK. Mr. President, does the proposed amendment of the Senator from Utah, subjecting bonds of joint-stock land banks to certain classes of taxation, apply only to the proposed 5½ per cent bonds?

Mr. SMOOT. It only applies to bonds that are issued by the joint-stock land banks, I will say to the Senator.

Mr. HITCHCOCK. But that is not my question. Does the amendment apply only to bonds that pay 5½ per cent interest, or does it apply to bonds bearing 5 per cent interest, which have heretofore been issued?

Mr. SMOOT. It will not apply to any of the former issue, nor would it apply to any issue until after June 30, 1922.

Mr. KENYON. It would apply to all of the bonds. It would apply to 5 per cent bonds as well as to the 5½ per cent bonds.

Mr. SMOOT. After it went into effect on June 30, 1922.

Mr. HITCHCOCK. It would apply to all bonds issued hereafter, whether they were 5 per cent or 5½ per cent bonds?

Mr. SMOOT. Yes; it would apply to all bonds issued after that date. If the Senate thinks that the emergency is not going to be over in one year, I am perfectly willing to extend the period to two years.

Mr. McLEAN. Mr. President, I heartily agree with every word that the Senator from Utah has said, but he realizes the situation that exists to-day and the feeling of friendship which exists for the joint-stock land banks. He knows that representatives of these banks stated to the committee that in the present crisis they asked for the privilege of increasing the rate of interest to 5½ per cent in order that they might assist and relieve agricultural conditions. The Senator will see that the effect of this proposed law would be to cut off the profit.

Mr. SMOOT. Yes.

Mr. McLEAN. Without the passage of this bill, if these banks issue 5 per cent bonds they can make a profit of 1 per cent, while under this bill their profit will be cut to one-half of 1 per cent gross.

I wish to say to the Senator from Utah that I hope the pendency of this bill will result in inducing the Members of this body to give their attention to this question. I will say that I think that was one of the major reasons which induced the Committee on Banking and Currency to let the bill be reported to the Senate.

Mr. SMOOT. I am not asking that the 5½ per cent provision be changed.

Mr. McLEAN. The joint-stock land banks, in my opinion, should never have been created; I think they are a menace to the Federal farm loan system. I think, as the Senator from Utah has said, they will compete as soon as they get an opportunity; and the danger is that they will so encroach upon the legitimate field of the Federal farm loan banks as to impair their usefulness. That is my opinion, but it seems to be difficult to impress that view upon those who are interested in this proposed legislation.

I hope the Senators who are present here will give the matter their consideration, because the Federal farm loan system is one that ought to succeed, and I believe it will succeed; I was heartily in favor of it when it was established years ago. We must remember that the industrial crisis growing out of the war is now being suffered by the American people and especially by the agriculturists. For this reason I think that there is a moral obligation on the part of the Government to put the Federal farm loan system upon a basis where it can function, but that does not include the joint-stock land banks.

Mr. SMOOT. Absolutely not.

Mr. McLEAN. The representatives of the banks assured the committee that if they were granted this increase they would sacrifice one-half of their profits for the purpose of assisting in the existing emergency; but, after the emergency is over, I hope that Congress will have the courage to remove the tax-exempt privileges from their securities. From my point of view it is economically wrong, and it will result in destroying its own purposes in the course of time. These are private institutions, organized for the purpose of making money; and I hope, if the Senator from Utah will consent to extend the time of his amendment another year, that the Senator from Iowa will accept his amendment and that the bill may then pass.

Mr. FLETCHER. Mr. President, that suggestion is made now, but why can we not deal with that question later? If we are going to extend the time until 1923, why not wait until 1922 or something like that before attempting to legislate? Why legislate now for 1922?

Mr. McLEAN. For this reason: We have got the camel's nose under the tent now, and if we do not put the halter around him pretty soon it will be impossible to prevent his demolishing the tent.

Mr. FLETCHER. Senators proceed upon the hypothesis that the joint-stock land banks are private institutions. The

law places them under the supervision of the Farm Loan Board precisely in the same way as the Federal farm banks.

Mr. SMOOT. Only so far as the law goes.

Mr. FLETCHER. They can not issue bonds to fifteen times the amount of their capital or anything of that sort at their pleasure at all; they can only issue bonds when they are authorized so to do by the Farm Loan Board; when back of them are mortgages to the full amount of the bonds, based upon a valuation of 50 per cent of the farm and 20 per cent of the improvements, all appraised by Government appraisers.

Mr. SMOOT. If the Senator will allow me to proceed, I should like to get through.

Mr. McLEAN. Will the Senator from Utah pardon one suggestion in reply to the Senator from Florida?

Mr. SMOOT. I yield.

Mr. McLEAN. I wish the Senator from Florida would consult the members of the Federal Farm Loan Board in regard to this measure.

Mr. SMOOT. Yes; let the Senator ask them what they think about it.

Mr. McLEAN. I do not want to reveal any confidence, but I wish to say to the Senator that the Federal Farm Loan Board is concerned about the encroachments that may possibly be made by the joint-stock land banks.

Mr. SMOOT. I should like to make a prediction now that if the Congress of the United States does not take away the tax-exempt privilege from the bonds of the joint-stock land banks of the United States, those banks will destroy the Federal farm loan system.

Mr. McLEAN. I merely wish to add, in conclusion, that I welcome the amendment offered by the Senator from Utah. I hope the Senate will have the courage to take the initial step now and put a limit upon the duration of the tax-exempt securities, because if that is not done and done in the immediate future it will be too late.

Mr. SMITH. Mr. President—

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

Mr. SMOOT. I yield.

Mr. SMITH. I should like to ask a question of the Senator from Utah, as he now has the floor. The suggestion has been made by the Senator from Connecticut, and affirmed very impassioned by the Senator from Utah, that unless we put certain restrictions upon and begin to curb the joint-stock land banks they will absorb or destroy the Federal farm loan system. I should like to ask the Senator if he will not show us how that can be done, if he can do so within the length of time he intends to occupy the floor?

Mr. SMOOT. Mr. President, I should like to have the Senator read the report made by Secretary GLASS and Secretary HOUSTON, of the Treasury Department, upon this very matter. I have recited here a number of particulars in which it is claimed that joint-stock land banks will have a greater privilege than have the Federal farm loan banks, and they will have.

Mr. SMITH. In what particular?

Mr. SMOOT. They can loan \$37,500 to one borrower; and in one case I know they have loaned \$78,000 on one piece of property. The borrower does not have to subscribe to the stock in making a loan from the joint-stock land bank, but the farmer has to subscribe for stock when he makes a loan from the Federal farm loan bank, and the bonds are sold in the same market under the same authority. The Government of the United States is responsible to the same degree for the payment of the bonds, whether they be issued by the joint-stock land banks or whether they be issued by these individual corporations.

Mr. HITCHCOCK. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I do.

Mr. HITCHCOCK. I want to indorse the suggestion of the chairman of the committee, the Senator from Connecticut [Mr. McLEAN], that a compromise of this matter be made by setting forward to 1923 the date at which this amendment shall take effect.

Mr. SMOOT. I will perfect the amendment and make it 1923.

Mr. HITCHCOCK. In doing that, I want to suggest another amendment in the interest of justice, and that is that when that date arrives these joint-stock land banks be relieved of the restriction upon the rate of interest that they may charge for their loans.

Mr. KENYON. How is that?

Mr. HITCHCOCK. That when that date arrives that their bonds become subject to this taxation, they be relieved from the restriction now existing in the law that they can not lend their money at over 6 per cent. If you take away from them

the Government privilege; then you should take away the Government restriction on the rate of interest that may be charged to the farmer.

Mr. KENYON. The Senator means that they could charge the farmer any rate of interest?

Mr. HITCHCOCK. They could charge a higher rate.

Mr. KENYON. That would destroy the very purpose of the bill.

Mr. SMOOT. I would rather not mix up the two questions at this time.

Mr. HITCHCOCK. I think it ought to be done. I think now is the time to settle this matter, and it ought to be done by a compromise. I want to say to the Senator that, as he well knows, the insertion of the joint land banks into this law was due to the fact that we all had doubts whether the mutual banks would work. We felt that it was pretty doubtful whether the American farmer would go into the mutual-bank system; but the mutual-bank system has worked and is working, and that should now be the chief care of the Government; but having encouraged these joint-stock land banks to be formed, we ought to give them an opportunity and a reasonable time decently and in order to get out of their venture without a financial loss. I approve, at the same time, the Senator's suggestion that they should be in the future subjected to taxation upon their issues; but when that time comes we should relieve them of the restriction that applies to the farm loan banks as to the rate of interest.

Mr. SMOOT. Mr. President, the best way to do that would be this: On June 30, 1923, there should be a law passed providing that no more joint-stock land banks should be organized in the United States, but at the same time we should give every bank that is organized the full privileges of the law as it existed at the time the bank was organized. That is fair; and not only that, Mr. President, but some of them have already loaned fifteen times the amount of their capital stock, as the law authorizes them to do.

Mr. NORRIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I do.

Mr. NORRIS. I am impressed with the suggestion made by my colleague. I think, however, as I understand it, that he is not referring to the real difficulty. There is in the pending bill, as I understand, a provision that would prevent them from charging a farmer more than one-half of 1 per cent, instead of 1 per cent.

Mr. SMOOT. That is the effect of the bill.

Mr. NORRIS. Yes. Now, the amendment of the Senator from Utah ought to have added to it, it seems to me, a provision to the effect that when the time arrives that their tax-exempt privileges expire the provisions of the pending bill preventing them from charging more than one-half of 1 per cent additional shall not any longer prevail, and let them operate under the old law.

Mr. SMOOT. Let me tell the Senator what is going to happen. What was this offer made for? Why, I know what it was made for. It was made, first, as they say, because of the emergency existing at the time; but, Mr. President, what these joint-stock land banks want is continued life, and the result will be that in a year or two, if no more legislation is passed by Congress, they will come back and tell Congress that it is impossible to do business on one-half of 1 per cent. Then they are going to remind Congress that they came to Congress with great liberality and because of their love of the farmer, actually asked a reduction in the amount of interest they were allowed to charge over and above the 5 per cent, and for that unselfish liberality they are going to ask us either to take off the one-half of 1 per cent or to add it onto the 6 per cent; and there is no man who can stand in the Senate and deny that the 1 per cent, if it were left, would be about right, particularly where money was a drug upon the market; not under conditions existing to-day. There is not a dollar in the United States but that would command to-day, outside of tax-exempt bonds, 7 or 8 per cent.

Mr. JONES of New Mexico. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. Yes; I yield.

Mr. JONES of New Mexico. If this bill is what I understand it to be, I do not believe that it should be opposed by any Senator. The question which is now being discussed by the Senator from Utah involves an entirely different proposition, and one which, it seems to me, is not necessarily brought into the discussion of this particular bill. If I am able to understand this bill, it simply permits these farm loan banks to sell their bonds at a rate of 5½ per cent.

Mr. SMOOT. Joint-stock land banks.

Mr. JONES of New Mexico. Yes. Now, it seems to me there can not be any objection to that if those banks are still required to loan the money to the farmers at the present rate, and the effect of this bill can only be to reduce the margin which the farm loan banks or the joint-stock banks would make in the transaction. This other broad question, it seems to me, if the Senator from Utah will permit the observation, might very well be left to a later date.

Mr. McLEAN. Mr. President, that might be true as affecting existing conditions, but I anticipate that these 5½ per cent bonds, when normal conditions are restored, will go to a large premium, and it will be possible for these companies to issue their bonds at 5 per cent.

Mr. SMOOT. And that is what they will do.

Mr. McLEAN. And they will be enabled to make a large profit, and that they will do this just as soon as this emergency is past if we continue the tax-exempt provision.

Mr. JONES of New Mexico. Mr. President, these banks are still restricted as to the amount of interest that they can charge. They can not loan their money for more than 6 per cent, if I understand the law; and by giving them a right to sell their securities at 5½ per cent we are simply giving them the privilege of reducing their margin of profit by 50 per cent.

Mr. SMOOT. Mr. President, reference has been made so many times to "1 per cent." The law allows these banks to issue bonds to the amount of fifteen times their capital. Why not say it is 15 per cent? They do not put a dollar of money in and loan it, with the exception of the original capital. If that is a million dollars, under the law they can issue bonds for \$15,000,000, and make 1 per cent upon the \$15,000,000, not upon the \$1,000,000 that they have invested.

Mr. JONES of New Mexico. Mr. President, the purpose for which I rose was to see if we could not reach the conclusion that the discussion of the advisability of having these joint-stock land banks should be deferred to some future occasion, because the purpose of this bill is simple; and there is not any doubt that if this bill is passed it will aid in loaning money to the farmers of this country at a reasonable rate of interest. That is the purpose of this bill, and it is the only purpose of the bill; and I submit that there is nothing in this bill to which any objection should be taken. If the Senator from Utah desires to abolish these joint-stock banks, that is another proposition. I am not certain but that he is right about that; but I do say that this is not the time to raise that question. We are simply seeking at this time to raise money so that these farmers can get money at 6 per cent; and whether the person who furnishes it to them pays 5½ or 5 per cent should not bother us at this time if the ultimate result is that the farmer gets the money at 6 per cent.

Mr. SMOOT. If the Senator will allow me, Mr. President, this amendment does not interfere one iota with the rate of interest to be charged the farmer or the rate of interest at which the bonds can be sold. My amendment has nothing to do with that. But, Mr. President, it ought to be announced to the American people just as soon as it can be by the voice of Congress that these institutions, private in character, shall not enjoy the privilege of issuing bonds backed by the Government of the United States, exempt from every form of taxation, and the sooner that notice is given to the American people the better it will be for those men who are being asked to invest their money in that kind of institution.

Mr. KENYON. Mr. President, I would like to get back to the practical question which we had up concerning the Senator's amendment a little while ago. If the amendment of the Senator were adopted, or even a 2-year period were fixed, would not this be the result: Bonds have been issued which are to run for 20 years. Mortgages, to run for 32 years, have been placed upon farms. The system is carried on interchangeably; you must have one or the other. You have a situation of mortgages out and nobody to look after them. The bonds are coming due in 20 years, and the institution which issued them has gone out of business. How could you expect anyone to buy bonds under those circumstances? Let us be frank about that. Would not the amendment absolutely kill the proposition? Nobody would buy the bonds.

Mr. SMOOT. I want to be perfectly frank with the Senator. I have not a thing in the world to cover up in this matter. I am as earnest in the matter as a man can possibly be, because I see what is going to happen to the Federal farm loan banks of this country, and I am in full sympathy and accord with the object of those banks.

Mr. KENYON. The Senator has no more sympathy with them than the rest of us have.

Mr. SMOOT. The bonds are issued, and the 1 per cent amortization takes care of the loan in 33 years, whether it is

the joint-stock land bank or whether it is the Federal farm loan bank.

Mr. KENYON. What is going to happen at the end of 20 years, when the bond comes due, and who is going to look after the mortgage?

Mr. SMOOT. This provision will not interfere at all with any bond that is issued or with any bank which issues it.

Mr. KENYON. It would not interfere with the bonds that have been issued, but it would put the bank out of business.

Mr. SMOOT. No; Mr. President.

Mr. KENYON. Then you have bonds issued and nobody to look after them.

Mr. SMOOT. Oh, no.

Mr. McLEAN. Suppose it did put the bank out of business; the statute provides for the liquidation of these banks. The Senator will remember that at the last session a law was passed which permits any of these banks which are not doing well to go out of business, to liquidate.

Mr. SMOOT. There is not a bank in the United States but what would take those bonds and pay the stockholders the interest as collected.

Mr. McLEAN. In reference to the suggestion made by the Senator from Nebraska [Mr. HITCHCOCK], that at the expiration of the two years we remove all limit in regard to the rate of interest that these joint-stock land banks can charge, I question whether Congress ought to establish private mortgage loan companies, and give them the privilege of loan fifteen times their capital with no limit to the rate of interest they may charge.

Mr. SMOOT. I do not want to see that done.

Mr. McLEAN. I think it ought to be considered very seriously before we make such provision as an amendment to this law. I do not see that there is any practical difficulty in the liquidation of these companies, because it has been done, and I think the Senator will recall that within the last year three of these banks have gone out of business. I have no doubt that there would be no difficulty about that.

Mr. KENYON. Mr. President, if that matter could be arranged so that there would be no question about it, I should not be antagonistic to an amendment providing for a reasonable period of time—two years or three years, something of that kind. But we have passed this law and we have invited people into these things. I am not speaking for the joint-stock land banks; I have been interested in it because of the agricultural phase of it. But you have to be square and honorable with those people who have gone into this and invested their money. If that can be taken care of, it might be that we could work out a compromise to handle this question.

Mr. McLEAN. Congress will take care of any situation of that kind.

Mr. KENYON. It is not fair to just boot these banks out.

Mr. SMOOT. I do not want to do that.

Mr. KENYON. That is what the Senator's amendment would do, it seems to me, clearly.

Mr. SMOOT. No, Mr. President. If I had a suspicion that it would do that, I would not insist on it.

Mr. KENYON. I know the Senator may feel that way, but the rest of us are entitled to some thought about it.

Mr. SMOOT. I will say to the Senator, as president of a bank, that I would like to make the collections on these bonds, at 1 per cent a year, and have the amount collected pass through the bank.

Mr. KENYON. Is the Senator president of a bank?

Mr. SMOOT. Yes; I am president of a small bank in my home town, and I say here and now that I would be delighted to take such business.

Mr. FLETCHER. Mr. President, the proposition now is to increase the rate on these bonds to 5½ per cent, without increasing the limit of 6 per cent to the borrowers, and if the bonds are not selling now, when they draw 5 per cent, with all of the privileges attached to them, does the Senator think they will sell with the extra half per cent, the tax exemptions being removed?

Mr. SMOOT. A 5 per cent bond is being sold by the Federal Farm Loan Board; but I am perfectly willing that that should be 5½ per cent. I know what I am talking about, because I have talked to members of the board about it. But I am perfectly willing, Mr. President, to make this 5½ per cent. I am not asking that any amendment offered by the committee shall be changed, not one. But I want to say to the Senator from Florida that it will not be many years before the holders of the 5½ per cent tax-exempt bonds will be able to realize on those bonds about \$110 for every \$100.

Mr. FLETCHER. Of course, that is a mere prognostication, and I do not know what it is based on. But what we are talking about now is getting money for the farmers.

Mr. SMOOT. My amendment would not stop that at all.

Mr. FLETCHER. It will stop it to a considerable extent if it puts these joint-stock land banks out of business. To repeal the tax-exempt feature as to their bonds would do that. But I will meet that when I get to it and have the floor. I am directly and positively and emphatically opposed to eliminating these joint-stock land banks, and especially unless you amend the law so as to allow farm land banks to increase their loans beyond \$10,000. They are limited to \$10,000. And I am prepared to give the reasons, which I believe will satisfy most people, when I get the opportunity.

Mr. SMOOT. Mr. President, the whole theory of the law was to lend money to the farmers to enable them to cultivate their land. As far as I am concerned, I want every advantage shown to the Federal farm loan bank.

Mr. President, if there is any money made by the Federal farm loan bank in the 1 per cent difference between the value of the bond and what the loan to the farmer is, the farmer gets his part of that gain; the farmer gets his dividend on the amount made over and above actual expenses of that 1 per cent. Why should he not? He is compelled to subscribe to stock, and he is entitled, Mr. President, to that dividend.

But with the joint-stock land banks the profit goes into the pocket of some individual, to whom the Government of the United States says, "You are better than all other individuals in the United States, and you can issue obligations with no power in cities or counties or States, or even in Uncle Sam himself, to impose a dollar of tax upon you."

I know the Senator from Iowa wants to do the right thing in this matter, and why not lay it aside now until we can see if we can not agree upon some proposition?

All I am trying to do is to carry out a policy which I know Congress will have to carry out sooner or later. I am betraying no confidence when I say that the Federal Farm Loan Board first brought this to my attention. I called on the board and saw the statements from these joint-stock land banks. I examined them. I saw what they were going ultimately to do to the Federal farm loan banks, and just as sure as we live, if they are not curbed and checked, and if they are allowed to go on the way they are going now, they will destroy the Federal farm loan system.

Mr. FLETCHER. Mr. President, did not the Federal Farm Loan Board admit that they made an error in that statement?

Mr. SMOOT. Does the Senator refer to the Illinois bank?

Mr. FLETCHER. Regarding the profits made by joint-stock land banks.

Mr. SMOOT. I have never seen a statement from them that they made an error in the Illinois bank statement. I know a statement was made by way of explanation from the officers of the bank, and they came to my office and explained it to me. But, Mr. President, what happened, and what was the cause of the difficulty? Speculation, violation of the law! They wanted to cover it up, and when it was called to the attention of the board, the board made the statement as to the real situation.

Mr. FLETCHER. Mr. President, of course I do not know what the Senator refers to when he talks about speculation and that sort of thing.

Mr. SMOOT. I refer to just exactly what the officials or stockholders of the Illinois bank told me themselves.

Mr. FLETCHER. Was that the bank or the Farm Loan Board?

Mr. SMOOT. Both. It was but a few days after I made the statement upon the floor of the Senate, and read from the letter of the chairman of the Federal Farm Loan Board, that some of the officials of that bank from Chicago were here in Washington to see me.

Mr. FLETCHER. Of course, at the proper time, when we come to consider the relations of the joint-stock land banks to this system, and to show what they have done, and the reason for continuing them, I will be ready and able to go into that. For the present I am simply asking the Senator to yield for this statement, issued by the Farm Loan Board on April 30, 1921. It shows the total amount of business handled by the joint-stock land banks—and I can give the details if desired—but let us just take the consolidated statement of condition of the joint-stock land banks at the close of business April 30, 1921. It shows a total amount of assets, \$100,508,489.11, and their undivided profits on all that business, net mortgage loans they made, amounting to \$77,897,648.48, is given at \$129,205.87.

Mr. SMOOT. Mr. President, such statements as that made to the Senate tend to confuse the minds of Senators. That statement was made when a great many banks had been in business but a short time.

Mr. FLETCHER. The statement is dated April 30, 1921, and is by the Farm Loan Board.

Mr. SMOOT. But it has reference to the situation of the banks as a whole, not of the individual banks. I know there are banks which have been started up in different parts of this country which are not going to make very much money. There are banks, Mr. President, that come in contact with private concerns or organizations within States which can not get 6 per cent.

There is one other reason given here as showing the advantages of the joint-stock land banks over the Federal farm land banks, and it is this:

That the individual borrower may obtain any sum up to \$37,500. Borrowers from the Federal farm land banks can not get more than \$10,000.

That is true.

The Senator from Iowa has not yet answered as to whether he would like to lay the bill aside to see if we can agree upon an amendment.

Mr. KENYON. I feel this way about it: If Senators desire to kill off the joint-stock land banks, they may as well kill them now. I am convinced the Senator's amendment will do that thing. I wish the Senator would wait until the question can come up after we get through the trouble that we are in now. I have sympathy with many things the Senator is advocating, but it is perfectly apparent that when we put the banks out of business we end any sale of bonds. There is no use arguing that for a moment.

Mr. SMOOT. This does not put any organized bank out of business.

Mr. KENYON. Oh, of course it will.

Mr. SMOOT. It will very likely keep any bank from going into the business hereafter, but every bond that is sold, every obligation that is made to a farmer, will be carried out to the very end. This does not interfere with any bank in that respect.

Mr. KENYON. It seems clear to me that it does, and I am sorry I am so dense that I can not get the viewpoint of the Senator. The Senator is opposed to the whole system, as he has a right to be, and wants to destroy it. I think his amendment will succeed admirably in accomplishing that purpose. I am perfectly content to let the Senate vote on it, and to take the sense of the Senate on it. If they want to destroy it, all well and good.

Mr. SMOOT. I will say no more if we can have a vote upon it at this time.

The PRESIDENT pro tempore. May the Chair suggest to the Senator from Utah that the Secretary has not yet received the amendment offered by him.

Mr. SMOOT. I send it to the desk now. I will say to the Chair that I have changed the year to 1923.

Mr. SMITH. Let the amendment be read as now offered.

The PRESIDENT pro tempore. The Secretary will read the amendment offered by the Senator from Utah.

The ASSISTANT SECRETARY. It is proposed, after the word "annum" on page 2, line 6, to insert:

The income from joint-stock land bank bonds issued after June 30, 1923, shall be subject to all graduated additional income taxes, commonly known as surtaxes, now or hereafter imposed by the United States upon the income of individuals, partnerships, corporations, or associations.

Mr. KENYON. On that I ask for the yeas and nays.

Mr. SIMMONS. Mr. President, I think this is rather too important a measure to be disposed of practically without any real discussion except the remarks of the Senator from Utah [Mr. SMOOT] in support of his own amendment.

In a time of normal conditions I do not know that I would not be in sympathy with the views of the Senator from Utah. If conditions were the same as those which obtained at the time the Federal land-bank proposition became a law, I think probably there would be very great force in the position of the Senator from Utah, but the situation originally calling for the existence of this form of a bank is not now by any means whatsoever what it was at the time of the enactment of the law. Even then it was very difficult for the agricultural classes of the country to obtain adequate accommodations through the commercial banks of the country; the funds of those banks were preempted for use in other industries and in speculation.

The situation with respect to this phase of our banking problem is very much worse now, so far as the farmer is concerned, than it has ever been heretofore. We have the statement from the Federal Reserve Board that there is a superabundance of money in the country just at this time, and that the Federal reserve banks have ample money to accommodate all the requirements of the business in the country. This is not the first time that observation has been made, not so directly, not so emphatically, but made in a way which implied the same thing, by the governor of the Federal reserve system. During

all the months when the agricultural classes of the country have been striving for money with which to transact their business to protect their interests we have had the same statement emanating from the same source, that there was an abundance of money in the country. Probably it was true to the extent that there was enough money in the country to supply the people who could get that money, but the farmers have not been able to get it.

Mr. President, it is a matter of common knowledge in the agricultural sections of the country that farmers, without regard to the amount of security they might offer, without regard to their requirements or necessities, have not been able to secure money through the commercial banks. The situation of agriculture in the country at this time is a desperate one, largely because the farmers have not been able to get the money with which to grow their crops or to finance the exportation of their surplus crops. That situation has not grown any better. Business in many lines has improved, no doubt, but the condition of the farmers of the country is as bad to-day as it has been at any time since the armistice. Instead of the situation getting better it is getting worse; and the foundation of the distress which the farmers are experiencing at this time is largely because the commercial banks of the country either are not able or are not willing to assist them with the money necessary to carry on their business properly.

I know the situation which developed in my State early in the beginning of the present year. Farmers were unable to secure the necessary money to meet the mortgages upon their farms. Being pressed for payment and being unable to get money from the banks, they resorted to the insurance companies. There was one insurance company in my State, and I do not say it to its credit either, that had gotten together, I have been reliably told, \$3,000,000 worth of Liberty bonds, which it offered to the farmers of the State in return for notes at par secured by mortgages upon their land, the suggestion being made that the Liberty bonds could be used to realize money. That amount was immediately taken by the farmers of my State, their notes and mortgages executed at 6 per cent interest, and they took in return Liberty bonds worth at that time 86 cents on the dollar.

I simply state that to show to what extremities the farmer has been reduced with reference to securing money to save his property from the hammer of the auctioneer and the sheriff. In every agricultural State in the Union I undertake to say the same situation has existed for the past six or eight months, and it is no better to-day along these lines than it was at the beginning of this era of difficulty. The Senator from Georgia [Mr. WATSON] suggests to me, and I believe he expresses the truth, that the situation is worse now.

Yet we are told that the Federal reserve banks in the country to-day control \$2,400,000,000 in gold and that in the vaults of those institutions, the member banks of the Federal reserve system of the country, there is an abundance of money to supply all the needs of the country. We are told that in the face of the fact that the farmers in the country to-day to my knowledge are paying not 6 per cent, the maximum amount that joint-stock land banks are permitted to charge, not 7 per cent, not 8 per cent, but nearer 12 per cent; and I have no doubt in the world that the information of Senators from the South, the same section of the country from which I come, and from the Middle West and the Far West will bear me out in this statement.

Mr. President, I do not think there is any other class of business in the country that is in as bad condition. I do not think the manufacturers of the country are having to pay such high rates of interest. I do not think the merchants of the country are having to pay such high rates. I do not think those people who are now borrowing money on time loans, even to speculate, are having to pay such high rates. Why has this condition been brought about? It is because the commercial banks of the country, the member banks of the Federal reserve system, the nonmember banks of the Federal reserve system, especially in the big cities, are using their money for the purpose of supplying the requirements of other industries than those of agriculture at this time.

I do not mean to criticize them. I suppose they are moved by the considerations which ordinarily move bankers. They do not regard farm paper as liquid; they do not regard farm securities as of a character that can be easily converted into money in case of defalcation in payment. They are right in that respect. The farmer is at a disadvantage in competition for money with other industries for the very reason that his paper is not liquid. It is not liquid because his crops are seasonal; he has money only during the season of the year when his crops are ready for the market.

The Federal farm loan bank was instituted by the Congress of the United States in response to a demand that came from one end of this country to the other that some special agency be created by the Government that would minister solely and exclusively to the requirements and the wants of the farmer.

Those of us who supported with zeal that proposition did so because we felt that the facilities of commercial banks were largely monopolized by other interests; that they were not specially adapted to the needs of the farmer with respect to long-term loans; and that it was, therefore, necessary to establish some special financial institution which would be adapted to his requirements and which would so function as to meet his needs. So, Mr. President, we created the farm loan banks.

At the same time we created the joint-stock land banks. The one bank accommodates one condition of the farmer, while the other accommodates another condition of the farmer. Federal farm loan banks can not lend to one borrower in excess of \$10,000; but there are many cases in which the loan of \$10,000 would be of no help to the farmer. There are many cases where such a loan would be sufficient; but there are more cases where it would be insufficient and worthless to him.

There is another qualification which limits the availability of the Federal farm loan banks to a limited number of farm owners and farm operators. The farmer must reside on his farm and must himself be a farmer in order to get the benefit of a loan from that character of bank; he has got to operate and own the farm.

Mr. President, there are in the southern section of the country—and I think the statement is also true of the Middle West whether or not it is to any extent in the Far West—an immense number of people who indirectly operate farms, who own large tracts of land, and who secure the cultivation of those tracts of land through tenants. Such a farmer, although he may own thousands of acres of land, may not himself operate a single farm nor cultivate a single acre of this land. He cultivates that land through his tenants. That is a bad system, I grant you, and it ought to be stopped, but it is common in the South. Is that man to have no protection through the banking system? He has none, except through the joint-stock land bank, because the terms of the law creating the Federal farm loan banks exclude him from the benefits of those banks. His tenants can not borrow because they do not own the land. So that vast area of land in the South, which is cultivated by tenants rather than by the owners of the land, would be deprived of all benefit under the Federal farm loan act if the joint-stock land banks were destroyed. It was the situation to which I have referred, Mr. President—and I wish to call the attention of the Senator from Iowa to that fact—as I understood it at the time, that suggested the creation of this additional character of bank with power to accommodate farmers who needed more than \$10,000, and with power to lend to men who own farms and who operate them not directly but through the tenant system.

The amendment which the Senator from Utah [Mr. SMOOT] proposes will beyond peradventure, Mr. President, according to my judgment, inevitably destroy the joint-stock land bank scheme. The Senator from Utah seems to be amused at that statement. The Senator has great confidence in his opinions; he does not think it will destroy them.

Mr. SMOOT. It will destroy them hereafter; there is no doubt about that.

Mr. SIMMONS. It will destroy them hereafter; and the process of destruction will begin right now, from the date the amendment may be adopted.

Why do the possessors of the vast capital which is invested in the joint-stock land banks consent to have the interest which they may charge as the profit they make upon the investment of their money fixed by the Federal Government and limited to 6 per cent? Why is private capital to-day investing money and ready to invest more money in the joint-stock land banks with the United States saying to them, "You shall charge but 6 per cent interest"? It is for but one reason, and that reason is found in the fact that the Government says, "In consideration of your agreement to put your money into this venture, in consideration of your promise and assurance that you will help the farmers and provide them adequate money with which to cultivate their crops to enable them to feed the world—if you will agree to do that and agree that you will not charge a rate of interest in excess of 6 per cent per annum, we will exempt your bond interest from the income tax and from the excess-profits tax which the Federal Government imposes." That is the reason capitalists invest money in such enterprises. Can Senators conceive of any reason why they should desire to invest in such banks, in view of the limitation on the amount which they may charge as interest, and the fact that they are

subjected to all sorts of Federal supervision, unless it be to get the benefit of this exemption? The money was badly needed in order to help the farmers. An institution adapted to the farmers' needs and the farmers' requirements was essential, and so the Government created these banks. It said to those who might invest their capital, "If you will furnish the money and agree to have your interest rate fixed at 5 or 6 per cent, then we will give you this exemption." Of course, if we now take that exemption away from them they will retire from the business.

Mr. President, I am not defending generally the privilege of tax exemption; I think, with the Senator from Utah, that just as soon as conditions will permit, it is the imperative duty of this Government to do what may be done constitutionally—if necessary, to amend the Constitution for that purpose—to put an end to the tax exemption benefit enjoyed by certain securities. Such securities are piling up day after day, month after month, and year after year, assuming all the time a more and more menacing volume. With the movement among the States and among the municipalities of the country to issue bonds for roads and all other kinds of public improvements, for industrial, educational, charitable purposes, all of which bonds are tax exempt under the present law, with the demands upon the Federal Government making it necessary that it shall go into the market from time to time in order to borrow money to carry on the great projects that in the near future it is going to be called on by the people to carry on, either itself or in cooperation with the States, no man can tell, if that movement continues, what enormous amounts of the capital of this country are going to be locked up in tax-exempt securities, thereby casting a heavier burden upon those who do not enjoy the privilege of clipping coupons. But right now I can not see why this one instrumentality, devised and provided by law to help the farmer, and which I have shown if destroyed will leave a certain class of farmers in this country without the help that the Congress intended to extend when it adopted the Federal farm loan banking system, should receive the first blow. Why do we begin this process of reducing the number of tax securities with the farmer as the first objective, the man who is in the most distress, the man who is in the direst need of help, the man who can not stand upon his own legs, the man who is appealing to the Government for help and who has a right to appeal to the Government for help, because his present distressful condition is due very largely to the usurpations of power by an agency of the Government, creating a deflation just at the time when he was about ready to market his crops, and involving him in a loss in six months of \$8,000,000,000, thereby reducing him to poverty?

I have no hesitation in saying that the narrow policy of the Federal Reserve Board with respect to agriculture and agricultural loans in the matter of deflation and in the matter of restriction of credit at the wrong time, and going too far in both directions, coupled with the fact of their taking the lid practically off of the interest rate charged by the Federal Reserve Board, is largely responsible for the condition in which the farmer finds himself to-day. Now, when one agency of this Government contributes so powerfully to the farmer's embarrassments and to the predicament in which he finds himself, will you start in this process of destroying these tax-free securities by laying the ax to the tree which alone bears the monetary fruits that he now so badly needs?

Mr. President, I do not want to go into details in the discussion of this question of the farmer and our financial prices and system as they affect him and his interests. It is a big question, and one that I want a little bit later to discuss with some degree of elaboration and after some preparation, and not in the off-hand way in which I am speaking to-day. While under some circumstances I might agree with the Senator from Utah, I should regard the success of his amendment as destroying one arm of the farm loan system at a time when it needs both, cutting off all hope of supply from this direction to at least one-third of the farmers of the South, and I believe I might say one-third of the farmers of the West as well.

Mr. President, I hope the amendment of the Senator from Utah will not prevail.

Mr. SMOOT. Mr. President, the Senator from Iowa [Mr. KENYON] seems to think that my amendment is going in some way to jeopardize the interests of the farmer. I can not see it for the life of me, but I do not want to do anything that will do that. I simply want to give notice now that this question will have to come before Congress. I recognize the fact that we have not time to discuss it thoroughly now. I recognize the fact that we could not get a vote directly upon the question if it is in the form of an amendment to this bill, and therefore I am going to withdraw the amendment.

The PRESIDENT pro tempore. Without objection, the amendment is withdrawn. The question is on agreeing to the amendment proposed by the committee.

The amendment of the committee was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEFICIENCY APPROPRIATION—CONFERENCE REPORT.

Mr. WARREN. I present the conference report on the second deficiency appropriation bill.

The PRESIDENT pro tempore. The report will be read.

The Assistant Secretary read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6300) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 36, 38, 39, 40, 45, 46, 50, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 72, 73, 74, 78, 91, 93, 98, 102, 103, 104, 109, 110, 111, 112, 115, and 118.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 6, 15, 16, 17, 32, 33, 37, 43, 47, 48, 51, 70, 71, 75, 79, 80, 81, 82, 83, 84, 85, 116, and 120, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In line 2 of the matter inserted by said amendment strike out the word "year" and insert in lieu thereof the word "years"; and in line 3, after the numerals "1921," insert "and June 30, 1922"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$550,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"General Land Office: For additional employees during the fiscal year 1922 at annual rates of compensation as follows: Law examiners—4 at \$2,000 each, 8 at \$1,800 each, 20 at \$1,600 each; 8 clerks at \$1,400 each; in all, \$65,600."

And the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"For continuation of the investigation of structural materials, such as stone, clays, cement, etc., including personal services in the District of Columbia and in the field, \$50,000: *Provided*, That as much of this sum as necessary shall be used to collect and disseminate such scientific, practical, and statistical information as may be procured, showing or tending to show approved methods in building, planning, and construction, standardization, and adaptability of structural units, including farm buildings, building materials, and codes, economy in the manufacture and utilization of building materials and supplies, and such other matters as may tend to encourage, improve, and cheapen construction and housing."

And the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$336,000"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"For printing and binding for the Smithsonian Institution, including \$20,702.70 for the National Museum, \$10,000 for the Bureau of American Ethnology, and \$5,000 for the annual re-

ports of the American Historical Association, fiscal years 1921 and 1922, \$41,702.70."

And the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "District of Columbia"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "Sixty per cent of the sums contained in this section for the District of Columbia shall be paid out of the revenues of the District of Columbia and 40 per cent out of the Treasury of the United States"; and the Senate agree to the same.

The committee of conference have not agreed upon the following amendments of the Senate numbered 1, 19, 21, 41, 42, 49, 67, 68, 69, 76, 86, 88, 89, 92, 94, 95, 96, 97, 99, 100, 101, 105, 106, 107, 108, 113, 114, 117, and 119.

F. E. WARREN,
CHARLES CURTIS,

Managers on the part of the Senate.

JAMES W. GOOD,
J. G. CANNON,

JOSEPH W. BYRNS,

Managers on the part of the House.

Mr. WARREN. I move the adoption of the report as read.

Mr. UNDERWOOD. Mr. President, I desire to ask the Senator a question. As I understand, this is a partial report.

Mr. WARREN. I have here several amendments of the House that I shall move to concur in, with another amendment on which I shall ask a further conference.

Mr. UNDERWOOD. But what I mean is that the Senator moves to concur in the report, and it is only a partial report. The Senator wishes to concur in it as far as it goes?

Mr. WARREN. So much of it as has been read.

Mr. UNDERWOOD. Does the report cover the items that were not deficiency items at the end of the bill?

Mr. WARREN. Very largely.

Mr. UNDERWOOD. Can the Senator point them out?

Mr. WARREN. If the Senator will speak of some particular one, I think I can.

Mr. UNDERWOOD. As the report is not published, and I can not follow it, I want to know what we are voting on. What items in the back part of the bill that were for 1922, and not deficiency items, are left in disagreement in the report.

Mr. WARREN. So many of them as were supposed to transgress the lately adopted rule of the House had to go back to the House, not for amendment but for acceptance. Those have been largely accepted, and come back to us here with a list that I will give in a few moments; but very generally, of course, in the matter of these amendments, we agreed. We struck out the \$50,000,000 that we had added on this side, and some of the other amendments for 1922; for instance, the hospitals were agreed to on the House side. There was the matter of passport agencies at various points, also agreed to on the House side, and the public schools as a whole were agreed to on the House side as the Senate had inserted them, all of which, of course, are 1922 amendments.

Mr. CURTIS. Mr. President, I understood the Senator to ask about the 1922 items in the House bill, did he not?

Mr. UNDERWOOD. The Senate committee struck out all the 1922 items and put them back at the end of the bill to separate them from the deficiency items. There were a large number of important items there, and I wanted to know what was in the report and what was in disagreement before we came to a vote. I just wanted to know the status.

Mr. WARREN. I may assure the Senator that almost every one of those matters that came over from the House was finally agreed to. I do not recollect one now that was not finally agreed to.

Mr. UNDERWOOD. Then the conference report agrees on all the matters as to which the Senate committee originally took issue with the House?

Mr. WARREN. We have had a full agreement on all of those items.

Mr. UNDERWOOD. The items in dispute are Senate items?

Mr. WARREN. Yes.

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

The report was agreed to.

The PRESIDENT pro tempore. The Chair lays before the Senate the action of the House of Representatives, which will be read.

The Assistant Secretary read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 8, 1921.

Resolved, That the House recedes from its disagreement to the amendments of the Senate numbered 19, 21, 41, 42, 49, 67, 68, 69, 88, 94, 97, 99, 101, 107, 108, and 117 to the bill (H. R. 6300) entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes," and agrees to the same:

That the House recedes from its disagreement to the amendment of the Senate numbered 1, and agrees to the same with an amendment as follows: After the sum "\$10,000" in said amendment, insert the following:

"*Provided*, That no part of this appropriation or of the appropriation for the fiscal year 1922 for this bureau shall be available for the payment of any salary at a rate of compensation exceeding the rate paid on July 1, 1920, except the chief of the bureau, whose salary shall not be in excess of the rate of \$7,500 per annum."

That the House recedes from its disagreement to the amendment of the Senate numbered 76, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "The Secretary of War is authorized and directed to transfer, without payment therefor, to the Government Printing Office, one motor-propelled passenger-carrying vehicle."

That the House recedes from its disagreement to the amendment of the Senate numbered 86, and agrees to the same with an amendment as follows: In lieu of the sum named in said amendment, insert "\$75,000."

That the House recedes from its disagreement to the amendment of the Senate numbered 89, and agrees to the same with an amendment as follows: In line 15 of the matter inserted by said amendment, strike out the following: "\$10,000."

That the House recedes from its disagreement to the amendment of the Senate numbered 92, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"INTERDEPARTMENTAL SOCIAL HYGIENE BOARD.

"The duties and powers conferred upon the Interdepartmental Social Hygiene Board by chapter 15 of the Army appropriation act approved July 9, 1918, with respect to the expenditure of the appropriations made therein are extended and made applicable to the appropriations for similar purposes made in this act;

"For expenses of the board, including personal services in the District of Columbia and elsewhere, books of reference and periodicals, printing and binding, traveling, and other necessary expenses, fiscal year 1922, \$25,000;

"For assisting the States in protecting the military and naval forces of the United States against venereal diseases, fiscal year 1922, \$200,000: *Provided*, That no part of this sum shall be expended in assisting reformatories, detention homes, hospitals, or other similar institutions in the maintenance of venereally infected persons;

"In all, Interdepartmental Social Hygiene Board, \$225,000."

That the House recedes from its disagreement to the amendment of the Senate numbered 95, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"TREASURY DEPARTMENT.

"OFFICE OF THE SECRETARY.

"Undersecretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of \$10,000 per annum and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, fiscal year 1922, \$10,000.

"Division of Printing and Stationery: Clerks—1 \$1,400, 1 \$1,200, 1 \$1,000, 1 \$900; multigraph operators—1 \$1,200, 1 \$1,000; skilled laborer, \$840; 4 laborers, at \$720 each; 2 messenger boys, at \$480 each; in all, fiscal year 1922, \$11,380.

"Division of Mail and Files: Distributing clerk, \$1,400; reading and routing clerk, \$1,400; assistant file clerk, \$1,100; assistant mail messenger, \$900; in all, fiscal year 1922, \$4,800."

That the House recedes from its disagreement to the amendment of the Senate numbered 96, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"OFFICE OF THE COMPTROLLER OF THE CURRENCY.

"For salaries, fiscal year 1922, at annual rates of compensation as follows: Clerks—4 at \$2,000 each, 4 at \$1,800 each, 4 at \$1,600 each, 5 at \$1,400 each; clerk-counters—2 at \$1,400 each, 4 at \$1,200 each; 2 messengers at \$840 each; in all, \$37,880.

"The Comptroller of the Currency may designate a national-bank examiner to act as chief of the examining division in his office."

That the House recedes from its disagreement to the amendment of the Senate numbered 100, and agrees to the same with the following amendment:

In lines 7 and 8 of the matter inserted by said amendment strike out the following words: "at a limit of cost not to exceed."

That the House recedes from its disagreement to the amendment of the Senate numbered 105, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"WAR DEPARTMENT.

"Office of the Secretary: For additional amount required for the salary of the Assistant Secretary of War, in accordance with section 5a of the act 'To amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and to establish military justice,' fiscal year 1922, \$5,000.

"Water system, Schofield Barracks, Hawaii: For installation of a pipe line to replace the present water main from Koolau Reservoir to Schofield Barracks, fiscal year 1922, \$600,000.

"Quartermaster Corps: To complete the acquisition of land required for the Infantry School at Camp Benning, Ga., there may be expended

from the appropriation 'General appropriations, Quartermaster Corps,' for the fiscal year 1919 the sum of \$400,000, which amount shall be in addition to the sum of \$515,252, the expenditure of which for the same purpose was authorized by the act approved February 28, 1920, entitled 'An act to amend the Army appropriation act of 1920, and for the purchase of land and to provide for construction work at certain military posts, and for other purposes.' The said sum of \$400,000 herein authorized to be expended shall remain on the books of the Treasury to the credit of the appropriation 'General appropriations, Quartermaster Corps, 1919,' until June 30, 1922."

That the House recedes from its disagreement to the amendment of the Senate numbered 106, and agrees to the same with an amendment as follows:

In line 11 of the matter inserted by said amendment, after the word "and," insert the word "of," and in line 13 strike out the following: "in the District of Columbia and elsewhere."

That the House recedes from its disagreement to the amendment of the Senate numbered 113, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"DEPARTMENT OF COMMERCE.

"BUREAU OF FISHERIES.

"Expenses of advisory committee: For the expenses of an advisory committee of not to exceed two members from the Atlantic coast, two members from the Pacific coast, and four members from the inland waters, Great Lakes, and Alaskan sections of the United States, to be designated from time to time by the Secretary of Commerce, to consist of men prominently identified with the various branches of the fishery industry, qualified in aquatic research, and experienced in fish culture, who shall visit the Bureau of Fisheries at such times as the Secretary of Commerce may deem necessary and report to the Secretary of Commerce on the conditions and needs of the service, the members to serve without compensation, but to be paid the actual expenses incurred in attending the meetings, fiscal year 1922, \$2,500."

That the House recedes from its disagreement to the amendment of the Senate numbered 114, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

"Not more than \$25,000 of the appropriation for 'Promoting commerce, Department of Commerce, fiscal year 1922,' may be used for personal services in Washington, D. C.

"Commercial attachés: The appropriation for 'Commercial attachés, fiscal year 1922,' shall be available for the compensation of a clerk or clerks for each commercial attaché at the rate of not to exceed \$2,500 per annum for each person so employed. And not to exceed two commercial attachés employed under said appropriation may be recalled from their foreign posts and assigned for duty in the Department of Commerce without loss of salary."

That the House recedes from its disagreement to the amendment of the Senate numbered 119, and agrees to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"GOVERNMENT PRINTING OFFICE.

"In order to keep the expenditures within or under the appropriations for the fiscal year 1922 for printing and binding, the heads of the various executive departments and Government establishments are hereby authorized to discontinue the printing of any annual or special reports under their respective jurisdiction: *Provided*, That where the printing of said reports is discontinued, the original copy thereof shall be kept on file in the offices of the heads of the respective departments or Government establishments for public inspection."

Mr. WARREN. I move that the Senate agree to the amendment of the House to the amendments of the Senate numbered 76, 86, 89, 92, 95, 96, 100, 105, 106, 113, 114, and 119.

The motion was agreed to.

Mr. WARREN. Now I move, Mr. President, that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 1, insist on said Senate amendment, and ask a conference thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WARREN, Mr. CURTIS, and Mr. GLASS as conferees on the part of the Senate.

THE MEAT-PACKING INDUSTRY.

Mr. NORRIS. I ask that House bill 6320, the unfinished business, may now be proceeded with.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6320) to regulate interstate and foreign commerce in live stock, live-stock products, dairy products, poultry, poultry products, and eggs, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and to insert:

That this act may be cited as the "Federal live stock commissioner act."

TITLE I.—DEFINITIONS.

SEC. 2. When used in this act, unless the context indicates otherwise—

The term "person" includes a partnership, a corporation, or an association of two or more individuals, and the members of a partnership or the directors, officers, receiver, or other person charged with the duty of the management and operation of the business of a corporation, partnership, or association.

The term "commissioner" means the Federal live stock commissioner created by this act.

The term "Secretary" means the Secretary of Agriculture.

The term "commerce" means commerce among the several States or with foreign nations, or in any Territory or possession of the United States or in the District of Columbia, or between any such Territory or possession and any State or foreign nation, or between the District of Columbia and any State, Territory, possession, or foreign nation.

The term "live stock" means live or dead cattle, sheep, and swine. The term "live-stock products" means all products and by-products of the slaughtering and meat-packing industry derived from live stock and owned or controlled by a packer.

The term "stockyard" means any place, establishment, or facility maintained and conducted at or in connection with a public market and consisting of pens or other inclosures, and their appurtenances, in which live cattle, sheep, and swine are received, held, and sold for shipment or slaughter in commerce.

The term "packer" means any person engaged in the business of slaughtering of live stock or preparing live-stock products for sale in commerce, or of marketing live-stock products as a subsidiary of or an adjunct to any such slaughtering or preparing business.

The term "operator" means any person engaged in the business of conducting or operating a stockyard in which live stock is handled in commerce, and any trader or commission man or other person performing services wholly or partly in commerce with respect to live stock handled in or in connection with a stockyard.

The term "registrant" means any person to whom a certificate of registration has been duly issued under the provisions of section 25 and whose certificate remains in full force and effect.

The term "corporation" includes any public, quasi public, or other corporation or cooperative association, and any agency controlled or operated by any State, Territory, District, or possession of the United States or any political subdivision thereof.

TITLE II.—POWERS AND DUTIES OF THE COMMISSIONER.

SEC. 3. There shall be in the Department of Agriculture a Federal live stock commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive a salary of \$7,500 a year, payable monthly.

The commissioner, under the direction of the Secretary, shall administer and enforce the provisions of this act, and the rules, regulations, and orders issued hereunder.

The commissioner shall not be directly or indirectly interested in the business of any packer or operator. The commissioner may be removed by the President or by concurrent resolution of Congress for inefficiency, neglect of duty, or malfeasance in office.

SEC. 4. The commissioner is authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses, and per diem in lieu of subsistence at not exceeding \$4 for officers, agents, and other employees, and for other contingent and miscellaneous expenses, as may be necessary efficiently to execute the purposes of this act and as may be provided for by Congress from time to time. All such appointments of officers, employees, and agents shall be made from lists of eligibles supplied by the Civil Service Commission and in accordance with the civil service law.

The principal office of the commissioner shall be in the District of Columbia, but he may exercise all his powers at any other place. The commissioner may prosecute any inquiry necessary in connection with his duties in any part of the United States. The powers and duties conferred or imposed upon the commissioner by this act may be exercised by him through such agency or agencies as he may designate, subject to the approval of the Secretary.

SEC. 5. The commissioner, the courts, and all persons shall have the same powers, rights, remedies, and duties with respect to all persons subject to investigation or regulation under this act, and heretofore subject to the act entitled "An act to create a Federal Trade Commission, to define its duties, and for other purposes," approved September 26, 1914, and such persons heretofore subject to such act shall, except as otherwise provided in this act, have the same obligations, duties, liabilities, and rights as are conferred or imposed by such act on the Federal Trade Commission, the courts, and such persons. All hearings shall be open to the public. Upon the taking effect of this act the jurisdiction of the Federal Trade Commission, in so far as it relates to live stock and live-stock products, in domestic commerce, shall be terminated, except in such cases where the Federal Trade Commission is directed to make an investigation by the President, the Secretary of Agriculture, or other branch of Congress.

SEC. 6. The commissioner, upon his own initiative or in cooperation with existing governmental agencies, shall investigate and ascertain the demand for, the supply, consumption costs, and prices of, and all other facts relating to, the ownership, production, transportation, manufacture, storage, handling, or distribution of live stock or live-stock products, including operations of, and the ownership of stockyards. He shall likewise compile and furnish to producers, consumers, or distributors by means of regular and special reports, or by such other methods as he deems most effective, information respecting the condition of the live-stock market and the supply, demand, prices, and other conditions affecting the market.

SEC. 7. The commissioner shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, records, and correspondence relating to any matter under investigation. The commissioner or any examiner designated by him may sign subpoenas, may administer oaths and affirmations, examine witnesses, and receive evidence.

Such attendance of witnesses and the production of such books, papers, records, and correspondence may be required from any place in the United States at any designated place of hearing. In case of disobedience to a subpoena, the commissioner may invoke the aid of any district court of the United States within the jurisdiction of which such inquiry is carried on to require the attendance and testimony of witnesses and the production of such books, papers, records, and correspondence.

Such court may, in case of contumacy or refusal to obey a subpoena issued to any person, issue an order requiring such person to appear before the commissioner, or to produce books, papers, records, and correspondence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

SEC. 8. The commissioner may order testimony to be taken by deposition in any proceeding or investigation under this act at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commissioner having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any person may be compelled to appear and depose, and to produce books, papers, records, and correspondence in the same manner as witnesses may be compelled to appear and testify and produce such evidence before the commissioner, as hereinbefore provided.

Witnesses summoned before the commissioner, or any examiner, as herein authorized, shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the person taking the same shall severally be entitled to the same fees as are paid for like depositions or services in the courts of the United States.

No person shall be excused from attending and testifying, or from producing books, papers, records, or correspondence before the commissioner in obedience to the subpoena of the commissioner on the ground or for the reason that the testimony or evidence required of him may tend to criminate him or subject him to a penalty or forfeiture. But no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify or produce evidence before the commissioner in obedience to a subpoena issued by him: *Provided*, That no natural person so testifying shall be exempt from prosecution for perjury committed in so testifying.

SEC. 9. Any agent or employee of the commissioner who, without his authority, unless directed by a court of competent jurisdiction, makes public any information obtained by the commissioner shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$5,000, or by imprisonment not exceeding one year, or by both such fine and imprisonment.

SEC. 10. The commissioner, with the approval of the Secretary, may make such rules, regulations, and orders as may be necessary to carry out the provisions of this act and may cooperate with any department or agency of the Government or of any State or political subdivision thereof, or with any person.

SEC. 11. The several departments and agencies of the Government, when directed by the President, shall furnish to the commissioner, upon his request, all records, papers, and information in their possession relating to any person subject to any of the provisions of this act and shall from time to time detail to the commissioner such officers and employees as the President may direct.

TITLE III.—DUTIES OF PACKERS AND OPERATORS.

SEC. 12. It shall be unlawful for any packer to—

(a) Engage in any unfair, or unjustly discriminatory practice or device in commerce, or in any deceptive practice or device to cheat or defraud in commerce; or

(b) Sell or otherwise transfer to or for any other packer, or buy or otherwise receive from or for any other packer, any live stock or live-stock products for the purpose of apportioning the supply between any such packers, or unreasonably affecting the price of or creating a monopoly in the acquisition of buying, selling, or dealing in live stock or live-stock products in commerce; or

(c) Engage or participate in any manner, either directly or indirectly, in the business of purchasing, manufacturing, storing, or selling foodstuffs other than live-stock products, where the effect of such participation in such business may be substantially to lessen competition in or to restrain commerce or to tend to create a monopoly in commerce; or

(d) Conspire, combine, agree, or arrange with any other packer to apportion territory for carrying on business, or to apportion purchases or sales of any live stock or live-stock products, or to control prices thereof in commerce; or

(e) Conspire, combine, agree, or arrange with any other packer to engage in any course of business or to do any act for the purpose of preventing any person from carrying on a competitive or similar business in commerce; or

(f) Otherwise act, or conspire, combine, agree, or arrange with any other person to do or abet the doing of any act, contrary to the provisions of this act, or refuse, neglect, or fail to act, or conspire, combine, agree, or arrange with any other person to refuse, neglect, or fail to act in accordance with the provisions of this act; or

(g) Otherwise act or refuse, neglect, or fail to act, or conspire, combine, agree, or arrange with any other person to do or abet the doing of any act, or to refuse, neglect, or fail to act contrary to the provisions of this act and the rules, regulations, and orders made hereunder.

SEC. 13. After two years from the date when this act becomes effective, no packer engaged in commerce shall own or control or have any interest in, directly or indirectly, by community of stock ownership or otherwise, any stockyard, unless the commissioner shall determine that such ownership or control or interest is not in violation of the purposes of this act or that such packer has been unable, despite due diligence, to dispose of such ownership or control or of interest in such stockyard, in which case the commissioner may, by order, extend the period during which such ownership, control, or interest may continue.

SEC. 14. No operator shall engage in any unfair or unjustly discriminatory practice or device in commerce, or in any deceptive practice or device to cheat or defraud in commerce, or charge, collect, receive, or demand any unreasonable charge or rate for any service in commerce performed in connection with the business of such operator.

The commissioner, with the approval of the Secretary, may after hearing, upon complaint or upon his own initiative, determine and fix, and by rule, regulation or order prescribe, fair and reasonable practices, charges and rates to be observed by operators, and fair and reasonable terms and conditions upon which the services of operators in commerce shall be rendered or performed.

SEC. 15. It shall be the duty of every packer and operator to comply with the provisions of this act, and the rules, regulations, and orders which the commissioner, with the approval of the Secretary, may from time to time prescribe in conformity with this act.

SEC. 16. Every operator and packer engaged in commerce shall keep such records and statements of account, and make such reports or returns, verified under oath or otherwise, as the commissioner shall require, as will fully and correctly disclose all transactions involved in its business, and the true ownership of such business by stockholding or otherwise, in such form and at such times as the commissioner shall by order require. The commissioner may, in his discretion, prescribe uniform systems of accounts and records and require the installation and use thereof by packers or operators. For the purpose of enforcing the provisions of this act, or of any rule, regulation, or order issued hereunder, or of verifying any such reports or returns, any officer or agent of the Government designated by the commissioner may, during the usual hours of business, enter and inspect any place used by any packer or operator in its business, and examine any books, papers, records, or correspondence relating to such business.

SEC. 17. For the efficient execution of the provisions of this act and in order to provide information for the use of Congress, it shall be the duty of any packer or operator, or any officer, agent, or employee of such packer or operator, when requested by an officer or agent of the Government designated in accordance with the provisions of this act,

to answer correctly to the best of his knowledge, under oath or otherwise, as may be required, all questions touching his knowledge of any matter authorized to be investigated under this act, or to produce any books, papers, records, or correspondence in his possession or under his control relating to such matter. Any packer or operator, or any officer, agent, or employee of such packer or operator, who, within a reasonable time prescribed by the officer or agent making the request, not exceeding 30 days from the date of the receipt of the request, willfully fails or refuses to answer such questions or to produce such books, papers, records, or correspondence, or who willfully gives any answer that is false or misleading, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$1,000, or by imprisonment for not more than one year, or by both such fine and imprisonment. Any information secured under this act, except secret processes or formulas, shall be available for the use of either House of Congress at its request, and the commissioner may cause such information to be published from time to time when deemed necessary.

SEC. 18. Any person who willfully—

(a) Fails or refuses to make full and true entries, or makes any false entry in the accounts or records required to be kept by a packer or operator; or

(b) Alters, mutilates, conceals, or destroys any such account or record; or

(c) Makes any false or fraudulent statement in a return or report required under this act; or

(d) Hinders, obstructs, or resists any duly authorized officer or agent of the Government in the performance of his duties under this act, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding \$5,000 or by imprisonment for not more than one year, or by both such fine and imprisonment, in the discretion of the court. Each day during any part of which a condition, practice, omission, or course of action punishable under this section is maintained or continued shall constitute a separate violation thereof and shall be punished as a separate offense.

SEC. 19. When construing and enforcing the provisions of this act, the act, omission, or failure of any agent, officer, or other person acting for or employed by any individual, partnership, association, or corporation within the scope of his employment or office shall in every case also be deemed the act, omission, or failure of such individual, partnership, association, or corporation as well as that of the person.

TITLE IV.—PROCEDURE FOR VIOLATIONS.

SEC. 20. Whenever the commissioner believes that any packer or operator is violating any provisions of this act, or of any rule, regulation, or order issued hereunder, he shall cause notice in writing to be served upon such packer or operator, specifying the alleged violations, and requiring such packer or operator to attend and testify at a hearing before him at a time and place designated therein; and at such time and place the commissioner shall afford to such packer or operator a reasonable opportunity to be heard in person or by counsel and through witnesses under such regulations as the commissioner, with the approval of the Secretary, may prescribe. If, after such hearing, the commissioner finds that such packer or operator has violated any provisions of this act, or of any rule, regulation, or order issued hereunder, he shall make a report in writing in which he shall state his findings as to the facts, and shall issue and cause to be served on such packer or operator an order requiring such packer or operator to cease and desist from continuing such violations. The testimony taken at the hearing before the commissioner shall be reduced to writing and filed in the records of the Department of Agriculture. Until a transcript of the record in such hearing shall have been filed in a circuit court of appeals of the United States, as hereinafter provided, the commissioner may at any time, upon such notice and in such manner as he shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by him.

SEC. 21. An order requiring a packer or operator to cease and desist from violating any provision of this act, or any rule, regulation, or order issued hereunder, shall be final and conclusive unless within 30 days after service the packer or operator appeals to the circuit court of appeals for the circuit in which it has its principal place of business by filing with the clerk of such court a written petition praying that the commissioner's order be set aside or modified in the manner stated in the petition, together with a bond in such sum as the court may determine, conditioned that such packer or operator will pay the costs of the proceedings if the court so directs. The clerk of the court in which such a petition is filed shall immediately cause a copy thereof to be delivered to the commissioner, and he shall forthwith prepare, certify, and file in the court a full and accurate transcript of the record in such proceedings, including the notice to the packer or operator, a copy of the charges, the evidence, and the report and order. The testimony and evidence taken or submitted before the commissioner, duly certified and filed as aforesaid as a part of the record, shall be considered by the court as the evidence in the case. The proceedings in such cases in the circuit court of appeals shall be made a preferred cause and shall be expedited in every way. Such court may affirm or set aside the order of the commissioner or may direct him to modify his order. No such order of the commissioner shall be modified or set aside by the circuit court of appeals unless it is shown by the packer or operator that the order is unsupported by the weight of the evidence or was issued without due notice and a reasonable opportunity having been afforded to such packer or operator for a hearing, or infringes the Constitution of the United States, or is beyond the jurisdiction of the commissioner.

If the court determines that the just and proper disposition of such an appeal requires the taking of additional evidence, the court shall order such additional evidence to be taken before the commissioner in such manner and upon such terms and conditions as the court may deem proper. The commissioner may modify his findings as to the facts, or make new findings by reason of the additional evidence so taken, and he shall file such modified or new findings and his recommendations, if any, for the modification or setting aside of his original order with the return of such additional evidence. If the circuit court of appeals affirms or modifies the order of the commissioner, its decree shall operate as an injunction to enjoin the packer or operator, and its officers, agents, and employees from further violating the provisions of the order or modified order.

SEC. 22. The United States circuit court of appeals shall have exclusive jurisdiction to review such orders of the commissioner, and may affirm, modify, or set aside any such order of the commissioner; but the decree of such court shall be subject to review by the Supreme Court of the United States upon certiorari, if such writ is duly applied for within 60 days after entry of the judgment or decree complained of, as provided in section 240 of the Judicial Code.

SEC. 23. Any packer or operator, or any of his or its officers, directors, agents, or employees, who fails, neglects, or refuses to obey any order of the commissioner issued under the provisions of section 20, or such order as modified, after such order, or such order as modified, has been sustained by the courts, as provided herein, or in case such order, or such order as modified, has been sustained by the circuit court of appeals, and no writ of certiorari has been applied for within 60 days thereafter, after the expiration of such period, or after the expiration of the time allowed for filing a petition in the circuit court of appeals to set aside such order, in case no such petition has been filed within such time, shall be guilty of a misdemeanor, and, on conviction, shall be punished by imprisonment for not less than six months or more than five years, or by a fine of not less than \$500 or more than \$10,000, or by both such fine and imprisonment.

SEC. 24. The commissioner shall report any violation of this act or of any rule, regulation, or order made hereunder to the Attorney General of the United States, who shall cause appropriate proceedings to be commenced and prosecuted in the proper courts of the United States without delay.

TITLE V.—VOLUNTARY REGISTRATION OF PACKERS AND STOCKYARDS.

SEC. 25. (a) The commissioner may, upon application by any individual, partnership, corporation, or municipality, issue to such applicant a certificate of registration to engage in or carry on, under this section the business, whether in interstate or foreign commerce, or both, of conducting or operating stockyards, or slaughtering live stock, or processing, preserving, or storing live-stock products or perishable foodstuffs, provided that—

(1) The location, character, and extent of grounds, buildings, and other facilities provided or to be provided by the applicant are found suitable and adequate for the proper conduct of the business sought to be registered; and

(2) The financial resources, credit, and standing of the applicant are sufficient to assure the safe conduct of the business; and

(3) The applicant agrees as a condition to the granting of the certificate of registration to comply with and abide by the provisions of this section and the rules, regulations, and orders made hereunder. The certificate shall not be assignable, except with the approval of the commissioner, and shall be valid for such period as may be prescribed in rules and regulations made by the commissioner, with the approval of the Secretary.

(b) It shall be the duty of every registrant—

(1) To provide and maintain or secure, when necessary and practicable, adequate railroad connections with its place of business;

(2) To furnish the services and facilities of its business on fair and reasonable terms and without unjust discrimination to persons applying for such service and facilities: *Provided*, That it shall set aside such portion of the facilities of its business, as determined by the commissioner, as may reasonably be necessary to accommodate small shippers and local patrons;

(3) To impose only such charges and rates as are reasonable for the service or facility afforded;

(4) To exercise such care of the live stock, live-stock products, perishable foodstuffs handled by it as may be necessary to prevent undue loss in connection therewith;

(5) To maintain sanitary conditions in the conduct of its business;

(6) To refrain from unfairly discriminatory or deceptive practices or devices in the conduct of its business;

(7) To keep complete and accurate accounts and records of its business and to submit reports when called for and in such form as may be prescribed by the commissioner; and

(8) Otherwise to conduct its business in such manner as may be prescribed in rules, regulations, and orders issued under this section by the commissioner, with the approval of the Secretary, to carry out the purposes hereof.

(c) Reports of registrants, when filed with the commissioner, shall be open to public inspection. The commissioner may from time to time cause inspections to be made of the places of business and operations of registrants to determine their compliance with the provisions of this section and the rules, regulations, and orders issued hereunder.

(d) It shall be the duty of the commissioner to:

(1) Furnish to registrants reports embodying existing knowledge concerning satisfactory and economical appliances and methods of food preservation by cold storage, freezing, cooking, dehydration, or otherwise, and of all improvements in the art, and to detail persons experienced in such art to consult and advise with registrants;

(2) Cooperate with registrants in procuring for them adequate services by common carriers, by rail or otherwise, including provision for special cars needed in the proper transportation of live stock, live-stock products, or perishable foodstuffs;

(3) Furnish to registrants all available information as to supplies of foodstuffs handled by such registrants and the location and movement and transportation costs of such foodstuffs; and

(4) As far as practicable, when requested by any such registrant, provide for the inspection by agents of the commissioner of the live stock, live-stock products, or perishable foodstuffs received or distributed by such registrant to determine the quality, quantity, or condition thereof, and for the issuance by such agents of certificates showing the results of such inspection; and in the conduct of such inspections to cooperate with duly authorized local authorities. Such certificates shall be accepted in the courts of the United States and of the States as prima facie evidence of the quality, quantity, or condition at the time and place of inspection of the live stock, live-stock products, or perishable foodstuffs covered thereby.

(e) No registrant shall take title to any products handled by such registrant. The commissioner shall administer and enforce the provisions of this section and of all rules, regulations, and orders which he may issue hereunder.

(f) Any certificate of registration issued under this section may be suspended or revoked by the commissioner for any violation of this section or of any rule, regulation, or order issued hereunder, under such procedure as the commissioner may prescribe. Every person who shall forge, alter, counterfeit, or, without proper authority, use any certificate of registration issued under this section, shall be guilty of a misdemeanor and on conviction shall be punished by a fine of not more than \$500 or by imprisonment for not more than six months, or by both such fine and imprisonment.

TITLE VI.—GENERAL PROVISIONS.

SEC. 26. Nothing contained in this act, except as otherwise provided herein, shall be construed to prevent or interfere with the enforcement of or the procedure under the provisions of the antitrust acts, the

acts to regulate commerce, the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, the act entitled "An act to promote export trade, and for other purposes," approved April 10, 1918, or sections 73 to 77, inclusive, of the act entitled "An act to reduce taxation, to provide revenue for the Government, and for other purposes," approved February 27, 1894, as amended by the act entitled "An act to amend section 73 and section 76 of the act of August 27, 1894, entitled 'An act to reduce taxation, to provide revenue for the Government, and for other purposes,'" approved February 12, 1913, or with any investigation, proceeding, or prosecution begun and pending at the time this act becomes effective, nor shall anything contained in this act be construed to alter, modify, or repeal such acts or any part or parts thereof, except as specifically provided in this act.

SEC. 27. If any provision of this act or the application thereof to any person or circumstances be held invalid the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 28. This act shall become effective, except as otherwise provided herein, on and after its passage.

SEC. 29. The sum of \$75,000 is hereby appropriated, out of money in the Treasury not otherwise appropriated, available immediately and until expended, for carrying out the provisions of this act, including the compensation of attorneys, special experts, examiners, clerks, and other employees, and expenditures for rent, printing, telegrams, telephone, law books, books of reference, periodicals, stationery, furniture, office equipment, and other supplies and equipment as the commissioner may find necessary.

SEC. 30. None of the provisions of this act shall be construed to include or be binding upon a person whose chief business is the raising of live stock or agricultural products.

Mr. NORRIS. I ask unanimous consent that the formal reading of the bill be dispensed with.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent that the formal reading of the bill be dispensed with. Is there objection? The Chair hears none, and it is so ordered.

Mr. NORRIS. Mr. President, there is but one amendment, although that amendment is an entire bill. I think probably I ought to explain to the Senate the present parliamentary situation of the bill.

The pending measure is a House bill, and there is pending a committee amendment to strike out all of the House bill after the enacting clause, and insert the bill as passed by the Senate at the former session.

The investigation of the packing industry, which the bill seeks to control, was commenced over two years ago by the Senate Committee on Agriculture. At that time we conducted an investigation which lasted six or eight weeks, the committee sitting morning and afternoon. I think it was the most exhaustive investigation of the subject ever made by a committee of either branch of Congress. It was absolutely unlimited. There was no limit as to the people who were allowed to appear, and no time limit was put upon the testimony of anyone. There were witnesses from all over the United States. The so-called Big Five were all present, and their principal officers testified. They had with them an army of assistants, experts, auditors, and so on, and I think nearly all of them were represented during the entire hearings by attorneys. A large number of so-called small packers also appeared, and commission men from all the commission houses in the United States, practically, were there. They were all permitted to testify without limit, and the investigation closed only after everybody was willing to quit.

At that time, Mr. President, the committee did not have before it the bill now pending. In fact, I do not remember now just what bill or resolution was pending under which the investigation was made, but the committee went into all details of the meat-packing industry, into every ramification. Out of that investigation came the so-called Kenyon bill and the so-called Kendrick bill, introduced some time after the investigation was closed. A great many conferences were held by members of the Committee on Agriculture, between themselves, and also with other people.

In the next Congress those bills were introduced by the Senator from Wyoming [Mr. KENDRICK] and the Senator from Iowa [Mr. KENYON], being practically the same measure, and hearings were again had on those bills. Personally, Mr. President, I did not attend the hearings which were held the second time, but during the first investigation I have mentioned as being exhaustive, I was there practically all the time. In fact, the then chairman of the committee, Senator Gronna, was also a member of the Committee on Appropriations and the Committee on Banking and Currency. He was compelled to be absent a great deal of the time; and for most of the time during that investigation I was acting chairman of the committee.

At the time of which I speak, when the so-called Kenyon bill and the so-called Kendrick bill were pending, quite extensive hearings were again held. The same people, to quite an extent, testified again. After those hearings the bills were reintroduced, several modifications having been made after conferences of various members of the Committee on Agriculture. In most of the conferences I participated, in my weak way.

The outcome of it all, after various changes had been made, was the reporting of the bill by Senator Gronna, the chairman, representing the committee. The bill was taken up during the last session of the last Congress. That was the first action of the Senate after all the investigation had taken place, lasting over two years, and the Senate passed that bill during the last session of Congress, late in the session, however; at least, it was so late that the bill was not finally acted on.

I do not remember now whether it even got into conference. I will ask the Senator from Wyoming if he remembers whether that bill did get into conference?

Mr. KENDRICK. The bill passed by the Senate was reported to the Committee on Agriculture in the House and was considered by that committee to a conclusion, as I understand it, and then it was moved and carried that the bill, or something like the bill which we now have before us, be substituted for the bill which passed the Senate. That action was taken, and the bill as passed upon was reported favorably to the House.

Mr. NORRIS. And the House did not reach the consideration of it?

Mr. KENDRICK. The House did not reach the consideration of the bill in the last Congress.

Mr. NORRIS. So, Mr. President, my statement was correct, that it never got as far as a conference.

Mr. President, at the beginning of the present session of Congress, Senator Gronna, the former chairman of the Committee on Agriculture, having retired from the Senate, I was made chairman of the committee, and as such chairman I reintroduced the bill in this Congress, in April, soon after we convened. I reintroduced it in the exact form in which it passed the Senate during the preceding Congress. My idea was at the time that it would be a formal matter, when the bill was reported to the Senate, and that it would be reported back at once with a recommendation that it pass, and that there probably would be no opposition, because the Senate had debated it very fully at the time the bill was passed. I was not present, on account of illness, during that debate, and was only brought here when the final vote was taken on the bill, but I know, and Senators remember, that the bill was very fully discussed on the floor of the Senate. It was the unfinished business for quite a long time, and the Senate devoted time to it to the exclusion of other business for some days, and finally, as the result of that investigation and all of that debate by the Senate, the bill passed the Senate in the same form in which I reintroduced it at this session of Congress.

When it was reintroduced and referred to the committee, instead of the committee taking the action that I anticipated would be taken, it was referred to a subcommittee. There was some opposition; of course, there always had been some opposition from some members of the committee. But it was thought that by referring it to a subcommittee with a view of suggesting amendments to it the opposition might be allayed, and that we might, by compromising in some way, reach a unanimous conclusion.

So the bill was delayed for some time. The subcommittee reported it and made quite a number of recommendations which were agreed to by the full committee and the bill was reported by me to the Senate and is now on the calendar, being Calendar No. 39, Senate bill 650. After it had been reported to the Senate the House passed a similar bill and it came over to the Senate. That bill was referred to the Committee on Agriculture and Forestry, of course, as a matter of form.

The Senate committee having already reported one bill with several amendments, the House having passed a bill on the same subject, and that having been referred to the Senate committee, the committee decided, as I think everybody will agree they ought to have decided, that the parliamentary situation was then such that they ought to take up the House bill rather than the Senate bill. So I was instructed by the Committee on Agriculture and Forestry to report back the House bill with an amendment striking out all of the House bill after the enacting clause and inserting in lieu thereof the Senate bill as amended by the Committee on Agriculture and Forestry.

That is the condition of the bill that is now before the Senate. I thought I ought to make that much of an explanation because I have received very many inquiries from Senators as to why we are taking up the House bill instead of the Senate bill.

Mr. KNOX. Mr. President—
The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. NORRIS. Certainly.
Mr. KNOX. May I inquire if the bill as passed by the Senate at the last session has received similar treatment in the committee of the House? Was the Senate bill stricken out and the House bill substituted as an amendment?

Mr. NORRIS. Yes; that was done. Of course, the Senator appreciates, as I think we all do, that that was the proper procedure and that the Senate Committee on Agriculture and Forestry would have been subject to criticism had they undertaken now to take up the Senate bill, because we would be in the position then of the House having passed one bill and then afterwards the Senate passing another bill, and there would be no way of getting the two Houses together.

Mr. KENDRICK. Mr. President, I wish to remind the Senator from Nebraska that the Senate bill was considered in detail by the Committee on Agriculture in the House and every amendment offered to the bill was voted down during that consideration.

Mr. NORRIS. During consideration in the committee?

Mr. KENDRICK. Yes; every amendment offered in the committee was voted down, and when the bill had been passed upon to the last stage a vote was taken and the House bill substituted for the Senate bill, and it was so reported to the House.

Mr. NORRIS. We now have before us the House bill, with one committee amendment. That committee amendment is the Senate bill which I have mentioned, Calendar No. 39, Senate bill 659, just as it was printed, with the exception of one committee amendment that was agreed upon by the Senate Committee on Agriculture and Forestry after the Senate bill had been reported to the Senate. It is absolutely correct to say, and is the exact fact, that the amendment proposed by the committee is the Senate bill as amended by the Committee on Agriculture and Forestry.

I think I ought to say now, in answer to a great many inquiries of Senators and to some criticism—

Mr. SIMMONS. Mr. President, I do not know that I quite understood the Senator. Am I correct in understanding that the one amendment which the committee made to the House bill is to substitute the bill which the Senate passed at the last session?

Mr. NORRIS. Yes; as amended by the Committee on Agriculture and Forestry.

Mr. SIMMONS. It is substantially the same bill?

Mr. NORRIS. It is substantially the same, and I will point out the difference.

I was about to say, when the Senator from North Carolina interrupted me, that when the bill was reported by me on behalf of the committee at this session there were a great many requests that came to members of the committee, particularly to the chairman, and also to a great many Members of the Senate, for hearings on the bill. A great many Senators wondered why the committee would not have any hearings. I think the explanation I have made of what the committee had done is a sufficient reason why the committee decided, as it decided unanimously, that they would have no further hearings.

That was agreed to by those who favored the legislation and by those who opposed it. We felt that we had exhausted the subject as far as hearings could exhaust them, and had at least exhausted the members of the committee, although we were flooded with telegrams and requests, and for days I was continually explaining to Senators why the committee was so cruel as not to permit further hearings. I think practically all the great packers wired and wrote to a great many Senators, and a great many small packers and some shippers and some commission men did likewise, demanding that hearings be held.

There is no doubt that the men engaged in the packing business could continue hearings for the next 10 years, and probably we would have been able to get some further useful information, and it is true that some time had elapsed since the last hearings; but the committee without an exception and without any objection decided that they would not hear anyone and that they would proceed with the consideration of the bill without any hearings. Therefore whatever criticism, if any, can be attributed to them for taking this course, can be attributed. I merely desire the facts to be known. The reason why we declined to have hearings was because we felt that we had gone very much further than we could reasonably be expected to go in having hearings.

The various bills, as they were introduced from time to time, varied in some of their administrative features and varied in some of their legal propositions. The committee took the legal advice of a very able lawyer with reference to the legal provisions contained in the bill, when they finally reported the last bill, the one which was passed in the last Congress. We had, sometimes after compromise and conference, changed our ideas as to some of the administrative features. I think it is safe to say that the bill in all its details was perhaps not satisfactory to any one of the persons who were active in putting it together.

There was one time when the Senate bill provided for one method of enforcing the law which was afterwards changed and then changed back again. The bill as it finally passed through the Senate at the last session provided for the administration of it by a commission of three men to be appointed by the President and confirmed by the Senate, each of them drawing a salary of \$10,000. It was in that form that it passed the Senate. When it went back to the committee at this session of Congress the committee decided to change that administrative feature and to eliminate the commission and put in a commissioner, one person to be appointed by the President and confirmed by the Senate.

Personally, I think I would have preferred it in the other form, but there was some very strong opposition to it in that form because it created a new commission; and there is a good deal of argument, of course, in these times that can be made logically against such a provision. We reduced the salary to \$7,500 a year and provided for a commissioner whose term of office would be five years. It is the theory of those who are favorable to the legislation that the commissioner shall be entirely removed from politics, and they fixed his term of office with that in view in order that he shall become an expert on this question.

Although when we began the discussion I was originally opposed to a commission, I later came to that conclusion, because I believed, after all the consideration we had given to the subject, that it was such a large undertaking, that the packing industry was so extensive and so connected up with the cost of living and with all the people of all kinds and with all communities that it would be desirable to have a permanent commission of men who would eventually become experts on that subject. It was provided that the members of the commission should devote all of their time to the business. It was intended that they should become and keep themselves posted as to the supply of all kinds of stock, when it would be ready for shipment, so as to know in advance and give information as much as they could in advance as to what kind of stock and what quantity of stock would be forced on the market in any given length of time.

One of the reasons for some of the difficulties that existed in the past was because there has been no reliable source of information through which the public could gain a knowledge of just what future conditions were likely to be, how much stock of various kinds was going to be put on the market, how much of other kinds, and when it would be in marketable shape. I believe that that was one of the important features considered in an effort to take away the uncertainty of the market, to stabilize it as much as possible, and to provide a governmental source, an unprejudiced source, of information that would be accessible to everybody. Such a condition has not existed in the past, but I think a thorough study of the subject will convince any unbiased mind that not all the difficulties, of course, but a great many of the uncertainties of the market and the wild fluctuations that have sometimes taken place have in part been caused by false reports as to conditions in the country, or ignorance on the part of the buyer or the shipper as to conditions when looked at from the viewpoint of the entire country. We thought that a commission having nothing else to do, required to devote their entire time to that matter, would in a few years be able to give to the country reports and information upon which everybody would not only rely but would have a right to rely and could rely with perfect safety. These administrative features are still in the bill as the committee has reported it, but to carry them out there is a commissioner provided instead of a commission of three men.

It is realized, Mr. President, that the execution of this proposed law can be made effective, either for good or bad, depending upon the men who administer it. An evil result might be conceived of, and, it is possible, if the commissioner did not do his duty or his position became one of partisan politics and was given to a man for political purposes rather than because of efficiency, the good he might otherwise accomplish would be to a great extent nullified. Not only was it the duty of the commission under the former bill, but it will be now under the provisions of the Senate bill the duty of the commissioner to disseminate the information after he has acquired it; but it was believed that the commission, now the commissioner, would become familiar with all of the difficulties of the packing situation; that he would have access to the packers' books; that he would have general supervision of the business, and would be in a position to ascertain exact conditions, and in that way would be able to submit reports in which the shipper, the consumer, and the packer would all have absolute confidence.

The commissioner is given powers to which some people object; and there are, of course, many arguments, with many of which I have a great deal of sympathy, against officials of the Government interfering in business of this kind; but, Mr. President, the product of the packing industry of this country enters every home; it reaches every individual; it has some thing to do with the cost of living for every citizen; its ramifications extend everywhere; and if we are going to get any information, if we are going to have any supervision of this business which is effective, which can accomplish any good for the people generally, sufficient power must be given, whatever Government instrumentality is used for the purpose, in order that the Government officials who are appointed to execute the law may go into the details of any matter which may be connected with the packing industry. I do not believe, however, that any power is conferred on the commissioner by the Senate bill beyond that which is necessary to fully execute the intent and purpose of the law.

Mr. McNARY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. NORRIS. I shall yield in just a moment.

Although undoubtedly a great many powers are given which probably never will be utilized, the necessity of being able at times to exercise them I think will appeal to those who want any regulation of the packing business. Now, I yield to the Senator from Oregon.

Mr. McNARY. The Senator from Nebraska speaks of the powers vested by the bill in the commissioner. I think, properly speaking, the powers are vested in the Secretary of Agriculture, who is the principal, and the commissioner is only the agent and instrumentality through whom the Secretary of Agriculture works.

Mr. NORRIS. Probably I should modify my statement in that way, although I still maintain that there are a great many things which the commissioner may do, and which I think he ought to be permitted to do, which the Secretary of Agriculture can not control.

The House bill, Mr. President, while it differs from the Senate bill very greatly in many respects as to the matter of the regulation of the business, puts the regulatory power in the hands of the Secretary of Agriculture. At first blush to an ordinary person I think that course might appeal as being desirable, and, indeed, it does appear to a great many people after full consideration that that would be desirable. To my mind, however—and I think that is the view of the committee of the Senate—perhaps a good many of the administrative features of the bill would be nullified if the House bill prevailed, even though many of the Senate provisions were retained in the bill.

I hope that what I am about to say concerning the Secretary of Agriculture will by no one be construed to mean that I have reference to any particular Secretary of Agriculture. I do not think there is a Senator in the Senate who has more confidence in the present Secretary of Agriculture than have I; so that I am not speaking of a man, but I am trying to speak in a much broader sense; but, as everybody knows, the Secretary of Agriculture is appointed, as a rule at least, in part from political motives; at any rate, we could not expect the President to appoint a Secretary of Agriculture whose only qualification was his ability to execute the pending bill if it were enacted into law. The Secretary of Agriculture can do but very little personally except to supervise in a general way the administrative features of the law. The Secretary of Agriculture changes with every administration and oftener than otherwise during one administration. So that we should not long have, under the provisions of the House bill, the supervision of any one Secretary of Agriculture who would really ever become personally familiar with the details of the work as we should have if a man should devote his entire time to it and was not considered a political partisan appointee.

There are a good many other features of difference between the two bills; but, speaking in a general way, I think it may be fairly said that the House bill is not so drastic as is the Senate bill. I think it will be found that Senators who are opposed to any legislation on this subject will be advocating the House bill.

Let me say here, Mr. President, that I say that without meaning any disrespect to Senators. I am not finding fault with the Senator who favors the House bill; I am not finding fault with the Senator who opposes any legislation on the subject; I am not questioning any Senator's motives; but I think I ought to say that, as a general proposition, those who are opposed to legislation on this subject or who are opposed

to any regulation by the Government of the packing industry will be found fighting in the Senate for the House bill.

There is one feature of the Senate bill which I think I ought to mention now. It is a separate title and has no direct connection with anything in the bill; it could be stricken out of the bill without interfering in any way with any of its other provisions. It is a title that permits what are termed "voluntary slaughterhouses" for meat products. It is an experiment in this country. It provides that a municipality may establish a slaughterhouse to which persons having cattle, sheep, or swine to slaughter may bring them for slaughter without giving up the title to the property, and the meat thus derived may be stored and kept in refrigerators by paying a charge for the work that is done, whatever it may be. We were informed that in some cities in Europe such a system had been very successful, and that a number of cities desiring to go into the business had provided public slaughtering houses. The facilities afforded vary in degree; in some instances they go to the extreme of having all the modern methods on a large scale provided for slaughtering, refrigerating, and curing meats of all kinds. It was stated that such activity on the part of the municipality resulted in bringing into the community from the surrounding country, as well as being shipped in from more distant places, stock of various kinds to be slaughtered and the meat, to be cured, the owner paying a commission for the service afforded.

In order to prevent the right being abused, the Senate bill provides that a municipality or corporation or individual entering into this kind of business shall not be allowed to take title to any of the meats derived from the animal which is slaughtered.

Mr. President, there is another quite important difference, I think, between the two bills. The House bill—and there are some things about it I do not understand; some of the definitions I have not yet been able to grasp fully—if passed, as I understand it, will take away from the Federal Trade Commission all of its power and jurisdiction over packing establishments of every kind, whereas, if the Senate bill is passed, it will in part take away such power and jurisdiction. The Senate bill provides that when the act shall become operative—that clause is found in section 5, if Senators care to read it—the jurisdiction of the Federal Trade Commission in domestic commerce in connection with the packing industry shall cease except in any case where the President of the United States, the Secretary of Agriculture, the House of Representatives, or the Senate shall ask that they make an investigation.

Mr. President, unless there is some question desired to be asked, I do not know that I care to go into any further explanation of the bill at this time.

Mr. STANFIELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. NORRIS. I yield.

Mr. STANFIELD. I should like to ask the Senator if in the hearings before the committee there appeared any insistent demand upon the part of the producers that legislation of the kind now proposed should be enacted, or whether there was disclosed any particular desire for such legislation?

Mr. NORRIS. In answer to the Senator, while the judgment of different men might not agree, I will say, so far as my judgment goes, there was a very insistent demand from producers, from stockmen, and from consumers for the enactment of the proposed legislation. The Women's Consumers' League made a campaign all over the country a year ago in behalf of legislation of this kind. There were, however, some producers, some of whom testified before the committee, who were satisfied with present conditions, and did not want any legislation enacted on the subject.

Mr. STANFIELD. The reason why I ask the question is because I happen to be a member of some western live-stock associations, and I know that our associations are uniformly opposed to this character of regulation.

Mr. NORRIS. That reminds me of another matter that developed in the investigation. The Senator from Wyoming [Mr. WARREN], who has been a member of live-stock associations all his life, knows more about their operations than I do, but I was impressed in the hearings by the fact that the so-called big packers were always active with the live-stock associations, and very often succeeded in their efforts. We had before us instances of officers of associations who had gone on record once as favoring such a law as is proposed, but who changed their minds after the packers had been working with them. I do not know that I care to go into that, but it is a fact, I think developed in the hearings, that in the case of nearly every live-

stock association throughout the country there was an attempt made, at least, by the packers to control their action.

I say that without any criticism of them. They had a perfect right to do it, but I know I was impressed with the idea that the live-stock associations had been on all sides of this proposition, or at least many of them had.

Mr. STANFIELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska further yield to the Senator from Oregon?

Mr. NORRIS. I yield.

Mr. STANFIELD. I should like to ask by what method the packers controlled the individual live-stock producer or the individual member of an association?

Mr. NORRIS. They had various ways of doing that, and if we go into that it will probably lead to quite a lengthy discussion. I have in mind now some that they controlled by lending them money. I have in mind instances where attorneys who were influential in various quarters, not only with live-stock associations but with legislatures, were put on the pay roll for no other purpose than something of that kind. I remember an instance that came, I think, from Texas, where the editor of a paper bought the paper and borrowed the money from two of the packers, Swift and Armour. He bought a paper that had not been friendly to the packers, and when his note came due and he asked for an extension, I remember the letter which called the attention of the packers from whom he was asking an extension, to the policy of the paper "before taking and after taking."

There are endless ways in which these attempts might be made to influence associations or anybody else. I did not intend to go into that subject, and do not intend to do so in debate here, because it is only a sidelight, I admit, after all.

Mr. SIMMONS. Mr. President, I should like to ask the Senator a question. Have not the big packers established, in different sections of the country, branch establishments?

Mr. NORRIS. Oh, yes.

Mr. SIMMONS. Small local packing houses?

Mr. NORRIS. Yes.

Mr. SIMMONS. The influence of those different branch establishments has also been utilized by them in their fight against this bill, has it not?

Mr. NORRIS. Yes; I think that can be safely said.

Mr. SIMMONS. Does the Senator know to what extent they have established those branch houses?

Mr. NORRIS. I do not know just what the Senator means by "branch houses."

Mr. SIMMONS. The packing houses in South Carolina, for instance. I understand that they have established there one or two local packing establishments that are quite extensive.

Mr. NORRIS. There are not so very many of those. Of course, the larger packers have often established even retail butcher shops in various places through the country, but the packing houses proper are not very numerous.

Now, Mr. President, if there is not anything further, I suppose we must go through the formality of having this amendment read; and I ask that the Secretary may proceed to read it.

Mr. STANFIELD. Mr. President, may I ask the Senator another question?

Mr. NORRIS. Certainly.

Mr. STANFIELD. In your investigation, what developed relative to the profits of the packers? How did you find what the profits were, or was that question gone into?

Mr. NORRIS. Yes; that was gone into very fully. I have here some information on the general development of it. It was very fully brought out; and I thought that during the course of the debate here, if it were called for, I would probably go into it to some extent. I did not intend to take it up to-night. It would take some time if I went into the subject, but I should prefer to let the debate proceed for a while, and I will decide then how far I will have to go into it in answer to questions or suggestions.

Mr. STANFIELD. The question involves a very broad scope.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. In just a moment. Of course, the development of the packing industry is a story by itself. It has been a wonderful development, and the profits as a rule have been great. There is not anything in this bill that attempts to limit the profits or control the capitalization in any way.

Mr. SMOOT. I was going to ask the Senator if it would not be better to read the bill to-morrow, when we will have more Senators present than we have now. It is not very long, and it will not take a great while to read it to-morrow.

Mr. NORRIS. I will say to the Senator that the only reason why I want to have it done to-night is that I think there are about as many Senators here now as we will get at any ordinary time, and it will expedite business. I am not going to move to take a recess; but just as soon as the amendment is read, if it is read, I am going to move to adjourn, and to adjourn until 12 o'clock, and have a morning hour, so that several Senators who have some little matters they want to call up can probably get them up during the morning hour.

Mr. SMOOT. It would save only about 10 minutes. Why not do it to-morrow morning when we begin to discuss the bill? It is not the 10 minutes that I care about.

Mr. NORRIS. We shall have to have the amendment read. Nobody cares anything about the Secretary reading it, but I want him to do it and get it out of the way; that is all.

Mr. SMOOT. If that is the case, why not waive the reading of it?

Mr. NORRIS. I have no objection.

Mr. SMOOT. It is just one amendment.

Mr. NORRIS. Then, Mr. President, I ask unanimous consent that the reading of the bill for amendment be dispensed with.

The PRESIDENT pro tempore. The Senate has already agreed that the formal reading of the bill shall be dispensed with.

Mr. NORRIS. That was only the formal reading. If the Chair holds that that applies to the amendment, I am content.

The PRESIDENT pro tempore. It is in order now to read the proposed amendment of the committee.

Mr. SMOOT. The result will be that some Senator will come into the Chamber and say: "What is the pending amendment?" There is only one amendment, and he will ask that it be read, and it will be read again, and we will lose just that much time. That is all I care about.

Mr. NORRIS. I do not believe that will occur. There will be other amendments offered.

Mr. SMOOT. Then let it be read.

Mr. NORRIS. The Senate committee substitute is subject to amendment as well as the House text, and this is what will happen: We will proceed to take up amendments that may be offered to either bill until they are exhausted, and when we get through with them the vote will come as to whether we will have the House bill or the Senate bill, which is the only amendment of the committee.

Mr. UNDERWOOD. The Senator withdraws his request, I understand.

Mr. NORRIS. Yes; I guess so. As no Senator desires to speak on the subject to-night, I move that the Senate adjourn. The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Friday, June 10, 1921, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 9, 1921.

MEMBERS OF THE UNITED STATES SHIPPING BOARD.

Albert D. Lasker, for a term of six years.
T. V. O'Connor, for a term of five years.
Edward C. Plummer, for a term of three years.
Frederick I. Thompson, for a term of two years.
Meyer Lissner, for a term of one year.
Admiral William S. Benson, for a term of one year.

POST OFFICE DEPARTMENT.

PURCHASING AGENT.

Thomas L. Degnan.

PUBLIC LANDS SERVICE.

RECEIVER OF PUBLIC MONEYS.

Galen C. Pond, at Montrose, Colo.

CONSULAR SERVICE.

CONSULS OF CLASS 4.

Leon Dominian.
Arthur C. Millspaugh.

CONSULS OF CLASS 7.

F. Harold Brown.
Alfred T. Burri.
Egmont C. von Tresckow.
Marshall M. Vance.

COAST AND GEODETIC SURVEY.

HYDROGRAPHIC AND GEODETIC ENGINEERS.

Edgar Herbert Bernstein.

HOUSE OF REPRESENTATIVES.

THURSDAY, June 9, 1921.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We have heard Thy voice, O God, and we acknowledge Thy sovereignty; but the mystery is too profound and the issues are too far-reaching for us to measure alone. Give us the spirit that urges us upward. We beseech Thee to instruct, direct, and lift us up to a plane of understanding, that we may be qualified for excellency of service. Every life has its pain, every heart has its shadow, and even every prayer may have its doubt. O make us to feel the touch of Thy wisdom and mercy, with the tenderness of a father's love. Through Jesus Christ our Lord. Amen.

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

ARMY APPROPRIATIONS.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Army appropriation bill, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the Army appropriation bill, disagree to all the Senate amendments, and agree to the conference asked by the Senate. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Kansas what he expects to do with regard to the \$200,000 appropriation placed on this bill by an amendment of the Senate, which is the beginning of a program of expenditure of several million dollars on additional waterworks for the city of Washington?

Mr. ANTHONY. The gentleman refers to the District water-supply project?

Mr. BLANTON. Yes.

Mr. ANTHONY. Or to the Great Falls power project?

Mr. BLANTON. Both. There is an initial appropriation of \$200,000 for each one of them put on this bill by a Senate amendment.

Mr. ANTHONY. I will say to the gentleman that both these propositions will have to come back to the House for consideration before they are agreed to.

Mr. BLANTON. I want to know the gentleman's attitude about them.

Mr. ANTHONY. I know nothing about the power project, and will have to go into it very carefully.

Mr. BLANTON. I ask unanimous consent to extend my remarks in the Record on these two propositions—the Great Falls project and the District water-supply project.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the Record as indicated by him. Is there objection?

There was no objection.

Mr. BLANTON. I have sought this permission, Mr. Speaker, to warn my colleagues of this latest proposal for the extravagant expenditure of more millions of the people's money. By amendments the Senate added \$54,000,000 increases to the deficiency appropriation bill, \$98,000,000 increases to the naval appropriation bill, and \$16,000,000 increases to the Army appropriation bill. Of this last \$16,000,000 there is a proposal to spend \$200,000 as an initial expenditure on a program running ultimately into millions of dollars to provide an additional water supply for the District of Columbia.

The main water conduit that supplies water to this city of 457,000 people was paid for wholly out of the United States Treasury, and wholly by the money of the whole people of the United States, and though the 457,000 people living here have personally reaped the benefit of it through cheap water rates they enjoy, we are continually hearing them clamor for the Government to be made to pay for what water it uses.

No posted person will deny that all during the war we had at least 100,000 people here in Washington more than are here at present, and more than will be here again for a long time. We who have taken the time to investigate know that we now have at least 40,000 surplus employees, civil service and patronage positions, who ought to be separated from the pay roll and sent home. All during the war there was not a day when there was not a great wastage of water in almost every building in Washington, and yet the supply was ample, and no steps whatever were taken to conserve this wasted water by requiring leaky faucets to be repaired. And water is still being wasted here. And I will guarantee that there is not another city in the whole

United States where the water rate is as cheap as it is in the District of Columbia.

But now that the war is all over, and the 100,000 transients have all gone home, and we are daily hoping to disconnect the thousands of surplus employees from the Government pay roll and send them home, and when there is no reasonable probability that in 20 years we will ever again have as many people here as were here during the war, all of a sudden we are called upon to embark into an extravagant program to spend millions to provide an additional water supply. And the people of the United States will be required to pay a large per cent of this expenditure. They have had to pay for the entire water conduit, and for 50 per cent of the operating and maintenance expenses in the past, and will have to pay at least 40 per cent of same in the future.

Until lately the 457,000 people living here in Washington had to pay only 1½ per cent taxes on their personal and real property. Now they have to pay only 2 per cent taxes on their personal and real property, and only three-tenths of 1 per cent tax on intangibles, and are allowed an exemption on \$1,000 for their libraries, wearing apparel, family portraits, and household belongings. There is not another city in the United States with as low a tax rate. After paying the above small tax, then the whole people of the United States are called upon to pay the balance of the city expenses from the Public Treasury.

No wonder this city has become such a mecca for rich tax dodgers. No wonder that practically all the streets are paved for miles and miles, and it is not a long walk between million-dollar bridges. No wonder that we have the finest lighting system in the Nation. No wonder that it is hard to find a real estate dealer who is not a millionaire, and no wonder the real estate men give inspiring banquets. No wonder that citizen committees are continually hammering at Congress to build this and to construct that, when much of the expense is coming out of the United States Treasury.

But the Senate has placed another amendment on the Army appropriation bill to spend \$200,000 in an initial expenditure on a proposed water-power program at Great Falls that is estimated to cost \$60,000,000 ultimately.

Read the following from to-day's Washington Times:

\$200,000 GIVEN FOR INCREASED SERVICE AND \$200,000 FOR GREAT FALLS PLANT.

The project of giving Washington an increased water supply was passed upon favorably by the Senate yesterday in appropriating \$200,000 for this purpose and another item of \$200,000 with which to begin construction on a hydroelectric power plant at Great Falls. Both items were contained in the Army appropriation bill as it passed the Senate.

Senator KING said that the completion of the Great Falls project as outlined in the report of Maj. Tyler would cost ultimately between \$44,000,000 and \$60,000,000, and that, he said, was entirely too huge a sum to authorize without first giving it thorough consideration.

We have all heard that certain business men of Washington have this property to sell up at Great Falls and hope to clean up a fortune by getting Congress to embark on this proposed \$60,000,000 power project. We hear economy preached from the mouth every day. We hear sermons lip deep daily against extravagance. Yet with few dissenting votes the millions are voted out constantly. Note the following report on this Great Falls project, just given me by Mr. J. Edward Cassidy, one of the leading engineers of our country:

JUNE 8, 1921.

HON. THOMAS L. BLANTON, M. C.

House of Representatives, Washington, D. C.

SIR: As a taxpayer and an engineer, I take the liberty of calling your attention to certain features of the water-power project for Great Falls inserted in the Army appropriation bill by the Senate to-day, as per memorandum attached. I wish to say that I have no interest whatever in this matter except as a taxpayer.

Yours, truly,

J. EDWARD CASSIDY.

MEMORANDUM ON THE GREAT FALLS POWER PROJECT INSERTED IN THE ARMY APPROPRIATION BILL BY THE SENATE JUNE 8, 1921.

During the consideration of the Army appropriation bill in the Senate, sitting in the Committee of the Whole, an amendment was introduced by Senator NORRIS providing for an appropriation of \$200,000 to start the work of construction on a hydroelectric project at Great Falls, near Washington, on a project with which no Senator was familiar and a project which is to involve a total expenditure of from \$44,000,000 to \$60,000,000. This amendment was adopted on a division of the Senate with but 17 Members present, 9 voting for the amendment and 8 against it. The bill was later passed without a record vote on this plan to commit Congress to an unknown expenditure on an unknown project, it being conceded that the expenditure would be at least \$44,000,000. This amendment was never before any committee of the Senate or House for proper consideration, and its introduction was so timed by the War Department as to prevent its consideration by a committee of Congress, as it was not introduced until after the Army bill had been reported out of the committee. A study of the measure from a technical and financial standpoint shows quite clearly that the reasons for the handling of the bill in this manner were that it would not bear investigation. This measure has no place in the Army appropriation bill, but was introduced in the manner indicated above, to prevent any investigation being made and to get Congress committed to the scheme before any investigation was possible. I do not believe that there has been

such an audacious attempt by the War Department to raid the Public Treasury in the past history of the country.

If this measure could bear a searching investigation, it would not have been put through in the bald-faced manner in which it has been presented, but would have been introduced in the proper manner as a legislative matter instead of as a rider on a bill to which it does not belong in any sense.

For the benefit of the House Appropriations Committee I wish to present a few comparisons in a general way to show what the Senate proposes letting the taxpayers of the country in for.

In making the comparisons the power for Great Falls is based on the official records for a 15-year period, the average being used.

COST OF PLANT PER HORSEPOWER AS COMPARED WITH OTHER PROJECTS.

The plant cost per horsepower of the proposed project would be about six times the cost of the proposed plant at Muscle Shoals and about five times the cost of the Keokuk, Iowa, project on the Mississippi River.

AMOUNT OF POWER AS COMPARED WITH MUSCLE SHOALS AND KEOKUK, IOWA.

The possible power production of the Great Falls project as proposed would be about one-sixth that of Muscle Shoals and about one-third of that of the Keokuk project.

FINANCIAL ASPECTS.

As noted above, the output of power of the proposed project would be about one-third that of the Keokuk project and the plant cost per horsepower would be about five times as much. Considering the fact that after about 10 years' operation the Keokuk project has not yet been able to pay dividends on its stock issue, the Great Falls project would be a great financial frost with which to burden the Treasury and the taxpayers of the country. If this project is allowed to go through, there is going to be a lot of explaining to the people who have to pay the taxes, and a project which will not bear the light of investigation before its enactment into law will hardly prove to be an easy matter to explain. Another interesting feature of the plans covering this project is that the plans appear to be arranged so as to be of particular benefit to certain financial interests who are interested in power and light projects as well as traction projects all over the country.

This connection may be accidental, but it is painfully apparent.

COST OF POSSIBLE POWER AS COMPARED WITH THE COST OF STEAM POWER.

The Senator introducing this amendment stated that the power produced would be produced at about half the cost of power by the use of coal. On the contrary, with the excessive cost of the proposed plant and the small amount of power (by comparison) possible, the cost would be much greater than the cost of steam power with coal for fuel. In plain English, it is proposed to construct a plant which can only be a liability to the Public Treasury, and this at a time when the whole country is groaning under enormous taxation, waiting patiently for the party which came into power on March 4, 1921, to redeem its promise to reduce taxation.

Counting in the water-power project referred to and the water-supply project, aggregating more than \$50,000,000, the Army and Navy bills as framed and passed by the Senate amount to about \$800,000,000 for next year or a figure about two-thirds of the entire expenses of the Government prior to our entry into the war.

Inasmuch as a large percentage of the House of Representatives must go before the people and account for their work during the next three years, it appears to be logical that the House will be somewhat careful in looking after the interests of the taxpayers, and not accept such a proposition as this involves until after a proper investigation has been made by the proper committees and information other than that furnished by the War Department secured.

Those of you who were present will remember that I opposed these projects when they were before the House, and since then I have learned of no reason for changing my mind. It is an unnecessary, wasteful extravagance and ought not to be seriously considered by the House.

If my colleagues think that the people of the United States are not waked up on the question of economy, they are mistaken. And our constituents are going to hold us responsible for our votes on these appropriations.

We are going to have an opportunity to vote on each one of these two propositions, and I hope that the House will not agree to either one of these Senate amendments.

Mr. GARRETT of Tennessee. Mr. Speaker, I should like to ask the gentleman from Kansas if the minority Members were aware of the fact that he was going to make this request at this time?

Mr. ANTHONY. I understand the gentleman from Mississippi [Mr. Sisson] is ill and has not been on the floor for some time, and I have not been able to see the gentleman from Virginia [Mr. HARRISON].

The SPEAKER. Is there objection?

Mr. GARNER. Mr. Speaker, I think the matter ought to go over until the minority can understand the situation. I do not know what Mr. Sisson may think about this matter or what Mr. HARRISON may think about it; but it does occur to me that before asking unanimous consent to send a bill like this to conference the gentleman from Kansas ought at least to have consulted with the minority Members.

Mr. ANTHONY. Will it be satisfactory to the gentleman if I make the statement that we will not go into conference until Mr. Sisson and Mr. HARRISON are agreeable?

Mr. GARNER. I understand that, but you will already have gotten consent. You can get the consent later this afternoon. Mr. Sisson was on the floor the other day. I saw him last

night. I do not know whether he wants to go on the conference or whether he would want some one else to take his place.

Mr. ANTHONY. I would not desire to go into the conference without Mr. Sisson.

Mr. GARNER. Probably the gentleman is right, but he could do that just as well later this afternoon, after Mr. Sisson has been consulted.

Mr. ANTHONY. It is a mere formality.

Mr. BLANTON. Will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Texas.

Mr. BLANTON. The Senate placed additions of \$53,000,000 on the deficiency bill and \$98,000,000 on the naval bill. How much additional have they placed on this Army bill?

Mr. ANTHONY. I understand about \$14,000,000.

Mr. GARRETT of Tennessee. In view of the fact that the gentleman from Kansas states that he would not want to go into conference without knowing who the minority conferees will be, and in view of Mr. Sisson's physical condition, I hope the gentleman will defer making his request until this afternoon after the committee rises, and in the meantime I will try to get in touch with the gentleman from Mississippi [Mr. Sisson].

Mr. ANTHONY. I will do that.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 5010) making appropriations for the support of the Army for the fiscal year ending June 30, 1922, and for other purposes, had requested a conference with the House of Representatives on the bill and amendments, and had appointed Mr. WADSWORTH, Mr. SUTHERLAND, Mr. NEW, Mr. FLETCHER, and Mr. MCKELLAR as the conferees on the part of the Senate.

VETERANS' BUREAU.

On motion of Mr. WINSLOW, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6611) to establish in the Treasury Department a veterans' bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act, with Mr. ANDERSON in the chair.

The CHAIRMAN. When the committee rose there was pending an amendment by the gentleman from Indiana [Mr. BLAND], which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Indiana: Page 5, line 10, after the word "exceeding," strike out the word "fifty" and insert in lieu thereof the words "one hundred and forty."

Mr. WINSLOW. Mr. Chairman, is it in order for me to make a motion to limit the time for debate?

The CHAIRMAN. It is.

Mr. WINSLOW. I move, Mr. Chairman, that debate on section 6 and all amendments thereto be terminated in 30 minutes.

The CHAIRMAN. The gentleman from Massachusetts moves that the debate on section 6 and all amendments thereto close in 30 minutes.

Mr. BLAND of Indiana. Mr. Chairman, I move to amend the motion by making the time 45 minutes.

The CHAIRMAN. The gentleman from Indiana moves to amend by making the time 45 minutes.

Mr. FISH. Mr. Chairman, is it in order to offer a substitute?

The CHAIRMAN. It is.

Mr. FISH. I offer a substitute that the time be extended to one hour.

The CHAIRMAN. The gentleman from New York moves a substitute to the amendment of the gentleman from Indiana that the time be extended one hour.

Mr. BLAND of Indiana. I accept that.

Mr. MACGREGOR. A parliamentary inquiry, Mr. Chairman. The CHAIRMAN. The gentleman will state it.

Mr. MACGREGOR. I have an amendment that has not yet been read. Will that be included within the limit of time?

The CHAIRMAN. The Chair thinks if the gentleman is recognized within the hour he is entitled to offer his amendment.

Mr. MACGREGOR. Suppose I am not recognized.

The CHAIRMAN. The gentleman would be recognized for the purpose of offering an amendment, but if the time expires the gentleman would not be in order to debate the amendment.

Mr. LAYTON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. LAYTON. Do I understand that amendments will be in order at any time within the hour?

The CHAIRMAN. The Chair thinks so.

Mr. BLAND of Indiana. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

Mr. RAYBURN. I object.

Mr. RANKIN. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. I have an amendment to offer to this section, and I would like to know whether or not it would be proper to offer it and submit a statement within that time.

The CHAIRMAN. The gentleman would have the right to offer the amendment to the section, but if the time had expired he would not have the right to debate it.

Mr. RANKIN. Would a substitute for the amendment of the gentleman from New York be in order?

The CHAIRMAN. An amendment to the substitute.

Mr. RANKIN. I offer an amendment to the substitute that the time be extended to two hours.

Mr. FISH. And the gentleman from New York accepts that.

The CHAIRMAN. The gentleman from Mississippi offers a substitute to the amendment of the gentleman from New York that the time for debate on this paragraph and all amendments thereto be limited to two hours.

Mr. BARKLEY. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Does the Chair hold that on a motion to limit debate endless amendments may be offered under the guise of a substitute?

The CHAIRMAN. The Chair holds that all the amendments that are in order have now been offered, and the question, therefore, comes on the amendment to the amendment offered by the gentleman from Indiana [Mr. BLAND] that the time for debate on this paragraph and all amendments thereto be closed in 45 minutes.

Mr. BLAND of Indiana. Mr. Chairman, I ask that I be permitted to withdraw my amendment and substitute the amendment of the gentleman from New York.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to withdraw his amendment. Is there objection?

Mr. RANKIN. I object.

The CHAIRMAN. The question is on the amendment of the gentleman from Indiana to the motion of the gentleman from Massachusetts.

Mr. STEVENSON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. STEVENSON. Suppose the amendment of the gentleman from Indiana is adopted, then can we go ahead and vote on the substitute for that amendment after we have adopted it? What becomes of the substitute offered by the gentleman from New York?

The CHAIRMAN. The Chair thinks so.

Mr. BLAND of Indiana. Is not the first question on the proposition for two hours?

The CHAIRMAN. No; the first question is on the amendment offered by the gentleman from Indiana that debate on this section and all amendments thereto close at the end of 45 minutes instead of 30, as proposed by the gentleman from Massachusetts.

Mr. BLAND of Indiana. When will we vote on the amendment offered by the gentleman from Mississippi making it two hours?

The CHAIRMAN. The next question will be on the substitute. The question is on the amendment offered by the gentleman from Indiana.

Mr. FISH. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. FISH. If the vote is in the affirmative for the amendment of the gentleman from Indiana for 45 minutes, if that prevails, then can we offer an amendment to extend it to two hours?

The CHAIRMAN. The Chair thinks the next question in order would be a vote on the substitute, which would be the 2-hour proposition.

Mr. FISH. If this prevailed, should those who desire the 2-hour extension of time support the 45-minute amendment?

The CHAIRMAN. The Chair thinks that is not a parliamentary inquiry. The question is on the amendment of the gentleman from Indiana to the motion of the gentleman from Massachusetts, and on that the gentleman from Indiana demands a division.

Mr. BLAND of Indiana. Mr. Chairman, I withdraw the demand for a division.

The CHAIRMAN. The Chair thinks it is too late to withdraw the demand for the division.

The committee divided; and there were—ayes 93, noes 0.

So the amendment of Mr. BLAND of Indiana to the motion of Mr. WINSLOW was agreed to.

The CHAIRMAN. The question now recurs upon the amendment of the gentleman from Mississippi [Mr. RANKIN] to the substitute of the gentleman from New York [Mr. FISH] that the time for debate on this section and all amendments thereto close at the end of two hours.

The question was taken; and on a division (demanded by Mr. CAMPBELL of Kansas) there were—ayes 58, noes 59.

Mr. STEVENSON. Mr. Chairman, on that I demand tellers. Tellers were ordered; and Mr. WINSLOW and Mr. RANKIN were appointed to act as tellers.

The committee again divided; and the tellers reported—ayes 61, noes 74.

So the amendment of Mr. RANKIN to the substitute of Mr. FISH was rejected.

The CHAIRMAN. The question now recurs upon the substitute of the gentleman from New York to the motion of the gentleman from Massachusetts, as amended, to limit the debate to 1 hour instead of 45 minutes.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question now is on the motion of the gentleman from Massachusetts as amended.

The motion was agreed to.

Mr. CHALMERS. Mr. Chairman, it seems to me that this is the important section of this veterans' bureau bill. The bill as I understand it is to put in operation decentralization, to get the service of this bureau down to the boys who need the service, to carry the service back home to them in their own neighborhood, where they can have it first hand. After some thought on this subject and some investigation my opinion is that that can not be done with 50 suboffices in the United States. Before gentlemen vote for this section as it now stands I suggest that they investigate the condition of affairs in their own districts. When this bill was presented to the House I did not know, first hand, the conditions in my own district, but I have studied them since, and I have found out something about them. I hope that all of you who do not know what this will do to the boys in your own districts will vote against this section as it stands now, at least until you find out what is happening.

I represent the Toledo district, and I find that we have a suboffice in Toledo, Ohio, which would go out if this section, as it stands, is agreed to. We have 442 maimed ex-soldiers in our city, in this district, who are being educated now, to-day, by that suboffice. There are three placement officers, with offices in the Nasby Building, who are out among those boys all of the time, helping them in their school work, helping them to get through training, so that they can go on and do a man's work. They are placing these boys in the factories and in the stores of Toledo. They are placing them in barber shops and are preparing these men so that they can earn an honest living—442 of them in Toledo alone. But that does not tell half the story. There are some 1,300 boys in the Toledo district that these three placement officers keep in contact with from day to day and week to week.

These placement officers in that district and the placement officers in other districts receive a salary of \$200 per month, \$2,400 a year. They are allowed \$5 a day for traveling expenses, and they are allowed also their railroad fare. We have 20 counties in northwestern Ohio in the Toledo district. These placement officers are out among these boys all of the time, keeping in touch with them, placing them in jobs, as soon as they are able to do the work, standing by them until they are able to stand alone and go alone and do a man's work, no matter where they are. Are you going to cut these boys off, are you going to send them 215 miles down to Cincinnati, in order that they may receive service? That is what you are going to do if you vote for this section as it stands. Beyond that, you are going to make it more expensive for the Government. The expense of travel coupled with the loss of time in covering a large district is greater than the expense of maintaining suboffices. I find out from the Director of the Bureau for Vocational Training that the principal element of decentralization is to eliminate travel. That is the key to the whole situation—to eliminate travel, time, and expense. Here we have all told about 2,000 boys in the Toledo district who are being served by this substitution that you would cut off permanently from this service. They can not go to Cincinnati. Many of them would die on the way.

There is no charm in the number 50. Why not leave the number as it is now at 140? Why not give the administrative officer some discretion in his executive capacity?

As I understand, it is the intention to make Col. Forbes the Assistant Secretary of the Treasury in charge of the veterans' bureau. In my judgment no more suitable appointment could be made. Since Col. Forbes has been in charge of the War Risk it has made remarkable strides toward efficiency. Then

do not tie his hands. Let him have something to say about service.

A gentleman of the committee says he is not an expert. He does not know just how many offices should be opened. Well, let me say to the gentleman from Indiana, I have asked the opinion of a man who does know—the greatest expert in this country, the man who is chief of industrial relations for the Federal Board for Vocational Education. Yesterday I asked Capt. H. L. Brunson what he would do if the number of sub-offices should be reduced from 140 to 50. Mr. Brunson's answer was, "Mr. CHALMERS, God knows!"

I read in my home paper of yesterday of four funerals held in Toledo in one day for World War heroes—John P. McNeerney, 23; Arthur Daly, 21; Tony Woblewski, but 17 when he enlisted in the service; and Vernon McCune. We can not bring these martyrs back to life, but we can take care of their comrades who have come back to us maimed and crippled. They do not want to be State charges. All they ask of us is to show them the way to become self-supporting citizens. There are 2,000 of them in the Toledo district, and now, just as they are beginning to rise into the sunshine of hope, by this vicious section you are knocking the crutches out from their support and letting them fall back into dismal despair.

I ask you to vote down this number 50 and leave the number as it stands now—140.

Mr. RAYBURN. Mr. Chairman, before I proceed I ask unanimous consent that the amendment of the gentleman from Indiana [Mr. BLAND] may be again reported.

There being no objection, the Bland amendment was again reported by the Clerk.

Mr. RAYBURN. Mr. Chairman, in five minutes, of course, it is impossible to say much about this situation. I myself have been very doubtful from the beginning whether or not the decentralization of the Bureau of War Risk Insurance is a wise thing. Those in charge of the bureau, those in charge of the rehabilitation division of the Federal Board, those in charge of this part of the Public Health Service, and the American Legion, all believe that some decentralization at Washington is necessary. I finally yielded on the proposition, as did the committee, to give 14 regional offices, the number that the Public Health Service has in the country and the number, I understand, that the Vocational Board has. In the original Wason bureau the regional offices were given no power whatever to pass finally on claims, either for insurance, compensation, or anything, but under the Wason bill the regional offices and sub-offices were provided simply to gather information and try to help the service men with his papers before they came here, and prevent delay. This bill provides for further decentralization and that these 14 regional offices shall have the power to make awards in compensation, insurance claims, and so forth. It provides for 50 suboffices as auxiliary to the regional offices. I myself think that is enough suboffices. I believe that the more of these offices you establish the harder it will be at the end of the 5 years or the 10 years, or whatever time we set, to get this system done away with.

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

Mr. RAYBURN. No; I can not yield in five minutes. The situation in Indiana is one of the situations that we want to do away with. We want to get away from giving somebody the power to go out and indiscriminately establish suboffices.

In Indiana they say they have three or four suboffices under some department of the Government which we may do away with. Well, if they had a dozen of them in Indiana or a dozen in Ohio, of course they would be here to-day wanting to raise the number up to a point that would cover all the offices in that State. It matters not whether it is for one proposition covered under this bill or for all propositions covered under this bill. I want to submit what is going to happen. Some men here want all of these little suboffices over the country given power to make final adjudication on claims, insurance compensation, and vocational rehabilitation. I think that would be a serious mistake. Now, in the 14 regional offices they are given the power to pass upon claims finally. Do you know what is going to happen? Every soldier whose papers are filed and whose case is passed upon by a regional office, much less a suboffice, if he is aggrieved, what is he going to do? He is going to appeal that case, he is sending to his Congressman, and ultimately 90 cases out of 100 will come to Washington anyhow. I do not believe the amendment will be of service to the ex-service men, but will bring about more delay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWEET. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The amendment may be read for information.

Mr. SWEET. That is the purpose of it.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Page 5, line 24, after the word "training," insert a new paragraph, as follows:

"The regional offices and suboffices, with all authority to establish such offices, shall terminate on June 30, 1926, and upon such termination all records and supplies pertinent thereto shall be delivered to the central office."

Mr. SWEET. Mr. Chairman, after conferring with members of the committee and also some of the Members of the House, it is the general consensus of opinion that this amendment be introduced. The question of vocational training, of hospitalization, and also questions pertaining to the adjustment of compensation, will be practically disposed of by that time, and it is thought that if the House or the Congress makes any mistake in the question of decentralization that at the end of five years, without any further legislation, all the regional offices and sub-offices would be abolished and the whole matter again come back to the central office in Washington. I yield back any time I have remaining.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. Do we have to wait until the conclusion of the hour's debate before voting on any of these proposed amendments?

The CHAIRMAN. The Chair thinks that is the parliamentary procedure under the practice of the House.

Mr. ARENTZ. Mr. Chairman and fellow members of the committee, your committee having in charge the Sweet bill, H. R. 6611, have attacked the problems presented with full knowledge of the needs of the ex-service men and the absolute necessity of making more workable the departments of our Government having to do with the rehabilitation, payments of insurance, and vocational training of these men—men who want only what is their due.

During the past year the Sweet bill has been discussed wherever ex-service men congregate, in every legion post throughout this broad land of ours. I congratulate your committee for placing before us such a piece of remedial legislation. We are all for it, and I feel sure that any suggested changes or amendments made therein spring from the heart of the Members of the House offering them.

We want the soldiers of the World War taken care of now, at once. We feel that the director of the veterans' bureau should be unhampered in his work throughout the Union for a term of years. It is my opinion that the work of this bureau will reach its peak within a year. It will then show a steady decline. We now have throughout our country approximately 140 stations similar to what are called suboffices in this bill. To permit of a proper functioning of the bureau we should not have a lesser number for a term of years. Many States should have a regional office and two or more suboffices. No State should have less than one suboffice.

If there ever was a time to not only speak but to practice economy, it is now. The care of the ex-service men and economy are not to be spoken of in the same breath. To take care of the ex-service men with 100 per cent efficiency at once is true economy. By practicing this form of economy now we obtain in return love of country and flag; undying devotion to everything making up this glorious country of ours, its tradition, its laws, and institutions, in the hearts of the sons and daughters of ex-service men and their sons and daughters through generation and generation.

True economy does not consist in the retention of offices after they cease to render service. The ex-service man does not now or ever desires to have these regional or suboffices adding to the expense of our Government a single day after they cease to perform the work for which they were created. The law, the purpose, the emergency, giving these offices birth is clear to us all to-day. Years from now these will become very indistinct through the mist of time and political expediency. These offices must never become mere political plums.

For this reason I am in favor of limiting the life of the State branches of the veterans' bureau to five years. It makes little difference to the ex-service man whether the director of the veterans' bureau is an Assistant Secretary of the Treasury or a Cabinet member or what not, just so that he has the needs of the ex-service man at heart, is deeply sincere, and has behind him some real constructive achievement to his credit and a decided punch in his activities—in other words, a real live man on the job. Then and only then will the regional and suboffices function to the everlasting gratitude of the boys who stepped out of the life of peace into the hell of war. [Applause.]

Mr. ROGERS. Mr. Chairman, I desire to offer an amendment and ask that it be read for information.

Mr. RANKIN. Mr. Chairman, I have an amendment which I would like to have read by the Clerk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Page 5, line 14, strike out the sentence beginning on line 14 and ending on line 22, and insert in lieu thereof the following:

"Such regional offices shall, under such rules and regulations as may be prescribed by the director, have the power to hear complaints, to examine, rate, and award compensation claims, to grant medical, surgical, dental, hospital, convalescence care, and necessary and reasonable after care, to make reasonable awards, to grant vocational training, and, if delegated to them by the director, may exercise such other powers as could be performed lawfully under this act by the central office."

Mr. ROGERS. Mr. Chairman, the purpose of this suggested amendment is purely to clarify the language which appears in the bill and which I propose to eliminate and replace by the pending amendment. I think there is no doubt as to the purpose of the committee in reporting this bill and as to the wishes of the House in this matter. What we desire, I think, is to have these 14 regional offices in the possession of final and undisputed power to make awards of compensation, of insurance, and of vocational training.

We want these 14 offices to be independent in their jurisdiction, subject only, of course, to the general control of the director of the veterans' bureau. In my judgment the language reported by the committee does not accomplish that, and I will explain why I think so. If gentlemen will refer to the text of the bill in line 20, on page 5, they will find that the words "delegated to them," meaning the regional offices, "by the director" are employed. Structurally those words "delegated to them by the director" refer to all the specified powers, as well as to the immediately preceding phrase, "and all other matters." What we want is to have the outright power given to each regional office to make awards, to grant hospital care, and the like; and then, as to other powers, meaning powers not enumerated specifically, we want to have those powers exercisable by the regional offices, provided they are delegated to them by the director of the veterans' bureau.

I have conferred with members of the subcommittee, and I think they are in agreement as to the intention of the language, but, frankly, I suspect the effect of the language as drawn is to exclude from the regional offices all the powers except so far as they may be delegated to those offices by the director of the veterans' bureau.

Mr. CONNELL. Will the gentleman yield?

Mr. ROGERS. I yield.

Mr. CONNELL. Do I understand that your amendment will give the 14 regional offices absolute authority to settle claims?

Mr. ROGERS. The 14 regional offices under my amendment—and I think it is the intent of the committee—will have power to make final awards in these enumerated cases, and they will also have the right to exercise other powers if granted to them by the director of the veterans' bureau.

Miss ROBERTSON. Mr. Chairman, I come from the forty-sixth State, only 14 years old now; twenty-first in population; thirteenth in point of wealth; tenth in revenue for the support of the Government; first in the production of oil; second in the production of winter wheat; fourth in the production of cotton; sixteenth in the number of troops sent to the war; eleventh in the number of casualties of those troops. There were over 95,000 men sent from Oklahoma, and now over 100,000 former service men are in the State. There is not one regional office in the State. So far as I know, our boys must be sent outside. Our State is so young that we have no hospital facilities beyond a few beds available at present. Our State had fewer exemptions asked from the draft by our people, and especially our Indian people, the percentage of Indians who asked exemption being 1.26 of 1 per cent, while the general plea for exemption in the United States was, white men, at the rate of 10 per cent and negroes at the rate of 12 per cent. There is no State in the Union that has the patriotic record of Oklahoma. We ought to have it made possible to care for our men at home.

I will not tell you what our boys are going through in Texas hospitals. You know, we said in Oklahoma, where we were a prohibition State, that they really did not need prohibition in Texas, because under the Army ruling liquor could not be sold within 10 miles of an Army or Navy post. The whole State was covered with them. [Laughter.] And so they had many temporary hospitals; we had none. Do not send us to Texas now. We sent our men to war; we paid the expense of many others. We are trying in Oklahoma to rehabilitate men from other States as well as our own. Help us. [Applause.]

Mr. MACGREGOR. Mr. Chairman, I have an amendment pending.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from New York.

The Clerk read as follows:

Amendment by Mr. MACGREGOR: Page 5, strike out lines 22, 23, and 24 and, after the word "office," line 22, insert: "The subofficers shall have the power to make temporary compensation and to grant temporary vocational training pending final determination by the regional office and shall have such other powers as may be delegated to them by the director."

Mr. MACGREGOR. Mr. Chairman and gentlemen, I assume if this bill goes through in the shape in which it is, so far as the State of New York is concerned, the regional office will be established in the city of New York, and in my experience thus far in handling four or five thousand ex-service men's cases I find if they get tied up in the city of New York they are hopeless. It is very distressing that week after week I keep sending letters to the Bureau of War Risk Insurance, and the answer comes back that a request has been made for a medical report from the Public Health Service in New York City, and there is no report forthcoming. I think that the board or the doctors who examine a man should have some latitude to give relief.

Mr. BARKLEY. Will the gentleman yield?

Mr. MACGREGOR. Very hurriedly.

Mr. BARKLEY. Does the gentleman's amendment provide that the suboffice may grant temporary compensation and award?

Mr. MACGREGOR. Yes.

Mr. BARKLEY. If the suboffice has no funds, how can that be done? Papers have to come to the central office before a check is issued.

Mr. MACGREGOR. I do not know anything about the structure of the rest of the bill. If a man is distressed, there certainly should be some method of giving him relief and not have weeks and months go by before the man can be given relief. That is what I want to cure. I want the suboffices, or whoever is in close touch with the man, given some power to do something rather than to wait for the unwinding of the miles and miles of red tape that we have. If this does not correct it, I hope something will be put in the bill that will correct it.

Mr. BARKLEY. The suboffices can only do that by having funds put in their hands for the purpose. To simply say that they shall make the award, without giving them power to do that, would not bring any result.

Mr. MACGREGOR. Where does the regional office get it from?

Mr. BARKLEY. From the director of the bureau.

Mr. MACGREGOR. Could not that be done in the case of the suboffices?

Mr. BARKLEY. Have you provided that? If the regional office or the suboffice makes an award it has got to be certified by the director before a check can be issued for it. You can not provide any other way unless the funds are put in these offices for the relief of men who are in distress.

Mr. KINDRED. Will the gentleman yield?

Mr. MACGREGOR. I will.

Mr. KINDRED. The gentleman has referred very properly to the misfortune of the ex-service men in that they have to suffer from the bad results of red tape by the medical examining boards. I do not understand that this bill carries with it any machinery that will improve the medical examination of the ex-service men.

Mr. BLAND of Indiana. In each one of these 140 suboffices that exist now the Public Health Service has a doctor—it has not been stated on the floor of this House yet, but that is the truth—and when you do away with the one hundred and forty and odd service stations that are there to take care of the boys now and limit them to fifty, you would do away with the hundred doctors that take care of the men.

Mr. KINDRED. I wanted to bring that point out. It must be made in connection with the present relations of the Public Health Service.

Mr. MACGREGOR. At the present time I find it very inefficient so far as New York is concerned.

Mr. NEWTON of Minnesota. Mr. Chairman, before speaking on some of the amendments that have been offered to section 6 of the bill, I desire to call attention to what has heretofore been done for the disabled service men, some of the mistakes that have been made in administration and the effort of the Committee on Interstate Commerce, of which I have the honor to be a member, to correct these mistakes by the enactment of this bill into law.

There is no more important problem confronting the Nation than the proper and adequate care of the disabled service men.

Congress anticipated the effects of the Great War by several legislative acts in an endeavor to provide for the service men and especially the disabled ones. In October, 1917, Congress passed the war risk compensation act, providing allowances for service men with dependents, compensation for disabled service men or for their dependents in the event of death, and for war-risk insurance up to \$10,000. In June, 1918, Congress provided for vocational training for disabled men and for their maintenance while undergoing training. Following the signing of the armistice, in March, 1919, Congress passed a hospitalization measure authorizing the Secretary of the Treasury "to provide immediate additional hospital and sanatorium facilities for the care and treatment of discharged, sick, and disabled soldiers, sailors, and marines." This bill transferred various hospitals with equipment to the Public Health Service, and authorized and directed the Secretary of the Treasury to erect new hospitals and to make the necessary contracts and leases for the taking over of private hospitals. That summer the House of Representatives passed the Sweet bill, improving and greatly liberalizing the beneficiary provisions of the war risk insurance act. This bill passed the Senate in December, 1919, and became a law shortly thereafter. This was followed by provisions improving and liberalizing the soldiers' rehabilitation act.

In these measures Congress has endeavored to provide for the disabled service men.

In addition to this, to carry out the provisions of these acts Congress has appropriated from the time of the enactment of the war risk insurance act in November, 1917, until the present date the sum of \$1,414,263,766.96. I have asked our most efficient clerk of the Committee on Appropriations in the House, Mr. Shields, to prepare a table of these various appropriations, and at the suggestion of several Members of the House I am attaching it as an appendix to my remarks.

The Federal Board for Vocational Education informs me that on May 1, 1921, it had in training 80,066 disabled service men. Of this number 72,056 were being provided with maintenance as well as tuition. Three thousand five hundred and sixty-two men have completed their training. The first 2,000 men who were trained, and to that extent rehabilitated, were placed in 153 different kinds of employment at an average annual wage of \$1,463.33. The average prewar wage of the same men was \$1,072.71. The Federal board is making use of 2,000 schools and 8,000 plants and factories in retraining these men. Up to May 1, 1921, this board has spent \$111,619,893.25 since the passage of the soldiers' rehabilitation act in June, 1918. Of this amount \$96,992,973.88 has been spent directly in maintenance and tuition, books, supplies, and so forth. The overhead for this, including rent, office equipment and supplies, salaries, printing, travel, and subsistence of employees, and so forth, was approximately 13 per cent. The overhead charges are decreasing, and I am informed that they were only 8 per cent in the month of May.

There are many more men to be provided for, and these provisions should be made quickly, both for the sake of the men and for the sake of the country.

Furthermore, while this training has been going on, much work has been done by the United States Public Health Service and the Bureau of War Risk Insurance. There is much more that these two agencies can do and this should be done immediately.

There have been numerous complaints in reference to lack of necessary hospitals in caring for the disabled service men, and there have been even more complaints in reference to his inability to receive adequate compensation.

The Committee on Interstate and Foreign Commerce in the House, with these complaints in mind, conducted exhaustive hearings in January and February, at which hearings appeared medical officers, war-risk insurance experts, and members and officers of the various ex-service men's organizations. This committee reported the bill to the House just preceding the adjournment of the last Congress. There was insufficient time in which to act upon the report of the committee, and immediately upon the convening of the present Congress the Committee on Interstate and Foreign Commerce of this Congress took up the problem.

They conducted hearings which were supplementary to the hearings of the preceding Congress. The complaints heard were not directed against the lack of legislation but to the methods of administration. The feeling was prevalent among the greater number appearing before the committee that while Congress had provided the necessary legislation and the necessary money, yet for some reason or other the disabled service men were not getting the benefits of that legislation because of too much red tape, a tendency to centralize too much in Wash-

ington, and the failure upon the part of the War Risk Bureau, the Federal Board, and the Public Health Service to properly coordinate their work.

This bill therefore is an attempt to cure these evils of administration. In my judgment many of these evils in administration could have been remedied without any additional legislation whatever from Congress. For example, the War Risk Bureau and the Public Health Service are both in the Department of the Treasury. There is no reason whatever why these two activities should not have coordinated their work without legislation from Congress. This is illustrated by the fact that the present Secretary of the Treasury, on the 19th of April, issued his order coordinating these two activities.

It will be observed that this bill has been drawn up broadly, and that it confers broad, general, and great discretionary powers upon the director, who will be in charge of all three activities. We provide for decentralization by authorizing 14 regional offices and 50 suboffices. These regional offices are to have the power of the present central office, subject, of course, to a review by the central office at Washington. The suboffices are to have such power, not including the granting of training, compensation awards or insurance awards, as may be delegated to them by the director.

This leads me to some of these amendments in reference to these suboffices and other provisions. We are all agreed that everything should be done to make the administration of the war risk insurance act and these other laws more helpful and effective in caring for the disabled service men. We disagree only as to a few details.

The original suggestion to the committee, coming from the director of the bureau, as I recall it, called for an unlimited number of suboffices, to be vested with unlimited power, even to the extent of permitting the suboffices to create other suboffices, which other suboffices were also to be vested with unlimited power. This would mean that the suboffices would have the right to grant insurance awards, compensation awards, and to confer all the benefits of vocational training.

Now, as to the question of suboffices and their powers, we have all had our troubles in reference to the awarding of compensations by the War Risk Insurance Bureau. Most of my trouble has arisen out of the fact that there has been filed with the War Risk Bureau in support of the claims for compensation inadequate proof. The affidavits submitted are insufficient. This is not to be wondered at. These boys know nothing about the laws of evidence and of proof. In a great many instances these affidavits are mere conclusions arrived at on the part of some doctor or of some layman that the man is sick and that he ought to be compensated. I have always been of the opinion that we could eliminate much of the delay and annoyance in handling war-risk insurance cases if we could furnish the service men with a conscientious adviser, who would assist them in the gathering of the affidavits and in the submission of the proof. These men should be helped in the drawing up of those affidavits and in the detailing of facts set forth therein. I venture to say that my experience in this connection is not any different than that of many others here.

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

Mr. NEWTON of Minnesota. Yes.

Mr. McDUFFIE. If that be true, why not have a large number of suboffices to prepare these papers and eliminate a number of regional offices?

Mr. NEWTON of Minnesota. You do not need a large number of suboffices. In the past the agents have not been sent out properly throughout the districts where men make claims and where there is evidence to show that they have a just claim. In such cases men should be sent out into that community. You do not have to establish a suboffice and grant to that suboffice all the powers in creation in order to correct the abuses of administration.

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

Mr. NEWTON of Minnesota. Yes.

Mr. CHALMERS. From the standpoint of efficiency of service, in the gentleman's judgment, which would be the better, the regional or the suboffice?

Mr. NEWTON of Minnesota. My judgment would be that we should have the 14 regional offices established by the bill, with general powers over the administration of the act.

Mr. CHALMERS. Why, then, does the regional office establish a suboffice in the same city, as in Cincinnati, Ohio, for instance?

Mr. NEWTON of Minnesota. I do not know what has been done in particular instances. The action may have been taken for lack of space, or something of that kind.

Mr. BLAND of Indiana. The functions are entirely different.

Mr. NEWTON of Minnesota. Oh, no. You can have a regional office and a suboffice right in the same building, as is the case in my city.

Mr. BLAND of Indiana. Does not the gentleman know that the powers of the suboffice are different from those of the regional office? The boys go there and get that service.

Mr. NEWTON of Minnesota. Yes; I know; but you do not have to have suboffices scattered over every county in order to get that kind of service.

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

Mr. NEWTON of Minnesota. Yes.

Mr. LAYTON. Why should we not follow in some degree the method followed in taking care of the veterans of the Civil War? In that case they had a very few examining boards composed of surgeons. It was found that that was a great hardship to the soldiers. They had to travel hundreds of miles, and pay hotel bills, and all that sort of thing. But a satisfactory adjustment was made when they established an examining board in every county north of Mason and Dixon's line, and their findings were practically binding upon the Pension Bureau unless the Pension Bureau thought there was ground of fraud.

Mr. NEWTON of Minnesota. Now, what did it result in? In all kinds of fraud. Every State in the Union had cases, all kinds of fraud and scandal, growing out of that very practice. Your committee thought that if we granted to these suboffices the power that the gentleman from New York would take away—if we granted that power to them we would have that very kind of trouble with the suboffices.

Mr. LAYTON. The gentleman is mistaken. There was no scandal in connection with the examining boards. But there were people who were making money out of the pension business, and they would sometimes put up false affidavits, and whatever scandal arose came about in that way.

Mr. NEWTON of Minnesota. The gentleman's recollection of that and mine are greatly different.

Mr. LAYTON. Yes; but mine is better because I am older and I served on a board. [Laughter.]

Mr. NEWTON of Minnesota. That is all right; but the gentleman did not live in the same territory that I lived in.

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

Mr. BEEDY. Mr. Chairman, I offer an amendment, and ask that it be reported.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. BEEDY: Page 5, line 14, after the word "act," strike out the period, insert a comma, and add the following: "Provided, however, That in States having but a single suboffice no such suboffice shall be abolished within five years next following the approval of this act."

Mr. BEEDY. Mr. Chairman and gentlemen of the committee, I submit that protracted argument is unnecessary to justify the wisdom of this amendment to members of the committee. I am doubtful of the wisdom of but one provision in the Sweet bill. I have no fault to find with the number of regional or suboffices which it seeks to fix, nor do I criticize the powers conferred upon such regional and suboffices. I accept the judgment of the committee in those respects.

I desire to call your attention specifically to the nature of those duties performed by the suboffices, and then to direct your attention to the situation which obtains in the State of Maine. Records of the department show that suboffices have served ex-service men in the following respects, among others. They have arranged for loans; have provided temporary medical care; have located relatives; have assisted with affidavits; have visited homes for information; have secured passports, employment, sick leave, reports on family welfare, and so forth. This is the kind of service the ex-soldier boys want. They should not be deprived of all facilities of this nature.

In the State of Maine there is but one suboffice rendering this service to the ex-soldier. I introduce this amendment providing that in the reorganization of the bureau no State which has but a single suboffice shall be deprived of that one office. I do not wish the State of Maine to lose the only office which she now has at the disposal of ex-soldier men. I trust the committee will adopt my amendment, and so make possible the doing that which this bill professes to do, namely, to bring closer to the soldier boys those agencies for service and relief to which they are entitled. [Applause.]

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

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 5, line 9, after the word "Columbia," strike out the words "and not more than 14 regional offices," and in line 14, same page, after the word "act," strike out down to and including the word "office," in line 22.

Mr. RANKIN. Mr. Chairman, the object of this amendment is to cut out entirely these regional bureaus, which you will find in practical application will complicate the service, increase the red tape, embarrass the Congressmen who have to handle these claims, and at the same time put the relief one step further from the ex-soldier. I believe that if you will increase the suboffices so that every man will be within reasonable reach of one, where he may go to be examined and have his case investigated and his papers made out and sent directly to the head bureau in Washington, you will afford far more speedy and complete relief than you will if you attempt to scatter this bureau out under 14 regional heads. In my judgment there is just as much reason for dividing the Supreme Court of the United States into nine divisions and sending a justice of that court to every one of those divisions as there is for thus dividing up this veterans' bureau.

There is another grave objection to this proposition. These boys are going to appeal to you; you will be in Washington, and the papers in connection with their cases will possibly be in New Orleans, Cincinnati, Atlanta, or New York, or wherever the regional bureau for their district happens to be located. They will be just as far removed from you as they would be from the soldier if they were here in Washington. You will write to the regional bureau, and it will take three weeks possibly for you to get an answer, and by that time you will have half a dozen letters from the boy at home inquiring why you do not do something for him, and you never can explain to him why it is that you can not get service in the bureau that you have voted to create.

Another thing I fear is that it is going to cost more than twice as much money to operate under these 14 regional bureaus as it will under one central bureau and a vast number of suboffices. In the first place you are creating berths for at least 14 directors of these regional bureaus, who will draw large salaries, and you are going to have to keep a copy of every publication, every letter, every petition, every bit of testimony in the central bureau. You will have to have it all copied and sent to the head office in Washington in order that you may keep any trace of it at all. It is not going to do the ex-soldier any good in the world to scatter this bureau out under 14 different heads, and in my opinion it will practically double the expense of this work and increase infinitely the red tape about which we are now complaining, and instead of bringing relief to the soldier it is going to remove it one step further from him. [Applause.]

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

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

There was no objection.

Mr. BEEDY. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Maine makes the same request. Is there objection?

There was no objection.

Mr. LAYTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Delaware offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAYTON: Page 5, line 8, strike out all of section 6 and insert in lieu thereof the following:

"That the director shall establish a central office in Washington, D. C., and not more than 14 regional offices and such suboffices within the territory of the United States and its outlying possessions as may be deemed necessary by him and in the best interests of the work committed to the veterans' bureau and to carry out the purposes of this act. Any such regional office or suboffice may exercise such powers, including the establishment of agencies for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, insurance awards, pension awards, and all other matters delegated to these agencies by the director as could be performed lawfully under this act by the central office."

Mr. LAYTON. Mr. Chairman and gentlemen of the House, of course most of you are aware of the fact that this is nothing more nor less than a desire on my part to substitute section 6 of H. R. 3 for section 6 of H. R. 6611. I want to say before I go any further that this section 6 of H. R. 3 does not represent altogether my views upon this question. I am offering it because of the fact that the soldiers of my State of Delaware have requested me to stand for section 6 of H. R. 3. That is their wish. If we are going to pay any attention at all to the soldiers, I, as the Representative of the State of Delaware, feel

bound to introduce this amendment in accordance with their desire. In addition to that the Chamber of Commerce of the city of Wilmington have also advised me that it is their desire, and I am trying to carry out that desire.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. LAYTON. I yield to the gentleman from Indiana.

Mr. BLAND of Indiana. Under the gentleman's amendment the director can establish as many suboffices as he thinks necessary.

Mr. LAYTON. Yes; exactly.

Now, Mr. Chairman, just one word and I shall feel that I have discharged my duty and have placed the matter before the House. I should like to ask the chairman of the committee a question. Did the committee in considering this great and grave subject consider utilizing the machinery of the Civil War that has grown up in such splendid capacity?

Mr. SWEET. The gentleman means the doctors who examine applicants for pensions?

Mr. LAYTON. Yes.

Mr. SWEET. The Public Health Service?

Mr. LAYTON. I do not refer to the Public Health Service.

Mr. SWEET. The gentleman means the doctors who examine applicants for pensions?

Mr. LAYTON. Yes; I mean that north of Mason and Dixon's line—and I do not mean any reflection upon my brethren on the other side of that line, because there do not happen to be so many of them down there—but north of Mason and Dixon's line, as a gradual evolution, as a necessity, for the benefit of the Civil War veterans, they established boards of examining surgeons, three in each board. These boards are already established all over the country, and I am unable to understand why the machinery already at hand was not utilized in providing for the necessities of the veterans of the late war.

Mr. SWEET. No; we did not consider that, because we were dealing with the veterans of the World War.

Mr. LAYTON. What I want to get at is this: You have splendid machinery in this country to-day in these pension boards already existing, covering thousands of men, trained surgeons and physicians. Why were they not utilized in making up this bill? Why was not the splendid structure already built up made by enlargement to serve as the machinery for all the purposes of the soldiers of the late war in view of its record in providing for those of the War of the Rebellion?

Mr. SANDERS of Indiana. Mr. Chairman and gentlemen of the committee, in discussing so many amendments and considering so many amendments as we will have to consider at the end of the debate, it is very important to know the different questions presented. As I gather from the amendments that have been introduced to date, there are going to be two important questions for the committee to consider at the termination of this hour of debate. One of these questions is whether or not we are going to increase the number of suboffices in accordance with the amendment proposed by my colleague [Mr. BLAND]. The other is a proposition embraced in the amendment proposed by the gentleman from Delaware to increase the power of the suboffices. They are two entirely different questions, and I hope the committee in giving them consideration will remember that these are two different questions and that they will weigh each question carefully.

Mr. BARKLEY. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. BARKLEY. I think it also ought to be considered that the gentleman from Delaware confers upon the subagencies the power to create others.

Mr. SANDERS of Indiana. Not only gives a suboffice complete power but delegates the power to other agencies, which would make as many suboffices as it wanted to delegate—it might have 1,000 or 1,500 suboffices.

Gentlemen of the committee, I realize what is responsible for the sentiment in favor of increasing the number of suboffices. It is the desire in the heart of every Member of this House to bring to the soldier these activities, so that the soldier may reach immediate relief that may be given to him. All of us want to do that; but, after all, in every proposition there are two principles involved. You not only have the principle of bringing the activity home to the soldier but you have the principle involved as to whether or not the tribunal created by this legislation shall give effective and just relief to the soldier. I assert that if there are created 140 suboffices, given jurisdiction to deal with all of these questions, and deal finally, that you will jeopardize the rights and the interests of the American soldier, who is supposed to be benefited by this legislation.

Mr. CHALMERS. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. CHALMERS. The gentleman does not mean that we want to give the suboffices final jurisdiction?

Mr. SANDERS of Indiana. I hoped to make myself plain. There are two different amendments, one to increase the number and the other to increase the power of the suboffices. Both amendments are for the consideration of the committee, and both might be adopted, and if both are adopted the result would be as I have stated.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. SANDERS of Indiana. I will.

Mr. BLAND of Indiana. The gentleman does not mean to say that increasing the suboffices from 50 to 140 would give any power to the suboffices to pass finally on claims?

Mr. SANDERS of Indiana. No; I do not mean to say so; the gentleman's amendment deals only with the number of suboffices.

Mr. McDUFFIE. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. McDUFFIE. Does not the gentleman think that if you want expediency in the relief of these ex-service men, in the event of establishing 140 suboffices, it would be better to cut out the regional bureau?

Mr. SANDERS of Indiana. Well, I have not given such consideration to that kind of organization to be able to express an opinion.

Mr. McDUFFIE. Would not it save time?

Mr. SANDERS of Indiana. I have no pride of opinion in the provision of the bill, and if the committee thinks that we have adopted an unwise provision, of course the committee should amend it, but after mature study on how to give these men effective relief I think you ought not to create 140 suboffices. [Applause.]

Mr. GORMAN. Mr. Chairman, I have no fixed opinion based on experience or investigation as to what the number of suboffices should be, but I have received a telegram which has a very important bearing on the subject. It reads as follows:

CHICAGO, ILL., June 7, 1921.

HON. JOHN J. GORMAN,
House of Representatives, Washington, D. C.:

House bill 6611, relating to rehabilitation disabled soldiers, limits local offices to 50, a number altogether too small. The present number of local offices established by the Federal board is not in excess of the need. If present number of local offices is decreased, work now in progress will be seriously handicapped.

WM. J. BOGAN,
Principal Lane Technical School.

My correspondent, Mr. Bogan, is an eminent educator in Illinois. He has given unselfishly of his thought, time, and efforts to the needs of the ex-service men. He has charge of a great institution for the education of the former service men and is constantly studying their requirements, both in the matter of education and relief for them from the afflictions inuring to them in the great World War. I value Mr. Bogan's opinion in the matter, to which I respectfully defer, and for that reason I will support the amendment of the gentleman from Indiana [Mr. BLAND].

Mr. McDUFFIE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment for information.

The Clerk read as follows:

Page 5, line 8, strike out all of section 6 and insert:

"Sec. 6. The director shall establish a central office in the District of Columbia and such suboffices within the territory of the United States not exceeding 140 in number, as he may deem necessary for the best interests of the work committed to the veterans' bureau and to carry out the purposes of this act. Such suboffices shall have such powers as may be delegated to them by the director for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, and necessary and reasonable after care, making insurance awards, granting vocational training, and all other matters delegated to them by the director as could be performed lawfully under this act by the central office.

"Provided, however, That an appeal to the central office may be had from the findings of the suboffice by the ex-service man under such rules and regulations as the director may prescribe."

Mr. McDUFFIE. Mr. Chairman and gentlemen, if there is one duty resting upon the American Congress which at this time rises above all others, it is to enact such laws as will properly care for those men and officers of the World War whose bodies were broken and whose health was shattered in fighting for our common country. Any failure on our part to live up to this high responsibility would be unworthy of the representatives of the people of a grateful Nation.

On several occasions I have visited amongst the wounded soldiers at Walter Reed Hospital, and once I had the privilege to speak at one of their gatherings in the Red Cross hut. As I looked upon them, armless and legless, their faces maimed,

their bodies bent and scarred by wounds of battle, I prayed that I might have the privilege and power in some way to render service to them. Then and there I firmly resolved, that so long as I live and so long as I am a Member of Congress, I would never permit an opportunity to pass to use my best efforts in seeing that this Nation discharge its stupendous obligations to them. Many of you have visited Walter Reed, and I know your hearts yearned for some magic power by which you could restore those heroes to all the strength and happiness which was theirs in the fullness of their physical manhood.

We are all of one mind, gentlemen, in our appreciation of the sacrifices of the ex-service men. We are all of one accord in a desire to see the highest measure of justice done unto them. This legislation is worthy of the great Committee on Interstate and Foreign Commerce, whose every member has labored long and faithfully to write such a law as would best care for those who gave their all for the honor and glory of the American flag.

It was the purpose of the committee, I am sure, and it is the purpose of every Member of this Congress, by consolidating all the activities for the ex-service men into one bureau to obviate a great deal of "red tape" and delay in getting final action on their claims.

There has been much delay. There can be no doubt that errors have occurred in the handling of business for 4,000,000 men. The War Risk Bureau was a new venture, and we did not expect it to be perfect, yet in a few cases of my own knowledge it has seemed inexcusable for long delays, which have worked great hardships on the soldiers and their families. I will not cite all the instances, but I do wish to call your attention to one case in which the failure of the War Risk Bureau to answer a letter has resulted in a gross injustice and great loss.

In September, 1919, Mr. George St. J. Tucker, of Mobile, Ala., whose splendid son, William Sikes Tucker, served on the battle line in France, wrote the bureau, asking them to advise him the balance due on the insurance policy of his son. This young man was honorably discharged and sought a position in St. Louis, at the same time asking his father to keep his policy alive. The letter asking what amount was due or necessary to keep up the policy was mailed in Mobile on September 22. After two weeks Mr. Tucker wrote again, and still no answer was received from the bureau. Finally, a third attempt was made to get information from the bureau, and he was answered by the bureau on January 22, the following year, four months after that first letter was written, which was received here at Washington in due course of time. On January 14 this young man died after an operation for a disease undoubtedly brought on by service on the firing line. A week after his death the War Risk Bureau answered his father's letter, but then it was too late. Now, I am told his father can not collect on the policy, which had lapsed, because the bureau can not assume that the father would have paid the premiums and kept the policy alive had he secured the information he so much desired. What sort of business would you term that? The bureau may be right, as a technical proposition of law, but, morally, is not the Government bound to pay this policy? I understand there are only a very few similar cases. This Congress would not set a bad precedent in passing an act to relieve those who have suffered by the negligence of the bureau. Are you gentlemen of the committee not willing to so amend this bill as to take care of cases like this one? As a business proposition, should not the Government be held responsible for the negligence of its agents?

Now, Mr. Chairman, I am very much interested in section 6, for which I have prepared the substitute which the clerk has just read. This, gentlemen, is the very heart of this bill. As I understand it, the chief purpose of this legislation is to expedite the settlement of the claims of World War veterans. In other words, to avoid delay and so much "red tape" in their claims for compensation, treatment, vocational training, and so forth, and to bring the bureau closer to them in its activities. Here you have provided for 14 regional bureaus, in addition to the central office at Washington, and 50 suboffices throughout the country. To the suboffices you have not given the power to finally dispose of anything. I take it that the suboffices will simply furnish the soldier such information as he needs in fixing his papers to be forwarded to the regional offices. I presume you permit him to appeal from the findings of the regional office to the central office in Washington.

I very much fear that the purpose sought for in this section will not be accomplished. If you wish to expedite matters, why not have suboffices, not exceeding 140 in number, with such powers delegated to them as may be designated or prescribed by the director? Why not let these suboffices inform the men,

fix up their papers correctly, make recommendations, and forward them to the central office at Washington, where, if necessary, the soldier can get the cooperation of his Congressman, as he now does? Why should you make him take three steps to accomplish that which he can accomplish by taking two?

I fear you are going to have more delay than now obtains if you permit this section to remain as it is. The final word about all the claims will eventually come from the central office at Washington. The check or money will have to be sent out from here; then why have regional bureaus which might result in more expense, more employees, more letters, more examinations, and more "red tape"? The gentleman from Mississippi [Mr. RANKIN], an ex-service man, sounded the keynote when he said that it would be far better to have more suboffices and no regional offices than to have the 14 regional offices and only 50 suboffices. The ex-service men of the country and those of this House believed we should have more suboffices.

I am going to support this bill, for I believe its purpose is good. I believe in the consolidation feature. We can accomplish nothing in decentralizing the power to finally dispose of these claims. The soldiers probably know better than we do just what they wish in the way of legislation, and let us, as nearly as possible, give them what they desire. This committee, which has given so much study to the situation, may know better than I do, yet I have great misgivings about section 6 as it is written in the bill.

There is another vastly important feature of this bill, to which I called the committee's attention a few days ago, and that is the section giving so much power and authority to the director. Doubtless a big man has been selected, and I believe the director is such a man. He should be a big man, for the responsibility he will have under this legislation is immeasurable. The expenditure of a billion dollars is under his supervision and control. You permit him under this bill to appoint thousands of employees and such staff officers and experts as he may deem necessary. You give him use of every governmental agency he may deem necessary, and even permit him to employ such private persons outside of regular Government employment in any number he may prescribe anywhere in the United States. Mark you, he fixes the salaries also. It may be that your committee could not work out a feasible plan otherwise, but let me warn you that it is very dangerous to clothe one man with such powers, it matters not how great a man he may be. I doubt if the director himself cares to have so much authority and responsibility. You are opening the way right here for the building up of a great political machine and permitting the placing of probably thousands of additional employees upon the pay rolls of the Government. If additional bureaus and employees are necessary, I say we must spare no expense in caring for our wounded soldiers, but who is to judge whether or not they are necessary? No one except the director, who will, of course, make his report to Congress each year. You should provide in this bill, my friends, that preference in employment be given to ex-service men in this new bureau whenever and wherever they are eligible. Let them in this way also get the benefit of this legislation.

Let us not in our enthusiasm run amuck in framing this legislation. The soldiers themselves are patriots. They were patriotic enough to save their country in time of war, and I know they are still patriotic enough to have us do the wisest and best thing for them and their country in times of peace. They do not wish you to open the doors of the Treasury for unnecessary employees. They are not asking this Congress to put in this legislation unnecessary burdens upon the masses of this country in our efforts to do justice by them. They know the needs for economy in the expenses of their Government. I believe, if we were to ascertain their views, they would prefer our saving some of the hundreds of millions of dollars you are appropriating for a big Army and Navy and great fighting machines at a time when there is no immediate danger of war and when our people are staggering under the burdens of excessive taxation. None who loves our flag would be stingily economical when it comes to dealing with the needs of the wounded soldier. Whatever the disabled ex-service men need of the United States Treasury I say give them, but do not forget they are as wise as they are patriotic. They only ask simple justice at the hands of this Government.

We can not measure a man's patriotism in dollars and cents. God pity this Nation should the day ever come when her people measure their duty to the flag in money values. We can not reward these men for their services in terms of money, but it is the solemn duty of this Government to see that proper care is taken of those who were disabled in serving that flag. This our Government has never yet and never will fail to do. Every man who served in the World War will be pensioned or cared

for by the Government whenever he becomes disabled. I repeat, the soldiers are men of sound judgment as well as great patriots and heroes. They do not wish more than is properly due them, but they do ask that, and I know you will give it. Every man in this Congress is earnestly endeavoring to have the Government do its full duty by them. The only question is what is the best course to pursue.

When this bill becomes a law it will be the result of honest effort of the membership of this body. Let us hope that it will bring about the relief sought and add to the comfort and happiness of those ex-service men and their families throughout the Nation whom it is our duty to honor and serve. Let us hope that this legislation will bring some measure of happiness and some little consolation to the loved ones of those who made the supreme sacrifice that we might still enjoy the blessings and hopes of American civilization. The generous heart of America will never fail to respond to the needs of those who baptized with their rich red blood the hoary hills of Europe.

They lived up to the highest traditions of their fathers. These young men turned the tide of battle on the western front, while at Belleau Wood and Chateau-Thierry they added new glory to the flag of their country and gave to the world a brilliant example of the genius, courage, and valor of American soldiery.

Mr. LINEBERGER. Mr. Chairman, I desire to use a portion of the time allotted to me voicing an expression of grief and sorrow concerning the late Col. Frederick W. Galbraith, whose untimely death was announced in the morning's press:

Whereas, Col. Frederick W. Galbraith, national commander of the American Legion, a valiant and distinguished soldier of the American Expeditionary Forces in the World War, met an untimely and tragic death on June 8, 1921. Therefore, the Members of the House of Representatives, reflecting the sentiment of the American people, hereby express the sorrow of the Nation at the loss of this courageous soldier and exemplary citizen, whose life, character, and services will be an inspiration to every American patriot and a lasting heritage to the bereaved family.

I am sure that these sentiments are voiced by every Member of this House where the unalloyed Americanism and fine traits of character of the late Col. Galbraith were so well known and thoroughly appreciated.

When Col. Galbraith was elected to the national commandship, the highest position within the gift of his comrades of the American Legion, the following biographical sketch was published in the American Legion Weekly, the official organ of the American Legion:

THE NATIONAL COMMANDER.

On September 29, 1918, Col. Frederick W. Galbraith, Jr., commanding the One hundred and forty-seventh Infantry, Thirty-seventh Division, performed the act of heroism which won for him the distinguished service cross.

Two years later to the day—on September 29, 1920—Frederick W. Galbraith, Jr., was elected national commander of the American Legion. Mr. Galbraith enjoys the distinction of having been both soldier and sailor in the course of his career. His early surroundings did not lack for military atmosphere, for he was born in Watertown, Mass., where a large Government arsenal is located, and later attended grammar school in Springfield, Mass., where there is a United States armory and from which city the American Army rifle derives its name.

Mr. Galbraith was graduated from the Nautical Training School at Boston, Mass., in 1893, and served as apprentice coxswain, third mate, and second mate aboard American sailing ships following his graduation. In 1898 he went to Cincinnati, becoming treasurer of the Western Paper Goods Co.

The future national commander was commissioned major in the First Infantry, Ohio National Guard, in 1916, and was promoted to colonel the same year. In 1917 he was assigned to command the One hundred and forty-seventh Infantry and remained at the head of this Thirty-seventh Division unit throughout the war. The regiment was composed principally of the First and Sixth Infantry Regiments, Ohio National Guard. Commander Galbraith won the distinguished service cross and the croix de guerre for heroism in action during the Meuse-Argonne offensive. He also participated in the St. Mihiel attack and served in the Baccarat and Ypres-Lys sectors.

His citation for the distinguished service cross reads: "For extraordinary heroism in action near Ivroly, France, September 29, 1918. When an enemy counterattack was imminent he went into the front lines under a violent artillery and machine-gun barrage, and by the coolness and certainty of his orders and the inspiring example of his personal courage reorganized his own command and took command of other units whose officers had been lost or diverted in the confusion of battle. Knocked down by a shell, he refused to be evacuated and continued to carry on the work of reorganizing his position and disposing the troops to a successful conclusion."

At the first State convention of the American Legion held in Ohio, Mr. Galbraith was unanimously elected department commander. When his successor—J. R. McQuigg—was elected at the 1920 convention the title of past department commander was conferred upon Mr. Galbraith, and it was provided that he should be a delegate to all future conventions of the American Legion of Ohio. During the last year Mr. Galbraith, in addition to being Ohio department commander, served as a member of the national executive committee of the legion.

John Thomas Taylor, the vice chairman of the national legislative committee of the American Legion, commenting upon the great loss that the legion has suffered in the untimely death of Col. Galbraith, made the following statement:

From the very moment that Col. Galbraith was elected he assumed active leadership in the fight for the ex-service man. Immediately he went from one end of the country to the other, visiting every hospital

in which the disabled were located, and then determined to devote his entire activity during his administration to seeing that the terrible wrongs they had been suffering were righted. He took an active interest in national legislation upon this subject. The bills pertaining to vocational training, hospitalization, war-risk insurance, and the care and treatment of disabled ex-service men became his life work. Notwithstanding the tremendous number of other matters which daily occupied his attention he made it a point to visit Washington and to personally lay the necessities for new legislation before the President and before the Senators and Members of Congress.

Many of the Members of the present Congress came to know him personally and to admire him for his tremendous activity in the cause which he represented. He was honest and fearless in the expression of his convictions, and it was as a result of his personal attention in Washington that the legislation was gotten well under way and reached the point where it now stands on the calendar.

It is to be deeply regretted that he did not live to see the bills at present under discussion for this purpose become laws, for night and day, throughout the country, he worked to that end.

His tremendous personal vitality was used in building up the organization of the legion, both among the people and among the business organizations, and under his guidance it has grown to be the tremendous conservative fighting organization that it is to-day—fighting not only for the welfare of the men and women who belonged to it but fighting for the welfare of the country as well. On every occasion he took advantage of the opportunity to state that the first thought and consideration of the American Legion was the country and that the legion placed it first, and that nothing would be advocated by it not in conformity with the opening words of the preamble to its constitution—"For God and country."

He built up the great Americanism commission of the American Legion, which has been fighting for the past six months to wipe out radicalism in the country and to supplant it with 100 per cent Americanism.

These things had become his life work, and in his death not only the American Legion but the country itself suffers a great loss. He was a great man and a noble character, taken from this life at the very height of his career. He had gone through the war, had been seriously wounded in battle, had returned to this country deeply impressed with what war meant, and had profited by the lessons that he had learned. The country joins with the legion in mourning his loss.

I am sure that this House is profoundly moved by the untimely death of so great and good a man as Frederick W. Galbraith.

I shall call this resolution up when the Speaker resumes the chair. I desire now to have read the amendment which I offer and which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. LINEBERGER: Page 5, lines 23 and 24, after the word "director," strike out "except to make compensation and insurance awards and to grant vocational training."

Mr. LINEBERGER. Mr. Chairman, I want now to read a request which was perhaps the last request made by the national commander regarding soldier legislation, and contained in a letter written to me at his direction on June 4, in which I am asked to offer the amendment which I have offered.

I shall quote the pertinent paragraphs of the letter:

The national commander has directed me to request you to offer an amendment upon the floor of the House to section 6 of H. R. 6611, the amendment to be the striking out of the following words on lines 23 and 24, page 5: "Except to make compensation and insurance awards and to grant vocational training."

This is the same amendment offered and so ably presented yesterday by the gentleman from Kansas [Mr. LITTLE], and he and I agreed that I should make the motion to-day.

Mr. Chairman, the object of this is in order to facilitate the suboffices in carrying out the work which is contemplated by the bill. In the State of California the regional office is located at San Francisco, whereas the office in Los Angeles is a sub-office where perhaps 50 per cent more business is carried on than in the principal regional office located at San Francisco. The director should certainly retain the power to delegate full powers to any suboffice which he may deem advisable.

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

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The Chair can not entertain that request. Mr. LINEBERGER. Then I ask unanimous consent to insert the letter to which I have referred as a part of my remarks.

The CHAIRMAN. Without objection, the letter will be incorporated in the gentleman's remarks.

There was no objection.

The letter referred to is as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., June 4, 1921.

Hon. WALTER F. LINEBERGER, M. C.,
House Office Building, Washington, D. C.

MY DEAR MR. LINEBERGER: The national commander has directed me to request you to offer an amendment upon the floor of the House to section 6 of H. R. 6611, the amendment to be the striking out of the following words on lines 23 and 24 of page 5, "except to make compensation and insurance awards and to grant vocational training."

The reason for this is perfectly evident. There was considerable discussion on the floor of the House yesterday in response to Col. Galbraith's letter to the Congressmen on this subject which, apparently from the debate, was misunderstood.

The American Legion has always stood for decentralization that actually carried service to the men right out in the field. In order to do this job properly the man's case must be handled and be disposed of

out in the field and not by correspondence, whether such correspondence be with regional offices or with Washington, as heretofore. Correspondence has been the cause of the delay, and we have always advocated the principle of examinations and ratings and the granting of awards in the field where observation can be made of the applicant and where direct contact with him will clean up the case immediately. As the bill was first written, suboffices were given this authority. The subcommittee reported it favorably to the Committee of the Whole, but the Committee of the Whole in reporting the bill to the House took away this authority from the suboffices. This is the principle for which we have been fighting, and unless it is included in the law we feel the legislation will not produce the necessary results.

Col. Galbraith's letter to the Congressmen was perfectly clear upon this, but apparently it was misunderstood.

Will you kindly see that the amendment is introduced?

Sincerely,

JOHN THOMAS TAYLOR,
Vice Chairman National Legislative Committee.

Mr. HILL. Mr. Chairman, as our colleague, the lady from Oklahoma [Miss ROBERTSON], said, the only purpose of the present discussion is to develop the best possible means of doing what we are all agreed upon. I wish to speak especially on the Bland, the Sweet, and the Rogers amendments, because in the great number of amendments we are apt to be confused. The Rogers amendment makes more clear the purposes of the committee in the section. The Sweet amendment very properly limits the suboffices to an existence of five years, in order that we may not have permanently fastened upon us these suboffices after the need for their existence has expired. The Bland amendment increases the number of suboffices from 50 to 140. It seems to me that if we have 14 regional offices, with the powers conferred, and 140 suboffices, with the powers conferred by the bill as it stands, subject to the limitation of the Sweet amendment, we will have at least the best system to start with. No one can tell which is the best method yet, but that is the method that the committee has worked out, subject to the extension of the number of offices from 50 to 140. When we have 48 States, 150 suboffices only gives an average of 3 suboffices to each State.

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

Mr. HILL. Yes.

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

Mr. SPEAKS. Mr. Chairman and gentlemen of the committee, I can not understand why there should be so much quibbling concerning the number of suboffices to be established under this section. While I am opposed to creating unnecessary offices and to appropriations not absolutely justifiable, I can not find cause for objection in this instance. First, the entire Nation is demanding that everything that can be legitimately done for deserving and suffering ex-service men should be done now and without delay. The President has recently and frequently expressed himself most forcibly on this subject. Throughout the entire country, in meetings of every character which offer opportunity for touching upon or referring to the subject of relief for disabled ex-service men the people in pronounced manner demand that whatever is just and necessary be done without delay. We are voting millions and millions with merely superficial knowledge of the manner in which they are to be expended. I am simply appalled at the manner in which we are authorizing the expenditure of millions of dollars upon the mere statement of some one that it is necessary. In many instances there has been no adequate or intelligent explanation of what they are to be expended for. For this reason it is difficult to understand just why there should be such firm opposition to the continuance of a few suboffices of a temporary nature and intended solely to serve the interests of disabled ex-service men.

This is purely emergency legislation. It is to cover but two or three years, and intended almost wholly to meet an exigency of such vital character that we can not disregard it and go before the people of the country and justify ourselves.

Mr. Chairman, I ask some member of the committee or any gentleman opposed to the proposed amendment to tell why they are so persistently objecting to retaining the 140 suboffices, in view of the limited powers granted them in most of the amendments. I do not insist that the suboffices should be empowered to do all the things that the regional offices are authorized to do, but when the purpose is merely to facilitate and hasten bringing the disabled men in touch with the assistance which the Government desires to extend them, I can not understand why objection is made.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. How much more time is there left under the order closing debate?

The CHAIRMAN. Eight minutes.

Mr. FISH. Mr. Chairman, I agree entirely with the statement of the gentleman from Ohio [Mr. SPEAKS]. The committee

has failed to advance one single logical reason why they should reduce the number of suboffices from 140 to 50.

This admirable bill has gone a long step forward in decentralization by establishing 14 regional offices, but it has reversed itself completely by doing away with the 140 offices and reducing the number to 50, and unless they can advance some sound reason we should insist on the number of 140 as carried in the amendment of the gentleman from Indiana [Mr. BLAND]. I hope that the amendment of the gentleman from Indiana [Mr. BLAND] and the amendment of the gentleman from Iowa [Mr. SWEET] will prevail.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. Mr. Chairman, I am for the amendment of the gentleman from California to this bill. I had the same amendment prepared and ready to offer, and since he has offered that amendment I withhold mine and support his. It occurs to me that all this talk about 14 regional offices and all this talk about suboffices, and so on, would not amount to much if we are going to do away with the powers of those offices. I am in favor of plenty of suboffices, with authority to make compensation and insurance awards and to grant vocational training. [Applause.] It looks to me like we ought to carry this thing as close to the soldier as we can get it, and if we create the proper number of suboffices with proper power to carry on under this bill, with full authority to transmit the proofs, evidence, and findings directly to the central office in Washington, where it can be looked after by the Congressman and Senator, we know that the ex-service man is going to get speedy relief. But when you go around to the four corners of the United States and send the poor wounded man's papers hither and thither to a lot of different agencies which have to make copies of them, with the record to be attended to, then you know it is going to be a long time before the soldier is going to get relief. I am in favor of this bill just like these soldiers want it, like their leaders drew the bill. If it is a mistake, it is their mistake. We can correct it in the future.

It may be that after trying it out for a year the American Legion will see some errors in this law and will want it changed; then Congress can amend it and remedy all defects.

These soldiers did the fighting, and their views on this legislation for the benefit of ex-service men who were in anywise disabled should receive the most careful consideration of this body. I have stood for their rights all the time and shall continue to fight for them. They are not satisfied with this very section 6 of this bill, and I am in favor of changing it to the original language used in the bill prepared by the officers of the American Legion.

Every Member of this House desires to do what is best for these poor disabled soldiers. Then why not give them this law in the form and language which their leaders request?

Mr. VOLK. Mr. Chairman, I merely rise to ask to have read into the RECORD this telegram.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The telegram referred to is as follows:

NEW YORK, N. Y., June 7, 1921.

Capt. EDWIN S. BETTLEHEIM, Jr.,
Chairman National Legislative Committee,
Veterans of Foreign Wars,
319 Metropolitan Bank Building, Washington, D. C.:

We believe lines 9, 10, and 11, page 5, section 6, House bill 6611, should be eliminated or bill be amended to increase branch offices to at least 150. Cutting down number of local offices will hinder rather than help situation. This is consensus of opinion from wires to national headquarters received from various State departments and local posts.

ELTON,

Adjutant General Veterans of Foreign Wars.

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

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The gentleman from Massachusetts is recognized to close the debate.

Mr. WINSLOW. Mr. Chairman, I would like to ask unanimous consent that all Members have five legislative days in which to extend their remarks on this bill.

The CHAIRMAN. The Chair thinks a general request of that sort is not in order in the committee.

Mr. WINSLOW. Mr. Chairman and gentlemen of the committee, it has been my duty to follow the development of this bill for many months. I have been intimately connected with its development and the testimony given before the subcommittee during the recent period when this bill was being drawn. I have listened to the debate up to this moment, and it appears very clear to me that there are but two features of it which are attracting any particular attention worthy of considerable

notice. Those features are, first, the question of the number of suboffices. The second question is what authority these suboffices may finally have. The subcommittee which drew this bill and the full committee which canvassed and finally approved it are of one mind in regard to the great importance of the two considerations which I have named. Let us refer to the question of authority. We have here a business proposition, an executive consideration. The working of this bill under the provisions proposed in section 6 is, after all, the one thing we should consider. There is more or less filling in the bill, but the working of it is the real thing. It has been clear to the subcommittee and to the full committee and clear to those who represented the Divisions of Public Health, War Risk Insurance, and Vocational Rehabilitation that a small body of offices in authority would represent the most desirable state of things, and it is natural that all these should come to that conclusion. Anybody who has ever had executive authority and responsibility of direction on anything approaching a large scale knows that the more a single authority is divided the worse the execution. We have provided for a small number of suboffices, which we thought would best do the work. The committee is not hidebound as to 50 offices in contrast with 40, as to 50 in contrast with 60 or 70 or 75, or any other reasonable number.

Mr. CHALMERS rose.

Mr. WINSLOW. No, thank you; I can not give way now, as the time rolls on; later, if you please. We desire to get before the country an organization which will do the work best. We advocate centralized power. The bill is bristling with suggestions of determination to centralize the executive power. The chief director will have tremendous authority, far beyond that ever given, maybe, to any other department head in the United States. Now, to handicap him with an organization which will divide his authority would be only to offer a thousand and one opportunities for differences of opinion, differences in interpretation of regulations, and so forth, and with correspondingly bad results. We ought not to make these offices too many and too near the soldier for this reason, and I speak not sentimentally at all, but from a business point of view: If you should make as many offices as some people would have, with suboffices in every town, in every county, maybe, from the very nature of things the directors of these suboffices, instead of helping wisely, might most naturally be listening to the pleas of their neighbors, of their friends, to the plea of the mother for her boy, to the plea of the girl for her sweetheart, and so on down a long line covering all relationships which might naturally affect men locally. If we were to have too large a number of suboffices it would be unfortunate, in my opinion, and the committee had such thought in their mind. [Applause.]

The CHAIRMAN. The time of the gentleman has expired; all time has expired, and the Clerk will report the amendment offered by the gentleman from Indiana [Mr. BLAND].

Mr. GOODYKOONTZ. Mr. Chairman, I have an amendment.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Indiana: Page 5, line 10, after the word "exceeding," strike out the word "fifty" and insert in lieu thereof "one hundred and forty."

The CHAIRMAN. Has the gentleman from West Virginia an amendment to the amendment?

Mr. GOODYKOONTZ. I have an original amendment.

The CHAIRMAN. The gentleman will have an opportunity to offer that later. The question is on the amendment of the gentleman from Indiana [Mr. BLAND].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BLAND of Indiana. Division, Mr. Chairman.

The committee divided; and there were—ayes 95, noes 77.

Mr. RAYBURN. Mr. Chairman, I demand tellers.

Mr. McDUFFIE. Mr. Chairman, may I state a parliamentary inquiry?

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. McDUFFIE. I was under the impression that the substitute for the section would be voted upon before an amendment to the section.

The CHAIRMAN. The gentleman is in error about that. It is in order at first to perfect the text of the original bill. The question is on taking the vote by tellers.

Tellers were ordered; and Mr. WINSLOW and Mr. BLAND of Indiana took their places as tellers.

The committee again divided; and there were—ayes 83, noes 94.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. SWEET: Page 5, line 24, after the word "training," insert a new paragraph as follows:

"The regional offices and suboffices, with all authority to establish such offices, shall terminate on June 30, 1926, and upon such termination the records and supplies pertaining thereto shall be delivered to the central office."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Iowa.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment by Mr. MACGREGOR: Page 5, strike out lines 22, 23, and 24 after word "office" and insert: "The suboffices shall have the power to make temporary compensation and to grant temporary vocational training pending final determination by the regional office, and shall have such other powers as may be delegated to them by the director."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MACGREGOR].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 5, line 14, strike out the sentence beginning on line 14 and ending on line 22 and insert in lieu thereof the following:

"Such regional offices shall, under such rules and regulations as may be prescribed by the director, have the power to hear complaints, to examine, rate, and award compensation claims; to grant medical, surgical, dental, hospital, and convalescent care and necessary and reasonable aftercare; to make insurance awards; to grant vocational training; and, if delegated to them by the director, may exercise such other powers as could be performed lawfully under this act by the central office."

The CHAIRMAN. The question is on the amendment of the gentleman from Massachusetts [Mr. ROGERS].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 5, line 9, after the word "Columbia," strike out the words, "and not more than 14 regional offices"; and in line 14, same page, after the word "act," strike out down to and including the word "office" in line 22.

The CHAIRMAN. The question is on the amendment of the gentleman from Mississippi [Mr. RANKIN].

The question was taken, and the Chair announced that the noes seemed to have it.

On a division (demanded by Mr. RANKIN) there were—ayes 21, noes 78.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. BEEDY: Page 5, line 14, after the word "act," strike out the period, insert a colon, and add the following: "Provided, however, That in States now having but a single suboffice no such suboffice shall be abolished within five years next following the approval of this act."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine [Mr. BEEDY].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BEEDY. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 34, noes 84.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. LINEBERGER: Page 5, lines 23 and 24, after the word "director," strike out the words "except to make compensation and insurance awards and to grant vocational training."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from California.

The question was taken, and the Chair announced that the noes seemed to have it.

On a division (demanded by Mr. LINEBERGER) there were—ayes 34, noes 82.

So the amendment was rejected.

The CHAIRMAN. Are there further perfecting amendments?

Mr. FISH. Mr. Chairman, I offer to strike out 50 suboffices and insert in lieu thereof 100.

Mr. STAFFORD. Mr. Chairman—

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 5, line 10, after the word "exceeding," strike out the word "fifty" and insert the words "one hundred."

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that it is not in order, because it is only in order as an

amendment to the Bland amendment or as an amendment to the substitute. That having been voted upon, and the amendment having been defeated, there can not now be offered a separate increase.

Mr. STAFFORD. If the Chair will permit. Following the line of argument advanced by my colleague, the gentleman from Indiana [Mr. SANDERS], this proposal was passed upon by Speaker Clark on a bill reported from the Committee of the Whole House on the state of the Union, in which it was proposed on a motion to recommit to offer a germane amendment broader in scope than the proposition that had previously been voted down. The debate was participated in by the gentleman from Illinois [Mr. MANN] and others, and the matter was of considerable political significance.

The Speaker, after consideration, decided that as the matter had been once under consideration it could not then be subsequently brought to the attention of the House; that the time for voting on it was when it was before the committee.

We have had here pending an amendment to increase these suboffices to 140. That was the amendment. It was at any time within the power of any member of this committee to have offered an amendment to that amendment increasing or reducing the number, so as to obtain the judgment of this committee. No person saw fit to offer such an amendment when it was up for consideration.

The basis of that ruling, I take it, is the proposition that we should expedite the consideration of amendments. If the amendment of the gentleman is now in order to increase the number to 100, and this committee votes that down, then again, right afterwards, some person may offer an amendment to increase the number to 200, and that might be voted down, or to 300, and that might be voted down, and the time of the committee would be taken up continuously without any opportunity to terminate the voting on that amendment.

It would be a means of preventing the consideration of this bill by one person alone offering amendments with different numbers for suboffices that would prevent consideration of the bill. That is the philosophy, I take it, of the ruling of Speaker Clark and other presiding officers against allowing an amendment of the same nature to be considered when it has once been voted upon. If the Chair wants that ruling as referred to in the Manual, I can call it to the attention of the Chair.

The CHAIRMAN. The Chair will be glad to have the citation.

Mr. FISH. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FISH. If this amendment had been offered after we had proceeded from that paragraph to another paragraph, it certainly would not have been in order. But we had been discussing this paragraph under debate limited to one hour, and the Chair held that all amendments were in order under that paragraph, no matter at what time they were introduced, and therefore I contend that this amendment is in order, and properly so.

Mr. STAFFORD. The Chair will recognize that if he can give me a few minutes I shall be able to supply the citation. I have had occasion only a short time ago to look up that decision and read the opinion in the CONGRESSIONAL RECORD at length, and I also called the decision to the attention of the parliamentary clerk, Mr. Fess.

Mr. DOWELL. Mr. Chairman, I think the gentleman from Wisconsin is mistaken as to the ruling of Speaker Clark. I think the ruling was that when an amendment had been agreed to it could not afterwards be changed.

Mr. STAFFORD. Oh, no. I have read that ruling within two weeks.

Mr. DOWELL. It was a ruling where an amendment had been agreed to. But where no amendment has been adopted it seems to me this is clearly in order.

The CHAIRMAN. The Chair thinks it would have been in order when the original proposition was pending to amend that amendment by a further amendment or by a substitute. That was not done. If it had been done, the Chair thinks it would then have been in order to offer a further amendment. But the amendment of the gentleman from Indiana having been voted down, the Chair thinks it is in order to offer another amendment not substantially the same as that already voted on. The Chair therefore overrules the point of order.

Mr. ROGERS. Mr. Chairman, I move to amend by making it 75 instead of 100.

Mr. RANKIN. Mr. Chairman, I move to amend by making it 200—no; I move to strike out "75" and make it "125."

The CHAIRMAN. The gentleman from Mississippi, without objection, modifies his amendment.

There was no objection.

The CHAIRMAN. The Clerk will report the amendment to the substitute as modified.

The Clerk read as follows:

Amendment offered by Mr. RANKIN to the substitute offered by Mr. ROGERS: Strike out "75" and in lieu thereof insert "125."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Mississippi to the substitute of the gentleman from Massachusetts.

The question was taken, and the Chairman announced that the yeas appeared to have it.

Mr. RANKIN. Mr. Chairman, I ask for a division.

The CHAIRMAN. Is a division demanded?

Mr. STAFFORD. Mr. Chairman, I offer an amendment to the substitute, to make it 250.

The CHAIRMAN. The gentleman from Wisconsin will have to be recognized first.

Mr. STAFFORD. I ask for recognition, Mr. Chairman.

Mr. SPEAKS. Mr. Chairman, I would like to know if it will be permissible to offer an amendment to line 10, to strike out the word "exceeding" and insert in lieu thereof the words "not less than"?

The CHAIRMAN. The Chair thinks that amendment is not in order at this time.

Mr. STAFFORD. Mr. Chairman, I desire to offer an amendment to the substitute.

The CHAIRMAN. The gentleman will offer his amendment.

Mr. STAFFORD. I wish to amend the substitute by making it "250."

Mr. ARENTZ. Mr. Chairman, may I ask the gentleman from Wisconsin a question?

Mr. McSWAIN. Mr. Chairman, may I ask the gentleman from Wisconsin a question?

Mr. FISH. Mr. Chairman, a point of order.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. WALSH. It has not been reported, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD to the substitute: To strike out "75" and insert "250."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. NORTON. Mr. Chairman, I demand tellers.

Mr. STAFFORD. Mr. Chairman, I desire to offer another amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. FISH. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FISH. The gentleman from Wisconsin [Mr. STAFFORD] is delaying purposely without good faith the action of this House. [Applause.]

Mr. BANKHEAD. Mr. Chairman, I make the point of order that the amendment is not in writing and is not in order on that account.

The CHAIRMAN. The Chair sustains the point of order.

Mr. RAYBURN. The amendment of the gentleman from New York is not in order, not having been submitted in written form.

The CHAIRMAN. The Chair was in error upon that and withdraws the decision. The question is on the amendment of the gentleman from Wisconsin [Mr. STAFFORD].

The question being taken, the amendment was rejected.

Mr. GOODYKOONTZ. Mr. Chairman, I desire to offer an amendment to the substitute.

The CHAIRMAN. The gentleman from West Virginia offers an amendment to the substitute, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GOODYKOONTZ to the substitute offered by Mr. ROGERS: Page 5, line 10, after the word "suboffices," strike out "not exceeding 50 in number."

Mr. ROGERS. I make the point of order that that is not a substitute.

The CHAIRMAN. The Chair sustains the point of order. The question now recurs upon the substitute of the gentleman from Massachusetts [Mr. ROGERS] for the amendment of the gentleman from New York [Mr. FISH].

The question being taken, the substitute was rejected.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from New York [Mr. FISH].

Mr. BEGG. May we have that reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 5, line 10, after the word "exceeding," strike out "50" and insert in lieu thereof "100."

The CHAIRMAN. The question now recurs on the amendment of the gentleman from New York.

The question being taken, on a division (demanded by Mr. FISH) there were—ayes 77, noes 93.

Mr. FISH. Mr. Chairman, I ask for tellers.

Mr. STAFFORD. The gentleman is "delaying the proceedings of the House." [Laughter.]

Mr. McSWAIN. It is delay, but in good faith.

The CHAIRMAN. The gentleman from New York demands tellers.

Tellers were ordered; and the Chairman appointed Mr. FISH and Mr. ROGERS.

The committee again divided; and the tellers reported—ayes 72, noes 106.

Accordingly the amendment was rejected.

The CHAIRMAN. If there are no further perfecting amendments—

Mr. BANKHEAD. Mr. Chairman, I offer a perfecting amendment.

The CHAIRMAN. The gentleman from Alabama offers a perfecting amendment, which the Clerk will report.

Mr. McDUFFIE. Mr. Chairman, there is a substitute pending.

The CHAIRMAN. The Chair thinks that a perfecting amendment has precedence over the substitute.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 5, line 14, after the word "act," strike out the period, add a colon and the following words: "Provided, That one of such suboffices shall be located in each of the several States."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were—ayes 44, noes 81.

Accordingly the amendment was rejected.

Mr. BEGG. Mr. Chairman, I desire to offer an amendment, on page 5, to strike out all of line 10 after the word "offices," to strike out all of lines 11, 12, 13, and 14, down to and including the period.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 5, line 10, after the word "offices," strike out all the remainder of line 10 and all of lines 11, 12, and 13, and all of line 14 down to and including the word "act."

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio.

The question being taken, the amendment was rejected.

The CHAIRMAN. The Clerk will report the substitute offered by the gentleman from Alabama [Mr. McDUFFIE].

The Clerk read as follows:

Amendment offered by Mr. McDUFFIE: Page 5, line 8, strike out all of section 6 and insert:

"Sec. 6. The director shall establish a central office in the District of Columbia and such suboffices within the territory of the United States, not exceeding 140 in number, as he may deem necessary for the best interests of the work committed to the veterans' bureau and to carry out the purposes of this act. Such suboffices shall have such powers as may be delegated to them by the director for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, and necessary and reasonable aftercare, making insurance awards, granting vocational training, and all other matters delegated to them by the director as could be performed lawfully under this act by the central office.

"Provided, however, That an appeal to the central office may be had from the findings of the suboffice by the ex-service man under such rules and regulations as the director may prescribe."

The CHAIRMAN. The question is on the substitute of the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. McDUFFIE) there were—ayes 43, noes 88.

Accordingly the substitute was rejected.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Delaware [Mr. LAYTON], which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAYTON: Page 5, line 8, strike out all of section 6 and insert in lieu thereof the following:

"That the director shall establish a central office in Washington, D. C., and not more than 14 regional offices and such suboffices within the territory of the United States and its outlying possessions as may be deemed necessary by him and in the best interests of the work committed to the veterans' bureau and to carry out the purposes of this act. Any such regional office or suboffice may exercise such powers, including the establishment of agencies for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, insurance awards, pension awards, and all other matters delegated to these agencies by the director as could be performed lawfully under this act by the central office."

The CHAIRMAN. The question is on the substitute of the gentleman from Delaware for the section.

The question being taken, the substitute was rejected.

Mr. LINEBERGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LINEBERGER: Page 5, lines 23 and 24, after the word "director," strike out "except to make compensation and insurance awards and to grant vocational training," and insert in lieu thereof the following: "through the regional office in whose jurisdiction the suboffice is located."

The CHAIRMAN. The question is on the amendment of the gentleman from California.

The question being taken, the amendment was rejected.

Mr. SPEAKS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 10, strike out the word "exceeding" and insert the words "less than."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

Mr. SPEAKS. Mr. Chairman, can I not explain my amendment?

The CHAIRMAN. Debate on this section and all amendments thereto has been exhausted.

Mr. SPEAKS. I ask unanimous consent for one minute.

The CHAIRMAN. The Chair thinks that the time having been fixed by the committee, he ought not to entertain requests for unanimous consent. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 7. The beneficiaries of the Bureau of War Risk Insurance and the Rehabilitation Division of the Federal Board for Vocational Education shall hereafter be the beneficiaries of the veterans' bureau.

Mr. KELLY of Pennsylvania. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, line 4, after the word "bureau," strike out the period, insert a comma, and add the following: "and a complete individual record of each beneficiary shall be kept by the veterans' bureau."

Mr. KELLY of Pennsylvania. Mr. Chairman, the amendment I have offered provides that the veterans' bureau shall keep complete individual records of each beneficiary under this law.

That such explicit direction is necessary has been proven by our experience during the past two years.

Congress has appropriated the money to meet every request of the Vocational Educational Board and the amounts have reached the total of \$200,000,000.

The money is being expended, but without the attempt to keep individual records. These expenditures are simply totaled in certain classifications, and it is impossible to determine the cost of the training given any individual service man in the United States.

When the estimates were sent to the Appropriation Committee at the last hearing there was a table submitted showing that the estimated cost per trainee is \$160. This was reported to be distributed as follows:

	Average.
Administration:	
Salaries	\$10.48
Travel expenses	.53
Subsistence	.59
Supplies	1.53
Rent	.51
Communication	.05
Miscellaneous	.04
Total	13.83
Direct expense:	
Training pay	124.94
Tuition	16.57
Supplies	3.72
Transportation	.67
Meals and lodging	.13
Medical	.05
Wage	.09
Total	146.17
Grand total	160.00

Now, I submit that such statistics mean nothing at all. The Nation's gratitude has been earned by the individual, not the group. As in everything else in American life, this question of rehabilitating the maimed soldiers of America comes down to the individual. The plan of lumping all expenditures and averaging training which costs \$100 with that which costs \$1,000 is unfair to the trainee and to Congress, which appropriates the money.

At present you can not determine the amount of money spent to rehabilitate any trainee. A contract is made with an educational institution for a certain course to be taken by a number of disabled service men at so much per man. The certification comes in from the institution and the check is sent out.

There the record ends, with nothing to show that John Smith was one of the men who received the benefit of such tuition.

Mr. Chairman, the Vocational Board has just closed a 3-year lease on Pocono Pines, a health and pleasure resort in Monroe County, Pa.; \$87,000 a year is to be paid, and the equipment used for the hospitalization and training of disabled service men.

Surely it is fundamental business sense to keep individual records of all the expenditures at such governmental institutions, distributing it properly so as to enable Congress to determine whether efficient results are being obtained from the expenditure. It has been well said that we need business in government, and there is nothing better than the motto "Do it now."

Mr. WINSLOW. Will the gentleman yield?

Mr. KELLY of Pennsylvania. Yes.

Mr. WINSLOW. In entire good faith I want to ask if the gentleman has any idea as to what the cost will be in dividing the accounting up as fine as that would be, and keeping a card of cost for every beneficiary?

Mr. KELLY of Pennsylvania. I am sure the cost would not be prohibitive. The clerks are there, the money is being spent. Surely it would be possible to distribute the cost on an individual basis. In a business college in my district there are 50 different boys taking courses. There is nothing to show the individuals taking that course and its cost. It ought to be a simple matter to distribute it among the trainees, showing one-fiftieth was received by each individual. I am sure the benefit of this provision would be far greater than the cost. [Applause.]

Mr. Chairman, the Nation owes a debt of honor to every disabled soldier capable of rehabilitation to so train and reeducate him that he may resume a self-supporting station in society.

That debt of honor must be paid. There have been blunders, red tape, and inefficiency in the past. These must be remedied and prevented for the future.

This measure, consolidating the work of compensation, hospitalization, and vocational training under one veterans' bureau is necessary. It is the first step in banishing the maze of red tape and ignorance and neglect which has marred the record of America.

Then the new veterans' bureau must understand that the Nation will not tolerate incompetency and neglect in dealing with the needs of those who paid in health and strength for the cause of America in the World War. The men who cashed in the vigor of their manhood on the fighting front are not objects of charity; they have earned everything that a grateful land may do for them. Not one of them must be left neglected—a penniless, jobless cripple. If one such be found in all America after this measure has gone into operation, his condition will be a black scar across the face of the Republic. Congress has provided the money and set up the machinery. Let the veterans' bureau efficiently and thoroughly do its sacred part in redeeming the Nation's promises to its disabled veterans. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 8. All sums heretofore and hereafter appropriated for carrying out the provisions of the war risk insurance act and amendments thereto, and to carry out the provisions of the act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, and amendments thereto, shall, where unexpended, be made available for the veterans' bureau, and may be expended in such manner as the director deems necessary in carrying out the purposes of this act, with the restrictions heretofore imposed as to number of personnel that may be employed at stated salaries.

Mr. BRENNAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BRENNAN: Page 6, at the end of line 17, strike out the period and insert a comma and the following language: "and with the further restriction that no part of said sums heretofore appropriated for medical or hospital services shall be used for the payment of commutation of quarters, subsistence, and laundry or quarters, heat, and light, and longevity to any employees other than the commissioned medical officers provided for by statute, except at such United States Public Health Service hospitals at which, in the judgment of the Secretary of the Treasury, it would be impracticable or uneconomical or not conducive to the proper treatment of patients for whose welfare and care the director is herein made responsible to furnish quarters and subsistence in kind."

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that the amendment offered by the gentleman is not germane to the section nor, I think, germane to the bill. I reserve the point of order.

Mr. BRENNAN. Mr. Chairman, one of the chief purposes of this bill is to improve the present inadequate hospital facilities for the war veterans. If this amendment or some provision similar to it is not adopted it is a rather startling fact that, despite the avowed purposes of this legislation, the hospital facilities of the Public Health Service will become on July 1 of this year less adequate and serviceable than they are to-day. On that date it will become illegal to pay nurses, reconstruction aids, and other employees of the Public Health Service commutation of quarters and subsistence. As a result, in some of the hospitals, in order to accommodate the aids and other employees under a Government roof, it will become necessary actually to reduce the number of beds now being occupied by wounded and disabled veterans and convert them for the use of the hospital employees. When the service men and their organizations are begging for additional beds and when we are appropriating millions for the construction of new hospitals, it is unthinkable that we should permit a subtraction from existing facilities.

In the last sundry civil appropriation act a provision, which becomes operative July 1, was inserted in the Senate which absolutely prohibits the payment of commutation to nurses or aids in the Public Health Service hospitals under any circumstances.

It was claimed that there had been some abuses, but instead of restricting the right to pay commutation only to appropriate cases, the Senate provision entirely denies that right. The Public Health Service will be confronted with the perplexing situation of not having suitable quarters within which to house its employees and, at the same time, will be deprived of authority to pay them for quarters in which to live outside. I am informed that it is impossible in almost every city for the Health Service to rent quarters for any reasonable amount. Where quarters are available at all, it would cost two or three times as much to maintain them as is now expended for commutation. The quarters offered, in almost every instance, are unsuitable.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BRENNAN. Yes.

Mr. NEWTON of Minnesota. I received some communications upon this subject which indicated an unwillingness on the part of these nurses and reconstruction aids to live in the quarters provided for them by the Government. They seem to think that the Government ought to furnish them quarters among other nurses, and if they did not like that, then that the Government should furnish them with a private home somewhere.

Mr. BRENNAN. The purpose of this amendment is to permit the reconstruction aids and other employees to live outside only where the Government is unable to furnish them with adequate and decent quarters. At the present time the greater number of nurses are living in Government buildings.

A smaller number, whom the service is unable to accommodate, are living outside. Those nurses now living inside will not be forced outside by the provisions of this amendment, but the amendment merely seeks to take care of those for whom there is not room on the inside. It is so modified and limited as to permit the payment of commutation only at such United States Public Health Service hospitals at which, in the judgment of the Secretary of the Treasury, it would be impracticable or uneconomical or not conducive to the proper treatment of patients to furnish quarters and subsistence in kind.

Mr. NEWTON of Minnesota. So that the gentleman does not believe that where the Government has quarters the nurses and aids should be permitted to live elsewhere and get commutation.

Mr. BRENNAN. No; my amendment merely takes care of hospitals where there are no available quarters. It aims to prevent a grave crisis in those hospitals. A reconstruction aid from Detroit called my attention to the situation which exists in the marine hospital there. They are unable to rent proper quarters anywhere near the hospital. They have been offered one dilapidated house with 11 rooms and one bath. They are actually considering using it to quarter nine women aids, an assistant administrative officer, his wife, and seven children. The probable result is that these aids, who are rendering invaluable service to the disabled veterans, will be forced out of the service.

Mr. KINDRED rose.

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

Mr. BRENNAN. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

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

Mr. BRENNAN. Yes.

Mr. KINDRED. Because of the facts that the gentleman has so admirably stated, is it not true that the Public Health Service is, even under present conditions, seriously handicapped in securing the necessary nurses and employees needed for the work, and if the relief is not granted, as suggested by the gentleman from Michigan, will this handicap not seriously increase?

Mr. BRENNAN. I am informed by responsible officials of the Public Health Service that this provision, unless modified, is one of the most serious blows that has been struck at the Public Health Service since its creation. I was surprised, when this matter was brought to my attention by an individual nurse, to go down to Building C and find that the Public Health officials have made a complete survey upon the subject; that they had compiled data which showed that in the case of most of the 72 hospitals throughout the country they are unable to provide sufficient quarters, and that it was going to cost the Government several times in excess of the amount now being paid to take care of the nurses, and that then they would be taken care of in a way to greatly decrease their efficiency. I sincerely hope that the gentleman from Indiana will withdraw the point of order.

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order.

The CHAIRMAN. What is the point of order?

Mr. SANDERS of Indiana. The point of order is that the amendment is not germane to the section. This section turns over the appropriation made for carrying out the Bureau of War Risk Insurance act and carrying out the act to provide for vocational rehabilitation. If we had not had the provision in lines 16 and 17, I think they would have been carried in the legislation, anyway. Line 16 merely provides that the restrictions heretofore imposed as to the number of the personnel that may be employed at stated salaries shall remain in force. In other words, we turn over the appropriations to this new bureau with the restrictions already provided by law. We make no new restrictions whatever. This proposed amendment adds a restriction to the original bill, whereas the legislation in section 6 adds no restriction whatever. The original section merely provides that the restrictions already there shall remain. We express our desire to leave the restrictions as they are. The amendment proposed by the gentleman adds a new restriction not only not in connection with the personnel but it deals with three or four other matters. It is the same proposition exactly as if we had brought in legislation without any restriction whatever and then the gentleman had endeavored to tack on a restriction.

Mr. BRENNAN. Mr. Chairman, the argument made by the gentleman from Indiana [Mr. SANDERS], I believe, is answered best by referring him to the last sundry civil bill. On page 8 of the bill, which I shall present to the Chairman in a moment, under the heading of the "Bureau of War Risk Insurance," provision is made for an appropriation of \$33,000,000 for the beneficiaries of the war-risk insurance for use in connection with hospital and medical services. Section 8 of the bill before us begins by referring to "all sums heretofore and hereafter appropriated for carrying out the provisions of the war risk insurance act." The most recent appropriation for fulfilling the purposes of the war risk insurance act is contained on page 8 of the sundry civil bill, and the restriction, which the gentleman mistakenly says I seek to add to this bill, is found on that same page 8 and applies to the expenditure of the money therein appropriated. On page 8 of the sundry civil bill we find the following language:

For medical, surgical, and hospital services, medical examinations, funeral expenses, etc., for beneficiaries of the war-risk insurance, including costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of insane, \$33,000,000: *Provided*, That no part of the money hereby appropriated shall be used for the payment of commutation of quarters, subsistence, etc.

Now, Mr. Chairman, my amendment reenacts the restriction contained in this proviso, and I have merely added to the restriction a qualification which would prevent its application in such particular cases as the Secretary of the Treasury deems it should not apply. In other words, I am not adding a restriction which does not exist in the present law, but I am simply repeating that restriction and then modifying it.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. BRENNAN. I will.

Mr. SANDERS of Indiana. The gentleman's amendment is an exact copy of the restriction that is already in the other appropriation?

Mr. BRENNAN. It copies it and then modifies it.

Mr. SANDERS of Indiana. Does it take away some restriction?

Mr. BRENNAN. The provision inserted in the sundry civil bill absolutely prohibits the payment of commutation under any circumstances. This amendment starts out by prohibiting it and then says that, in such cases as the Secretary of the Treasury may deem advisable, the restriction shall be removed. In other words, it modifies the absolute prohibition.

Mr. SANDERS of Indiana. Then the effect of the gentleman's amendment is to release some restriction that is already in an appropriation?

Mr. BRENNAN. That is all. I am not trying to wipe out the entire restriction, but merely aim to modify it in certain cases where otherwise a serious emergency would arise threatening the proper conduct of the hospitals, the accommodation of the nurses, and the treatment and care of the patients.

The CHAIRMAN. The Chair would like to ask the gentleman from Indiana a question. Is it the opinion of the gentleman from Indiana and the gentlemen of the committee that the provision of section 6, transferring this appropriation, carries with the appropriation the restrictions carried in the original appropriation act?

Mr. SANDERS of Indiana. Yes; I think it does.

The CHAIRMAN. The Chair is ready to rule.

Mr. STAFFORD. Except the personnel.

Mr. BARKLEY. If the gentleman from Indiana will permit, in reference to the restriction heretofore imposed upon the number of personnel that may be employed at stated salaries, I think we might assume that is the only restriction that is carried in the proviso that this applied to, otherwise it would not be necessary to mention any restriction at all.

The CHAIRMAN. If the gentleman from Kentucky is correct, the purpose of the gentleman from Michigan is accomplished anyway, because this provision of section 8 has the effect of repealing the provision which he seeks to amend, but if it is a repeal it is carried through that provision of section 8, and the Chair thinks any germane amendment may be offered to it.

Mr. SANDERS of Indiana. Mr. Chairman, I think I inadvertently stated the effect of the amendment. It does quote in substance a restriction that was contained in the appropriation bill, but it seems in addition to carrying the restriction it removes the restriction in the judgment of the Secretary of the Treasury. In other words, the restriction carried in the appropriation bill was an absolute limitation, and the gentleman's proposed amendment would make it a qualified restriction, so that part what I said in reference to the point of order would not be in point. Of course, the question now before the Chair is this: We bring in a bill that provides that a certain absolute restriction shall follow this fund. Now, if this is exclusive and impliedly legislates the other restriction off the appropriation bill, then the gentleman's amendment would probably be in order. On the other hand, if it is not exclusive and is merely surplusage in effect and all the restrictions are carried, I think it would not be in order. In my opinion, Mr. Chairman, the restrictions are carried notwithstanding the specific provision that they should have certain restrictions, and I think lines 16 and 17 are merely legislative surplusage.

The CHAIRMAN. The Chair is ready to rule. The Chair thinks that the effect of section 8, now under consideration, is to transfer the appropriations made under the various appropriation acts for the Bureau of War Risk Insurance and the Bureau of Vocational Training to the new agency created by this act subject to the restrictions which were carried in the original act; and that the effect of section 8, for the purpose of consideration here, is to bring these appropriations with the restrictions upon them into the forum of the House, subject to amendment by any germane provision. The Chair therefore thinks the amendment the gentleman from Michigan has offered is an amendment which is germane to the restriction which section 8 brings into the forum of the House, and therefore the Chair overrules the point of order. The question is on the amendment offered by the gentleman from Michigan [Mr. BRENNAN].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. RAYBURN. Division, Mr. Chairman.

The committee divided; and there were—ayes 32, noes 45.

So the amendment was rejected.

Mr. ROGERS. Mr. Chairman, I move to strike out the last word. I desire to ask the gentleman from Iowa [Mr. SWERT] a question. This section specifically transfers the appropriations that have hitherto been made in favor of the War Risk Insurance Bureau and also in favor of the Federal Board for Vocational Education. Is the omission of a transfer of appro-

priation made for the Public Health Service an intentional omission?

Mr. SWEET. It is, because all matters of hospitalization, in the first instance, under the war risk insurance act, went to the Bureau of War Risk Insurance. And whenever the Public Health Service rendered any service for the bureau the money was allotted to the Public Health Service.

Mr. ROGERS. Has there been no specific appropriation made by Congress for the benefit of the Public Health Service that will ultimately be utilized for the veterans' bureau?

Mr. SWEET. Not for hospitalization or anything of that kind.

Mr. ROGERS. Take, for example, a question involving the examination of applicants for compensation, or a question involving the admission to hospitals. Have there not been appropriations in the past to the Public Health Service for those purposes?

Mr. SWEET. The appropriations to which the Public Health Service is entitled by reason of the war-risk insurance were made, in the first instance, to the Bureau of War Risk Insurance. In other words, we appropriated at one time \$48,000,000 and at another time \$36,000,000, and when there was anything in connection with hospitals for any service being rendered by the Public Health Service that money was allotted to the Public Health Service.

Mr. ROGERS. Was not that a rather recent change in system? Within the last year I am familiar with the method of appropriating, but I thought until, say, 12 months ago, the practice was to appropriate directly for the Public Health Service.

Mr. SWEET. It is for certain matters pertaining to the Public Health Service. That is true. But whenever it pertained to matters in which the Bureau of War Risk Insurance was interested, it was made to the Bureau of War Risk Insurance, and that was allotted to the Public Health for the service rendered the bureau.

Mr. ROGERS. If the gentleman is perfectly satisfied that no further language is needed, I am certainly satisfied; but I am afraid there may have been passed appropriations that would be tied up by the method of transfer described in this section.

Mr. CHINDBLOM. Even if money had been appropriated to the Public Health Service, would that now be carried under section 8, inasmuch as that section provides that sums heretofore or hereafter appropriated for carrying out the provisions of the war insurance act—

Mr. ROGERS. The functions of the Public Health Service are exercised under a separate act of Congress.

Mr. CHINDBLOM. But any money that was appropriated to the Public Health Service for the purpose of carrying out the provisions of the war risk insurance act under this section 8 would be transferred to the veterans' bureau.

Mr. ROGERS. That would be true, if, as the gentleman from Iowa [Mr. SWEET] suggests, it was appropriated to the War Risk Insurance Bureau and was allotted. I am not sure it would be so under all circumstances.

Mr. GOODYKOONTZ. Mr. Chairman—

The CHAIRMAN. The gentleman rises in opposition to the pro forma amendment.

Mr. GOODYKOONTZ. Mr. Chairman, when section 6 was under consideration I tried to get recognition; but the Chairman evidently did not see me or else did not find it consistent to recognize me for the purpose of bringing to your attention a letter dated June 8, 1921, written by Mr. J. Byron Nickerson, department commander of the American Legion, of Wheeling, for the State of West Virginia, and I now ask the Clerk to read the letter within my time.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

WHEELING, W. VA., June 8, 1921.

Hon. WELLS GOODYKOONTZ,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: The Sweet bill, H. R. 3, will bring relief to the long-suffering disabled veterans only if principle involved in section 6 as originally drawn is carried out. If passed with section 6 as amended by committees, 2-year fight for the disabled ex-service men will have been in vain. On behalf of the American Legion of West Virginia I urge you to support the Sweet bill with section 6 as originally drawn. With sincere good wishes, I am,
Faithfully, yours,

J. BYRON NICKERSON,
Department Commander.

Mr. GOODYKOONTZ. The original House bill No. 3 contained the section No. 6 as the legion desired it to be passed or enacted into law. It provided for 14 regional reserve officers and such subofficers as the director might deem necessary. Now, I have some doubt as to the wisdom of that provision, but I believe in the consolidation of the different agencies of the Government that undertake to deal with soldiers' affairs,

and I believe that the disintegration of the units that are now doing the proper work—and I particularly refer to the War Risk Insurance Bureau—and the dividing up of that work with 14 different departments is going to give us two years more of delay. The departments having in charge this work have just now begun to work smoothly. The wheels of the machinery are revolving, and they seem to be lubricated. By the measure before us it is proposed to create new machinery, and it is going to take two years or more to organize the department and to bring it into proper relation one part with the other. If you are not going to please the soldier, if you are not going to grant what he wants done, then you had best not pass any bill at all. What I desire to say is this: That when the time comes we should either adopt the amendment offered by the gentleman from Delaware [Mr. LAYTON] or else the amendment offered by the gentleman from Indiana [Mr. BLAND], for either one of those amendments would be in harmony with the views of the members of the American Legion. In other words, they have asked for bread and this bill in its present form gives them a stone.

Mr. LAYTON. Will the gentleman yield?

Mr. GOODYKOONTZ. Yes, sir.

Mr. LAYTON. As a matter of fact, with the establishment of 14 independent regional boards it necessarily follows that there will be 14 different standards of compensation?

Mr. GOODYKOONTZ. You are right. And as it is now the soldiers have 435 agents, all Members of the House of Representatives, who, with their secretaries, find it a pleasure to look after their interests, but if regional departments are formed, scattered all over the country, then they will be beyond our reach and jurisdiction.

I believe the main object of the bill—the consolidation of all soldiers' Government activities into one bureau, called in the bill the veterans' bureau, to be desirable and that the principle of the bill is therefore sound.

But is it true, nevertheless, that 14 agents scattered over the country without a large number of subagents would only delay action on soldiers' claims. Speed is the essence of the proposition the soldiers are advancing. They have given the subject much thought. They believe that section 6 as originally written will bring them relief, and so I propose to stand by them to the end.

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from California asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GOODYKOONTZ. Mr. Chairman, I make the same request.

Mr. WINSLOW. Mr. Chairman, I move that all debate on this section and amendments thereto terminate in 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts moves that all debate on this section and amendments thereto close in 10 minutes.

Mr. COOPER of Wisconsin. Mr. Chairman, reserving the right to object, will the gentleman from Massachusetts [Mr. WINSLOW] consent that I offer an amendment and have one minute in which to discuss it?

Mr. WINSLOW. Certainly.

The CHAIRMAN (Mr. WALSH). The question is on agreeing to the motion of the gentleman from Massachusetts.

The motion was agreed to.

The CHAIRMAN. The debate terminates in 10 minutes.

Mr. STEVENSON. Mr. Chairman, while I am in favor of any legislation that will tend to assist in taking care of those soldiers of the war who are disabled, I am hoping to see legislation put into this bill which will enforce the legislation already on the books to take care of them.

There is very material legislation that is now being absolutely ignored, and legislation which the parties charged with the administration of certain departments say they propose to ignore, in so far as the soldier is concerned. The act of July 11, 1919, provides—

that hereafter in making appointments to clerical and other positions in the executive branch of the Government, in the District of Columbia or elsewhere, preference shall be given to honorably discharged soldiers, sailors, and marines, and to wives of injured soldiers, sailors, and marines who themselves are not qualified, but whose wives are qualified to hold such positions.

The Civil Service Commission has laid down the rule that when a soldier stands an examination, if he makes 65 he is put at the head of the list for certification.

Now, the recent order of the President as to the appointment of postmasters provides that they will take one out of the three highest. Now, I am concerned about that, because two postmasters in my district to-day are merely temporary post-

masters, acting postmasters. They were soldiers. They won their appointments in the examination before the Civil Service Commission. They were appointed, but failed of confirmation, and when I go to the Post Office Department I am informed that they have got to stand another examination; and, if they get on the list of the three highest, the Post Office Department declines to say that it will appoint a soldier, but says, "We propose to select the postmaster out of the three highest, regardless of whether he is a soldier or not."

Here is a proposition from which you can not escape. You have a law. It is an executive appointment, and when the certification is made of the three highest, if one of them is a soldier, if you propose to leave it to that law, then you have got to appoint him, regardless of whether you want him or not, and if you do not propose to enforce this law, then what law do you propose to live by?

I hope to see something put into this bill, and will offer an amendment presently that will require them to appoint a soldier wherever he is eligible, where the soldier is certified, and you shall not be allowed to play politics by going down and taking some ward politician or Republican neighborhood rooter and appointing him and leaving the soldier off. [Applause.]

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

Mr. COOPER of Wisconsin. Mr. Chairman, I have an amendment that I wish to offer, on page 6, line 17, to strike out "personnel" and insert "persons."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. COOPER of Wisconsin: Page 6, line 17, strike out the word "personnel" and insert in lieu thereof the word "persons."

Mr. COOPER of Wisconsin. Mr. Chairman, "personnel," as I understand it, includes the whole body of the persons. Then literally this would be the whole number of persons employed.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 41, noes 3.

So the amendment was agreed to.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 9. The director, subject to the general directions of the Secretary of the Treasury, shall be responsible for the proper examination, medical care, treatment, hospitalization, dispensary, and convalescent care, necessary and reasonable after care, welfare of, nursing, vocational training, and such other services as may be necessary in the carrying out of the provisions of this act, and for that purpose is hereby authorized to utilize the now existing or future facilities of the United States Public Health Service, the War Department, the Navy Department, the Interior Department, the National Homes for Disabled Volunteer Soldiers, and such other governmental facilities as may be made available for the purposes set forth in this act; and such governmental agencies are hereby authorized and directed to furnish such facilities, including personnel, equipment, medical, surgical, and hospital services and supplies as the director may deem necessary and advisable in carrying out the provisions of this act, in addition to such governmental facilities as are hereby made available.

In order to standardize the character of examination, medical care, treatment, hospitalization, dispensary, and convalescent care, nursing, vocational training, and such other services as may be necessary for beneficiaries under this act, the director shall maintain an inspection service, with authority to examine all facilities and services utilized in carrying out the purpose of this act, and for this purpose may utilize such other Government or private agencies as may be deemed practicable and necessary.

When, in the opinion of the director, the facilities and services utilized for the hospitalization, medical care, and treatment for beneficiaries under this act are unsatisfactory, the director shall make arrangements for the further hospitalization, care, and treatment of these beneficiaries by other means.

In the event that there is not sufficient Government hospital and other facilities for the proper medical care and treatment of beneficiaries under this act, and it is deemed necessary and advisable to secure additional Government facilities, the director shall make such recommendation to the Secretary of the Treasury as in his opinion is deemed necessary and advisable for the further improvement or extension of existing governmental facilities, or for the acquiring, including construction, of additional facilities; such new property and structures as may be recommended shall become part of the permanent equipment of some one of the now existing agencies of the Government, including the War Department, Navy Department, Interior Department, Treasury Department, the National Homes for Disabled Volunteer Soldiers, in such a way as would best serve the present emergency, taking into consideration the future services to be rendered the veterans of the World War, including the beneficiaries under this act.

In the event Government hospital facilities and other facilities are not thus available or are not sufficient, the director may contract with State, municipal, or private hospitals for such medical, surgical, and hospital services and supplies as may be required, and such contracts

may be made for a period of not exceeding 10 years and may be for the use of a ward or other hospital unit or on such other basis as may be in the best interest of the beneficiaries under this act.

Mr. HILL. Mr. Chairman, I offer a perfecting amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 7, line 11, insert the following: "Provided, That in the treatment of disabled, sick, or otherwise incapacitated ex-service men and men now in the service, no existing laws or regulations shall be construed to take from the physicians of the United States Public Health Service the officers of the Army Medical Corps, the medical officers of the Navy, and other physicians operating under this act the right to prescribe in such amounts and at such times as they deem in their discretion necessary, and purely for medicinal purposes, beer, wines, and spirituous liquors."

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The gentleman from Indiana makes the point of order against the amendment. Does the gentleman from Maryland desire to be heard on the point of order?

Mr. HILL. The gentleman does.

Mr. Chairman, this is a very essential perfecting amendment to this bill, and I feel sure that, when fully understood, this committee will vote unanimously for it, because I am sure that no member of this committee will desire to have it said that he was against an Army doctor prescribing any medicine for a sick soldier that the Army doctor saw fit to prescribe.

Mr. SANDERS of Indiana. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SANDERS of Indiana. The gentleman from Maryland is not confining himself to the point of order. He is discussing the merits of the amendment.

Mr. HILL. I am coming to that. But the merits are so obvious that they need no further discussion.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is too serious a subject upon which to make such a ridiculous amendment. [Laughter.]

The CHAIRMAN. The Chair overrules the point of order.

Mr. HILL. The only ridiculous proposition is that of the gentleman who just spoke. [Laughter.]

Gentlemen, this is not a frivolous proposition, but a serious one. Section 9 of this bill provides—

The director, subject to the general directions of the Secretary of the Treasury, shall be responsible for the proper examination, medical care, treatment, hospitalization, dispensary, and convalescent care, necessary and reasonable after care, welfare of, nursing, vocational training, and such other services as may be necessary in the carrying out of the provisions of this act.

In other words, under the first part of this section 9 it lies entirely within the province of the director of the veterans' bureau to make such dietetic rules as he desires to make, any rules that he deems necessary; and this amendment is simply offered here in the interest of preventing that onspreading wave of fanaticism that seems to have swept over this country.

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that the point of order is not being discussed by the gentleman.

The CHAIRMAN. The Chair would admonish the gentleman from Maryland on this occasion to discuss the point of order.

Mr. HILL. My contention, Mr. Chairman, is that this amendment is intended to prevent the director of the veterans' bureau from interfering with the proper treatment of a soldier under the orders of the doctors of the Medical Corps.

The CHAIRMAN. Does the gentleman from Indiana [Mr. SANDERS] desire to be heard on the point of order?

Mr. SANDERS of Indiana. The amendment offered by the gentleman provides—

That no existing laws or regulations shall be construed to take from the physicians of the United States Public Health Service, the officers of the Army Medical Corps, the medical officers of the Army, and other physicians operating under this act, the right to prescribe in such amounts and at such times as they deem in their discretion necessary, and purely for medicinal purposes, beer, wines, and spirituous liquors.

Of course, that deals with all laws and is not limited to this law. If it was a limitation upon the effect of this law, it might be in order, but it is clearly not in order when it undertakes to limit the effect of all existing laws relating to intoxicating liquors.

Mr. BLANTON. Mr. Chairman, I call the attention of the Chair to the fact that the amendment as offered by the gentleman from Maryland is in conflict with the provisions of the Constitution of the United States as contained in the eighteenth amendment.

Mr. HILL. If the gentleman will yield, this is not for beverage purposes but for medicinal purposes. The eighteenth amendment does not touch medicinal purposes.

Mr. BLANTON. I am not going to turn around, as the gentleman from Maryland did, and address our colleague or the country up in the gallery. I am going to address only the Chair on a point of order. The eighteenth amendment controls the action of a physician with respect to his right to prescribe intoxicating liquors. The amendment offered by the gentleman from Maryland would let a physician go beyond the Volstead Act, passed to enforce the Constitution, and would permit him to use his individual discretion as to when, how much, and to whom he could prescribe. I submit that the amendment is clearly out of order.

The CHAIRMAN (Mr. WALSH). The gentleman from Indiana [Mr. SANDERS] makes a point of order against the amendment offered by the gentleman from Maryland [Mr. HILL]. The amendment of the gentleman from Maryland is in the form of a proviso, the substance of which is that physicians of the Public Health Service, officers of the Army Medical Corps, and the medical officers of the Government and other physicians operating under the act shall have the right to prescribe, at such times as they deem necessary, and purely for medicinal purposes, beer, wine, and spirituous liquors. That amendment is offered at line 11, page 7, to section 9 of the bill.

In the judgment of the Chair the amendment in the form of a proviso is not germane to the provisions of the section to which it is offered, and the Chair sustains the point of order.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. I want to read the provisions on page 7, commencing with line 21, down to and including the end of line 2, on page 8, and to ask the chairman of the committee just what that means and what is the purpose of it. It reads as follows:

When, in the opinion of the director, the facilities and services utilized for the hospitalization, medical care, and treatment for beneficiaries under this act are unsatisfactory, the director shall make arrangements for the further hospitalization, care, and treatment of these beneficiaries by other means.

What does the committee intend by that language?

Mr. SWEET. Under the provisions of section 9 the veterans' bureau has full charge of the assignment of the beneficiaries of the veterans' bureau to the Public Health Service hospitals or to private hospitals, as the case may be, for the purpose of giving them hospitalization. Now, after having assigned a patient to a hospital and the patient is not receiving treatment and care to which he is entitled, then in that event the new bureau can send that patient to any other hospital, or provide other hospital facilities for him.

Mr. RAKER. Right in that connection, I did not realize that that was what the committee meant. It brings up the question I wanted to propound to the committee. Does the patient have the determination of the question whether he is receiving sufficient care and treatment, or do the director and the doctors in attendance determine that?

Mr. SWEET. Of course, the care that the patient receives is determined by the director of the veterans' bureau.

Mr. RAKER. I have been advised—I will not vouch for it—that men have had, as many as 15 changes of hospital; that a man has gone to a hospital, stayed there a few days, has done as he pleased, violated all the rules, left of his own volition, and gone to one hospital after another, as many as fifteen times.

Mr. SWEET. I will say to the gentleman from California that I have heard like statements.

Mr. RAKER. I think this is important, and the committee ought to know about it. Is there any provision in this bill whereby the Government, or the hospital authorities, or the director of the veterans' bureau have any real authority to administer the law and to protect the public and to protect a young man who is desirous of moving from place to place at his own volition?

Mr. SWEET. I call the gentleman's attention to section 11, which will be reached in a few moments, which reads:

The director is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals, homes, or institutions as patients or beneficiaries of said bureau during their stay in such hospitals, homes, institutions, or training centers.

Mr. RAKER. Does the gentleman believe that provision will cure the present unsatisfactory conditions?

Mr. SWEET. It will have a tendency to cure such unsatisfactory condition.

Mr. RAKER. I think every ex-service man is interested in this. We ought not to allow the service to be broken down by a few or a number of men who desire to use their own volition to go wherever they want to as against the hospital rules and regulations.

Mr. SWEET. That is true.

Mr. RAKER. Is there any means of curbing that?

Mr. SWEET. Yes; section 11 provides for discipline in hospitals.

Mr. RAKER. Does the gentleman believe that the provisions of section 11 are sufficient to cure the present unsatisfactory conditions?

Mr. SWEET. In the opinion of the committee that will be done.

Mr. RAKER. On the statement of the gentleman I withdraw the pro forma amendment.

Mr. WINSLOW. Mr. Chairman, I move that debate on this section and all amendments thereto be closed in 12 minutes.

The CHAIRMAN. The gentleman from Massachusetts moves that all debate on this section and all amendments thereto be closed in 12 minutes.

The motion was agreed to.

Mr. BLAND of Indiana. Mr. Chairman, I move to strike out the last two words. Mr. Chairman and gentlemen of the House, the work of this committee ordinarily is very satisfactory. I think that this product of their genius is very disappointing to the Members of the House.

Mr. SWEET. The gentleman refers to section 6?

Mr. BLAND of Indiana. Yes; I especially refer to section 6. Anyone who gives section 6 even a casual reading will say that it is not properly framed, not properly drawn, is loosely and carelessly drawn, and drawn, in my judgment, without a proper knowledge of the facts. I am convinced, and so are men who have studied and are familiar with the situation, that the majority of the members of this committee when they framed section 6 had no sufficient knowledge of what was actually being done for the ex-service men under the existing organization. I have talked with members of the committee that did not know that the Public Health Department had men stationed at all the substations over the country to examine these boys. I talked with members of the committee that did not know how many substations they had in the country, and yet they framed this bill, saying you should not have over 50. They did not know what was being done under existing law.

When the clouds broke in the New York newspapers, raising old Cain and demanding an investigation of the Vocational Board, we made an investigation into the terrible conditions that prevailed among the soldiers all over the country who could not get any help. The decision was that the bureau needed decentralization; that it was necessary to bring the helpful activities closer to the boys, and so they went out and established 148 stations where they could bring the boy in, or where the boy could go himself and get in touch with those who were authorized to help him. The substation was never given authority to pass on his case finally. But after a little while we found that the boys could get relief in this way, and they ceased their criticism of Congress. Now, here you want to go back to where you were, as far as going out and reaching the boys are concerned. You are saying that we will centralize again, so that the boys will be wandering over the country asking where they can get relief or get a job which the Government has trained them for.

This is a different proposition than the pension substations system to which the gentleman from Iowa [Mr. GOON] spoke about the other day. That referred only to pensions and the distribution of pensions. This is a proposition of giving men rehabilitation training and hospitalization and other relief. It is a question of restoring them to health and giving them help which Civil War veterans never received. We did not have these things after the Civil War; we did not give veterans of the Civil War that kind of treatment. I can not understand how you can talk about wanting to help the veterans and yet cut the existing necessary machinery down, and thus destroy a helpful organization for the soldiers' relief. Some say that we want these little places in the States for plunder purposes. Why, God bless you, these are little, small jobs, with small salaries. No high salaries are paid. It is a place where the boy can go and get help to make out his papers, and get all necessary information and assistance. We have 3 of these offices in Indiana, 9 in Texas, 6 in Ohio, 5 in Michigan, 4 in Minnesota, 4 in Oklahoma, 5 in Illinois, and a similar number in other States. I tell you, gentlemen, that the clouds will break again, because the boys can not find the places to get relief if you abandon these suboffices. The records of almost 100 suboffices now operating will be dumped into regional offices upon the passage of this bill.

Mr. WINSLOW. Will the gentleman yield?

Mr. BLAND of Indiana. Yes.

Mr. WINSLOW. May I ask when the gentleman first discovered the ignorance of the committee?

Mr. BLAND of Indiana. This is a glaring example of it.

Mr. WINSLOW. I asked the gentleman the time when he began to discover the ignorance of the committee.

Mr. BLAND of Indiana. I have been noticing it for quite a while.

Mr. WINSLOW. With the superior information in the gentleman's mind, did he ever appear before the subcommittee or the committee at any time to give the committee the benefit of his information?

Mr. BLAND of Indiana. I will say to the gentleman that I am not in close enough relation with the committee to know when it meets, I have never been invited before the committee, but I have talked with the chairman of the subcommittee and the author of this bill, and I do not believe he is in favor of section 6 as it stands. I do not mean that the gentleman told me that, but I do not believe the man is for it, because I think he thinks too much of the soldiers to be for it.

Mr. LINEBERGER. Mr. Chairman, will the gentleman from Indiana yield to me to ask a question of the chairman of the committee?

Mr. BLAND of Indiana. Yes.

Mr. LINEBERGER. Is it not a fact that the late Col. Galbraith, chairman of the American Legion, national commander, appeared before the committee and made certain recommendations which were not adopted?

Mr. WINSLOW. That is very true; yes.

Mr. BLAND of Indiana. And he told me that he was against the "50" provision in section 6, and you know it, and you know that the people who are enforcing this law, the members of the Vocational Board and the director and the Public Health Department, and everyone who has anything to do now in an official way with taking care of these soldiers, is against the 50 provision of section 6.

Mr. WINSLOW. No. I do not know any such thing.

Mr. BLAND of Indiana. Well, you ought to know it.

Mr. FISH. Mr. Chairman, I move to strike out the last two words for the purpose of supplementing the remarks of the gentleman from Indiana—

Mr. DENISON. Mr. Chairman, I make the point of order that the gentleman is not in order. Unless the gentleman intends to confine his remarks to the section under discussion, I shall object.

Mr. ROGERS. Mr. Chairman, I move to strike out the last word, and, if I may, I should like to ask the gentleman in charge of the bill a question. In answer to questions the other day, on an earlier section, the gentleman from Iowa [Mr. SWEET] explained that the actual management of the hospitals under this bill would be in all respects, as at present, in the hands of the Public Health Service.

Mr. SWEET. Yes; after the patient has been put there.

Mr. ROGERS. After the patient has been examined and assigned to the hospital?

Mr. SWEET. Yes.

Mr. ROGERS. With that thought in mind, I wondered how fair and how practicable it was to provide in this section that the director of the veterans' bureau shall be responsible, among other things, for the medical care, treatment, hospitalization, welfare, and nursing, and so on, of these patients. In other words, it would seem to me that the Surgeon General of the Public Health Service, who has sole responsibility and authority under the previous section, would find it rather awkward if he were told that the director of the veterans' bureau also had the responsibility.

Mr. SWEET. And the gentleman would get into the same difficulty that we are in now. The patient is under the care and treatment, in the first instance, of the veterans' bureau, and the responsibility of furnishing that care is upon the bureau. When the patient goes to the Public Health Service I may say that that in a sense is in the nature of a contract.

Mr. ROGERS. Does the gentleman from Iowa think it is fair, when the Director of the War Risk Bureau assigns a War Risk patient to a hospital under the direct charge and control of the Surgeon General of the Public Health Service, that the director should be held responsible by law for the medical care and treatment, hospitalization, welfare, nursing of that patient?

Mr. SWEET. Why, certainly; because we must locate the responsibility, and then it must be remembered that in this veterans' bureau there will be a medical division. Of course, we do not furnish the hospitalization immediately to the patient in the veterans' bureau, but the responsibility for looking after him and seeing that he gets it is upon the new bureau.

Mr. ROGERS. Is it the thought of the gentleman that the Surgeon General and the director of the veterans' bureau are both responsible?

Mr. SWEET. In a way they are, but as far as the service to be rendered and the responsibility for it is concerned, that is upon the director of the new bureau.

Mr. ROGERS. Can the director of the bureau issue a binding order to the Surgeon General of the Public Health Service in these matters?

Mr. SWEET. I think he can.

Mr. ROGERS. I think that he ought to be able to do so; but I fear as the bill is drawn that you will have two men of coordinate responsibility, with neither able to enforce his mandate on the other.

Mr. SWEET. I think the language is very plain in section 9 that the responsibility for hospitalization and care and treatment and for furnishing these facilities is upon the director of the bureau.

Mr. ROGERS. And the gentleman thinks that would carry with it the thought that the director could issue binding instructions to the Public Health Surgeon General?

Mr. SWEET. There is not any question about that.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. SANDERS of Indiana. I raised the same question at one time in the consideration of this matter in the committee. I think the language at the bottom of page 6 clearly gives that right. It makes the director responsible for all of it and it says that for that purpose he is authorized to utilize it.

Mr. ROGERS. The power to "utilize the facilities" is not quite the same as the power to issue instructions to the Surgeon General.

Mr. BRIGGS. On page 7 of the same section we find this language about the middle of the page:

And such governmental agencies are hereby authorized and directed to furnish such facilities, including personnel, equipment, medical, surgical, and hospital services and supplies as the director may deem necessary and advisable in carrying out the provisions of this act, in addition to such governmental facilities as are hereby made available.

Mr. ROGERS. I am frank to say that if the understanding of the gentleman from Iowa is carried into effect I am perfectly satisfied; but I do not want the poor fellow who is sent to the hospital to fall between the two stools of divided authority.

Mr. BRIGGS. I think there is a provision here which expressly confers upon the director that absolute power which it is expected he should exercise to give the soldiers the treatment that they ought to have, and also places responsibility upon him.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent, on page 7, line 3, and on page 8, line 16, to strike out "s" in the word "homes." The official designation of this institution is the National Home for Disabled Volunteer Soldiers.

Mr. SWEET. But there is more than one branch, and this was put in for the purpose—

Mr. ROGERS. I understand that, but Congress has given it the designation of "Home," with various branches.

The Clerk read as follows:

Sec. 10. For the purpose of this act, the director is authorized to detail from time to time clerks or persons employed in the bureau, to make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims; and any such person so detailed shall have power to administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this act.

Mr. STEVENSON. Mr. Chairman, I offer an amendment which I ask to have reported.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 9, line 13, after the word "act," strike out period and insert colon and add the following: "Provided, That in appointing clerks to be detailed for such service, or for any other service under this bill, former soldiers who are eligible shall be preferred, in accordance with the act of July 11, 1919."

Mr. SANDERS of Indiana. Mr. Chairman, I reserve the point of order.

Mr. STEVENSON. Mr. Chairman, following what I said just a moment ago, pursuant to the act of 1919 the Civil Service Commission put in force this rule:

All competitors rated at 70 or more shall be eligible for appointment and their names shall be placed on the proper register according to their ratings, but the names of persons preferred under the urgent deficiency act of July 11, 1919, rated at 65 or more, shall be placed above all others.

Now, that is the rule adopted to carry out the law of 1919. Until the recent order, the order of May 10, which changed the rule as to the selection of postmasters, an ex-soldier who got 65 or more was put at the top, and under the rule they had to

take him, and under the preference law they had to take him. Under that presidential order of May 10 they can put him at the top. All right, but the selecting power can take the fellow who is at the bottom and leave him perched at the top, and when I called on the First Assistant Postmaster General about this and asked him if it was proposed to give the soldier a preference whenever he was on the certified list, he said he did not propose to do that; that they proposed to make their own selection, and if it appealed to him they would appoint the eligible soldier, and if it did not they would not. I called attention to this. He said that they did get their preference by reason of the fact that they are at the top of the list. Well, but I say if you put them at the top of the list and you reserve the right to take the fellow at the bottom, where does the preference come in? How can you repeal a law that way? It is pure camouflage, that is all. Now, the other answer is this: The department shifted its ground to this position, and that is this, that the first, second, and third class postmasters are not under the classified civil service but are merely under the order of the President. I accept that proposition, but the act of 1919 says all appointments in executive offices—it does not say under the classified civil service or under any other service. You can not get away from it. The order of May 10, if carried out as proposed by the Post Office Department, would close the door in the face of the ex-soldier who has been given preference by act of Congress, and this Congress when it is legislating for the benefit of the ex-soldier owes it to the ex-soldier to see that we do not propose to be hypocritical about it, and we either should make them carry out the law or repeal the law, one or the other, and this is one step, and we ought to make them live up to the law which we enacted.

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that section 10 deals entirely with detaching clerks already in the service. It is a matter of where they shall be sent and what they shall do, while the gentleman's amendment deals with the appointing of clerks and hence is not germane to this section.

Mr. STEVENSON. Mr. Chairman, the general purpose of this bill, as is written all over it, is to take care of the former soldier. The proposition is embraced here to detail certain clerks to do certain things. I have offered an amendment to provide that clerks who are so detailed shall be appointed under the terms of the soldier preference act, and if it is not germane to the purpose of the bill under this section, then we will let it go and we will see about it another time.

The CHAIRMAN. The Chair is ready to rule. The Chair, in the first place, can not concern himself about the merits of this amendment. The Chair does not think that because this bill is in the interest of ex-service men that any amendment which might be proposed in the interest of ex-service men would therefore be in order as an amendment to this bill. The particular section to which this amendment is offered deals solely with the detail of clerks already in the service and its provisions are limited to such details, while the amendment of the gentleman from South Carolina deals with original appointments to the service. The Chair thinks that an amendment dealing with original appointments to the service is not germane to a provision which deals solely with details within the service, and therefore the Chair sustains the point of order.

Mr. WINSLOW. Mr. Chairman, I move that debate on this section and all amendments be closed in 10 minutes.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. STAFFORD having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6300) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes, and had agreed to the amendments of the House to the amendments of the Senate numbered 76, 86, 89, 92, 95, 96, 100, 105, 106, 113, 114, and 119, had disagreed to the amendment of the House to the amendment of the Senate numbered 1, had insisted upon said amendment, and had requested a further conference with the House, and had ordered that Mr. WARREN, Mr. CURTIS, and Mr. GLASS be the conferees on the part of the Senate.

VETERANS' BUREAU.

The committee resumed its session.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

I ask the attention of the committee to something that I failed to bring to their attention, because of my understand-

ing of the motion of the chairman of the committee having the bill in charge. I refer to the closing lines of section 9:

In the event Government hospital facilities and other facilities are not thus available or are not sufficient, the director may contract with State, municipal, or private hospitals for such medical, surgical, and hospital services and supplies as may be required, and such contracts may be made for a period of not exceeding 10 years—

That means that he can make 10-year contracts with private hospitals—

for the use of a ward or other hospital unit or on such other basis as may be in the best interests of the beneficiaries under this act.

Private hospitals, some of them, are worthy institutions; but some of them, it is said, are not. They are by some managers treated chiefly as places of business in which to make money. And this provision granting the director power to make contracts for the "use of a ward or other hospital unit or on such other basis," and so forth, would permit him to rent parts of private hospitals or entire private hospitals and to send helpless soldiers to them to be treated. Now under whose auspices are these sick soldiers to be treated in these private hospitals? The bill says nothing about that, but leaves it to the director to make any contract he may desire to make. He would have authority, should this provision become law, to turn the treatment over to the managers of these private institutions and their assistants on such terms as may be in the respective contracts.

Mr. DEMPSEY. Does not the gentleman believe that any contract made with a private hospital would be on the condition of extending proper care, and that the breach of that condition would vitiate the contract?

Mr. COOPER of Wisconsin. The bill does not say so. It makes no such requirement. There is no word about any condition—no attempt at precaution or safeguard. Everything in the contracts is to be left to one man. This is supposed to be a Government of laws, not of men. And when you thus turn over to a director the power to rent private hospitals for 10 years and send soldiers to them for treatment you are conferring such authority as, in my judgment, no man ought to have.

Mr. SANDERS of Indiana. Will the gentleman from Wisconsin yield?

Mr. COOPER of Wisconsin. Yes.

Mr. SANDERS of Indiana. I think that refers to the terms "use of a ward or other hospital unit or on such other basis."

Mr. COOPER of Wisconsin. The words "or on such other basis," following, as they do, the words "a ward or other hospital unit," would, under the ordinary rule of statutory construction, include the whole hospital. That is the ordinary rule. You are referring to dimension when you say "ward" or "other hospital unit," and also, of course, by construction, when you say "other basis." And it all means that the director, in his discretion, can make contracts for the renting of private hospitals.

Mr. SANDERS of Indiana. I think that power was intended to be conferred.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. COOPER] has expired. The gentleman from Iowa [Mr. SWEET] is recognized in opposition to the pro forma amendment.

Mr. SWEET. Mr. Chairman, I will say to the gentleman from Wisconsin [Mr. COOPER] that the hospitalization question for disabled soldiers is one of the most important questions that confronts the country to-day. The question naturally arises whether or not we will embark upon a great hospital building program or whether we will meet the immediate situation. The hospitalization question is an immediate question. For instance, in the Langley bill we appropriate \$18,600,000; \$12,500,000 is for construction and \$6,100,000 for the remodeling of hospitals. Now, it is estimated that it will take five or six years before these hospitals can be constructed and patients can be placed in them. And why? In the first place, it is a question of determining where they shall be located, of obtaining blue prints, and so forth, and then comes the question of construction. It is estimated that in about five or six years we will reach the peak in hospitalization. The hospitalization question is a temporary one, and in the space of some 25 or 30 years it will practically be over. To be sure, it will be necessary to furnish care and treatment to the insane and to those who have tuberculosis or other diseases, but the question of hospitalization will practically be over. At the present time there are about 119,000 that have passed through hospitals. To-day there are some 25,400 in the hospitals. And it has been estimated that those desiring hospitalization are increasing at the rate of about 1,000 per month. Now then, in order to meet that situation, in order that the director may meet it squarely, and that hospitalization may be immediately given to these men, we have

given him authority, in the last paragraph of section 9 of the bill, whereby he can contract with hospitals; whereby he can contract with counties or municipalities to furnish hospitalization. The Members of the House will remember the difficulty we have had with the State of New York, where the treasurer could not sign a contract for a period longer than two years. And so I say to you that, instead of embarking upon a great hospital program and constructing buildings for that purpose, the thing for us to do as sane men, it seems to me, is to meet the proposition immediately [applause], and that is the reason why we have put section 9 in this bill.

Mr. SUMMERS of Washington. Will the gentleman yield for a question?

Mr. SWEET. I will.

Mr. SUMMERS of Washington. There was a bill introduced some time ago, I believe, for the construction of a hospital by the State of New York, to be leased for this purpose at 10 per cent per annum for 10 years. Now, would it be any more expensive for the United States to build a hospital and own it than to pay for it and not own it?

Mr. SWEET. The trouble with the gentleman's position is this, that the hospitalization proposition is immediate, and instead of going on and building hospitals and taking five or six years in which to construct them, it is far better to go out and utilize buildings and facilities that now exist.

Mr. SUMMERS of Washington. You do not say buildings that now exist. That building was not yet erected and is not yet built, and still there was a tentative agreement that the War Risk Insurance Bureau was going to lease it at the rate of 10 per cent per annum for 10 years. In other words, this Government is going to pay for it, and at the end of 10 years somebody else is going to own it. I see nothing in this bill to prevent that sort of thing occurring. If you limit that to buildings already constructed, so that they can be utilized at once, that will be a different proposition.

Mr. SWEET. It is not necessary in the interest of the disabled soldiers to limit it. We should leave it to the sound discretion of the director.

Mr. SUMMERS of Washington. You have limited it in the case of the hospitals already constructed. I should think it ought to be.

The CHAIRMAN. The gentleman's time has expired.

Mr. NORTON. Mr. Chairman, I understand the limit of \$18,000,000 has already been fixed, so that it is not available for construction.

Mr. SWEET. It was just recently changed.

Mr. HILL. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record by including therein an editorial from the Baltimore American and one from the Baltimore Sun, a letter from Infantry Post, No. 71, American Legion, and from the Veterans of Foreign Wars.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to insert in the Record editorials and letters as indicated. Is there objection?

Mr. BLANTON. Are these liquor advertisements?

Mr. HILL. No; they are not liquor advertisements.

Mr. BLANTON. Are they on the subject of liquors?

Mr. HILL. They are on the subject of the right of the doctors to prescribe.

Mr. BLANTON. If it was on any other subject I would not object, but on this subject I shall object.

The CHAIRMAN. The gentleman from Texas objects. The Clerk will read.

Mr. HILL. Mr. Chairman, I renew my request.

Mr. BANKHEAD. And I renew the objection.

The CHAIRMAN. Objection is made. The Clerk will read. The Clerk read as follows:

Sec. 11. The director is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals, homes, or institutions as patients or beneficiaries of said bureau during their stay in such hospitals, homes, institutions, or training centers. Penalties for the breach of such rules and regulations may extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, home, institution, or training center as may be prescribed by such rules and regulations.

Mr. HAYDEN. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Arizona moves to strike out the section.

Mr. HAYDEN. Mr. Chairman, I desire to bring to the attention of the committee a letter and a resolution adopted by a number of ex-service men, most of whom are patients in a large Government hospital in my State, objecting principally to the provisions of section 14 of the original bill, H. R. 3,

which is now section 11 of this bill. They state that the enforcement of military discipline in the Public Health Service hospitals is not necessary, because under existing conditions there is now ample authority for all discipline needed to promote good conduct. In their opinion the Public Health Service officials are seeking the authority, in the administration of this law, that an Army officer would have over soldiers under his command. I would like to have some explanation from the gentleman from Iowa, who is in charge of this legislation, as to why this particular section has been inserted in the bill.

Mr. SWEET. I will say to the gentleman from Arizona that this is a matter to which we gave very careful consideration. The Assistant Secretary of the Treasury, Mr. Laporte; Col. Galbraith, the national commander of the American Legion; and others came before us and said that there ought to be something of this kind placed in the law. In other words, at these hospitals it is necessary that there shall be discipline. A man, we will say, is receiving \$80 a month as compensation. After receiving that amount of money, in some instances he would leave the hospital, go down town, perhaps get intoxicated, come back to the hospital, and do things that he would not do if he were not intoxicated. Now, then, in order that the hospital may render the most efficient service to the disabled men, it is necessary to have discipline.

Mr. HAYDEN. Is there absolutely no way of enforcing proper discipline now?

Mr. SWEET. Oftentimes when the Public Health Service officials come to enforce discipline they say to them, "You can leave the hospital."

Mr. HAYDEN. Is that all that can be done at the present time, to put the patient out of the hospital?

Mr. SWEET. This hospitalization is furnished to them, and the Government has not any control of ex-service men unless they are in the Military Establishment, but in that case it is because they are in an Army or a Navy hospital. But the man who is receiving hospitalization can leave that hospital any day if he wants to, or he can do almost anything that he has a mind to.

Mr. HAYDEN. Will the regulations to promote good conduct in hospitals amount to what is practically military discipline?

Mr. SWEET. No. There is no such thought; and, besides that, it is placed in the hands of the director, and the director will prescribe the rules and regulations for that discipline.

Mr. HAYDEN. Then it will not be absolutely in the power of the superintendent of each Public Health Service hospital to make his own rules and regulations?

Mr. SWEET. No. "The director is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct" on the part of the patients.

Mr. HAYDEN. But the director might make a regulation to the effect that whatever rules the superintendent of a particular hospital might see fit to make would apply.

Mr. SWEET. These rules are to be made by the director of this great bureau.

Mr. HAYDEN. It seems to me that it would improve the bill to provide that the director may make general rules and regulations so that the same system of discipline would be in effect in all hospitals.

Mr. NEWTON of Minnesota. The gentleman does not want to restrict the director of the bureau from making specific rules if in the interest of the Government and of the soldiers those rules are necessary?

Mr. HAYDEN. I can not see the necessity for anything except a general set of regulations which would govern all hospitals.

Mr. NEWTON of Minnesota. Can not the gentleman conceive of a case of a large hospital caring for a large group of men under certain circumstances and conditions requiring rules and regulations for that place that may not be applicable to other places?

Mr. HAYDEN. No. In each case they would deal with individual breaches of good conduct.

Mr. NEWTON of Minnesota. These would be general rules applying to that particular institution, of course. Surely there must be the power in the hands of the director to make specific rules.

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

Mr. HAYDEN. Certainly.

Mr. DEMPSEY. Suppose a particular abuse crept into a particular institution, an abuse that did not take place in any other institution in the country. Would not that require particular treatment, and would it not impose restraint that would perhaps be unwise on 99 other institutions because it was found that in one institution it was absolutely necessary?

Mr. HAYDEN. The gentleman is imagining a hypothetical case. In each instance some individual would do something that he ought not to do.

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

Mr. HAYDEN. I ask unanimous consent to extend my remarks by inserting in the Record the letter and resolutions that I have mentioned, which I have obtained from the files of the Committee on Interstate and Foreign Commerce, to which they were originally referred.

The CHAIRMAN. The gentleman from Arizona asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The letter and resolutions are as follows:

BUCKY O'NEIL POST, VETERANS OF FOREIGN WARS,
AND ERNEST A. LOVE POST NO. 6, AMERICAN LEGION,
Prescott, Ariz., May 12, 1921.

Hon. CARL HAYDEN,
House of Representatives, Washington, D. C.

HONORABLE SIR: At a joint meeting of the local posts of the American Legion and the Veterans of Foreign Wars, held May 9, a resolution was passed unanimously protesting against certain features of H. R. No. 3, known as the Sweet bill, which is now under consideration by the Interstate and Foreign Commerce Committee. A copy of this resolution is herewith inclosed. The objectionable portions of this bill are sections 14, 16, and 19.

Section 14 provides, in effect, that the compensation of patients in hospital may be forfeited for infraction of hospital rules up to three-fourths of said compensation. We think that this legislation is entirely too drastic. There are ample ways to enforce discipline in Public Health hospitals without taking away from a disabled soldier his compensation given him for injuries received in the service of his country. Before the war there were at the Army hospital at Fort Bayard, N. Mex., a large number of pensioned ex-soldiers, known as "Beneficiaries of the Soldiers' Home." These men were not soldiers and not subject to Army regulations. They could not be tried by court-martial, neither could their pensions be forfeited or interfered with in any way. Yet no particular difficulty was experienced in controlling these men. We do not think that the control of the disabled men of the late war should offer any greater difficulty.

Section 16 provides that, in certain cases, the hospital authorities may take away from a patient three-fourths of his compensation and hold it as a sort of trust for him until he is discharged from the hospital or until he dies, when the fund would be turned into his estate. We think that this is paternalism rampant. No such control of the pensions granted on account of the Civil War and the Spanish-American War was ever attempted, and we believe that we are just as capable of using our compensation to our best advantage as the pensioners of those wars are to handle their own pensions in the way most suitable to themselves.

Section 19 would grant power to the Bureau of War Risk Insurance to reduce or entirely stop the compensation previously granted in any given case, and this without giving the person interested the right or opportunity to contest such action.

The mere presentation of these sections is sufficient to show the drastic and arbitrary character of the powers proposed to be given to the bureau and the hospital authorities and why they are so objectionable to the disabled soldiers. They are certainly not in accord with the spirit of the platforms adopted by both political parties at the last election, wherein the debt of the country to the disabled soldier was acknowledged and promises were made of the most generous treatment to these men.

We therefore request your active support in obtaining the elimination or modification of the sections of the Sweet bill above referred to. And kindly see that this letter and attached resolution be made a part of the CONGRESSIONAL RECORD.

Respectfully,

M. L. GANEY, Chairman.

RESOLUTIONS.

Whereas sections 14, 16, and 19 of bill H. R. 3, recently introduced in Congress, would empower the Public Health Service to fine disabled men a considerable part of their compensation for violations of hospital rules; and

Whereas a provision of this kind is contrary to the spirit and letter of the compensation law, which was meant to be a measure of relief for men disabled in the military service and not subject to attachments of any kind; and

Whereas the application of military discipline in Public Health hospitals would tend to create discontent and irritation among patients, which would in this way retard their recovery, and this is wholly needless to the hospital authorities, for they already have ample power to punish violators of rules; and

Whereas the indiscriminate granting of power in the hands of some men who crave military authority would create an autocratic organization of the Public Health Service: Therefore be it

Resolved, That we, patients of United States Public Health Service Hospital No. 50, members of Veterans of Foreign Wars and the American Legion, in mass meeting assembled, do hereby register our emphatic protest against the sections of the bill as being an oppressive and wholly uncalled-for piece of legislation; and be it further

Resolved, That a copy of this resolution be sent to President Harding, to Senators ASHURST and CAMERON, Congressman CARL HAYDEN, to the chairman House Committee on Interstate and Foreign Commerce, and to the press.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 12. The director may set forth in regulations to be prescribed by him the conditions and limitations whereby all patients or beneficiaries of the veterans' bureau who are receiving treatment through the bureau as inmates of a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

In case such inmate has not allotted three-fourths of his monthly compensation, regulations to be made by the director may provide that any unallotted portion of such three-fourths compensation may be deposited to his credit with the Secretary of the Treasury to accumulate at such rate of interest as the Secretary of the Treasury may determine, but at a rate never less than 3½ per cent per annum, payable for no period, however, of less than six months, and when payable shall be paid, principal and interest, to such patient if living; otherwise to any beneficiary or beneficiaries he may have designated, or if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person: *Provided*, That this paragraph shall not be so construed as to prevent payment from the amounts due to the decedent's estate of his funeral expenses, expenses of last illness, board, rent, lodging, or other household expenses for which decedent is liable, provided a claim therefor is presented by the creditors or by the person or persons who actually paid the same before settlement by the veterans' bureau.

The Secretary of the Treasury is hereby authorized to invest and reinvest the said allotments deposited with him, or any part thereof, in interest-bearing obligations of the United States and to sell the obligations for the purposes of said funds.

Mr. WILLIAMSON. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman in charge of the bill a question in regard to the first part of section 12, wherein it is provided that—

The director may set forth in regulations to be prescribed by him the conditions and limitations whereby all patients or beneficiaries of the veterans' bureau who are receiving treatment through the bureau as inmates of a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

To whom does this have reference? Is that to the members of his family or dependents, and is it intended that the director may withhold a portion of the monthly compensation and award it to them?

Mr. SWEET. In the first place, the director does not allot anything. That is a matter that is purely voluntary. A patient in a hospital who is a beneficiary of the veterans' bureau can make an allotment to any person. In other words, the compensation that he receives is his own, and he allots it as he sees fit.

Mr. WILLIAMSON. What is the object in having this provision in here at all?

Mr. SWEET. The object is simply this, that when a man goes into a hospital those in charge of the hospital can sit down and talk matters over with him, and he can make an allotment to his wife or his children or to whomsoever may be dependent upon him, and instead of spending the money for things that are unimportant and unnecessary, as many of them do now, and neglect their families, after a man has made this voluntary allotment then the money can be paid to the dependent.

Mr. COOPER of Wisconsin. It is not limited to dependents.

Mr. SWEET. No; he can allot it to anyone.

Mr. WILLIAMSON. In the form in which it is stated in the next paragraph—

In case such inmate has not allotted three-fourths of his monthly compensation, regulations to be made by the director may provide that any unallotted portion of such three-fourths compensation may be deposited to his credit with the Secretary of the Treasury—

And so forth. If the man does not make the allotment, then the director may take out three-fourths of his monthly compensation—

Mr. SWEET. No; not the director. All this is voluntary, but it has to be done under rules and regulations to be prescribed by the director.

Mr. WILLIAMSON. In other words, there is no compulsory process whatever?

Mr. SWEET. None whatever, in no part of section 12.

Mr. MCKENZIE. Will the gentleman yield?

Mr. SWEET. Yes.

Mr. MCKENZIE. Is it not a fact that, where a soldier in one of these hospitals has a wife dependent upon him, a part of the compensation allotted to him must go to his wife?

Mr. SWEET. Not necessarily. It is paid to him in the first instance. We will say that a man is temporarily totally disabled. If single, he receives \$80. If he has a wife, he gets \$90. If he has a wife and one child, he gets \$95. If he has a wife and two children, he gets \$100. Now, that is paid directly to the man.

Mr. MCKENZIE. Absolutely; but under the law the wife has a right to a portion of that pay if she wants it.

Mr. SWEET. No; not from the Government.

Mr. MCKENZIE. But, however, when she asks for it does not the bureau see that she receives it?

Mr. SWEET. Not necessarily, except in cases where they live apart.

Mr. MCKENZIE. That has been my experience.

Mr. SWEET. I hope that is true; but as a legal proposition it is not true. The money is payable to the man, and he has full authority over it.

Mr. BEEDY. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

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

There was no objection.

Mr. DENISON. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the subcommittee a question. I do so in order to get his interpretation for the Record. What meaning does the gentleman from Iowa give to the word "may," in line 13, page 12? Does that have the meaning of the word "shall," or is it to be understood as optional with the director?

Mr. SWEET. That is purely optional.

Mr. DENISON. In other words, the section reads now—

In case such inmate has not allotted three-fourths of his monthly compensation, regulations to be made by the director may provide that any unallotted portion of such three-fourths compensation may be deposited to his credit with the Secretary of the Treasury to accumulate at such rate of interest as the Secretary of the Treasury may determine.

Does that mean, as the chairman of the subcommittee understands it, that when the beneficiary fails to allot three-fourths of his compensation, then such portion of that three-fourths of his compensation as has not been allotted by him may be set aside by the director, or shall be set aside by the director?

Mr. SWEET. No; not "shall," but "may." It says "may." It is purely voluntary.

Mr. DENISON. Voluntary on whose part?

Mr. SWEET. On the part of the man whether he allots it or not.

Mr. DENISON. If that was the intention of the gentleman from Iowa, the language of the bill does not carry out that intention, in my judgment. The language used seems to give the director of the bureau the right to place any of the unallotted part of the three-fourths of the beneficiary's compensation in the Treasury of the United States for the beneficiary.

Mr. TOWNER. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. TOWNER. Certainly under the provision of that section that right is granted to the director. He may or may not exercise it, but certainly if he determines to exercise it, he has the right to exercise it whether the soldier consents or not.

Mr. DENISON. That is what I was calling to the attention of the gentleman from Iowa, because it seemed to me that we have here given the director the right to do that. Now, if we do not intend to do that, then there should be some slight change in the language we have used.

Mr. SANDERS of Indiana. I call the attention of the gentleman from Iowa [Mr. TOWNER] to line 6, on page 10—

All patients or beneficiaries of the veterans' bureau who are receiving treatment through the bureau as inmates of a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

That leaves the matter entirely to the soldiers, as the beneficiaries may direct. If they do not make any direction with reference to it, that leaves it to their option.

Mr. TOWNER. That is provided for specifically. "In case such inmate has not allotted"—that is, if he has exercised himself the right he can not be interfered with by the director. If he has not himself allotted, the power is given to the director to exercise it or not as he sees fit. If he does exercise that power, it is not subject to the control of the soldier at all.

Mr. DENISON. That is the way it seemed to me, but I was not sure that the subcommittee intended it.

Mr. DEMPSEY. Will the gentleman yield to me?

Mr. DENISON. Certainly.

Mr. DEMPSEY. I think the gentleman is absolutely right, but I do not think it is of any earthly importance, because the provision is that if the director allots this money and it is put at interest it only draws interest in the event that it remains there for six months. It may be collected by the soldier at any time, but he does not get any interest unless it is in the hands of the Secretary for six months. So the only possible effect is that if he wants to get interest he has to leave it there six months.

Mr. SWEET. Yes; he can withdraw it at any time before or after the six months' period.

Mr. DEMPSEY. Yes; but he does not get any interest unless it remains there for six months.

Mr. BRIGGS. Mr. Chairman, I move to strike out the paragraph. I want to ask the chairman of the committee a question in regard to the proviso beginning on line 23, page 10, which reads as follows:

Provided, That this paragraph shall not be so construed as to prevent payment from the amounts due to the decedent's estate of his funeral expenses, expenses of last illness, board, rent, lodging, or other

household expenses for which decedent is liable, provided a claim therefor is presented by the creditors or by the person or persons who actually paid the same before settlement by the veterans' bureau.

As I understand, the bureau now has the power to pay emergency claims—for instance, if funeral expenses are to be guaranteed, the bureau can incur that expense, and this is to preserve that right. But it does not seem to me that it is clear that the payment shall be made by the bureau. It seems to me that the word "bureau" ought to be inserted after the word "payment" in line 24. It provides that in case the soldier dies and leaves no beneficiary the property shall be turned over to the executor or administrator, but it does not say by whom the payment shall be made.

Mr. SWEET. The last sentence makes it plain.

Mr. BRIGGS. The executor might go ahead and pay it without any authority, and I think the word "bureau" ought to be inserted.

Mr. DEMPSEY. The word "bureau" or the word "director."

Mr. BRIGGS. Well, it should be plain that it was to be paid by the veterans' bureau. I do not think it makes any difference whether you use the word "bureau" or "director."

Mr. SWEET. I think the gentleman's suggestion is all right.

Mr. BRIGGS. Then, Mr. Chairman, I offer the amendment that after the word "payment," in line 24, page 10, the words "by the bureau" be inserted.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 10, line 24, after the word "payment," insert the words "by the bureau."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

TITLE II.—AMENDMENTS TO THE WAR RISK INSURANCE ACT.

SEC. 15. Section 29 of the war risk insurance act is hereby amended to read as follows:

"SEC. 29. The discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious objector, or a deserter, or is guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct shall terminate any insurance granted on the life of such person under the provisions of article 4, and shall bar all rights to any compensation under article 3 or any insurance under article 4: *Provided*, That, as to converted insurance, the cash surrender value thereof, if any, on the date of such discharge or dismissal shall be paid the insured, if living, and, if dead, to the designated beneficiary."

Mr. HICKEY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. HICKEY: After the word "beneficiary," page 10, line 25, strike out the period, insert a colon, and add "*Provided further*, That an enemy alien who volunteered or who was drafted into the Army, Navy, or Marine Corps of the United States during the World War, and whose service was honest and faithful, shall be entitled to the benefit of the war risk insurance act."

Mr. BANKHEAD. Mr. Chairman, I reserve a point of order against the amendment.

Mr. HICKEY. If the gentleman wishes to make a point of order against the amendment, I prefer to have that disposed of now.

Mr. BANKHEAD. I will reserve a point of order. I would like to get a little information as to what the gentleman has in his mind as a reason for the adoption of this amendment.

Mr. HICKEY. Mr. Chairman, my purpose in offering this amendment is to extend the benefits of the war risk insurance act to men who were drafted into the military service of the United States and men who volunteered and served during the World War and whose services were honest and faithful.

Mr. BLANTON. There was not any enemy alien drafted into the service.

Mr. HICKEY. The gentleman from Texas is very much mistaken.

Mr. BLANTON. Under what law?

Mr. HICKEY. The gentleman is mistaken. If the gentleman will wait a moment, I will explain. After the passage of the selective draft act there was considerable confusion with respect to the status of many men enrolled for military service. In my district, in the city of Michigan City, we had a large number of Syrians. Many of these men were drafted into the military service of the United States, and some of them served until after the armistice.

Mr. LAYTON. And served voluntarily.

Mr. HICKEY. Served voluntarily. There were other nationalities called to the colors through the draft boards, placed in class 1, and entered the military service of the United States and served honorably until after the close of the war.

Last summer several of these cases came to my attention. The officers under whom they served issued them certificates, not honorable and not dishonorable discharge certificates, but

wrote into the certificates that the service of the men was honest and faithful and in many instances that the service was excellent. I took these cases up with the War Department and finally submitted them to the then Secretary of War, Mr. Baker. The facts were considered carefully by the War Department, and finally certificates of honorable discharge were issued to the men.

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

Mr. HICKEY. Yes.

Mr. BARKLEY. This section applies to insurance.

Mr. HICKEY. Yes.

Mr. BARKLEY. Where these enemy aliens entered the Army for any reason and took out insurance, is that not the matter of contract, and is it necessary to have the gentleman's amendment agreed to in order to have the Government perform its part of the transaction?

Mr. HICKEY. It also relates to compensation.

Mr. BARKLEY. Not this.

Mr. HICKEY. The war risk insurance act. If the gentleman will examine the amendment, he will see that it applies to the war risk insurance act, and that it seeks to amend the war risk insurance act so as to confer the benefits of the act upon all service men who rendered honorable service during the World War and upon men who were honorably discharged from the service.

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

Mr. HICKEY. Yes.

Mr. DENISON. Were these men alien enemies?

Mr. HICKEY. The men I have in mind were born in Syria and came to this country. During the war they were classed by the War Department as alien enemies because they were subjects of the Government of Turkey.

Mr. BARKLEY. But we were never at war with Turkey.

Mr. HICKEY. No; but the War Department classed them as enemy aliens.

Mr. BARKLEY. The law does not so class them.

Mr. HICKEY. But the War Department did, and they have been so classed since that time by different departments of the Government.

Mr. BARKLEY. In the alien enemy property act we define what an alien enemy is.

Mr. DENISON. I may be wrong in my recollection, but I do not think we declared war on Turkey.

Mr. HICKEY. They were subjects of Turkey.

Mr. DENISON. We never declared war on Turkey.

Mr. HICKEY. No; but the War Department placed them in the class of enemy aliens and the Bureau of Naturalization very recently refused citizenship papers to men in this class, because it held that they were enemy aliens. The question is arising frequently and interfering with the rights of these men to be benefited by this amendment should it be accepted by the committee.

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

Mr. HICKEY. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

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

Mr. HICKEY. Yes.

Mr. BARKLEY. Since I interrogated the gentleman a while ago, I recall that the alien enemy property act provides that not only shall the nationals of an enemy but of any ally of the enemy be regarded as an enemy. It may be upon that ground that the War Department held that they were not entitled to the benefits of this act.

Mr. HICKEY. That is the fact.

Mr. RAYBURN. This amendment just covers men who have honorable discharges in the Army?

Mr. HICKEY. It covers men whose service was honest and faithful.

Mr. RAYBURN. How are you going to determine that?

Mr. HICKEY. By the records in the War Department. So far as I know the men in whom I am interested, with the exception of one, have been granted honorable discharges, but it may be that over the country there are other men in this class who have not been granted honorable discharges. I prepared my amendment to help those as well as the men in whom I am interested.

Mr. BLANTON. The gentleman's amendment would embrace men who really had not done service in the Army and who did not have a discharge.

Mr. HICKEY. Oh, no; the gentleman is mistaken.

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

Mr. WINSLOW. Mr. Chairman, for the purpose of facilitating the work of another committee and for no other purpose, I propose now to move that the committee rise, but with the idea of going back into the committee after a few moments. I trust gentlemen will understand the situation and approve of it. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. STAFFORD having assumed the chair as Speaker pro tempore, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6611, and had come to no resolution thereon.

SECOND DEFICIENCY BILL.

Mr. GOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6300, to insist on the amendment of the House to Senate amendment No. 1, and agree to the further conference asked for by the Senate.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the bill H. R. 6300, to insist on the amendment of the House to Senate amendment No. 1, and agree to the further conference asked for by the Senate. Is there objection?

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. COOPER of Wisconsin. May we have stated to the House what that amendment No. 1 is?

Mr. GOOD. Amendment No. 1 was an amendment placed on the bill in the Senate appropriating \$10,000 for the Bureau of Efficiency. When we came to look into the matter we found that the director of the bureau had stated to the Committee on Appropriations of the House that there had been no increases of salary during the present year, yet on further investigation we found that his salary had been increased by \$4,000, and another salary by \$1,000, and another by \$500, and so the House has adopted as an amendment to the Senate amendment a proviso that no salary in excess of \$7,500 shall be paid during the rest of this year and next year, and that the other salaries shall be those provided for and will be paid at the beginning of the present fiscal year. The Senate has refused to agree to that amendment.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. GOOD. I will.

Mr. GARRETT of Tennessee. As I understand, that is the only remaining matter of difference between the two bodies?

Mr. GOOD. That is the only matter.

The SPEAKER pro tempore. Is there objection?

Mr. COOPER of Wisconsin. Reserving the right to object, will the gentleman from Iowa state what the salary of the Chief of the Efficiency Bureau would be?

Mr. GOOD. It was \$6,000 at the beginning of the year, but his salary was increased to \$10,000, which is an increase of \$4,000.

Mr. COOPER of Wisconsin. Ten thousand dollars for chief of that bureau?

Mr. GOOD. Yes; from \$6,000.

Mr. COOPER of Wisconsin. I happen to know something about his efficiency. [Laughter.]

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman what did the House conferees do in regard to the so-called half-and-half proposition?

Mr. GOOD. That is the provision in regard to the proportion of payments by the District and the Federal Governments?

Mr. BLANTON. Yes.

Mr. GOOD. The District pays 60 per cent and the Federal Treasury 40 per cent.

Mr. BLANTON. Then the Senate accepted the House's action?

Mr. GOOD. Yes.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Chair asks authority to appoint conferees. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees.

The Clerk read as follows:

Messrs. GOOD, CANNON, and BYRNS of Tennessee.

VETERANS' BUREAU.

Mr. GARNER. Mr. Speaker, is the gentleman from Massachusetts preparing to move to adjourn?

Mr. WINSLOW. No; I am going to move to go back into the Committee of the Whole House on the state of the Union. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6611.

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 further consideration of the bill H. R. 6611, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6611, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 6611) to establish in the Treasury Department a veterans' bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act.

The CHAIRMAN. Does the gentleman from Alabama insist on his point of order?

Mr. BANKHEAD. Mr. Chairman, I would like to know the opinion of the chairman of the committee in reference to this amendment. It seems to me that under the statement made it presents a rather equitable case for relief of these men.

Mr. SWEET. I am of the same opinion, but I am somewhat in doubt, the way the amendment is worded, as to whether it will simply take care of those who were drafted into the Army and afterwards were dismissed because of the fact they were alien enemies. Now, the amendment states that whenever they have "rendered faithful and honest service," and the question naturally rises, who is going to determine that?

Mr. BANKHEAD. The proponent of the amendment said that would be done by the War Department, but, as the gentleman suggests, it is a very indefinite, inaccurate description.

Mr. HUDDLESTON. I was going to suggest that the term "honest and faithful" has a certain technical significance in the War Department. That is to say, a soldier discharged under certain conditions is mentioned as "honest and faithful," and in another discharge is marked "excellent," and in another is marked "fair." The general public does not understand, but it means something definite in the War Department. I do not know the language in which the gentleman's amendment is framed, but if it contains the particular reference to the term "honest and faithful" it will have a particular significance if properly used.

Mr. BANKHEAD. I desire to call to the attention of the gentleman who offered the amendment that the amendment only gives him the benefit of the original war risk insurance act, and if he desires him to get the full benefit he ought to amend it so as to quote the amendments that have been made to the original act. I withdraw the reservation.

Mr. SWEET. I make no objection to the adoption of the amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. What is the point of order?

Mr. BLANTON. That it is not germane to the bill.

Mr. SANDERS of Indiana. It seems to me the amendment is clearly germane.

The CHAIRMAN. Section 29 of the pending bill, to which the provision of the gentleman from Indiana is offered as an amendment, deals with the termination of insurance or of compensation under the war risk insurance act by virtue of the discharge or dismissal of any person from the military and naval service, on the ground that he is an enemy alien, conscientious objector, or a deserter, and so forth. The amendment of the gentleman from Indiana provides that—

An enemy alien who volunteered or was drafted into the Army, Navy, or Marine Corps of the United States during the war and whose service was honest and faithful shall be entitled to the benefits of the war risk insurance act.

The Chair thinks the amendment of the gentleman from Indiana is germane to the section under consideration and overrules the point of order.

Mr. NEWTON of Minnesota. Mr. Chairman, I rise in opposition to the amendment. It seems to me before we adopt this particular amendment we ought to carefully consider just what it may lead to.

In discussing this question let us bear in mind that, in general, men of foreign birth and of native origin responded to the call of the declaration of a state of war on the 6th of April, 1917. The battle fields of Europe bear eloquent testimony to the fact that native-born and foreign-born Americans unselfishly paid the last supreme measure of devotion that this country might live. It was my privilege to visit the battle field in and around the Madelaine farm in the Argonne Forest. There were something like 550 graves there, which have since that time been removed to the main cemetery at Romagne. I counted something like 11 or 12 different nationalities among the names marked upon the white crosses that dotted that small field.

While all of this is true, we should not let this fact blind us to the other fact, namely, that while many declarants completed their citizenship in the service many others refused to do so,

and were discharged by virtue of a presidential order. Thousands of aliens who had not yet declared their intention of becoming citizens claimed and received exemption from service before the draft boards. Thousands of others who did not claim exemption upon induction into the service received their discharge after their induction into the service and by reason of their right as aliens. In other words, these latter folks were willing to receive all of the benefits of American citizenship and of American residence, but were willing to perform none of the duties or obligations accompanying them.

The nationals of an alien foreign country can be compelled to render military service under international law, because of the fact that, being residents of that country, they are receiving benefits and are therefore held to certain obligations. There are exceptions to this, where by treaty arrangements exemption from this service is stipulated. An alien enemy can not be forced to do military service, because that would be compelling him to serve against his own country.

The selective draft act of May 18, 1917, called upon "all male citizens or male persons not alien enemies who have declared their intention" of becoming citizens. The courts early held that the burden of proof was upon the draftee to establish his exemption. It was further held that this exemption could, of course, be waived by any alien enemy. During the war there was a total of 3,877,083 aliens who registered for the draft. Of these 1,270,182 were declarants, while 2,606,901 were nondeclarants. Of this total of nearly 4,000,000, 414,389 aliens were placed in class I. Of these, 160,594 were declarants, while nondeclarants numbered 253,795.

The total number of alien enemies registered were 432,909, of which 40,552 were placed in class I. This number was made up of 16,834 declarants and 23,718 nondeclarants. Of the total of alien enemies registered for the draft there were placed in class V-E 334,949. In other words, over 300,000 were placed in the deferred classification as alien enemies by the draft boards. These men made no attempt to get into the Army.

Now, then, of the total number of enemy aliens entering the Army there were discharged by Executive order from the camps in America 5,637.

I have no doubt but that some of the men discharged by reason of the Executive order, and which were included undoubtedly in this total of 5,637, were men who would have preferred to stay, but through misunderstanding neglected or were prevented from stating their desire to continue to serve. In fact, I have in mind a particular case of a man born in Czechoslovakia, then a part of Austria. He had served in the Minnesota National Guard preceding the outbreak of the war. He readily became federalized with his outfit upon our entry into the Great War. Upon the publishing of the Executive order permitting his discharge as an alien enemy, and its attempted application to him, he protested and endeavored to remain in the service. He was prevented from doing so because it was the impression of his officers that his discharge was mandatory. Personally, I feel that provision for a man with a service record of this kind could be cared for by a proper amendment. On the other hand, I do not want to pass an amendment which will confer benefits of the war risk insurance act upon the thousands who took their discharge gladly because they were enemy aliens.

If I understand the amendment of the gentleman from Indiana, in the terms in which it was drawn, he would grant all the privileges of the war risk insurance act to those men who were discharged under this Executive order, notwithstanding they did not protest against the discharge. Its provisions are so broad as to confer the benefits upon those who sought and claimed exemption. And unless his amendment is so modified as to provide that it shall only include those men who were forced out of the service against their will and against their consent I do not see that I can support it.

Mr. ROGERS. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. ROGERS. I recall in the final report of the provost general, Gen. Crowder, a discussion of the effect of this Executive order; that there were thousands of cases of men who were separated from the service as the result of those orders to which the gentleman has alluded. Now, my recollection is very clear that the overwhelming majority of those cases coveted the opportunity to get out.

Mr. NEWTON of Minnesota. There is no question about it.

Mr. ROGERS. They went in against their will and jumped at a chance to get out. If it is true, as the gentleman suggests, that the amendment covers that kind of a case I do not think there is much justification in accepting it.

Mr. NEWTON of Minnesota. I see no reason why, if the gentleman has a particular case where a man was forced out

of the Army against his consent, that his amendment can not be so modified as to include only that class.

Mr. LAYTON. Do you not think that an alien, whether an alien enemy or an alien of any sort, that was taken into the service, whether he went in as a volunteer or as a draftee, and served in the war, ought to be treated the same as anybody else?

Mr. NEWTON of Minnesota. What does the gentleman mean by his having served in the war? Does he mean that he went into a cantonment and served there for two or three months and when the Executive order was issued he gladly got out? Does the gentleman mean he should be granted all these privileges?

Mr. LAYTON. I mean he had absolute service, whether it happened in a camp or across the water.

Mr. NEWTON of Minnesota. The gentleman would include that class along with the worthy ones?

The CHAIRMAN. The gentleman's time has expired.

Mr. WINSLOW. Mr. Chairman, I move that the debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts moves that the debate on this amendment and all amendments thereto close in 10 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. ROSSDALE. Mr. Chairman, I ask the unanimous consent of the House that the House publish a list of all those who served in the Army, the Navy, and the Marine Corps, and of those who made the supreme sacrifice in the World War. I ask that this list be published, preferably by States.

Mr. SANDERS of Indiana. Mr. Chairman, I do not think that should be asked in the committee. It has nothing to do with the pending legislation.

The CHAIRMAN. The gentleman may make a request to extend his remarks in the committee if he wishes to do so. It would be in the discretion of the House to grant it or not.

Mr. CAMPBELL of Kansas. The gentleman from New York, Mr. Chairman, did not ask to extend his remarks in the RECORD.

Mr. ROSSDALE. I have no remarks to publish on this subject. I simply ask that this list be published in the RECORD.

The CHAIRMAN. The Chair thinks that it would not be in order.

Mr. FISH. Mr. Chairman, during the period of the war and for some time afterwards there were a great many loose statements made in regard to the number of aliens, including enemy aliens, that dodged the draft, and one would think by reading the newspapers and by hearing the debates in Congress that there were literally hundreds of thousands of those men who dodged the draft. The figures showed that they amounted to only 1,600.

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

Mr. FISH. Yes. Aliens were not entitled to be drafted.

Mr. MADDEN. Enemy aliens were not. Nobody but citizens were entitled to be drafted.

Mr. FISH. I think the law to that effect was amended afterwards.

Mr. MADDEN. The law provided that they should be drafted if they had declared their intention to become citizens; but their respective countries objected to that, and afterwards that was waived.

Mr. NEWTON of Minnesota. The gentleman from New York, I am sure, does not want to make a misstatement.

Mr. FISH. Certainly I do not.

Mr. NEWTON of Minnesota. The gentleman has in mind evidently those who went into court and took corrective action to have their declaration of an intention to become citizens withdrawn or annulled. But there were thousands who did not follow that course and who were included in the draft. The gentleman no doubt has in mind the 1,600 who took affirmative action to annul the papers that had already been started.

Mr. FISH. There were almost 500,000 aliens or alien enemies in the Army, and there were only 1,600 who availed themselves of the opportunity of dodging the draft. It seems to me we should not make any distinction between men who actually served in the armies of the United States. If these men were good enough to be called or drafted into the service and wear the uniform of the United States, they are good enough to be entitled to all the benefits of this act, just as much as an American soldier who may have served for one day or one week and went out for one cause or other.

Mr. BLAND of Indiana. Mr. Chairman, I favor this amendment if it can be safeguarded; but I have in mind an instance where a man claimed he was a citizen of Germany, and on that ground claimed release from service in the Army. He went on through the drill and did all they told him, and he was never court-martialed; but he asked to be discharged under the law,

and the law gave him that right, and he was discharged. I maintain that the War Department can not find that his service was not faithful when he served.

The gentleman's amendment appeals to me. If he made the request to get out of the Army because he was an enemy, he could not accept the benefits of the act.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. The gentleman from Indiana [Mr. BLAND] agrees to accept the amendment offered by the gentleman from Indiana [Mr. HICKEY], and therefore, Mr. Chairman, I offer that as an amendment to the pending amendment.

The CHAIRMAN. The gentleman from New York [Mr. FISH] offers an amendment to the pending amendment. Will the gentleman from New York send it up to the Clerk's desk?

Mr. BLAND of Indiana. It should read, "who was not discharged upon his own application by reason of his being an alien."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. FISH] to the amendment offered by the gentleman from Indiana [Mr. HICKEY].

The Clerk read as follows:

Amendment offered by Mr. FISH to the amendment offered by Mr. HICKEY: At the end of the amendment strike out the period, insert a comma, and add "who was not discharged from the Army on his own application by reason of his being an alien enemy."

Mr. BLAND of Indiana. "On the ground of his being an alien enemy."

Mr. WINSLOW. Mr. Chairman, there seems to be a great deal of interest in this proposition and considerable uncertainty as to the accuracy of the language. In order that we may discuss the matter fairly and fully, I ask unanimous consent to pass over this amendment with the right to return to it later on.

The CHAIRMAN. The amendment or the section?

Mr. WINSLOW. The amendment.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the amendment be passed over temporarily with the right to return to it at a later time. Is there objection?

Mr. WOOD of Indiana. Reserving the right to object, I understand it applies only to this amendment.

The CHAIRMAN. To the amendment and amendments to the amendment. Is there objection?

There was no objection.

Mr. WOOD of Indiana. Mr. Chairman, I have an amendment that I desire to offer.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 12, line 25, after the word "beneficiaries," strike out the period and insert a colon and add the following: "Provided further, That in case any person who has been dishonorably discharged from the military or naval forces as a result of a court-martial trial, and it is thereafter established to the satisfaction of the President that at the time of the commission of the offense resulting in such court-martial trial and discharge such person was insane, the President may direct and cause to be issued to such person an honorable discharge, and the person receiving such honorable discharge shall be entitled to the compensation and insurance benefits of the war risk insurance act."

Mr. ROGERS. Mr. Chairman, I reserve a point of order on that amendment.

The CHAIRMAN. The gentleman from Massachusetts reserves the point of order.

Mr. WOOD of Indiana. Mr. Chairman, I desire to state to the committee that it strikes me that the justice of this amendment should appeal to every Member of the House. I dare say it would not apply to very many persons; but I have in my own district a case, and I have heard of two other cases, where men were charged with offenses, tried in a hurry by a court-martial, found guilty, and sentenced to the penitentiary. In the case I have in mind it is perfectly apparent, and the record discloses, that at the time the young man was sentenced from overseas to the penitentiary in the United States he was insane. The evidence established beyond peradventure, had the trial been in court, that before this young man entered the Army he had a sick spell that resulted in aberrations of mind and that he was confined in a sanitarium for a number of years. It was thought he had recovered. He was ambitious to get into the Army. He did get in. He committed an offense and was convicted and sentenced to the penitentiary. He was confined there until he

became so insane that they could not treat him there, when he was paroled in order that his friends might place him in an insane asylum, where he now is and where he will probably die. There is no question in the mind of anybody who knows the facts in this case but that at the time the young man committed the offense for which he was tried he was insane. There is not a court in this land that would take away from that man, under those facts, any right of his or that would divest him of his property. When this Congress is attempting to provide all the privileges and benefits possible for the amelioration of the suffering and for the benefit of those who offered and gave their all, it can not afford to make a distinction that would reflect no credit upon us, but that would deny to the unfortunate few who are situated like this young man the rights and privileges of this bill.

Mr. SWEET. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Iowa.

Mr. SWEET. Do I understand the gentleman correctly that he is maintaining the proposition that any young man who was insane and who during the period of that insanity lost certain rights in regard to his insurance, and the like of that, should be entitled to receive the benefits of this bill?

Mr. WOOD of Indiana. That is the purpose of it.

Mr. SWEET. Or in case where such a man was court-martialed?

Mr. WOOD of Indiana. Yes; if insane at the time.

Mr. SWEET. The object of the gentleman's amendment is to take care of just such cases as that?

Mr. WOOD of Indiana. That is the purpose of it exactly, and only where the President is convinced that at the time the offense was committed the man who was court-martialed was insane. If he was insane, he could not commit the offense. There is no chance for abuse of the provision.

Mr. KIRKPATRICK. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. I yield to the gentleman from Pennsylvania.

Mr. KIRKPATRICK. Would not the effect of the gentleman's amendment be to permit the reopening of practically every case where there was a dishonorable discharge for court-martial, and permit going into the question of insanity over again?

Mr. WOOD of Indiana. No; it would only admit those cases where the War Department is satisfied that the man was insane.

Mr. KIRKPATRICK. But the time has long since elapsed. Any man who wanted to get back his status of an honorable discharge could take the whole thing up again and go into his mental condition at the time the offense was committed.

Mr. WOOD of Indiana. The burden is on the man who demands to do that, or on his friends.

Mr. KIRKPATRICK. That is true; but it would permit him to open up the question in each case where we have had an adjudication by court-martial and where there was an opportunity to raise the question of insanity.

Mr. WOOD of Indiana. Well, take the case that I have in mind: The hardship of the whole thing here was that the man had no mind with which to act; and it takes a man with some mind to act.

Mr. KIRKPATRICK. It may be that the man was poorly defended or that the question was not raised; but there is always a full and free opportunity in every court-martial for a man to be defended.

Mr. WOOD of Indiana. That is the presumption, but sometimes it is a violent one.

Mr. ROGERS. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. ROGERS. I would like to ask whether the gentleman's amendment is limited to cases which occurred between the declaration of war and the armistice?

Mr. WOOD of Indiana. My amendment does not limit it directly, but the language is such that, I think, that would be the construction of it.

Mr. ROGERS. This very bill we are now discussing recognizes the distinction that was made between presumption of soundness in war time and presumption of soundness in peace time in cases of recruits. I think there is a good deal of force in the gentleman's amendment. I reserved a point of order; but if the gentleman would limit it to cases that occurred between the declaration of war and the armistice I would withdraw my reservation of a point of order.

Mr. WOOD of Indiana. That would be perfectly agreeable to me.

Mr. KINDRED. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KINDRED. Do I understand that the purpose of the gentleman is to give ex-service men suffering from insanity the same legal status that an insane person would have under the criminal and civil law of the respective States?

Mr. WOOD of Indiana. That is it exactly.

Mr. DEMPSEY. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DEMPSEY. The gentleman's amendment applies to those suffering from insanity at the time the offense was committed?

Mr. WOOD of Indiana. Yes.

Mr. DEMPSEY. How is it possible to prove the sanity or insanity of a man years afterwards; if it is right at the time when the trial was had following the offense the conditions can be easily established. Years after the comrades about him are scattered, nobody knows anything about it, and if you leave it to the Executive instead of the court-martial, if you leave it to the President whether the man tried at a given time was sane or not—

Mr. WOOD of Indiana. That is not the proposition at all. Take the case that I have in mind. The record in the case discloses that the whole thing happened within a few hours; he was arrested, and he had practically no trial at all; he had no defense—it was one of those instances where there was an abuse of the law of court-martial. I can not conceive how anybody could be wronged if the burden is on the person to show that at the time the offense was committed he was insane or of unsound mind.

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

Mr. WOOD of Indiana. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. I will say that it is perfectly agreeable to me to have the limit put in the amendment.

Mr. ROGERS. If the gentleman will frame an appropriate amendment I will withdraw my reservation of the point of order.

Mr. WOOD of Indiana. I will ask to modify my amendment by inserting the limit.

Mr. PARKER of New Jersey. Mr. Chairman, I make the point of order.

Mr. GARRETT of Tennessee. Will the gentleman from Indiana yield before he modifies his amendment?

Mr. WOOD of Indiana. Yes.

Mr. GARRETT of Tennessee. I do not exactly see just why this amendment should be adopted, but if it is right between the declaration of war and the signing of the armistice why should not it be right after? If it is a right thing to do before the 11th of November why is not it right afterwards?

Mr. PARKER of New Jersey. My point of order, Mr. Chairman, goes to the whole subject.

The CHAIRMAN. The gentleman from New Jersey makes the point of order.

Mr. PARKER of New Jersey. I make the point of order that this bill deals with granting of war-risk insurance relief to persons in a certain status, and it does not deal with the setting aside of courts-martial or giving an honorable discharge. That is a matter of military law and not for this bill.

Mr. WOOD of Indiana. Mr. Chairman, if the gentleman will read the section attempted to be amended by this amendment he will see that it applies to persons who were discharged from the military and naval forces on the ground that they were alien enemies, conscientious objectors, or deserters, or guilty of mutiny, treason, spying, or any offense involving moral turpitude. Suppose a soldier has been tried and convicted by court-martial, resulting in his dishonorable discharge, because of mutiny, because of some offense involving moral turpitude, because of any of the things specified in this section. The amendment is certainly germane because of the fact that the purpose of this bill is to extend under certain circumstances the provisions of this measure. This is attempting to extend it further by extending to those who have been tried and convicted by court-martial and who are found to have been insane at the time the offense of which they were convicted was committed.

Mr. PARKER of New Jersey. Mr. Chairman, this section of the bill provides that certain facts shall terminate the insurance. The gentleman wishes to provide means of getting rid of the proceedings of court-martial, which would have terminated the insurance. He does not have anything to do with the insurance, but simply wants to have an honorable discharge granted to a man who has been court-martialed. That is a matter of military discipline and not a matter relating to insurance as provided for in this bill.

Mr. WOOD of Indiana. The purpose of this is that he may have the benefits of this act.

The CHAIRMAN. The Chair is ready to rule. The provisions of section 29 do not deal directly with discharges or dismissals from the Army. They rather provide that persons who are discharged or dismissed for certain reasons shall not be entitled to the benefits of compensation or insurance under the provisions of the war risk insurance act. That is to say, the words with reference to discharge and dismissal are descriptive of the persons who are not entitled to the benefits of the war risk insurance act. It might be in order to provide by amendment that a person dishonorably discharged from the military or naval forces as a result of court-martial, who was insane at the time of such trial, might be entitled to the benefits of the war risk insurance act, but this amendment goes further than that. It authorizes the President to direct and cause to be issued to such a person an honorable discharge. The Chair is of opinion that this provision and this bill does not deal with discharges in such a way as to make an amendment which undertakes to authorize the discharge of a soldier from the Army germane to the provisions of the bill. The Chair, therefore, sustains the point of order.

Mr. WOOD of Indiana. Mr. Chairman, in view of the ruling of the Chair, and in order that I may submit an amendment that will meet with it, I shall ask unanimous consent that the proposed amendment which I desire to offer may go over for consideration later, the same as the other amendment went over.

Mr. WINSLOW. Mr. Chairman, the situation in respect to these two amendments is entirely different. One was put over because of a desire to clarify language and the other goes out on a ruling of the Chair.

Mr. DOWELL. Mr. Chairman, there is another phase to this, if I may suggest it. There are a number who entered the service who were in France and who served in many of the engagements, who were under age, and who upon the application of some one here and upon the statement of facts to the department, were taken from the service and released without an honorable discharge. Without any action on their part they are unable to participate in the benefits of this bill, and they also should be joined in this amendment.

Mr. FISH. Mr. Chairman, does the gentleman know of any such case? I am under the impression that the War Department has ruled otherwise.

Mr. DOWELL. I know of one case I took up with the department where a young man served in France.

The CHAIRMAN. All this is out of order.

Mr. WINSLOW. Mr. Chairman, I demand the regular order.

The CHAIRMAN. What is the request of the gentleman?

Mr. WINSLOW. Mr. Chairman, is there any reason why we can not have an objection enforced on a demand for the regular order?

The CHAIRMAN. The Chair would like to submit the request to the House before objection is made.

Mr. WINSLOW. I understood that it had been submitted.

The CHAIRMAN. It has not been.

Mr. WOOD of Indiana. I ask unanimous consent that this matter go over for final consideration and examination with the other amendment which is now proposed to the same provision in order that I may have an opportunity to draw an amendment which will be in order and in no wise conflict with the progress of this bill.

Mr. SANDERS of Indiana. Mr. Chairman, as I understand the request, it is to present a modified amendment.

Mr. WOOD of Indiana. Yes.

Mr. SANDERS of Indiana. I think the gentleman from Massachusetts understood that it was to present the same amendment.

Mr. WINSLOW. I have no particular objection to the request, Mr. Chairman.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that he be permitted to offer an amendment to the section under consideration at a later time, although that section has been passed. Is there objection?

Mr. RAYBURN. I think the gentleman can submit his request later as well as now, and I object.

Mr. BLACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLACK. Was not this section passed for amendment until to-morrow?

The CHAIRMAN. The section was not passed. The request was that the gentleman be permitted to offer an amendment to this particular section at a later day notwithstanding the fact that the section has been passed over. The Chair does not understand the entire section was passed over, but that an amendment could be offered to it later.

Mr. BLACK. Very true; but there is a parliamentary inquiry I want to propound. That amendment will be subject

to an amendment, and if the gentleman from Indiana proposes an amendment which is not subject to a point of order, there would be nothing to hinder him offering it.

The CHAIRMAN. So far as the Chair knows now, it would not, but the Chair is not passing upon that question.

Mr. BARKLEY. The only thing passed over was the right to offer an amendment. The whole section was not passed.

Mr. BLACK. But that amendment could be amended by a proper amendment.

Mr. BARKLEY. Yes; by a germane amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Indiana.

The Clerk read as follows:

Page 12, line 25, after the word "beneficiary," strike out the period and insert a colon and add the following: "Provided further, That in case any person has been dishonorably discharged from the military or naval forces as a result of a court-martial trial, and it is thereafter established to the satisfaction of the President that at the time of the commission of the offense resulting in such court-martial, trial, and discharge, that such person was insane, such person shall be entitled to the compensation and insurance benefits of the war risk insurance act."

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry. Is not that the same amendment offered a moment ago?

Mr. WOOD of Indiana. Oh, no; it is entirely different. It strikes out the phrase "The President may direct and cause to be issued to such person an honorable discharge," and so forth.

Mr. GREENE of Vermont. Will the gentleman permit a question?

Mr. WOOD of Indiana. I will.

Mr. GREENE of Vermont. Now, cases which arise under the general law that are analogous to this present this situation: That whereas some other committee perhaps is charged with the preparation of legislation along the line of pensions or emoluments for service, the question of changing the status of a discharged man so that he can take advantage of this pension law will go to the Committee on Military Affairs. That is the long-standing practice of the House, and, if the gentleman will recall, the proposition is not to change the record, but the proposition that is submitted to the Committee on Military Affairs is that such and such a man shall be in a pensionable status.

Mr. WOOD of Indiana. That is true; but that is under the old pension act, which is very different from the character of legislation we have to do with now.

Mr. GREENE of Vermont. I am getting at the general practice which seems to me ought to underlie all the practices of the House when the cases are analogous. It does not make any difference whether the details of the pension law differ from the details of this law; are not the circumstances identical? The man is discharged from the Army if he served in the Civil War or the War with Spain under conditions that would not permit him to receive the advantages of the pension law, and it is the same thing here. Whereupon we refer his case to the Committee on Military Affairs, and they will have a rehearing and reexamination that may restore his status so that he can take advantage of the pension laws.

Mr. WOOD of Indiana. That would be the only way to treat this, too, and what objection could there possibly be? I apprehend that the President of the United States would require the most positive proof that the person at the time was insane. It would be a great deal easier, no doubt, in a given case to get through a special bill, but it strikes me while we are enacting this character of legislation for the relief of all those who are entitled to it that the character of cases I have mentioned should come within the purview of it.

Mr. GREENE of Vermont. I want to suggest there, because I am in sympathy in a great measure with the gentleman's intention, you are now proposing to enact a general law to get at special cases, which is contrary to good policy in any legislative body anywhere and results always in abuse, because its administration is charged upon the people who administer that general law and who are not prepared always to take care of special equity cases.

Mr. WOOD of Indiana. If you will take this bill from start to finish, you will find that it applies to special cases.

Mr. GREENE of Vermont. Then it is to that extent wrong.

Mr. WOOD of Indiana. I add one more special case to it.

Mr. DEMPSEY. Is not this a further development of the thought of the gentleman from Vermont, that it is turning over to the Executive what is absolutely a legislative matter?

Mr. GREENE of Vermont. Absolutely.

Mr. DEMPSEY. And is not this in line with special pension cases, where you have to get your honorable discharge or the record straightened before the committee will consider it? Is not that legislative and not executive?

Mr. WOOD of Indiana. It would not be considered legislative in any event. If anything, it is judicial. You are referring it to the President for the purposes of determining judicially.

Mr. WINSLOW. Mr. Chairman, it is my purpose to close debate on this.

Mr. BLACK. I would like to have five minutes on this amendment.

Mr. WINSLOW. The chairman of the committee is in rather an unhappy situation. He has in mind that a motion was made by him and carried some considerable time ago, some 40 minutes, that the debate end in 10 minutes, and time was given to the gentleman from New York [Mr. FISH] and the gentleman from Indiana [Mr. WOOD] on this section. We have run on now for about half an hour rather than to disappoint anybody.

Mr. BLACK. The gentleman has not heard any remarks from me at all.

Mr. WINSLOW. And we have thought of enforcing that 10-minute regulation.

The CHAIRMAN. The Chair is not aware that any limit was placed on this section; in that, he is confirmed by everybody now at the desk. If the gentleman desires to make a motion the Chair will entertain it.

Mr. BLACK. The gentleman need not make it on my account.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. WOOD].

The question was taken, and the Chair announced that the noes seemed to have it.

On a division (demanded by Mr. WOOD of Indiana) there were—ayes 35, noes 30.

Mr. WINSLOW. Mr. Speaker, I call for tellers.

Tellers were ordered.

Mr. BLACK. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum. The Chair thinks there is no quorum present.

Mr. WINSLOW. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and Mr. STAFFORD having assumed the chair as Speaker pro tempore, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6611, and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. WINSLOW. Mr. Speaker, I would like to ask unanimous consent for permission to be given to the Members to extend their remarks for five legislative days on this bill, H. R. 6611.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent that all Members have five legislative days in which to extend their remarks on the bill.

Mr. GARNER. Mr. Speaker, will not the gentleman confine it to their own remarks rather than to tables and literature, and things of that kind?

The SPEAKER pro tempore. Does the gentleman from Massachusetts modify his request?

Mr. WINSLOW. I would like to modify my request by adding thereto the request that they be obliged to confine the extension to their own remarks.

The SPEAKER pro tempore. The gentleman modifies his original request by placing the limitation that they shall be confined to their own remarks. Is there objection to the request as modified? [After a pause.] The Chair hears none.

ORDER OF BUSINESS.

Mr. GARNER. Mr. Speaker, for the information of the gentlemen who may not be here, I want to ask the gentleman from Wyoming a question for the benefit of the Record.

The SPEAKER pro tempore. The gentleman asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. GARNER. I wish the gentleman from Wyoming would make a statement for the Record with reference to when we will vote on the peace resolution. There have been a great many inquiries about it, and it is a matter of considerable importance.

Mr. MONDELL. My understanding is that the rule for the consideration of the peace resolution will be presented immediately after the conclusion of the consideration of the bill now before the House. And we hope to have a vote on it Saturday afternoon.

Mr. GARNER. Let me ask the gentleman if his information is not to the effect that the rule will provide that the vote shall occur at 5 o'clock on Saturday afternoon?

Mr. MONDELL. At half-past 4 or 5 on Saturday afternoon.

Mr. GARNER. Then the vote will be, if I understand the gentleman from Wyoming, on Saturday afternoon at 4 or 5 o'clock?

Mr. MONDELL. Yes; and the sooner we reach the peace resolution the more opportunity there will be for debate on that resolution. And if the gentleman from Texas will allow me, I desire to submit a unanimous-consent request.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired. The gentleman from Wyoming is recognized.

HOUR OF MEETING TO-MORROW—11 O'CLOCK A. M.

Mr. MONDELL. I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection? There was no objection.

EXTENSION OF REMARKS.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a short article from the Manufacturers' Record relative to the financial situation as affecting the manufacturers of the country.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to extend his remarks in the Record by inserting the article referred to by him. Is there objection?

Mr. WALSH rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Massachusetts rise?

Mr. WALSH. Reserving the right to object, in the confusion I did not hear the mention of the article referred to.

Mr. KING. It is a short article stating the financial condition of the manufacturers of the country.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Following is the article referred to:

[From Manufacturers Record, June 2, 1921.]

On November 14, 1919, a high-powered automobile, containing four people, drove into the town of Pierce, Nebr., and stopped in front of the Cones State Bank. The engine was kept running. Two men, armed with revolvers, got out of the car and entered the institution. As agents of the Federal reserve bank, they presented checks to the aggregate value of \$31,900, for which they demanded cash, declining to accept drafts. These checks represented an accumulation of items which had been brought together over a period of more than three weeks. One of these Federal reserve agents stated to the officers of the bank that the other agent "was a United States marshal, hard-bolled and armed; that he had cleaned up the State of Kansas and would get us anyway" unless the Cones State Bank signed an agreement to follow the orders of the Federal reserve bank. These agents also stated that where a State bank declined to obey orders, it was certain to be driven to the wall by the power of the Federal reserve system, which was really the Government of the United States. The case is not an isolated one. It is typical of what was done in hundreds of cases by the gunmen of the Federal reserve bank. The methods of coercion used and threatened were:

"1. The Federal Reserve Board would accumulate checks on a State institution until the gross amount of such checks exceeded the amount of currency said State bank was required to carry in its vaults or was likely to have on hand. It would then send men armed with guns to demand payment. If payment could not be made in cash, the checks were protested and the news spread about town that the bank was being questioned by the Government, the result of which would be to cause a run on the bank. But if the bank, threatened by such disaster, signed an agreement to obey the illegal orders of the Federal reserve bank, then cash for checks was not required, but drafts were accepted at par.

"2. If the first method of coercion failed, the State banks in small towns were notified that a competing national bank would be organized to drive them out of business; that such national bank would be supported with the full power of the Federal reserve bank, against which no small State bank could hope to wage a successful fight.

"3. If both of these methods of coercion failed, the State Bank was warned that its correspondents in the cities would be prevented thereafter from extending it any accommodations, would call its loans, and would drive it into bankruptcy."

The above facts are taken from the sworn testimony of witnesses before the Committee on Rules of the House of Representatives, May 4, 5, and 6, 1920. They give a mere inkling of the truth as revealed by the full testimony, copies of which can be procured from the Government Printing Office, under the title "Hearings Before the Committee on Rules on House Resolution 476, Sixty-sixth Congress."

The American Bank & Trust Co. appealed to the courts to prevent the Federal Reserve Bank of Atlanta, Ga., from continuing lawless assaults of the sort outlined above. The case finally reached the Supreme Court of the United States, which had before it much of the evidence which was brought out at the hearing to which we have referred. The opinion of the court was delivered by Mr. Justice Holmes, and never before, perhaps, in the history of that august tribunal has such a scathing denunciation of official lawlessness been delivered as the following:

"The defendants (Federal reserve bank) say that the holder of a check has the right to present it to the bank upon which it was drawn

for payment over the counter, and that however many checks he may hold he has the same right as to all of them and may present them all at once, whatever his motive or intent. They ask whether a mortgagee would be prevented from foreclosing because he acted from disinterested malevolence and not from a desire to get his money. But the word "right" is one of the most deceptive of pitfalls; it is so easy to slip from a qualified meaning in the premise to an unqualified one in the conclusion. Most rights are qualified. A man has at least as absolute a right to give his own money as he has to demand money from a party that has made no promise to him; yet if he gives it to induce another to steal or murder, the purpose of the act makes it a crime.

"A bank that receives deposits to be drawn upon by check of course authorizes its depositors to draw checks against their accounts and holders of such checks to present them for payment. When we think of the ordinary case the right of the holder is so unimpeded that it seems to us absolute. But looked at from either side it can not be so. The interests of business also are recognized as rights, protected against injury to a greater or less extent, and in case of conflict between the claims of business on the one side and of third persons on the other lines have to be drawn that limit both. A man has a right to give advice, but advice given for the sole purpose of injuring another's business and effective on a large scale might create a cause of action. Banks, as we know them, could not exist if they could not rely upon averages and lend a large part of the money that they receive from their depositors on the assumption that not more than a certain fraction of it will be demanded on any one day. If without a word of falsehood but acting from what we have called disinterested malevolence a man by persuasion should organize and carry into effect a run upon a bank and ruin it, we can not doubt that an action would lie. A similar result, even if less complete in its effect, is to be expected from the course that the defendants are alleged to intend, and to determine whether they are authorized to follow that course it is not enough to refer to the general right of a holder of checks to present them but it is necessary to consider whether the collection of checks and presenting them in a body for the purpose of breaking down the petitioner's business as now conducted is justified by the ulterior purpose in view.

"If this were a case of competition in private business, it would be hard to admit the justification of self-interest, considering the now current opinion as to public policy expressed in statutes and decisions. But this is not private business. The policy of the Federal Reserve banks is governed by the policy of the United States with regard to them and to these relatively feeble competitors. We do not need aid from the debates upon the statute under which the reserve banks exist to assume that the United States did not intend by that statute to sanction this sort of warfare upon legitimate creations of the States."

Warfare! Warfare by the Federal Reserve Board against creatures of the State over whom the board had been warned by a definite opinion of the Attorney General of the United States, addressed to the President on March 21, 1918, in response to his request, that the Federal Reserve act "does not command or compel these State banks to forego any right they may have under the State laws to make charges in connection with the payment of checks drawn upon them," and it was notorious that CARTER GLASS, in presenting the conference report for the adoption of the act to the House, had definitely explained and promised that the Federal Reserve Board had no control over the operation of nonmember banks unless they "voluntarily" joined the collection system.

When called to the stand a year ago to explain the barbarous operations of his agents, Gov. W. P. G. Harding, as usual, pleaded ignorance in some cases and in some others evaded the issue. He has the reputation of being what professional men call a "clever witness." But he could not quite get away from the persistence of Congressman REAVIS, of Nebraska, who finally forced these admissions:

"Mr. REAVIS. What I want to get into this record is the fact that whenever these nonmember banks will sign the agreement to do that thing, which in law you can not force them to do, you accept exchange from them.

Gov. HARDING. Yes, sir.

Mr. REAVIS. And when they refuse you demand cash and refuse to accept exchange.

Gov. HARDING. It appears in some cases that that has been done.

It was habitually done, not one time but thousands of times. Indeed, so indignant were some gentlemen at the seeming lack of definite knowledge on the part of Gov. Harding that the following day Mr. Alexander Smith, of Atlanta, attorney for the assaulted banks, said: "In view of the statement yesterday by the governor of the Federal Reserve Board that these things were not being done with his knowledge and consent, I wish to introduce an original letter from Mr. E. P. Tyner, assistant cashier of the Federal Reserve bank of Kansas City, dated December 3, 1919, containing this paragraph:

"Our action in adding the entire State of Missouri to the par list was taken at the request and with the approval of the Federal Reserve Board at Washington," etc.

Moreover, it was testified by Mr. Claiborne, of the Whitney Central National Bank, of New Orleans:

"You (Congress) then refused to create a central bank in Washington, but what you have to-day is really a central bank in Washington. They are attempting to make out of these local boards, boards which must submit absolutely to what Washington says. Those boards are not permitted to act for themselves; they get their instructions and advices from Washington."

We emphasize this point because Gov. Harding last December professed to be ignorant of the contents of instructions issued by the Federal Reserve bank of Richmond demanding drastic restriction of credit and rather sought to make it appear that our publication of these orders in their essential form was misleading and, if not misleading, could not be held to be representative of the policy of the Federal Reserve Board. Each of the 12 regional banks is absolutely dominated by the board in Washington. They have no basic policies except those handed to them from Washington. The evidence all shows most conclusively that Gov. Harding was not only cognizant of what the Richmond bank was doing all last year, but that he was equally cognizant at all times of the at-the-pistol-point methods whereby his agents were attempting to coerce country banks.

At this hearing a year ago Gov. Harding boasted that the lower court had sustained the right of the Federal Reserve Board to accumulate checks and present them in bunches. He emphasized that very point. All he wanted to do, he said, was to carry out the law. But the case got to the Supreme Court of the United States. It, too, reversing the lower court, dwelt at length on just this very point, as is noted above. It went out of its way to discuss this identical alleged "right" of the board to collect checks in such a way as to destroy small banks.

In the face of the decision Gov. Harding at once prepared or had prepared a statement for the press in which he ignored the court's overwhelming condemnation of the Federal Reserve Board's policy and dwelt on the fact that the decision itself related to an issue of pleading, which was true enough technically but not otherwise. He then went on to say:

"The Supreme Court's decision will not interfere with the present check-clearing functions of the Federal Reserve banks, and those banks will continue, as heretofore, to collect checks drawn upon those banks which are listed upon the par lists."

If that meant what the public thinks it means—what any but an expert would assume it to mean—Gov. Harding could not remain in office one week. Before the authority of the Supreme Court had been established thoroughly in our system of government, a President, it is true, did feign to ignore its mandates, but there is no man big enough to do so to-day, from the President down, and none, save a bolshevik, would make the attempt. Gov. Harding does not mean to say that he will continue collections by lead-pipe methods. He says he will continue to clear checks upon those banks "which are listed upon the par lists." Of course he will, because that is not the issue at all. What the Supreme Court has said is that he shall not coerce banks not on the "par lists" and force them to get on those lists. And he will not. He will not because the days of his dominance are numbered and the new influence in power in the board would never for one moment permit him, with all his arrogance, to ignore a mandate of the supreme tribunal or spit upon the law and flag. No doubt he would like to do it, but he has been shorn of some of his power by the drastic decision of the Supreme Court. Yesterday it was the new administration that was reversing the whole Gov. Harding policy of ruin and destruction. To-day it is the Supreme Court which denounces him and his former associates as having waged warfare against State banks with ruthlessness beyond the power of words to adequately describe. It is a terrible accusation—more terrible than any the Manufacturers' Record has heretofore made against the Federal Reserve Board. Indeed, in view of the facts that are coming out, we are amazed at our own moderation. We are even more amazed that this conspiracy against the public weal by public officers has been able to remain so long concealed and that even now the press refrains, for some reason or other, from giving proper publicity to the awful blunders which have been made. Has it, too, been coerced and is the Federal Reserve Board, with its gunmen and Apaches, driving the Nation into another Jackson fight to restore the financial liberties of the people?

What is a bolshevik? We know not how many millions or billions Lenin and Trotski have wiped out of existence. We do know that the operation of the Federal Reserve Board last year "wiped off the slate as with a sponge" \$25,000,000,000 of the national wealth of the United States. In sheer destructiveness it challenges bolshevism at its worst. And now we have the governor of the Federal Reserve Board, when branded by the Supreme Court with having waged warfare against the State banks and with operation of a generally lawless policy, putting out a statement purporting, except to experts, to mean that he will not cease from that warfare but will continue in arrogant lawlessness. There is the spirit, if not the fact, of bolshevism in the pronouncement. Much power has made the man mad. He has been so long the master he has forgotten he is a servant. "This divine-right thing" testifies a banker, "descends upon people very insidiously. The minute they get the authority they get the idea in their heads that anything they say should be done must be done and anybody who dares to contradict that becomes a criminal." It is even worse than that, for this man has not only overruled the Congress of the United States by forcing on the country a central bank in defiance of orders not to; he has not only set himself up as an arbiter of prices and by deliberate intent broken the markets and pursued a policy which Abraham Lincoln denounced aforesaid as dishonest and criminal; he has not only set in motion his desperadoes to destroy the State banking system in the United States in order that all financial authority may reside in himself and he become an absolute dictator of the Nation's credit facilities, but he has, in addition, when his lawlessness has been exposed by the Supreme Court, had the insolence and impertinence to make a public statement which gives the impression that he is going to continue in his ways despite the court or any other authority.

This man can not remain in office. He can not get out of office without an investigation. The thing has gone too far. A Congress that fails to look deep into the whole past conduct of the administration of Gov. Harding will be discredited before the polls are reached in the next election. An administration that kept him in power would be swept into oblivion the first chance the voters got. He must get out. Not until he is out will there be any confidence among business men in the United States. The whole institution of banking is under a cloud while he continues in office. He breathes a poisonous miasma over the entire financial administration in the United States. He exudes distrust and ruin.

They said of the second Adams that the touch of his hand was like ice and he chilled the heart of the Nation. The charge may not have been true, but a hand of ice is responsible for "frozen credits" in this great country to-day, and there will be no warmth again in commerce until the shadow of its owner's body no longer spreads its bolshevistic darkness into the far corners of the land.

Gov. Harding must get out! No man against whose actions the Supreme Court has rendered a decision couched in language probably never before used by that august tribunal can remain at the head of our Nation's banking system.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record in connection with the bill that we considered to-day.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to extend his remarks in the Record. Is there objection?

Mr. GARNER. On what subject?

Mr. HILL. In connection with the remarks made in opposition to my amendment, including some resolutions.

Mr. GARNER. I object.

The SPEAKER pro tempore. Objection is made.

LEAVE OF ABSENCE.

Mr. DEAL, by unanimous consent, was granted leave of absence for one week, on account of important business.

ADJOURNMENT.

Mr. WINSLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House adjourned, pursuant to the order, until to-morrow, Friday, June 10, 1921, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

158. Under clause 2 of Rule XXIV, a letter from the chairman of the Federal Trade Commission, transmitting report analyzing the activities of the trade associations composed of Douglas fir loggers and lumber manufacturers of the Pacific coast, the chief source of the Nation's reserve lumber supply, was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

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. HAUGEN, from the Committee on Agriculture, to which was referred the joint resolution (H. J. Res. 151) to provide that deferred grazing fees received prior to December 31, 1921, shall be considered as receipts of the fiscal year 1921, reported the same without amendment, accompanied by a report (No. 155), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HOCH, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 6652) to extend the time for the construction of a bridge across the Arkansas River, in Muskogee County, Okla., reported the same without amendment, accompanied by a report (No. 156), which said bill and report were referred to the House Calendar.

He also, from the same committee, to which was referred the bill (H. R. 6653) to extend the time for the construction of a bridge across the Arkansas River at a point near Webbers Falls, in Muskogee County, Okla., reported the same with amendments, accompanied by a report (No. 157), which said bill and report were referred to the House Calendar.

Mr. BARKLEY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 1317) to authorize the Secretary of War to release the Kansas City & Memphis Railway & Bridge Co. from reconstructing its highway and approaches across its bridge at Memphis, Tenn., reported the same with an amendment, accompanied by a report (No. 158), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bill and petitions, which were referred as follows:

A bill (H. R. 6666) to restore Sally A. Carney, widow of John H. Carney, to the pension roll; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

Sundry petitions urging the passage of that section of the naval appropriation bill relating to reduction of naval armament; Committee on Naval Affairs discharged, and referred to the Committee on Appropriations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McARTHUR: A bill (H. R. 6991) for the apportionment of Representatives in Congress amongst the several States under the Fourteenth Census; to the Committee on the Census.

By Mr. RIDDICK: A bill (H. R. 6992) to amend an act entitled "An act for the relief of homestead entrymen or settlers who enter the military or naval service of the United States in time of war"; to the Committee on the Public Lands.

By Mr. BEGG: A bill (H. R. 6993) for the relief of retired commissioned and warrant officers of the United States Navy and Marine Corps; to the Committee on Naval Affairs.

By Mr. KREIDER: A bill (H. R. 6994) to amend the Army appropriation act approved July 11, 1919, so as to release appropriations for the acquisition of land near Middletown, Pa., for an Air Service general repair depot and make additional appropriations therefor; to the Committee on Military Affairs.

By Mr. SMITH: A bill (H. R. 6995) prohibiting the interment of the body of any person in the cemetery known as the

Cemetery of the White's Tabernacle, No. 39, of the Ancient United Order of Sons and Daughters, Brethren and Sisters of Moses, in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LEE of Georgia: A bill (H. R. 6996) to direct the Secretary of the Treasury to loan to the Federal Farm Loan Board the sum of \$200,000,000, and for other purposes; to the Committee on Banking and Currency.

By Mr. VOLSTEAD: A bill (H. R. 6997) to amend certain sections of the Judicial Code relating to the Court of Claims, to regulate appeals therefrom, and for other purposes; to the Committee on the Judiciary.

By Mr. LONDON: A bill (H. R. 6998) to amend section 17 of the United States bankruptcy law of July 1, 1898, and amendments thereto of February 5, 1903; to the Committee on the Judiciary.

By Mr. BUTLER: A bill (H. R. 6999) to authorize certain officers on the retired list of the Navy and Marine Corps to receive pay in accordance with their rank as now shown by the records of the Navy Department; to the Committee on Naval Affairs.

By Mr. VINSON: A bill (H. R. 7000) to pension soldiers and sailors of the War with Spain, the Philippine insurrection, and the China relief expedition; to the Committee on Pensions.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 153) permitting the admission of certain aliens who sailed from foreign ports on or before June 8, 1921, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. EDMONDS: Concurrent resolution (H. Con. Res. 21) providing that legislation dealing with pensions, private claims, distribution of war trophies, etc., be initiated by petition on suitable furnished forms; to the Committee on Rules.

By Mr. PORTER: Resolution (H. Res. 110) for the immediate consideration of Senate joint resolution 16; to the Committee on Rules.

By Mr. RYAN: Resolution (H. Res. 111) for an investigation of the statements made by Rear Admiral William Sims, United States Navy, in his speech before the English Speaking Union in London, England, on June 6, 1921; to the Committee on Rules.

By Mr. A. P. NELSON: Memorial of the Legislature of the State of Wisconsin, requesting Congress not to repeal the excess profits and surtax laws and not to pass the sales tax law; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Wisconsin, relating to the restoration of package freight boats on the Great Lakes; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENHAM: A bill (H. R. 7001) granting a pension to Clara Cloe Ross; to the Committee on Pensions.

By Mr. BIRD: A bill (H. R. 7002) granting an increase of pension to Nancy A. Judson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7003) granting an increase of pension to Fermon L. Botkin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7004) granting a pension to Lucinda Buckles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7005) granting a pension to Benjamin F. Burch; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 7006) granting a pension to Eliza A. Beaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7007) granting a pension to Nancy J. Miller; to the Committee on Pensions.

By Mr. COPLEY: A bill (H. R. 7008) granting a pension to Annie Topper; to the Committee on Invalid Pensions.

By Mr. DEAL: A bill (H. R. 7009) for the relief of Lottie May Bolin; to the Committee on Claims.

Also, a bill (H. R. 7010) for the relief of Southern Transportation Co.; to the Committee on Claims.

Also, a bill (H. R. 7011) for the relief of Northern Transportation Co.; to the Committee on Claims.

By Mr. FISH: A bill (H. R. 7012) authorizing the Secretary of War to donate to the town of Warwick, N. Y., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. FORDNEY: A bill (H. R. 7013) granting a pension to Jane Lewis; to the Committee on Invalid Pensions.

By Mr. GENSMAN: A bill (H. R. 7014) granting a pension to John S. Freeland; to the Committee on Invalid Pensions.

By Mr. GERBERD: A bill (H. R. 7015) for the relief of the estate of Benjamin Fenton; to the Committee on War Claims.

Also, a bill (H. R. 7016) granting a pension to William H. Trautman; to the Committee on Pensions.

By Mr. KIESS: A bill (H. R. 7017) authorizing the Secretary of War to donate to the town of Avis, Pa., one captured German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 7018) granting an increase of pension to Emil J. Olsen; to the Committee on Pensions.

By Mr. LAMPERT: A bill (H. R. 7019) granting a pension to Flora Turcott; to the Committee on Pensions.

By Mr. LEATHERWOOD: A bill (H. R. 7020) waiving the age limit for transfer to the Regular United States Navy in the case of Lieut. Thomas G. Odell; to the Committee on Naval Affairs.

By Mr. LINTHICUM: A bill (H. R. 7021) granting a pension to Julia Gallagher; to the Committee on Pensions.

Also, a bill (H. R. 7022) granting a pension to Eliza W. Davis; to the Committee on Pensions.

By Mr. LITTLE: A bill (H. R. 7023) granting an increase of pension to Mary Walden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7024) granting a pension to Bertha A. Beckman; to the Committee on Pensions.

Also, a bill (H. R. 7025) to correct the military record of Samuel D. Jarman; to the Committee on Military Affairs.

By Mr. MILLSAUGH: A bill (H. R. 7026) granting a pension to Marion B. Rathbun; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 7027) for the relief of Herbert E. Shenton; to the Committee on Claims.

By Mr. NORTON: A bill (H. R. 7028) to authorize the President of the United States to appoint James Dickson Polley, late a captain in the Ordnance Department of the United States Army, a captain in the Quartermaster Corps; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 7029) granting an increase of pension to Mary Burke; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 7030) granting a pension to Addie M. McKinney; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 7031) for the relief of Lewis M. Haupt; to the Committee on Claims.

Also, a bill (H. R. 7032) for the relief of Lewis M. Haupt; to the Committee on Claims.

By Mr. ANDERSON: Resolution (H. Res. 109) to pay Ernest H. Bradley the sum of \$300 for services rendered to the Committee on Appropriations; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1169. By the SPEAKER (by request): Resolution of the Grace Methodist Episcopal Church, Grove City, Pa., urging disarmament; to the Committee on Foreign Affairs.

1170. By Mr. ARENTZ: Petition of residents of Gold Hill, Virginia City, and Goldfield, Nev., requesting Congress to take necessary action to bring about the recognition of the existing and duly elected government of the republic of Ireland; to the Committee on Foreign Affairs.

1171. By Mr. BARBOUR: Resolution at the annual convention of the California Federation of Women's Clubs, urging action by the Government for the preservation of the redwood groves of California; to the Committee on the Public Lands.

1172. Also, resolution adopted at the annual convention of the California Federation of Women's Clubs, urging appropriation for the furnishing of adequate living quarters, clothing, etc., to ex-service men while being reeducated; to the Committee on Interstate and Foreign Commerce.

1173. By Mr. BEEDY: Resolutions from the General Board of L'Union St. Jean-Baptist D'Amerique and from Mercier Court, No. 822, Catholic Order of Foresters, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

1174. By Mr. BRIGGS: Resolution of Texas Chamber of Commerce, urging deep water for Corpus Christi and vicinity; to the Committee on Rivers and Harbors.

1175. Also, resolution of Texas Chamber of Commerce, urging the Government of the United States to recognize the present Government of the Republic of Mexico; to the Committee on Foreign Affairs.

1176. By Mr. COCKRAN: Petition of members of the Chapel of the Incarnation, 249 East Thirty-first Street, New York City, urging the President and Congress to call a conference of the leading nations on reduction of armaments at the earliest possible date; to the Committee on Foreign Affairs.

1177. By Mr. CRAMTON: Resolution of the Michigan Tuberculosis Association, indorsing House bill 6047, especially the

appointment of a Cabinet member to head the new department of public welfare; to the Committee on Interstate and Foreign Commerce.

1178. By Mr. DALLINGER: Resolution of the executive committee of the Canadian Club, in opposition to the resolutions introduced in Congress for the recognition of the so-called Irish republic; to the Committee on Foreign Affairs.

1179. Also, memorial adopted by the people of the First Methodist Episcopal Church, Melrose, Mass., favoring the calling of an international conference to discuss the question of disarmament; to the Committee on Foreign Affairs.

1180. Also, resolution adopted by Grace Methodist Episcopal Church, Cambridge, Mass., favoring calling of an international conference to discuss the question of disarmament; to the Committee on Foreign Affairs.

1181. By Mr. DARROW: Resolution of the Palatinate Reformed Church of Philadelphia, Pa., and from E. D. Batis and 65 other citizens of Olney, Pa., favoring disarmament; to the Committee on Foreign Affairs.

1182. By Mr. FENN: Resolutions of the Congregational Church, Unionville; St. James Parish, of Hartford; and Hartford Council of Churches, Hartford, all in the State of Connecticut, seeking disarmament; to the Committee on Foreign Affairs.

1183. By Mr. FROTHINGHAM: Resolutions adopted by the Women's Auxiliary of American Legion Post of Braintree, Mass., and the Women's Auxiliary of Edward J. Beatty Post, No. 24, American Legion of Canton, Mass., urging relief of the disabled soldiers; to the Committee on Interstate and Foreign Commerce.

1184. Also, resolution adopted by Wollaston Congregational Church, Wollaston, Quincy, Mass., urging the President and Congress to invite the leading nations to an international conference on reduction of armaments; to the Committee on Foreign Affairs.

1185. Also, petition of parishioners of First Congregational Church of Sharon, Mass., urging an agreement for the reduction of armaments; to the Committee on Foreign Affairs.

1186. By Mr. GALLIVAN: Petition of Massachusetts State Court, National Order of the Daughters of Isabella (an organization with a membership of over 100,000 women), Mary T. Keohane, of 23 Howell Street, Dorchester, Mass., State secretary, urging the recognition of the republic of Ireland by the United States; to the Committee on Foreign Affairs.

1187. By Mr. GERNERD: Papers in support of House bill 7014, granting a pension to William H. Trautman; to the Committee on Pensions.

1188. By Mr. GOLDSBOROUGH: Petition of the Kent and Queen Annes Rural Letter Carriers' Association, of Maryland, for favorable action on the scale of pay adopted by the National Rural Letter Carriers' Association; to the Committee on the Post Office and Post Roads.

1189. By Mr. HILL: Petition of mass meeting of residents and citizens of Polish descent, of Baltimore, Md., urging that the United States take a friendly interest in the Polish situation generally; to the Committee on Foreign Affairs.

1190. By Mr. KIESS: Petition of the Susquehanna Baptist Union, Warrenville, Pa., for the passage of legislation looking to world disarmament; to the Committee on Foreign Affairs.

1191. By Mr. LINTHICUM: Petition of Commander John T. Williams, favoring minimum pension of \$72 per month for all survivors of Civil War; to the Committee on Invalid Pensions.

1192. Also, petition of Charles T. Bagby, Baltimore, Md., favoring House bill 129; to the Committee on Agriculture.

1193. Also, petition of National Enameling & Stamping Co., Baltimore, Md., regarding taxation, transportation, etc.; to the Committee on Interstate and Foreign Commerce.

1194. Also, petition of Women's Christian Temperance Union, Baltimore, Md., favoring disarmament; to the Committee on Foreign Affairs.

1195. Also, petition of Conservation Commission of Maryland, favoring elimination of 10 per cent tax on sporting goods; also petition of Read Drug & Chemical Co., favoring sales tax; to the Committee on Ways and Means.

1196. By Mr. MEAD: Petition of the Washington meeting of the Religious Society of Friends, urging the reduction of armaments; to the Committee on Foreign Affairs.

1197. By Mr. MICHENER: Petition calling attention to conditions in the Near East; to the Committee on Foreign Affairs.

1198. By Mr. MORIN: Petition of Branch 94 of the Glass Blowers' Association, H. S. Humes, secretary, of Sharpsburg, Pa., protesting against the passage of House bill 4981 as unjust to the glass-bottle industry; to the Committee on Agriculture.

1199. By Mr. NORTON: Resolution of the League of Women Voters of Cleveland, Ohio, recommending reduction of arma-

ment and that the United States take the initial step in this movement; to the Committee on Foreign Affairs.

1200. By Mr. RAKER: Assembly joint resolution No. 7, State of California, relative to a direct primary for selection of presidential candidates; to the Committee on the Judiciary. Also, assembly joint resolution No. 31, State of California, relative to revision of the Federal transportation act of 1920; to the Committee on Interstate and Foreign Commerce. Also, assembly joint resolution No. 10, State of California, relative to the naval construction program of the United States; to the Committee on Naval Affairs. Also, assembly joint resolution No. 6, State of California, relative to enemy aliens; to the Committee on Immigration and Naturalization.

1201. Also, petition of Lindley & Co. (Inc.), Sacramento, Calif., indorsing House bill 5632; to the Committee on the Judiciary. Also petition of E. C. Brown and J. F. Baker, of California, indorsing legislation for the relief of star route mail contractors; to the Committee on the Post Office and Post Roads. Also, petition of Lyman L. Pierce, of San Francisco, urging governmental support for the people of the Near East; to the Committee on Foreign Affairs. Also, petition of Private Soldiers and Sailors' Legion of the United States of America, indorsing the Sweet bill and urging defeat of the fivefold bonus bill (H. R. 1); to the Committee on Ways and Means.

1202. By Mr. RANSLEY: Petition signed by the Ukrainian League of South Philadelphia, asking that the United States recognize East Galicia as an independent State; to the Committee on Foreign Affairs.

1203. By Mr. RIORDAN: Petition of Joseph Romano and 14 others, of New York, favoring the enactment of House bill 3208; to the Committee on the Judiciary.

1204. By Mr. ROUSE: Petition of R. H. Ransom, manager Reinhart & Newton Co., of Cincinnati, Ohio, asking for a repeal of excise tax on candy; to the Committee on Ways and Means.

1205. By Mr. SANDERS of New York: Petition of the Genesee County (N. Y.) Fish and Game Protective Association, urging the repeal of the present tax on sporting goods; to the Committee on Ways and Means.

1206. Also, petition of the members of Branch No. 26, Glass Bottle Blowers' Association, of Rochester, N. Y., protesting against the passage of House bill 4981, the so-called slack filled package bill; to the Committee on Agriculture.

1207. Also, petition of Mr. P. O. Kriegelstein, of Warsaw, N. Y., protesting against the imposition of \$10 per ton import duty on amorphous graphite; to the Committee on Ways and Means.

1208. Also, petition of the congregation of the First Methodist Episcopal Church, of Bergen, N. Y., urging the invitation by the President to Great Britain and Japan to attend a conference to arrange a limitation of naval armaments; to the Committee on Foreign Affairs.

1209. Also, petition of the congregation of St. James Church, of Batavia, N. Y., urging the United States Government to take immediate steps to arrange for a conference of the leading nations with a view to a disarmament agreement; to the Committee on Foreign Affairs.

1210. Also, petition of the congregation of the Methodist Episcopal Church of Alexander, N. Y., urging the United States to take immediate steps to arrange for a conference of the leading nations with a view to a disarmament agreement; to the Committee on Foreign Affairs.

1211. Also, petition of the congregation of the First Methodist Church, of Livonia, N. Y., urging the United States to take immediate steps to arrange for a conference of the leading nations with a view to a disarmament agreement; to the Committee on Foreign Affairs.

1212. Also, petition of the members and attenders of the Friends Church, of Batavia, N. Y., urging the United States to take immediate steps to arrange for a conference of the leading nations with a view to a disarmament agreement; to the Committee on Foreign Affairs.

1213. By Mr. SNYDER: Petition of residents of the thirty-third congressional district of New York, favoring a conference on the subject of disarmament; to the Committee on Foreign Affairs.

1214. By Mr. VARE: Petition of members of the Pro-Cathedral of St. Mary, of Philadelphia, Pa., relative to disarmament; to the Committee on Foreign Affairs.

1215. By Mr. WATSON: Resolutions by the members of the Mount Pleasant Baptist Church Men's Bible Class; Carmel Presbyterian Church, Edge Hill, Pa.; Roslyn Community Chapel; Abington Monthly Meeting of Friends; Washington meeting of the Religious Society of Friends; Huntington Valley Chapel, Meadowbrook, Pa.; Quakertown Methodist Episcopal

Church, Quakertown, Pa.; Friends of Warminster Preparative Meeting, Johnsville, Pa.; Trinity Reformed Church, Norristown, Pa.; members of the Solebury First-Day School; Middletown monthly meeting of Friends, Langhorne, Pa., in favor of calling an international conference for the discussion of disarmament; to the Committee on Foreign Affairs.

1216. By Mr. WOODYARD: Petition of Trinity Church and Protestant Episcopal Church of the Good Shepherd, of Parkersburg, and Fifth Avenue Baptist Church, of Huntington, all in the State of West Virginia, favoring disarmament; to the Committee on Foreign Affairs.

SENATE.

FRIDAY, June 10, 1921.

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

Our God and Father, we believe that Thou art, and art the rewarder of all them who diligently seek Thee. Thou art not to us an unknown or an unknowable God, and we bless Thee for the knowledge of this truth. May it take hold of us and bind us with deep and earnest consecration to highest ideals and noblest purposes for our country, for the world at large. We humbly ask in Jesus Christ's name. 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.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House insisted on its amendment to the Senate amendment No. 1 to the bill (H. R. 6300) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes; had agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses, and that Mr. GOOD, Mr. CANNON, and Mr. BYRNS of Tennessee were appointed managers of the conference on the part of the House.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 86) to amend the act approved December 23, 1913, known as the Federal reserve act, and it was thereupon signed by the President pro tempore.

CALL OF THE ROLL.

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

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

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

Ashurst	Gooding	McCormick	Spencer
Ball	Harrelld	McCumber	Stanfield
Borah	Harris	McKellar	Stanley
Brandegree	Harrison	McKinley	Sterling
Broussard	Heflin	McLean	Sutherland
Bursum	Hitchcock	McNary	Swanson
Cameron	Johnson	Myers	Townsend
Capper	Jones, N. Mex.	Nicholson	Trammell
Culberson	Jones, Wash.	Norris	Underwood
Cummins	Kellogg	Oddie	Wadsworth
Curtis	Kendrick	Overman	Walsh, Mass.
Dial	Kenyon	Phipps	Warren
Edge	Keyes	Pomerene	Watson, Ga.
Fernald	Knox	Sheppard	Watson, Ind.
Fletcher	Ladd	Shortridge	Williams
Frelinghuysen	La Follette	Simmons	Willis
Gerry	Lenroot	Smith	Wolcott
Glass	Lodge	Smoot	

Mr. BROUSSARD. I wish to announce that my colleague [Mr. RANDELL] is absent on official business.

Mr. GERRY. I wish to announce that the senior Senator from Arkansas [Mr. ROBINSON] is necessarily absent and that the junior Senator from Arkansas [Mr. CARAWAY] is absent on business of the Senate.

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

PETITIONS AND MEMORIALS.

Mr. CURTIS presented a resolution of the Atchison (Kans.) Chamber of Commerce, favoring the enactment of legislation to provide adequate relief for disabled ex-service men, which was referred to the Committee on Finance.

He also presented two resolutions of Brick Grange, No. 1498, of Holton, and Lodge No. 216, Brotherhood of Railway and