diers and sailors of said war; to the Committee of the Whole House.

By Mr. ZIHLMAN: A bill (H. R. 9247) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910; to the Committee on the District of Columbia.

By Mr. BUCKLEY: A bill (H. R. 9248) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. AYRES: A bill (H. R. 9249) to protect the commerce of the United States and to punish the crime of piracy; to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 9250) to authorize the leasing of lands withdrawn under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. HOWARD of Nebraska: Concurrent resolution (H. Con. Res. 23) for the appointment of a joint committee composed of Members of the House and Senate to investigate credit to farmers and a remedy for depression in agriculture, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 9251) granting a pension to Sallie Garland; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 9252) granting a pension to Charles Meyer; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 9253) granting a pension to Pauline G. Harris; to the Committee on Pensions.

By Mr. GLATFELTER: A bill (H. R. 9254) granting an increase of pension to Mary Ann Finfrock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9255) granting an increase of pension to Mary Shewell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9256) granting an increase of pension to Louisa C. Swartzbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9257) granting an increase of pension to Sarah Zimmerman; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 9258) granting a pension to Grace E. Moore; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 9259) to extend the benefits of the employees' compensation act of September 7, 1916, to Carol E. Reeves; to the Committee on Claims.

By Mr. STALKER: A bill (H. R. 9260) granting a pension to Alice May; to the Committee on Invalid Pension.

Also, a bill (H. R. 9261) granting a pension to Anna Pruden; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9262) granting an increase of pension to William H. Gray; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 9263) granting an increase of pension to Mary E. Allen; to the Commitee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9264) granting a pension to Charlie Simmons; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 9265) granting an increase of pension to Charles H. Black; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2763. By Mr. BARBOUR: Petition of citizens of Livingston, Calif., protesting against any amendment of the Federal prohibition act; to the Committee on the Judiciary.

2764. By Mr. BOYCE: Petition of Anna Marie Fullerton and others, of Holly Oak, Del., in relation to proposed equal rights amendment; to the Committee on the Judiciary.

2765. By Mr. GALLIVAN: Petition of Bernard J. Rothwell, Boston, Mass., protesting vigorously against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2766. Also, petition of Grain Board of the Boston Chamber of Commerce, Boston, Mass., protesting against passage of Senate bill 2012 and House bill 5563, known as the McNary-Haugen bill; to the Committee on Agriculture.

2767. By Mr. HUDSON: Petition of citizens of Lansing, Mich., indorsing the peace proposal setting forth the prevention and real cause of international wars as contained herein and drafted by Homer L. Boyle; to the Committee on Foreign Affairs.

2768. Also, petition of the International Arbitration Association, indorsing a plan as outlined by Homer L. Boyle, of Lansing, Mich., to prevent wars and the racing in armament of the nations of the world, and recommending and requesting Congress to pass an act authorizing the President to call an international peace conference of all nations of thte world; to the Committee on Foreign Affairs.

2769. By Mr. PARKER: Papers to accompany House bill 9090, granting an increase of pension to Eliza A. O'Connor; to the Committee on Invalid Pensions.

2770. By Mr. RAINEY: Petition of William Mumford and 18 other citizens of Pittsfield, Ill., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2771. Also, petition of Case County (Ill.) Farm Bureau, favoring McNary-Haugen bill; to the Committee on Agriculture.

2772. Also, petition of Sweetwater (Ill.) Friday Afternoon Club, favoring hospitals for mentally afflicted soldiers; to the Committee on World War Veterans' Legislation.

2773. Also, petition of Menard County (Ill.) Farm Bureau, favoring farm relief; to the Committee on Agriculture.

SENATE

FRIDAY, *May 16, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 3684) for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes, and it was thereupon signed by the President pro tempore.

CALL OF THE ROLL

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

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

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

Adams	Fess	McKinley	Shortridge
Ashurst	Frazier	McLean	Simmons
Ball	George	McNary	Smith
Bayard	Glass	Mayfield	Smoot
Borah	Gooding	Neely	Spencer
Brandegee	Hale	Norris	Stanfield
Bruce	Harreld	Oddie	Stephens
Bursum	Harris	Overman	Sterling
Cameron	Harrison	Owen	Swanson
Capper	Heflin	Pepper	Trammell
Caraway	Johnson, Calif.	Phipps	Wadsworth
Colt	Johnson, Minn.	Pittman	Walsh, Mass.
Copeland	Jones, N. Mex.	Ralston	Walsh, Mont.
Cummins	Kendrick	Ransdell	Warren
Curtis	Keyes	Reed, Pa.	Watson
Dale	King	Robinson	Weller
Dill	Ladd	Sheppard	Willis
Edge	Lodge	Shields	
Fernald	McKellar	Shipstead	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is necessarily absent owing to illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are engaged in a hearing before a special investigating committee of the Senate.

Mr. SMITH. I desire to announce that my colleague [Mr. DIAL] is absent on account of illness.

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

HOUSE BILL REFERRED

The bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INVESTIGATION OF COMMERCIAL WHEAT-FLOUR MILLING

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, pursuant to Senate Resolution 212 (agreed

to January 18, 1922, 67th Cong., 2d sess.), the report of the commission relative to the wheat-flour milling industry, which was ordered to lie on the table.

SALARIES IN THE VETERANS' BUREAU

The PRESIDENT pro tempore laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, pursuant to law, a statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of May 1, 1924, for the central office, and as of April 1, 1924, for the field, which was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the petition of the constituent bodies of the Federal Council of the Churches of Christ in America and other bodies, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Council of the New York Commandery, Military Order of Foreign Wars, at New York, N. Y., protesting against the passage of House Joint Resolution 180, for the relief of the distressed and starving women and children of Germany, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a petition from Samuel Gompers, president of the American Federation of Labor, on behalf of the executive council of the federation meeting at Montreal, Quebec, praying for the passage of the Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram from Local No. 89, Italian Dressmakers' Union, of New York, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

[Western Union telegram]

NEW YORK, N. Y., *May 15, 1924.*

United States Senators, Washington, D. C., greetings:

HONORABLE SIRS: This organization, the Italian Dressmakers' Union, Local No. 89, I. L. G. W. U., respectfully urges the voting of the joint resolution to amend the Constitution of the United States for the protection of children of our Republic, limiting, prohibiting, and regulating the employment of said children under 18 years of age.

ITALIAN DRESSMAKERS' UNION, LOCAL NO. 89,
I. L. G. W. U. EXECUTIVE BOARD,
LUIGI ANTONINI, *General Secretary.*

Mr. KING. Mr. President, I have received a large number of telegrams relating to the Howell-Barkley bill. One which I have in my hand explains the view of the persons from whom the telegrams have come. I ask that it be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the telegram was referred to the Committee on Interstate Commerce and was ordered to be printed in the RECORD, as follows:

[Western Union telegram]

SALT LAKE CITY, *May 13, 1924.*

Hon. WILLIAM H. KING,
United States Senate, Washington, D. C.:

As representative of Foundrymen Craft, am instructed strenuously oppose and enlist your assistance in opposition Howell-Barkley bill, which we have read. Will work uncalled-for injustice on 153,000 railroad workers and deny more than 106,000,000 public due consideration.

JAMES L. KARREN,
Chairman for Foundrymen.

REPORTS OF COMMITTEES

Mr. WARREN, from the Committee on Appropriations, to which was referred the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, reported it with an amendment and submitted a report (No. 550) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War, reported it with an amendment and submitted a report (No. 551) thereon.

Mr. BRUCE, from the committee on Military Affairs, to which was referred the bill (H. R. 7296)) for the relief of John W. Dilks, reported it without amendment and submitted a report (No. 552) thereon.

Mr. STEPHENS, from the Committee on Commerce, to which was referred the bill (S. 3272) declaring a part of the Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream, reported it with amendments and submitted a report (No. 553) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3268) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va. (Rept. No. 555); and

A bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy (Rept. No. 556).

Mr. WADSWORTH also, from the Committee on Military Affairs, to which was referred the following bill and joint resolution, reported them each with an amendment and submitted reports thereon:

A bill (S. 3276) authorizing the sale of real property no longer required for military purposes (Rept. No. 557); and

A joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers (Rept. No. 558) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. HARRELD:

A bill (S. 3320) to provide for the purchase of a site and building at Sapulpa, in the State of Oklahoma, and providing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. SWANSON:

A bill (S. 3321) to provide for the inspection of the battle fields of the siege of Petersburg, Va.; to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 3322) extending in certain cases the time for commencing training under the vocational rehabilitation act; to the Committee on Education and Labor.

A bill (S. 3323) for the relief of Ferdinand M. Brown; to the Committee on Claims.

By Mr. GLASS:

A bill (S. 3324) to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits; to the Committee on Patents.

By Mr. McKINLEY:

A joint resolution (S. J. Res. 125) granting permission to Fred F. Rogers, commander, United States Navy, to accept certain decorations bestowed upon him by the Venezuelan Government; to the Committee on Naval Affairs.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. HALE submitted an amendment providing for an examination and survey of Portland Harbor, Me., intended to be proposed by him to House bill 8914, the rivers and harbors authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO INLAND WATERWAYS CORPORATION BILL

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 3161) to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, which was ordered to lie on the table and to be printed.

ORIGIN OF THE WORLD WAR

Mr. OWEN submitted the following resolution (S. Res. 225), which was referred to the Committee on Foreign Relations:

Resolved, That the Committee on Foreign Relations shall cause to be prepared for the Senate an authoritative and impartial analysis and abstract of all authentic important evidence heretofore made available in printed form, or otherwise readily accessible, bearing on the origin of the World War, together with the conclusions of the committee of inquiry as to the relative responsibility therefor.

2. The Committee on Foreign Relations is authorized and directed to appoint a "committee of inquiry" of seven impartial citizens of the United States, trained in historical research, to assemble and analyze this evidence, applying to it reasonable and scientific rules of legal and historical criticism, and summarizing the conclusions to which it points. This committee shall not be composed of persons in the Government service. They shall serve without compensation, but shall be reimbursed for their actual and necessary traveling expenses, and for their maintenance while actually engaged in the work of the committee shall receive an allowance not exceeding $9 per diem. The Committee on Foreign Relations shall have authority to employ such additional clerical service as the committee of inquiry may require at a cost not

to exceed $5,000. The office of the committee of inquiry shall be in the Committee on Foreign Relations, or elsewhere as determined by the Committee on Foreign Relations. All expenditures incidental to the formation and operation of the committee of inquiry and the printing of its reports shall be paid from the contingent fund of the Senate.

3. The committee of inquiry shall submit its abstracts and conclusions to the Committee on Foreign Relations not later than February 1, 1925, which shall be printed for the information of the Senate.

REPORT OF NEAR EAST RELIEF

On motion of Mr. LODGE, it was

Ordered, That the report of the Near East Relief for the year ended December 31, 1923, transmitted to the Senate on April 24, 1924, be printed as a Senate document.

SPECULATIONS IN WHEAT (S. DOC. NO. 110)

On motion of Mr. LADD, it was

Ordered, That the communication of the Secretary of Agriculture, with the accompanying report of the Grain Futures Administration under the grain futures act of September 21, 1922, with respect to trading in grain futures on the Chicago Board of Trade, transmitted to the Senate on May 3, 1924, in response to Senate Resolution 9, agreed to January 8, 1924, be printed as a Senate document.

ADDRESS BY SENATOR STANFIELD

Mr. McNARY. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting and thoughtful address made a few nights ago by my colleague, the junior Senator from Oregon [Mr. STANFIELD], entitled "Have faith in our Republic."

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

The address is as follows:

ADDRESS BY HON. ROBERT N. STANFIELD, OF OREGON, OVER STATION WRC AT WASHINGTON, D. C., SATURDAY EVENING, MAY 10, 1924

HAVE FAITH IN OUR REPUBLIC

The history of our Republic is the marvel of the world.

Our agricultural development; our industrial development; our transportation systems; our standard of living; our inventive genius; our peace-loving spirit; our ability to fight in defense of right, but never for conquest, are the pride of Americans everywhere and the envy and hope of all other peoples.

Though an infant in years as nations go, yet we are the bankers of the world.

But all these things, alone, do not justify a continued faith in our Republic.

During the recent war years we so often did that which seemed impossible; we raised fabulous sums of money; and though not a military nation, we raised, equipped, trained, and transported a magnificent army in record time and with this added strength of American manhood to the war-worn armies of our allies the victory for civilization and democracy was won.

By these victories we have come to feel that nothing is impossible to us; but through these accomplishments, and this faith in ourselves they have inspired, we have formed habits of waste, indifference, overconfidence, and even arrogance, that without extreme care on our part will lead to the sowing of the seed of our own destruction, for the Divine injunction:

"When ye think ye stand, take heed lest ye fall," applies to nations as well as to individuals.

No country involved in the great World War has weathered the financial and industrial storms of the years since the armistice was signed—the years of readjustment and reconstruction—as safely and successfully as has our own United States.

Our tax burdens, it is true, have been heavy, but even so they are not to be compared with the tax burdens of our allies.

Our people have been employed at good wages; our National Budget has been balanced, and the national income has been sufficient to pay all current expenses of the Government. The interest on the public debt has been paid, and enough on the principal to insure its payment in full at an early date.

During all this time our financial system, the American dollar, has not suffered in its value or reputation, and indeed has become the standard of value everywhere. The value of the pound, the franc, the kronin, and the mark is now measured by the American dollar, ofttimes to their discredit.

But this is not enough to justify faith in the endurance of our Republic.

That firm and abiding faith in our Republic must be founded on the individual character of our people.

If the individual citizen is honest, industrious, and thrifty, if the public official is reliable, faithful, and incorruptible, then our Republic is founded upon a rock, and our faith in its endurance is justified.

That the individual citizen is honest, industrious, and thrifty is proven by our record of readjustment and reconstruction since the war by our production, our exports, our imports, and our increasing bank deposits.

During the period of the war we gathered money by the billions from the people and spent it like irresponsible sons of multimillionaires.

Since the war we have been engrossed in problems of readjustment, and now that we feel we are safely back to the ways of peace the spirit of calling our public officials to account prevails.

All this is as it should be, but as we call these officials to book we must remember that it takes a lifetime to build a reputation for honesty, integrity, and morality, and such a precious thing should not be held lightly or destroyed in a day unless worthy evidence, calmly considered, justifies it.

Honorable men—executive, investigators, committeemen, and prosecutors—charged with the responsibility of conducting investigations have a solemn duty to perform toward the individual as well as to the Government and the public.

We must remember that fairy tales do not always come from fairies, but sometimes "wolves in sheep's clothing, seeking whom they may devour," prompted by desire for revenge or love of publicity, find spinning fairy tales a pleasant diversion from the night life of big cities and the criminal atmosphere of the underworld, particularly so when Uncle Sam pays their expenses and witness fees, and there is no danger of contradiction from the dead and slight risk of punishment from the living.

The voluntary statements of the criminal and unworthy sometimes lead to corroborating evidence, and because of that must be received, but should never be received with open doors or given publicity until worthy evidence of guilt has been secured; otherwise the name and reputation of no man is safe.

An investigation should not be closed or discontinued until the last bit of evidence that will either exonerate or convict the accused official has been taken, but I have no sympathy with methods that will destroy the lives and usefulness of worthy men and women by publicity given the mouthings of criminals, adventurers, and dope fiends.

We should either listen to the statements of such unworthy and unreliable witnesses behind closed doors, and treat their statements in confidence, observing the rules of grand-jury investigations, or we should observe the rules of evidence adopted by trial courts, and thus deny this flock of character wolves their chance to destroy those against whom they hold grudge, or their chance to satisfy a craving for publicity at the expense and sacrifice of worthy men and women.

It is true that occasional cases of corruption are disclosed among public officials, but these cases are rare and far between.

It is true that our press carries news stories of crimes committed daily, but we must remember that through our modern method of gathering and disseminating news through the press service associations all the papers publish the same story of the same crime, usually in all its sordid colors.

It is also true that only the unusual and extraordinary have any news value. The brilliant and the criminal, and ofttimes the brilliant criminal, furnish the news for our press and writers. This is because there are but few either brilliant or criminal, and therefore their doings and sayings are unusual and extraordinary, have news value, and find their way into the press.

If the brilliant and the criminal were many, their doings and sayings would be commonplace and have no news value. The doings and sayings of the good are many and common and therefore excite no comment.

The great mass of our American citizenship are good, honest, industrious, faithful, home-loving, God-fearing men and women, and it is upon this safe, sound, solid foundation the security of our Republic rests.

A little fringe, some possibly at the top and a little fringe at the bottom of our great social fabric is weak, corrupt, and unsound, but the fabric in between these fringes is woven of warp and woof the best this world affords, and because of this our faith in this Republic is justified.

Have faith in our Republic!

SALARIES OF POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I notice that the Senate last evening in one minute's time passed a very meritorious bill, in my judgment, raising the salaries of the policemen and firemen of the District of Columbia some two hundred-odd dollars per year. I am very anxious, as I have indicated several times, to bring before the Senate for consideration Senate bill 1898, which provides for the readjustment of the salaries of 300,000 postal employees throughout the country. However, I believe in regularity so far as it is possible to adhere to it. I had intended to ask unanimous consent this morning that the Senate proceed to the consideration of the bill and endeavor

to get it through to-day. I recognize, however, that the Senate is in recess, and we shall have no morning hour. As the unfinished business, the War Department appropriation bill, is before the Senate, I shall not attempt to displace that measure. I am simply taking this occasion to give the Senate notice that in the first morning hour we have I shall ask unanimous consent to consider the postal employees' salary bill and, failing in my effort to get unanimous consent, I shall move that the bill be taken up for consideration.

Mr. SHIELDS. Mr. President, the Senator from New Jersey has given notice that the first time we have a morning hour following an adjournment of the Senate he will ask for the consideration of the bill which is now upon the calendar for the relief of postal employees of the United States. I hope he will do so, and that the bill will be advanced, if necessary, and certainly considered and passed during the present session of the Congress, for it is a bill which proposes to give relief which has long been needed.

Mr. President, I have here an editorial from the Gazette-Times, of Pittsburgh, Pa., which states some good reasons for the advancement of the consideration and passage of the bill at the present session of Congress. I ask unanimous consent that the editorial may be printed in the RECORD.

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

[From the Pittsburgh (Pa.) Gazette-Times, Friday, April 9, 1924]

PASS THE POSTAL PAY BILL

The bill providing increased compensation for postal employees has reached that stage in Congress where, unless favorable action on it be prompt, it will be lost. But a few weeks of the present session remain. Business is piling up. In the closing days there is to be expected a degree of congestion in which, this being a presidential election year, legislation that can be turned to political advantage will receive an undue share of attention from many Representatives and Senators.

The postal employees' pay bill is in no sense political. It is a measure that might aptly be entitled a bill to do justice to upwards of 300,000 indispensable and always faithful employees of this great and rich country. In a circular describing the United States Postal System, Postmaster General Harry S. New describes the department under his direction as "the biggest single business in the world." It is that. But it is far more than a business. It is a public utility without whose uninterrupted and efficient functioning every other business in the country would be incalculably hampered.

A primary interest of the American people is the Postal Service. It is an interest to be fostered. It ought not to be necessary for the men and women in it who are devoting their lives to the service of the people to ask for adequate compensation. This should be volunteered. It is not, unfortunately. Whether or not the Postal Service sustains itself is not a question for consideration when the subject of remunerating its employees is up. It does the people's work and the people are not entitled to unremunerated service.

The postal employees' pay bill should be taken up immediately and passed, the rates allowed being commensurate with the services rendered and in keeping with the requirements of the men and women affected for maintaining the American standard of living. Unless this is done the country will be disgraced.

WASHINGTON MONUMENT GUIDE BOOK

Mr. ROBINSON. Mr. President, for the information of the Senate in connection with the pending conference report on the independent offices appropriation bill I ask to have printed in the RECORD a statement of Miss Ina C. Emery before the House subcommittee on the urgent deficiency appropriation bill on January 14, 1909, and a letter of the chairman of the House Committee on Appropriations dated July 2, 1923, to the Secretary of War relating to the same subject matter, namely, the Washington Monument Guide Book. The text of Miss Emery's hearing before the committee in 1909 shows very clearly that the intent of the legislation subsequently enacted was to authorize the sale of her Monument Guide Book at the Monument. The purport of the letter of Chairman MADDEN, of the Appropriations Committee, in 1923 cites the law governing the matter, shows her book, which has been at the Monument since 1901, is in pursuance of that law and involves no expenditure of public money, and urges the restoration of her right to have the book sold at the Monument, a right which the War Department discontinued, effective July 1, 1923. I merely submit this matter so that Senators may be informed of the situation.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the matter will be printed as requested.

The letter and statement referred to are as follows:

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1923.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following:

"That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then later, in Statutes at Large, volume 35, page 997, there appears the following:

"That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument except upon the written authority of the Secretary of War."

In pursuance of this authority, Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money, and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued.

It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given all these years to the visiting public she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

[From hearing before House Appropriations Committee, January 14, 1909]

STATEMENT OF MISS INA C. EMERY

The CHAIRMAN. Miss Emery, you have called our attention to a provision in the sundry civil law for the current fiscal year in connection with the Washington Monument, asking that it may be abrogated. It reads as follows:

"*Provided,* That no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument."

That is the Washington Monument, here in the city?

Miss EMERY. Yes.

The CHAIRMAN. What reason have you for asking that this provision be abrogated, for wanting this law changed?

Miss EMERY. It is because I have a book, the only book that has ever been published, containing all the inscriptions, the history, and a description of the construction of the Washington Monument. It is the only one that has ever been prepared, and it has cost me over $1,600 to prepare the book, and it has been there for nearly six years, without a single adverse criticism from anywhere. On the contrary, I have had letters from all over the country, and even from Europe, telling me what a pleasure it has been to the writers to read an inscription on a tablet that an aunt or an uncle or some one had placed there, and it is the only book of the kind ever published.

The CHAIRMAN. Were you selling this book at the time that the Superintendent of Public Buildings and Grounds recommended to the committee the adoption of this paragraph?

Miss EMERY. Yes, sir.

The CHAIRMAN. Did you know about the paragraph at the time of its adoption?

Miss EMERY. No, sir; I had no intimation of it.

Mr. KEIFER. When was that passed?

The CHAIRMAN. At the last session of Congress.

Mr. LIVINGSTON. What objection have you to advertisements that do not affect your book?

Miss EMERY. I have no objection. I only want my book placed back there.

Mr. VREELAND. She wants the right to sell her book there. The right has been taken away.

Mr. RODENBERG. They construed that provision in such a way as to exclude her book.

Mr. LIVINGSTON. Suppose the law is changed so that it will not exclude the selling of your book?

Miss EMERY. That is all I ask.

Mr. VREELAND. She is not seeking to exclude anybody else.

Miss EMERY. No. I only ask that my book may be sold there, as it is a benefit to the public, and I think that Mr. Tawney knows of the various persons who have interested themselves in it who know the book and know what it has done.

Mr. LIVINGSTON. Can anyone tell why that law was passed?

The CHAIRMAN. Yes. It was enacted at the last session of Congress on the recommendation of the Superintendent of Public Buildings and Grounds. It was placed as a provision on the sundry civil bill.

Mr. LIVINGSTON. I was not here at the time and did not get a chance to hear a thing about it. What reason did he give?

The CHAIRMAN. He wanted to shut out the vending of anything at that place, because, as he said, if you will allow one you would have to license others.

Mr. GRAFF. There is no book vended there except this book, is there, Mr. Chairman?

The CHAIRMAN. I do not recall the testimony now. My recollection, however, is that there were applications for permission for the vending of all sorts of articles—postal cards, souvenir postal cards, and souvenirs of all kinds.

Mr. GRAFF. But there is no history of the Monument except this one?

The CHAIRMAN. Not that I know anything about.

Mr. VREELAND. We could amend the provision by excepting books describing the Monument, or views of the Monument.

The CHAIRMAN. This is a guide to the Monument?

Miss EMERY. It is a guide to the Monument. There is nothing in it except a guide to the Monument.

The CHAIRMAN. Then if we were to amend this provision so as to read that no advertisement of any kind should be displayed, or any articles should be sold except this book, that would be satisfactory to you?

Miss EMERY. Yes, sir; that is all I ask.

Mr. LIVINGSTON. I do not see why they should prohibit anybody.

The CHAIRMAN. There was reason for this legislation. Of course, the committee did not know anything about this book at the time, but if you allow these people to go there indiscriminately you would have a crowd of people selling things there, especially during the week of inauguration and perhaps weeks afterwards.

Mr. VREELAND. It is a great convenience for the people to go there and buy it. I want to look at it myself.

The CHAIRMAN. This is of benefit to visitors, in that it will enable them to understand the history of the Monument and the history of the inscriptions inside of it?

Miss EMERY. Yes, sir.

Mr. KEIFER. I think we can amend that in a way to be satisfactory to you.

Mr. VREELAND. I wish you would send up two or three copies of that book. When it comes up in the House we would like to show just what it is.

Miss EMERY. I have already sent a copy to each member of the committee. I thank you, gentlemen, very much.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. SMITH. Mr. President, I am not going to consume very much time in the discussion of the amendment proposed to the pending bill looking toward a modification of what is known as the fourth section of the transportation act. I have been somewhat disappointed in the tenor of the arguments of certain Senators in reference to this matter. There has never been before the Senate or before the American people a subject of more vital importance, one more far-reaching in its effect, than the proper solution of the problem involved in what is known as the fourth section of the transportation act. It is not a question between the partisans of the railroads and the partisans of water transportation; it is a question of how a rapidly developing country may meet the needs of its people in transporting the rapidly increasing products of the Nation.

There has been discussed here on the floor the question as to what section of the country may or may not be benefited by a modification in the wording of the fourth section. The relations of the railroads to themselves, in my opinion, do not enter into the proper discussion of the question. The real question is, How we may utilize to the best advantage of the American people the available facilities for transportation.

What are those facilities? There are only two—the natural and the artificial. The domain of the one in a certain respect does not enter the domain of the other. They are both here and are available. The question involved is, What relation shall the two facilities bear to each other for the good of the American people and not primarily for the good of those who may furnish the facilities in the one case or the other? The late Senator Newlands, of Nevada, who was the chairman of the Committee on Interstate Commerce, spent his senatorial life in trying to impress Congress with the fact that we had those two facilities, and that the part of statesmanship in this body was so to correlate the two that they would perform the maximum service for the American people.

Before going specifically into the relation of the two facilities, I will say that a glance at the map on the wall of the Senate Chamber showing certain already accomplished facilities and indicating those which may hereafter be furnished will convince every man on the floor that nature and art have furnished us as they have furnished no other nation on earth with the potential facilities of moving adequately and freely with the least possible delay and cost all the possible production of America.

Starting at our extreme northern boundary we find that there a friendly nation is now collaborating with us in determining the feasibility of opening the St. Lawrence Canal and making a gateway from the Great Lakes out to the ocean that will give to the people of the North and Northeast water facilities by means of a great highway which will be there eternally, which will not involve the building of switches and pass tracks, and which will be available for all the possible tonnage that may be committed to it.

Then our coast line from the extreme northeast down around the peninsula of Florida, in conjunction with that magnificent piece of engineering, cutting the link that binds the North and South America, the Panama Canal, affords a highway around to the western coast and to the extreme border of the northwest, and renders possible with expedition and efficiency to transport our tremendously increasing tonnage by water from the eastern shore to the western shore and vice versa.

Outside of the less than one-fourth of our continental boundary, there is nature's great highway, with natural facilities for transmitting the products of all the people within a reasonable distance of that coast line by means of the intercoastal trade.

Then, in the center of our continent we have a highway, a natural transportation facility. The Mississippi River and its tributaries are in effect a great transportation system running from the Gulf of Mexico practically to our extreme northern border.

The question, therefore, with us to-day is not one of the selfish interests of the railroads or those who have invested in securities that make them possible, but the question with us is, What are we going to do in reference to maintaining both of these systems in their full efficiency?

Now, I desire to call attention to some facts upon which I wish to predicate what I have to say. I have before me a very enlightening table furnished by the Interstate Commerce Commission. I believe they have agreed that in about every 10 years, not to exceed 12 years, the tonnage of the country doubles. Therefore, transportation facilities should likewise increase. All of us know that we have a vast territory which yet needs pioneering. I want to read from this table as to the mileage of the railroads in America from 1910 to 1923, inclusive.

In 1910 we had 240,831 miles of railway.

Mr. KING. Do those figures include the short as well as the long railroads.

Mr. SMITH. Yes; the figures represent the total mileage.

In 1911 there were 246,238 miles of railway; in 1912, 249,852 miles.

I am reading these figures, instead of asking to have the table printed in the RECORD, in order that Senators may follow them and notice the per cent of increase in railroad mileage in nearly a decade and a half, during which time our tonnage has more than doubled.

In 1913 there were 253,470 miles of railway in the United States; in 1914, 256,547 miles; in 1915, 257,569 miles; in 1916, 259,705 miles; in 1917, 259,705 miles. You will notice that in those two years not a mile of track was added. In 1918 there were 258,507 miles of railway, an actual decrease; in 1919, 258,525 miles; in 1920, 259,941 miles; in 1921, 258,362 miles; in 1922, 257,834 miles. We were beginning at that time to enter a period of railroad activity, so far as volume of business was concerned, that culminated in the peak in 1923. In 1923 there were 258,183 miles of railway; so that in 1923 we had less miles than we had in 1916.

As a companion to that, let us see what has been done on a stationary construction of mileage facilities. Here is a very interesting and enlightening table to apply immediately to the one I have just read.

In 1910, on the mileage that I have just given the Senate—240,831 miles—there was an investment in road and equipment of $14,558,000,000. I am just giving the sums in round numbers. In 1911 there was an investment of $15,612,000,000; in 1912, $16,005,000,000; in 1913, $16,589,000,000; in 1914, $17,164,000,000; in 1915, $17,441,000,000; in 1916, $17,843,000,000; in 1917, $18,574,000,000; in 1918, $18,985,000,000; in 1919, $19,300,000,000; in 1920, $19,849,000,000; in 1921, $20,329,000,000; in 1922, $20,580,000,000; in 1923, $21,480,000,000.

So that this curious fact occurs: By reference to these tables it will be found that in 1916 we had 259,705 miles of road, with an investment value of $17,843,000,000, while in 1923 we had 258,183 miles of road, and an investment value of $21,480,000,000; showing that our roads, though static as to the matter of additional mileage and increased territory covered,

had increased their investment in the roads already operating from $17,843,000,000 to $21,480,000,000.

In conjunction with that table, in order that the Senators may as nearly as possible get a grasp of just what is being done and what the increased burden may be on the people who pay for these facilities, I take a table showing the investment in road and equipment in excess of retirements from 1912. I did not get the figures for 1910 and 1911. That is the amount, as claimed by the roads, that was necessary for their upkeep in road and equipment in excess of retirements:

Expenditures for road and equipment, 1912–1923 (roads of Class I and II and their nonoperating subsidiaries)

Investment in road and equipment in excess of retirements for year ended:	
June 30:	
1912	$477,191,155
1913	600,589,302
1914	550,513,731
1915	263,729,096
1916	281,135,100
December 31:	
1916	354,025,570
1917	571,746,523
1918	488,117,653
1919	335,219,123
1920	544,463,696
1921	458,103,187
1922	342,137,181
1923 (estimate from advance figures compiled by Bureau of Railway Economics for Class I roads only)	900,000,000

In the hearings before the committee, Mr. President, as you personally are aware, and all members of the committee, the statement has been made over and over again that in order for the railroads to meet the necessary expansion of traffic they must be put in a position where they can invite vast volumes of new money. That has been the basis of the contention for the present transportation act. The question before us is, Is that justifiable, not upon the question of a reasonable return to the roads, but are we justified under our present system in pouring in this vast volume of taxes collected through transportation to expand our railroad trackage and facilities, to the total neglect of an auxiliary that nature has given us, and that could relieve to a large extent the so-called congestion and necessity for transportation by allowing through proper legislation an opportunity to determine whether or not our rivers and our coast traffic can be filled with carrier vessels?

Mr. KING. Mr. President, will the Senator permit a question?

Mr. SMITH. I yield.

Mr. KING. It may not be in line with the argument the Senator is making, and I apologize if I divert him. I am interested in the statement made by the Senator that the investment in road and equipment and the upkeep of the roads in 1923 was substantially $900,000,000, a considerable increase over the investment for like purposes during the five or six or seven preceding years. May I inquire of the Senator whether any part of that $900,000,000 was obtained from the Government in payment of amounts due the railroads, or was any part of it obtained from the sale of bonds or stocks, or was it all obtained from what might be denominated net earnings; and then, finally, may I inquire whether dividends were paid upon any of those roads which expended that $900,000,000, in addition, of course, to the expenditure?

Mr. SMITH. The expenditure of the $900,000,000 during 1923 was out of the earnings of the roads. It consisted—and I have tables here which I may insert in the RECORD—of making up the deficit or the lack of motive power and freight cars. I have those items here. That was one of the principal items—that the roads were lacking in equipment of traction power and lacking in equipment of carrier facilities, box cars, and so forth.

Mr. KING. Mr. President, if the Senator will permit another inquiry, do the figures which the Senator has before him show, or is there any information before his committee showing, whether any part of that $900,000,000 included what might be called expenditures for ordinary wear and repairs, or was it all what might be called capital investment?

Mr. SMITH. That $900,000,000, in so far as it pertained to their equipment of cars and engines, of course, was chargeable to capital account, because it was a permanent improvement on the road. The Interstate Commerce Commission have a system by which they keep an account of the deterioration of the different parts of the equipment of the road.

I want to call attention, right along with these tables, starting with 1910, showing the increased mileage and the investment in that mileage, to the revenue derived from the mileage, so that we might have an intelligent comprehension of what facilities we have and what they are costing to keep up what is practically a static institution. These are the figures furnished me by the commission as to the return upon this property.

Let us take the question of freight revenue. In 1913 the railroads collected freight revenue of $2,140,000,000. If Senators will bear in mind that the tonnage about doubles, to be conservative, every 12 years, they can follow intelligently this table of the revenue receipts:

1913	$2,140,000,000
1914	2,060,000,000
1915	1,978,000,000
1916	2,561,000,000
1917	2,820,000,000
1918	3,441,000,000
1919	3,543,000,000
1920	4,317,000
1921	3,911,000,000
1922	4,007,000,000
1923	4,649,000,000

That shows an increase for 1923 over 1913 of more than 100 per cent.

Mr. KING. Was that for freight alone, or for freight and passengers?

Mr. SMITH. That is freight alone. I intend to have these tables incorporated; but the revenue from the passenger receipts is possibly more striking than the other. For the years I have enumerated the passenger returns were as follows:

1913	$679,000,000
1914	684,000,000
1915	629,000,000
1916	674,000,000
1917	825,000,000
1918	1,032,000,000
1919	1,178,000,000
1920	1,287,000,000
1921	1,152,000,000
1922	1,076,000,000
1923	1,148,000,000

I have given these tables and the increases to show that without any additional trackage our tonnage has more than doubled, and the revenues have more than doubled; yet the cry from the roads and from the people is for additional facilities for transportation.

Mr. KING. Will the Senator permit an interruption right there?

Mr. SMITH. I will.

Mr. KING. I am very much interested in what the Senator is saying. The Senator has given in dollars and cents the increases in the rates by the railroads, both in the matter of freight and passengers, for the years stated. What will the increase in tonnage be? It is apparent with the increases in the passenger and freight rates, and there might be a very large increase in the aggregate, and yet not be a very great increase in the tonnage.

Mr. SMITH. I gave the figures for the tonnage a moment ago.

Mr. KING. I beg the Senators' pardon; I did not know that.

Mr. SMITH. I made a statement to the effect that in every 10 years the tonnage about doubles, so that the increase in the revenue was about indicated in the increase in the amount of traffic carried; but the point I am making is that we have gotten our transportation facilities now to the point where they can not and do not meet the necessities of expanding commerce, and can not meet them without additional trackage, with the enormous cost incident to the purchase of material and the construction of new roads.

As I called to the attention of the Senate a moment ago, we have a potential water system in America, running from the Gulf of Mexico practically to our northern boundary. We have the Panama Canal. We have now in course of investigation the feasibility of building the St. Lawrence Canal. Do we know, or have we been in a position to test, whether transportation on our waterways is feasible, economical, and practical? It is upon the fourth section that the answer to that question depends, and has depended from the very beginning of railroading in this country as a means of transportation.

I submit this to the Senate: If we allow the railroads to meet water competition, and put their rates a point below the figure at which the water carrier can live and carry the freight—and that is admitted to be lower than the railroad can carry freight for without a loss—how do we know and how can we tell what would be the condition of freight rates in this country with boats on our rivers and with intercoastal shipments if we had a policy in this country which made it impossible for the railroads to destroy this water competition? Have we gotten value received for the things we lost?

It is an elementary proposition that if the railroads are to make a reasonable return upon the property invested for the public account—and where there is water competition the railroads lose money—the interior must make up the deficit.

The next question is, Can the railroads meet the requirements of rail transportation and be denied the privilege of destroying water competition?

There has been no relief from the provisions of the fourth section since March, 1918. The roads are prospering as they have not prospered in the last decade. The question is, what tonnage could be taken from the roads by these water facilities, and to what extent would the taking of such tonnage render them less capable of carrying the interior tonnage?

My answer to that question is included in the first question. If they are carrying that tonnage to meet water competition at a loss, does it not follow that if they were to lose that tonnage, and it were carried by water, necessarily they would not sustain that loss, and, adjusting their business to the territory over which they have a monopoly, the amount released to the boats would react in an equitable adjustment of the interior rates to where the full amount they now receive could be received, for the reason that every ton of freight originating in America and exported abroad, and every ton originating abroad and imported into America, has to be handled by the railroads in the last analysis. Therefore it is a question as to whether we are going to allow the great transcontinental lines to carry the tonnage across the continent at water rates and recoup themselves on the local intermediate shipments, or whether we are going to confine them to the carriage by land and leave the question of adequate transportation to the dual system of land and water.

There is one other phase of this question. The argument has been made here that we have no boats on the rivers, that we have no intercoastal shipping. The reason we have no boats on the rivers is apparent to every intelligent man on this floor. Under the very first interpretation of section 4 of the act of 1877, the roads were given the power, under what perhaps was a loosely constructed verbiage in that act, but whose intent was clear, to meet water competition, and rail transportation being more expeditious and being safer than water transportation, necessarily, at the same rate, a shipper would prefer the railroad.

The Senator from Maryland [Mr. BRUCE] yesterday called attention to that fact. He said the roads were more expeditious, they were safer, and therefore the shipper preferred to ship by them. I contend that if railroad transportation is the more expeditious and is safer, costing more, the shipper should pay more for that kind of freight transportation than for transportation by the means with the greater risk. In other words, if the railroads cost more and are more expeditious and give a better advantage to the shipper, by the same token he should be willing to pay more for the transportation that gives him an advantage over the less expeditious and less safe route. He should at least have the choice between the two. He has not that choice now.

My position in reference to this fourth section is this, that we should so word the act that there could be no mistake, and we could do that by providing that no rail carrier should be allowed to charge less for the long haul than for the shorter haul, if that smaller charge was for the purpose of meeting or destroying water competition.

I think the time has arrived when, without complicating our railroad problem, but trying to amend the fourth section of the act so that it might affect this delicate thing called the rate structure, we should go on record with the statement that we intend to try by an equitable adjustment to see whether or not we can build up our water facilities. The only way that can be done, Mr. President, is by declaring by statutory enactment that it is the policy of this country that we do not intend that the rail facilities of the country shall crowd out the water facilities and recoup the losses sustained in that crowding out by an extra charge on the interior points.

Mr. OVERMAN. What does the Senator say about discrimination in favor of one town against another in order to build up the one town to the detriment of the other town in the interior?

Mr. SMITH. That is a very serious matter, but there are in this rate structure conditions that must be met that render it perhaps one of the most delicate and scientific things that meet organized society. We have to meet conditions in the interior by what is popularly known as zoning if we are going to give the people of a given community an equal chance to a market which has been built up by virtue of fortunate position and circumstance. The great Middle West wants and should have access to the eastern, western, and northern markets on as even terms as it is possible to grant, without detriment to them or to other communities. That is the reason why I made the general statement that I do not believe that we have the right as representatives of the people to so frame legislation that the roads of the country can destroy water competition and not give the American people the opportunity of knowing whether we can not utilize both of them to their fullest efficiency.

It goes without saying that under the present form of the amended fourth section, where the wording is such as it is, that the railroads are now clamoring for relief from the fourth section, not for the purpose of regulating their interior freights but for the purpose of meeting and holding and maintaining tonnage that is rapidly drifting through the Panama Canal. I state that if the people of America can be served efficiently by the operation of that canal and by the operation of our intercoastal shipping they are entitled to have a chance at it. I state it as a sound fundamental principle that the railroads of the country should be denied the power to meet water competition at a lower rate than the Interstate Commerce Commission has fixed as a reasonable rate in order to meet that competition, upon the untenable position that if denied that tonnage they would be unable to meet the out-of-pocket cost and therefore would be unable to serve the interior as efficiently as they are now serving it.

I wish to address myself particularly to the object that I individually have toward the law, that we should allow no railroad to charge less at a water-competing point than the maximum charge to any intermediate point and restrict it to where it meets water competition, and establish that as our policy. Then we might invite investment in river and coastwise and intercanal shipping. We can not have it now for the reason that bitter experience since the passage of the interstate commerce act has demonstrated that in spite of three amendments to the fourth section, the decisions of the commission and the courts have been such that they were enabled to meet the competition and destroy the traffic on our rivers and on our coastal waters. Therefore, what I am pleading for is not with any particular reference to the construction of the rate structure in reference to the relation of the roads each to each other.

Considering the figures I have submitted and the startling fact that within the last 13 years we have not added practically a mile of road and have doubled the investment in the railroads that we already have, and remembering the cry coming from every quarter of the country that our transportation system has broken down, and that we have a great water system bisecting our country from north to south and our whole continent encircled with magnificent harbors and facilities for export trade, I claim that now, while this amendment is pending, we should so word it as to make available the millions of dollars that were put into our river and harbor improvements, and invite capital to invest in our water carriers and pledge to them that we will not allow the railroads of the country to destroy water competition, discriminate against interior places in favor of coastal places, and upset the balance and destroy the hopes of those who have a right to enjoy not only our water facilities, but our railroad facilities. They should be so correlated that each should serve in its sphere to its fullest capacity without relation to the welfare of the earnings of the other in so far as they serve within their sphere.

I know it is a hard matter to eliminate the feeling of section, and the feeling that perhaps, under certain conditions, my neighborhood may be benefited more under an unjust system than under a just one. But it is my duty to stand here and declare what is my conviction as to the problem that confronts us. I believe that by denying the railroads the right to destroy water competition, by encouraging the utilization of our water facilities, we will, with a minimum of cost, furnish adequate transportation for the needs of America and meet at every step its advancement and expansion and its progress in the development of its facilities.

Mr. President, I do not think that it is a question before us as to whether or not our railroads have a right to demand so and so. It is simply a question of what the development of the country and the needs of the country demand. They demand adequate transportation facilities at the lowest reasonable cost. Transportation is as essential to the development and welfare of America as is the financial system. We lay our hands upon our banking and currency and regulate it under certain rules, and we are attempting to do it to meet the needs of all those who produce and all those who transform that production. It is therefore essential for us to meet the problem not in the sense of favoring the railroads or favoring water transportation but to solve the problem as to whether or not

they both are engaged in the transportation problem, and adjust our laws so as to see that each shall develop in its own sphere for the benefit of the people.

Mr. BRUCE. Mr. President, may I ask the Senator a question?

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

Mr. SMITH. I yield.

Mr. BRUCE. It is not possible, is it, for the railroads to destroy water competition unless they are allowed to do so by the Interstate Commerce Commission?

Mr. SMITH. No; that is true.

Mr. BRUCE. Does the Senator think the Interstate Commerce Commission is deliberately exercising its discretion in such a way as to permit the railroads to destroy water competition?

Mr. SMITH. No. I answer the Senator frankly. I agree with him that these gentlemen are trying as best they may to carry out the intent of Congress, but when a case is taken to the courts and the Supreme Court of the country decide that the language of a certain statute is such as to grant the privilege asked by the complainant their hands are tied, like the Senator's and mine would be.

Mr. BRUCE. But is not the thing to do under those circumstances to take another case to the Supreme Court of the United States and have the Supreme Court say that the construction placed on the amendment by the Interstate Commerce Commission is erroneous?

Mr. SMITH. Oh, no. I am talking about the carrier ultimately taking the case to the Supreme Court, as they have done under practically every amendment that has been passed to the fourth section and the position of the commission denied or reversed by virtue of the decision of the court. I do not believe under the language of the present law that the railroads in a test case under certain conditions could be denied relief by the Supreme Court.

Mr. BRUCE. Let me ask the Senator another question. I am seeking light. It is only for that reason that I ask the question. Suppose Congress were to provide that the railroads were never to charge rates to the Pacific coast that were below a level of, say, 6 per cent higher than the existing water rate. Would that meet the situation?

Mr. SMITH. No. Let me put my case clearly.

Mr. BRUCE. I ask the question of the Senator, who is an old, experienced member of the Interstate Commerce Committee, and I would like to know the Senator's view.

Mr. SMITH. My position is that the railroads shall not charge for the longer distance any less than the average remunerative price received from the highest charge on the intermediate haul, or, to put it in another way, that they shall not charge less than the aggregate charges on the intermediate freight on that line to meet water competition.

Mr. BRUCE. Then the Senator would make it impossible, as I see it, for the railroads to obtain any share of the business at San Francisco or Portland at all. It is only by allowing them to have lower rates at those points that they can participate in the business of those ports in competition with the water lines at all. The effect of the Senator's suggestion would be to cut off the communities in the eastern portions of the United States from doing any business with the Pacific coast at all by rail. The only thing they could do, of course, would be to resort to the water line between the eastern seaboard of the United States and the western seaboard of the United States; and, of course, that might be a very unfortunate necessity to them where the communities were situated in the northern portion, we will say, of the central and eastern part of the United States. The effect of the Senator's suggestion is to cut off shippers in the eastern part of the United States from shipping goods to the Pacific coast, as they would do under different conditions.

Mr. SMITH. Mr. President, I have not the table before me, but it has been suggested that less than 2 per cent is handled by the railroads. That, however, if the Senator from Nevada will allow me, does not concern me, for this reason: If an adequate transportation system can be built up from the East to the West by the water route, it is our duty to ascertain that fact and to establish such a system.

Mr. BRUCE. But I was asking the Senator particularly whether he does not think—and I am asking the question from curiosity—the situation might be met by having a sliding differential scale that would always preserve a certain ratio between the rates of water lines on the Pacific Ocean and the rates of the railroad lines leading to the Pacific coast?

Mr. SMITH. The situation might be so met after we should have built up our boat facilities.

Mr. BRUCE. I should like to know what the Senator from Nevada thinks about it.

Mr. PITTMAN. If the sliding scale accomplishes what the railroads want—that is, if it gives them what they call their proportionate share of the traffic now carried by water—then the sliding scale will be just as destructive as the Senator from South Carolina is complaining that it would be; and if the sliding scale does not give the railroads that, they do not want the sliding scale.

Mr. BRUCE. I do not see that. Their professed object, of course, is simply to get their fair share of the Pacific coast traffic.

Mr. PITTMAN. Then, I say, if they do not get their fair share with the rate that is allowed, they do not get anything. If they do get what they call their fair share, they get half; and if they get half, the same rate that would allow them to get half would not stop them at getting half.

Mr. BRUCE. No matter what they would get, however, the profit would be a contribution, of course, toward the general administration expenses of the railroads and for that reason would inure to the benefit of intermediate points on transcontinental lines.

Mr. PITTMAN. Mr. President, just on that point, will the Senator from South Carolina pardon a further interruption?

Mr. SMITH. Certainly.

Mr. PITTMAN. There is not any doubt but what there would be freight shipped by transcontinental railroads if this amendment should go into effect, because the able Senator from Maryland [Mr. BRUCE] yesterday disclosed the fact that the railroad is the more expeditious and safe means of shipment. There is not any doubt but what all freight which is required to be expedited would go by rail. We have had railroad men testifying before the committee, and they all know that is the fact. As a matter of fact, if they should be given half of the transportation going through the Panama Canal which they seek and which would put half of the boats off, it would mean only 2 per cent, mind you, of the business that the western railroads are doing. It would mean that they would be doing that 2 per cent without profit, so far as earning above out-of-pocket costs is concerned. For the benefit of carrying 2 per cent more freight at an out-of-pocket cost they are willing to destroy at least half of the coastwise shipping going through the Panama Canal. That is all there is to that.

Mr. BRUCE. I do not admit that, of course.

Mr. SMITH. Mr. President, I wish the Senator from Maryland to understand my position thoroughly. We know that we now have no water transportation, and we know that so long as the railroads are allowed to meet the water competition we are not going to have any. We know that the level of freight rates to interior points will always be kept up so as to absorb the loss which is sustained by virtue of meeting the water competition. In the inception of the railroad business of this country we gave millions upon millions of acres of land in the development and building up of the great transcontinental lines. By the same token now we should address ourselves to a policy that would for a sufficient number of years give the water carriers an opportunity at least to test whether or not with their equipment they can aid in meeting the needs of transportation.

Mr. President, I do not think that this subject is one of local or sectional interest. It is a problem that affects all the American people; it is one that has invited the thought of the best students of economics in the world. I do not believe, however, that there is another civilized country in the world that has paid so little attention to or has derived so little advantage from the magnificent water facilities and the capacity for service that the water routes and our coast offer to the American people.

I am not an advocate of Government ownership. I do not believe that after we have arrived at the present stage of tremendous investment in the railroads we shall probably have in the next generation or so any serious attempt for the Government to take over the railroads; but I do believe that the Government should so adjust and correlate these rates and the relation of water transportation to the railroads that we may have the benefit of both.

It is not a question on whom the burden falls, as has been discussed on this floor; it is a question of relieving the burden. Let us here adjudicate and distribute that burden as in our judgment is right. I hope this amendment shall be so amended as to apply to competition with water and deny beyond any peradventure the right of court or commission to say that the rail carriers of this country can, for the purpose

of destroying competition, fix a rate that does destroy that competition.

Mr. President, just a glance at the map on the wall and then I am through. From the mouth of the Mississippi River up to the Great Lakes we have had provided by nature and by providence a transportation system which, if developed, would meet the needs of a vast area of our inland territory. By the development of the St. Lawrence Canal we would open a gateway for this great section of the country [indicating on the map] to the ocean, and from our eastern seaboard, with its ports and facilities, clear around the Gulf of Mexico and through the Panama Canal we have the whole continent encircled with the possibility of transportation to relieve any congestion on the rails and give them the added opportunity to develop normally and naturally to meet the normal and natural requirements of their territory, without invading the province of nature's gift to the American people in the possibilities of water transportation.

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

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

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

Adams	Fess	Ladd	Sheppard
Ashurst	Fletcher	Lodge	Shipstead
Ball	Frazier	McKellar	Shortridge
Bayard	George	McKinley	Simmons
Borah	Gerry	McLean	Smith
Brandegee	Glass	McNary	Smoot
Brookhart	Gooding	Mayfield	Spencer
Broussard	Hale	Moses	Stanfield
Bruce	Harris	Neely	Stephens
Bursum	Harrison	Norris	Swanson
Cameron	Heflin	Oddie	Trammell
Capper	Johnson, Calif.	Overman	Underwood
Caraway	Johnson, Minn.	Owen	Wadsworth
Copeland	Jones, N. Mex.	Pepper	Walsh, Mont.
Cummins	Jones, Wash.	Pittman	Warren
Curtis	Kendrick	Ransdell	Watson
Dale	Keyes	Reed, Pa.	Wheeler
Dill	King	Robinson	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

Mr. GOODING. Mr. President, I feel that I should state at this time the reason why the long and short haul amendment will be offered to the Army appropriation bill. It is for this reason:

The Interstate Commerce Committee of the Senate has been having hearings now for something over four months. For something like 30 days the Senate was delayed in electing a chairman of that committee. I understand that it is the first time in the history of Congress that a member of a minority party has been elected chairman of a great committee of the Senate. We have reported out at least one measure of very great importance to agriculture, and the long and short haul measure is important to the whole country. Other measures of great importance are under consideration, and some of them have been reported to the Senate.

I think we are all aware that for some time there has been in this country a propaganda that no railroad legislation should be passed at this session. Large sums have been spent by the railroads in this propaganda work. From the fact that two long and short haul bills were introduced in the House on the 10th of December, soon after Congress convened, and many other railroad measures, and no hearing has been had on any of them that can be considered as important legislation, it is generally admitted that there is no opportunity for this legislation to come out of the House, although I hope I am mistaken in this.

The time seems to have arrived in this country when the people can not have a hearing on a petition or important proposed legislation because the great railroad corporations of this country, through a propaganda, seem at this time to wield what I believe is a dangerous influence from the standpoint of legislation and good government.

It was for that reason that the friends of this measure took an unusual course. I agree very thoroughly that legislation of this kind should not be placed on a great appropriation bill. I am quite sure that under normal conditions that policy is right; but to-day there are unusual conditions. When the people are denied the right of a hearing, which everybody admits is un-American, then the friends of the measure who want legislation must proceed along unusual lines, too. That is the reason why the amendment carrying the long and short haul bill will be offered to the Army bill; and I want to say to the Republican Party, to my party, that if it is going to be its policy to the end, until Congress adjourns, that no thought or consideration or hearing shall be given to legislation along railroad lines before the House Committee on Interstate Commerce, those who are directing the affairs of the Republican Party had better get the wrecking crew ready to gather up the fragments of the Republican Party after the November elections.

If there comes a time when the American people can not have measures in which they are interested presented to a committee that is organized for that purpose, we shall have about reached the end of a government of the people. That is the reason why we are appealing to those who think the people should have relief from discrimination in freight rates, that we may attach it to this important measure with the hope that when it comes back from the House it will come back approved.

Mr. President, I am going to take up a little more time now in discussing these discriminations. It is possible that I have not made myself altogether clear. Freight rates are hard to understand, so I have worked them out a little more fully.

Take the case of a 40,000-pound carload of dry goods going from Chicago to Scranton, Iowa, a distance of 376 miles. The rate is $1.11. The car earns for the railroad $444. It earns for each mile from Chicago to Scranton $1.18. If the proposed rate is put in to Seattle—the distance from Chicago to Seattle is 2,445 miles, and the proposed rate is $1.10 a hundred, a cent less than it is at Scranton—the car will earn $440 for a haul of 2,445 miles, but it will be hauled each mile from Chicago to Seattle for 18 cents a mile, as compared with $1.18 for the people of Scranton.

I am sorry the Senators from Arkansas are not in the Chamber. Here is a very interesting violation.

On a 40,000-pound carload of dry goods going from Chicago to Pine Bluff, Ark., a distance of 677 miles, the rate is $1.99½ a hundred. The car earns for the railroad $789. The car-mile rate is $1.18 a mile. From New Orleans the distance to Chicago is 912 miles, 235 miles longer than to Pine Bluff, Ark. The rate is $1.53½ a hundred. The car earns for the railroad $614. The car-mile rate is 67 cents a hundred, as compared to $1.18 that the people of Pine Bluff, Ark., must pay.

If the proposed rate of $1.10 from Chicago to San Francisco were put in, the car passing through Pine Bluff, Ark., would pay only 12 cents per car mile, as against $1.18 that the people of Pine Bluff would pay for their dry goods.

Mr. President, I have here a resolution passed by the State railroad commissions of the United States. I send it to the desk and ask that it be read. This resolution was passed unanimously on two occasions.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The reading clerk read as follows:

Resolution adopted by National Associaton of Railway Commissioners in convention at Atlanta, Ga., in 1921, and readopted in convention at Miami, Fla., in 1923

Resolved, That Congress is hereby respectfully urged to amend section 4 of the interstate commerce act as amended by striking out all of the first proviso therein, which reads as follows:

"*Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence."

At Miami, Fla., the 1923 convention adopted the following resolution:

"*Resolved*, That we affirm the resolution passed by this association at the Atlanta convention, October 11 to 14, 1921, as to amendment of the fourth section of the interstate commerce act relating to long and short haul rates."

Mr. GOODING. Mr. President, I want to refer again, on the map on the wall, to the Monongahela River. I find that the statement I made in my remarks a day or two ago, that the river carried something like 18,000,000 tons last year, was somewhat in error. I find that the river carried 23,000,000 tons, and that passing up and down that river were 15 different commodities,

of which 18,709,000 tons were coal, 2,100,000 tons were cement, and there were 700,000 tons of iron and steel products.

To handle this 23,000,000 tons carried on the Monongahela River it would require 589,000 cars of 80,000 pounds each, which if placed in trains three-quarters of a mile long, containing 75 cars each, would require 7,852 trains, or 21 trains of 75 cars each for every day in the year.

On the Allegheny River there were carried 4,612,640 tons of freight, which would require 115,316 cars of 80,000 pounds each, and would require 1,537 trains of 75 cars each, or 4 trains a day, for each day in the year, including Sundays, to haul this freight.

Passing up and down the Ohio there were 7,286,005 tons of freight, equivalent to 182,150 cars of 80,000 pounds each, and 2,428 trains of 75 cars each, requiring nearly 7 trains a day for each day in the year.

Altogether, on these three rivers, there were 35,458,669 tons of freight, equal to 886,466 cars of 80,000 pounds each, and equal to 11,819 trains of 75 cars each, and it would require 32 trains, with at least two locomotives, each day, including Sundays, to handle this enormous tonnage.

The Government is paying for the operation of the locks on those rivers. The Government paid for all the construction. No toll is paid for the use of those rivers. The larger part of the coal is carried direct to the steel mills in Pittsburgh. I am discussing this because I want the Senate to understand what river improvement means. Fortunately, of course, for this improvement and this development, there is no violation of the fourth section. With violations of the fourth section we can not have any improvements on our rivers and we can not develop the electric power on our rivers. So for that reason, Mr. President, if this country is to continue to develop, is to continue its onward march of progress—and we have just made a beginning—then we must make use of our great inland waterways.

It is strange, it seems to me, that the people of Pittsburgh should have the Government operating their locks and building all the improvements necessary, while the people of the West are forced, through a Government agency, to pay an increased price in freight rates in order that the Government itself may destroy water transportation in some other part of the country. It is not strange, after all, when we realize the tremendous influence the Steel Corporation has in this country. We have a "Pittsburgh plus" in freight in this country, under which every farmer and every man who buys steel, even if he buys it as far west as Pueblo, must pay the freight rate on steel from Pittsburgh to the place where he uses it. He may go to the steel mills at Pueblo, Colo., and buy a thousand pounds of steel of any kind, but he pays the freight on it from Pittsburgh. It is said that the farmers of this country are paying $50,000,000 a year of an increase in freight rates on manufactures of iron and steel brought about by the "Pittsburgh plus" policy, yet when you get down into the agricultural country, where we might develop manufacturing institutions and our natural resources, we find a freight rate that is discriminatory and under which we pay in many cases as high as 900 per cent more than others pay on a mileage basis and a higher rate than others pay for a haul a thousand miles longer.

Mr. President, this discrimination in freight rates is un-American. We thought we settled that policy in the Revolutionary War. We did not go to war with England over the tea party in Boston Harbor alone. For more than a hundred years the English Government had denied the people of the Colonies an opportunity to develop their natural resources. They were not permitted to mold a plowshare; they were not permitted to manufacture a horseshoe nail.

They were only permitted to produce the raw material which the British Government forced them to ship to England to be manufactured into the finished product. The Colonies knew and understood that a country that could not manufacture its raw materials into the finished product must always remain agricultural and pastoral. It was for those great principles that we fought the Revolutionary War—that we might develop industries in this country, produce the finished product, and be a factor with all other nations in the markets of the world.

The development of the mighty resources of this country into the finished product has built up the greatest industries in America the world has ever known, and yet in the development of our mighty resources we have only made a beginning in this country if we make it possible to develop adequate transportation upon our inland waterways and coastwise shipping.

The West is making a fight against the discriminatory freight rates that have been forced upon us for many years, and unless we can eliminate this discrimination the interior States of the West must always remain agricultural and pastoral, for capital will never invest in any industry or in any part of the country where there is discrimination in freight rates. It is so unjust and un-American that it should be settled for all time, and this Government should adopt a policy that will permit every section of this great country to take part in the growth and development that will come to us with a spirit of fairness in transportation for the whole country.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN were appointed managers on the part of the House at the conference.

The message also announced that the House had further insisted upon its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

RESTRICTION OF IMMIGRATION

Mr. REED of Pennsylvania. Mr. President, in this morning's issue of the Washington Post I notice a statement that there is a loophole in the immigration bill, or, as it is called in another part of the same article, a "joker," which will allow the admission of an indefinite number of Asiatics regardless of the exclusion clause.

I only rise to say that the clause in question was in the bill as it passed the House and was in the bill as it passed the Senate, in exactly the same words. It was not in conference and is not some artifice of the conferees, but is a clause upon which both Houses were in agreement.

What it does is to permit the entry as nonimmigrants of persons who under treaties of trade and navigation are permitted to enter the United States. The same privilege has been extended for a hundred years past. There is nothing new whatever in this provision of the bill. The same exception existed under the quota law of 1921. The same exception has always been recognized in the Chinese exclusion law and the Chinese exclusion treaty, and it never occurred to anybody, except the Washington Post of this morning, to consider it a joker.

It is a mere recognition of the trade privileges which they give us and we give them, and we actually went so far in this new immigration law as to require for the first time that those persons might be compelled to give bond to insure their departure when their treaty business was finished, something that has never been done before in the history of this country.

Mr. DILL. I take it the Senator does not think that the interpretation placed on the treaty in the Washington Post story this morning is correct?

Mr. REED of Pennsylvania. I am perfectly certain it is not.

Mr. DILL. And there is nothing in that treaty which gives them any such rights as are suggested?

Mr. REED of Pennsylvania. We have treaties of trade with practically every civilized nation in the world. Our treaties provide that their ships may come to our ports, and of course they have to bring human beings with them when they come. They give us the same privileges in their ports. Then we have treaties with every nation that their nationals may come here or their merchants may come here for the purpose of trade.

Mr. DILL. Japan has never relied upon that as a means of getting her people into this country?

Mr. REED of Pennsylvania. Never; nor has China; nor has Great Britain used it for bringing Asiatics here from her Asiatic possessions. I am perfectly sure there is nothing whatever in the suggestion, and I am making this statement only to allay, if I can, any possible doubt that may have been raised by the article.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the De-

partment of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.
LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

The report was agreed to.

Mr. SMOOT. I move that the Senate still further insist on its amendment to the amendment of the House to Senate amendment numbered 47 to House bill 5078, and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate at the further conference.

THE NARCOTIC PROBLEM

Mr. COPELAND. Mr. President, I ask unanimous consent to submit for the RECORD and have printed a "Survey of the narcotic problem," by Commissioner Simon, of New York, in connection with which I desire to make some remarks later, especially as to the use of heroin in the United States.

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

SURVEY OF THE NARCOTIC PROBLEM

[By Carleton Simon, M. D., special deputy police commissioner in charge narcotic division of the New York City police department, before the Medical Society of the County of New York, January 28, 1924, at New York Academy of Medicine]

Of late years there has been considerable controversy as to whether narcotic drug addiction should be viewed as a medical question or as a police problem. We may go on forever debating the question academically, but why not have the facts?

This latter is exactly what I have undertaken to get. Instead of relying on estimates based upon hearsay and exaggeration I have gathered exact statistics.

In June, 1923, questionnaires were sent to all the physicians and dentists in the State of New York.

The one to the physicians asked:

Amount of morphine prescribed in 1922.

Amount of heroin prescribed in 1922.

Amount of cocaine prescribed in 1922.

Number of narcotic addicts treated in 1922.

Do you believe heroin necessary in your practice?

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The one to the dentists contained the following inquiries:

Amount of cocaine used in 1922.

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The animating purpose in making these inquiries of physicians and dentists as to the practical experience acquired in their professional use of habit-forming drugs were:

1. To determine whether narcotic drug addiction is a medical issue or a police problem, or both.

2. To gain statistical knowledge as to the number of medical drug addicts treated in this State during a given period of time, from which reasonable approximations or conclusions may be drawn.

3. To ascertain the quantity of narcotics prescribed by the physicians and dentists in the State of New York.

No attempt was made to ascertain the amount of narcotics consumed by the public and furnished to the market legitimately through druggists in the form of paregoric, proprietary medicines, etc., nor were hospitals taken into consideration. It was my opinion that addicts treated in hospitals had previously been under treatement in the private practice of physicians. Therefore, in order to avoid duplication, no hospital statistics were gathered.

4. To obtain general information as to the desirability and possibility of the practitioner substituting nonhabit-forming drugs, without lessened efficacy of his service to his patients.

5. To secure information as to the necessity of heroin in the practise of medicine.

There was no intention to suggest any restrictions to the constitutional right of the physician to prescribe whatever he deemed necessary to his practice. In the light of the investigations here reported and which may hereafter be made, the profession itself should determine whether the physicians themselves should not unite in declaring heroin an outlawed drug.

6. To ascertain the quantity of cocaine used by dentists and physicians; to determine the percentage of practitioners who, in part or wholly, employ synthetic preparations having no habit-forming qualities, and to learn from those competent to judge, the efficacy of these substitutes.

It was my intention to find out what narcotics are necessary and the extent of their use and in general to show, through the census, the general trend.

Far from attempting to minimize the work of the practitioner, my aim has been to gather information so that the various viewpoints of the physicians and dentists may be available for mitigating and eradicating evils in connection with the use of habit-forming drugs.

The responses to this appeal from the medical and dental profession have been most hearty, and again furnish exhaustive evidence that the professional man is an altruist in lending his aid in the solution of great public issues. It is to be hoped that the data secured will be helpful in solving some of the vexatious problems that obtrude. A review of the returns received from the questionnaire shows as follows:

IS DRUG ADDICTION A MEDICAL ISSUE OR A POLICE PROBLEM?

Some medical men have been of the opinion that all that pertains to this subject should be under the jurisdiction of the medical profession; that drug addiction is a sickness or a disease, and the addict should be regarded and treated as a sick man.

On the other hand, most of those administering the criminal laws, supported by the great majority of social workers, contend that because such a large percentage of criminals have acquired the narcotic habit, the issue has become one that is inseparably connected with the regulation of crime.

The returns show that there is a medical narcotic addict who requires narcotics because of physical ailments. This type is obviously one to be handled by physicians, and every barrier should be removed so as not to embarrass the physician in according relief to such sufferers.

The far greater number, however, are the criminal drug addicts, whose addiction in its inception and in its continuance is due to vice, vicious environment, and criminal associations. The consideration of this class, the figures prove, constitutes a distinct police problem. The so-called medical addict, who will not consult the physician but purchases his narcotics from street vendors, and thus supports the illicit traffic in drugs, obviously places himself in the same class with the criminal addict. In about 10,000 arrests and hospital commitments for cure by the narcotic division of the police department during the past three years, 98 per cent and a fraction frankly admitted that their addiction was due to bad associations; that there was never any medical reason for their using narcotics. The remaining 2 per cent gave various excuses for first using narcotics, principally some surgical operation or illness. At the time of their arrest there was in this minute percentage almost invariably no reason for their continuing to use narcotics; surely there was no excuse for the use of heroin and cocaine. They buy these on the street, knowing that no reputable doctor will prescribe for them. The medical addict usually confines himself to morphine, but the menu of the criminal addict is heroin and cocaine. Approximately 95 per cent of those arrested by the police in New York City are heroin and cocaine users. In other parts of the country morphine is the chief narcotic.

Heroin addiction is, however, rapidly replacing morphine addiction throughout the United States, this spread being more noticeable in the seaport cities and from them.

To those addicted to the use of an opium derivative, morphine or heroin is considered a daily necessity. Cocaine does not entail suffering if withdrawn. Heroin is preferred because of its greater potency, and because of its smaller bulk per weight it is more easily smuggled.

NUMBER OF ADDICTS UNDER TREATMENT

It has been asserted that the arrests of the police department represent but 10 per cent of the narcotic addicts in this State; that the greater number of addicts are being treated by the physicians as private patients. I have always taken the opposite position, and controverted the criticism directed at the medical profession.

This census of the physicians of this State shows that the percentage of medical addicts is almost negligible.

Those who dispute the police point of view, that narcotic drug addiction is an underworld problem, maintain that there is a very large number of addicts with whom the police never come in contact. They contend that the larger number and better class of addicts are treated by physicians. The replies to this questionnaire definitely settle this point.

TABLE 1.—*Treatment of addicts*

Number of physicians questioned	14,715
Number of replies received	7,559
Percentage of replies per cent	51.37
Number of addicts treated during 1922 (as reported by 7,559 physicians)	775

Further analysis of the answers received to the questionnaire shows as in Table 2:

TABLE 2.—*Treatment of addicts*

Two hundred and fifty-six physicians treated 1 addict	256
Sixty-nine physicians treated 2 addicts	138
Thirty physicians treated 3 addicts	90
Fourteen physicians treated 4 addicts	56
Four physicians treated 5 addicts	20
Three physicians treated 6 addicts	18
Two physicians treated 7 addicts	14
Two physicians treated 8 addicts	16
Three physicians treated 10 addicts	30
Two physicians treated 12 addicts	24
One physician treated 16 addicts	16
One physician treated 22 addicts	22
One physician treated 25 addicts	25
One physician treated 50 addicts	50
A total of 389 physicians treated a grand total of addicts	775

NINETY-FOUR AND EIGHT-TENTHS PER CENT OR 7,170 PHYSICIANS DID NOT TREAT ANY ADDICTS

It was my desire to make an accurate survey of the medical situation, as I felt that the physician had been stigmatized by the popular idea that he was the cause of the growth of narcotic drug addiction in this country.

Some of the addicts included in the above total of 775 treated by physicians were not what might strictly be called "medical" addicts; that is, their addiction was traceable in its acquirement to some ailment, or they were suffering from some diseased condition that required narcotics. Furthermore, most of the cases reported were of patients under treatment for cancer or other painful disease or of very old people. No question was asked as to the ages of addicts, but some physicians furnished additional information, as the following examples show:

One physician treated 7 addicts, all old people.

One physician treated 8 addicts, all over 60 years.

One physician treated 8 addicts, ages of 63 to 76.

One physician treated 11 addicts, all over 50, most past 70, one 87.

One physician treated 16 addicts, all suffering from some chronic disease, one under 40, 3 under 30, others between 50 and 75.

The haunting specter of narcotism has been exaggerated to propaganda, no doubt well meaning but nevertheless misleading. It is my desire to clear away the mist that enshrouds this subject and not to overestimate nor belittle its import.

When we look for figures as to the number of narcotic users in the country or in any section or spot therein we are given the choice of a wide variety of guesses from many official sources. For New York City these estimates run as high as 250,000.

The United States Public Health Service in a bulletin issued in 1915 gave 140,000 as its highest estimate of the number of drug addicts in this country. Four years later, 1919, the congressional committee appointed to investigate this problem stated that the number of drug addicts in the United States exceeded 1,990,000, or 2 per cent of the population, 4 per cent of the adults. These are Government figures. In addition the committee viewed the situation with alarm and reported that drug addiction was increasing; that there was a nation-wide use of narcotics and that it was being used by all classes.

I believe that these figures are inexact but am convinced that the prevalence of narcotic drug addiction in the underworld is nevertheless appalling.

To even more definitely show the criminality associated with drug addiction and the extent to which it has grown in the ranks of the criminal I have selected, from the arrest statistics of the narcotic division of the police department of the city of New York for 1923, a group of 741 individuals whose records showed more than five previous convictions, which are summarized in Table 3:

TABLE 3.—*Criminality and narcotic addiction*

	Previous arrests for various crimes	Total
1 individual's record showed	25	25
1 individual's record showed	24	24
1 individual's record showed	23	23
1 individual's record showed	19	19
1 individual's record showed	18	18
1 individual's record showed	17	17
3 individuals' record showed	16	48
4 individuals' record showed	15	60
5 individuals' record showed	14	70
4 individuals' record showed	13	52
8 individuals' record showed	12	96
12 individuals' record showed	11	132
44 individuals' record showed	10	440
48 individuals' record showed	9	432
73 individuals' record showed	8	584
105 individuals' record showed	7	735
136 individuals' record showed	6	816
293 individuals' record showed	5	1,465
741 individuals, previously arrested (times)		5,056

On carefully checking up our statistics of arrests and commitments to hospitals of narcotic users for the years 1921, 1922, and 1923, totaling 9,637 in number, I found that they represent 8,174 individual narcotic users. I then checked up the criminal records of these 8,174 persons, and, so far as shown by records on file in the international identification bureau of narcotic criminals, of the New York police department, representing 700 cities and 27 nations, these 8,174 individuals had been previously arrested 32,696 times in all sections of the country for every crime on the calendar.

The 8,174 narcotic users were tabulated as follows:

Eight hundred and seventy-six opium smokers (mostly Chinese).

Twenty-seven hasheesh users (marahuanne smokers).

Three hundred and seventy-nine use morphine only.

Six thousand eight hundred and ninety-two use heroin separately or combined with cocaine.

It will be noted that eliminating the smokers of opium and hasheesh, 95 per cent of the narcotic addicts use heroin. Only 2 per cent trace their addiction to medical reasons.

These figures are exact as far as criminal records were available, and are extremely illuminating on the great problems confronting the police. They permit us also to arrive at the definite conclusion that the number of drug addicts in the State of New York—estimates running to half a million individuals—has been grossly exaggerated.

We know there are drug addicts among the wealthy, in society, on the stage, and in the professional ranks, but their number has also been greatly overestimated. Some of these have also been arrested by the police. The source of supply of the drugs in these instances is the same—the smuggler and the street vendor.

PRESCRIBING OF NARCOTICS

As to the quantity of narcotics used and prescribed by physicians and dentists in the State of New York as an index to the legitimate demand per capita, replies to the questionnaires give the following:

AMOUNT OF MORPHINE AND HEROIN PRESCRIBED IN 1922 BY 7,559, OR 51.37 PER CENT, OF THE PHYSICIANS OF THIS STATE

Morphine: 1,392 ounces, or 43,291 grams.

Heroin: 30 ounces, or 922 grams.

The basis of 1,392 ounces, or 43,291.2 grams, of morphine used by 7,559 physicians establishes an average of 5.727 grams of morphine per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 2,709.7 ounces, or 84,272 grams, of morphine prescribed by the physicians of this State during the year 1922.

On this basis also, of 30 ounces, or 933 grams of heroin prescribed by 7,559 physicians, would give an average of 0.1234 gram per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 58.38 ounces, or 1,815.83 grams, of heroin prescribed by the physicians of this State during the year 1922.

Of the physicians who answered the question, 5,362 stated they did not prescribe any heroin in 1922.

IS HEROIN NECESSARY

To the question, "Do you believe heroin necessary in your practice?" the replies were divided as follows:

No, 5,715. Yes, 1,201. Occasional, 404. Unanswered, 239.

Under occasional use we have grouped a variety of replies which may be best expressed by that word. Most of those prescribing heroin believed it to possess special qualities useful in the treatment of bronchial conditions. Of the large percentage of practitioners answering this inquiry approximately 80 per cent deemed heroin a needless addition to their therapeutic armamentarium.

While so small a quantity of heroin was legitimately used by physicians in this State, more heroin is used by the criminal narcotic addicts in New York City than all other narcotic drugs combined. Ninety-five per cent of the criminal drug addicts arrested in New York City use heroin regularly, adding cocaine occasionally or whenever they can get it, and resorting to morphine only when they can not get heroin. Placing the customers of the illicit narcotic street vendors in New York City at a minimum of 10,000, based upon arrest statistics, using at the average of 10 grains per day, we have 100,000 grains daily or 36,500,000 grains or 76,041 ounces as the yearly quantity of heroin used by the criminal drug addict in New York City alone, against 58 ounces computed as being legitimately prescribed by the entire medical profession of the State. That is why I am seeking light on the subject, trying to find a way to shut off this flow, at the same time respecting the rights of the physician to prescribe.

These replies show that the majority of the addiction cases treated by the physicians are purely medical cases; that these patients require narcotics and are exempt under the Harrison Drug Act or are being treated by the physicians in good faith for their cure and not addicts being supplied for their comfort.

As previously noted, this State census shows that these answers represent 51.37 per cent of the physicians of the entire State of New York who have treated 775 medical addicts in one year.

From these replies I arrive at the conclusion that at this ratio the number of medical addicts in the State of New York is 1,509.

Thus it is definitely shown that the medical narcotic addicts whose number can be estimated and who require narcotics because of physi-

cal ailments is far in the minority in comparison with those whose numbers are ascertainable through arrest and whose activity is absolutely a police problem.

The questionnaire was sent out last June. Coincidentally, the Portuguese delegate to the advisory committee on traffic in opium of the League of Nations on June 5, 1923, proposed "that in view of the existing medical evidence, tending to show the possibility of completely doing away with the use of heroin in medical and surgical practice, that the committee recommended to request our Government to appoint a committee of inquiry with a view of ascertaining the possibility of completely abolishing the manufacturing of heroin and its use, and in the event of the committee of inquiry deciding that manufacturing of heroin could not be done away with entirely to inquire into its use being limited to certain types of cases, or in particular type of cases."

In the United States Army the use of heroin has been interdicted by order of the Surgeon General.

In the United States Public Health Service the use of heroin has been interdicted by the order of the Surgeon General.

In a large number of public hospitals the use of heroin has been interdicted by order of medical boards and superintendents.

The health commissioners of Chicago and of New York City simultaneously expressed themselves:

> "Stop the use of heroin in all hospitals. It serves no purpose that other agents can not accomplish as effectively and without the attendant possibility of disaster."

COCAINE AND ITS SUBSTITUTES

Many physicians and dentists in a desire to offset the dangers of cocaine to their patients and to avoid the entanglement and the annoyance connected with complying to the Harrison Drug Act have gradually substituted in their practice nonhabit-forming synthetic compounds having otherwise similar attributes to cocaine. Chief among these have been novocaine, also known in this country as procaine.

Another question was: "Do you believe cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocaine or similar preparation?" The replies were as indicated in Table 4:

TABLE 4.—*"Is cocaine replaceable?"*

	Yes	No	Occasional	Unanswered
Physicians	5,158	1,280	534	587
Dentists	3,770	253	277	35

Another question which was asked of physicians and dentists was: "Amount of cocaine used in 1922?"

The cards returned by 7,559, or 51.37 per cent, of the physicians and 4,335, or 50.89 per cent, of the dentists showed the following:

Physicians: 610 ounces, or 18,971 grams.

Dentists: 1,716 ounces, or 53,368 grams.

An analysis of the replies received from physicians as to the need for cocaine and the possibility of substituting some nonhabit-forming synthetic product, such as novocain, shows that only approximately 17 per cent of those answering this question considered cocaine indispensable. The majority of this 17 per cent deemed cocaine necessary in the treatment of nose and throat lesions, and there were also some ophthalmologists and genito-urinary specialists who preferred cocaine where anesthesia of the eye membranes and of the urethrel tract is an essential to examination and treatment. Most of the practitioners of these three groups use cocaine topically only, rarely, if ever, prescribing it. Thus it will be noted that from these angles of medical practice the danger of cocaine habit forming is negligible. It will be further noted that about 83 per cent of the physicians answering the inquiry of this point expressed the belief that cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocain or similar preparations.

Members of the dental profession were even more favorably inclined to substitute novocain and like products for cocaine, there being only 6 per cent of those answering who believed cocaine indispensible.

CONCLUSIONS

(1) The narcotic addict exists.

(2) His addiction is the result of physical or medical causes in only 2 per cent of all cases among the thousands observed by the police.

(3) In those few instances of true medical addiction treated by the medical profession in the State of New York for the year 1922 the great preponderance show that they were treated for disease and not for drug addiction.

(4) Because of the fact that addiction has its origin or is coupled with crime or with criminal environment in 98 per cent of the police cases, the problem is in the category of criminology and therefore comes within the province of the police.

(5) The quantity of the various habit-forming drugs purchased by physicians and by dentists is well within the needs of their patients. These legitimate amounts represent but an infinitesimal proportion of what is trafficked in through underground channels.

(6) Heroin has no specific uses in medicine in the opinion of approximately 80 per cent of the practitioners consulted.

(7) Cocaine is useful in medical practice as a topical anesthetic in various conditions of the eye, the nose, the throat, and the genito-urinary parts. Eighty-three per cent of the physicians and 94 per cent of the dentists, whose answers are to hand, are of the opinion that cocaine can be dispensed with in practice through the use of novocain or other nonhabit-forming synthetic compounds.

(8) Underworld addicts have a decided preference for heroin and cocaine.

(9) The international phase of this question is largely dependent upon what the laboratory is likely to accomplish in the near future in the preparation of habit-forming drugs synthetically and the education of the professions in the use and selection of nonhabit-forming substitutes. Sooner or later heroin, cocaine, and morphine will be possible of manufacture universally at a far less cost than that which now obtains through growth and treatment of the plants from which they are derived. When that time comes supply and demand can be regulated in conformity with economic conditions, plus international agreement as to traffic in these drugs.

(10) The sharp distinction between the medical addict and the underworld addict will clear up many of the problems confronting the medical profession and the law-enforcing agencies. This will also destroy many ramifications of the leakage from legitimate sources to the underground criminal strata. There is a whole-hearted cooperation on the part of every State and local governmental department, executive, legislative, and judicial, to safeguard the interests of the public.

In the city of New York narcotism has decidedly decreased during the past three years. This is evidenced by the fact that a beginner is now rarely found among the addicts recently apprehended. Constant vigilance is necessary, for relaxation on the part of the police would result in the immediate influx into this city of thousands of addicts from all over the country and addiction would claim many new victims.

Only about 10 per cent of the addicts arrested by the police are women. The percentage of female to male addicts is, however, much greater. They are not so liable to arrest, as comparatively few of them personally make their purchases on the street. It is delivered to them or bought usually through some male addict.

Evidence of the control of the situation is shown by the statistics of the ages of addicts. In 1921, when we were several months without a suitable narcotic law in New York City, a large number of individuals became addicts, mostly in the ages of 18, 19, and 20, and the peak age then was around 25 years; that is to say, there were more addicts giving the age of 25 years than any other age. In 1922 this peak age was 27 years, while this year the ages 27 and 28 are almost equal.

SUMMARY

Figures received from 7,559 physicians, or 51.37 per cent of the total physicians in the State of New York (14,715), and figures received from 4,335 dentists, or 60.89 per cent of the total in the State of New York (7,119):

Morphine prescribed in 1922 (physicians), 1,392 ounces, or 43,296 grams.

Heroin prescribed in 1922 (physicians), 30 ounces, or 933 grams.

Cocaine prescribed in 1922 (physicians), 610 ounces, or 18,971 grams.

Cocaine prescribed in 1922 (dentists), 1,716 ounces, or 53,368 grams.

Number of narcotic addicts treated in 1923 was 775.

Do you believe heroin necessary in your practice?

Physicians:

Yes	1,201
No	5,711
Occasionally	404
Unanswered	239

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocaine or similar preparations?

	Yes	No	Occasionally	Unanswered
Physicians	5,158	1,280	534	587
Dentists	3,770	253	277	35

Applied pro rata for all physicians and dentists in New York State (population 10,384,144).

Morphine prescribed in 1922 (physicians), 2,709 ounces or 84,272 grams.

Heroin prescribed in 1922 (physicians), 58 ounces or 1,816 grams.

Cocaine prescribed in 1922 (physicians), 1,187 ounces or 36,931 grams.

Cocaine used in 1922 (dentists), 2,818 ounces or 87,639 grams.

Number of narcotic addicts treated in 1922, 1,509.

The questionnaire to which reference is made in this paper has added to our available knowledge of this subject. The medical and dental professions have given splendid cooperation, for which I am

deeply appreciative. Their aid in securing the data, comprising expressions of opinion based upon professional experience, utilizable for lay purposes, will be employed for the purpose of solving some of the questions of the narcotic menace.

We may hope, then, that future generations may be free of a curse which has been interlinked with criminality throughout the ages.

WAR DEPARTMENT APPROPRIATIONS

The Senate as in Committee of the Whole resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. NORRIS. Mr. President, the amendment that has been discussed for several days in the Senate is one which, as I said on a former occasion, has attracted the attention of Congress for a great many years. To my mind, the evil that it seeks to remedy is so apparent that it is surprising how, in a civilized country, the people would submit to the injustice that it does seek to remedy. If we permit railroad companies, by means of the power that they now have, apparently, without this amendment being enacted into law, to continue to use that power, we simply say that a favored community shall grow and prosper and that a community not thus favored shall pay additional taxes and bear additional burdens.

When it is claimed, for instance, that we can ship freight from Chicago to Spokane, Wash., and that in the same car or in the same train we may have another shipment of the same kind, of the same weight, going on to Seattle, and that we will compel the merchant or the purchaser in Spokane to pay a higher rate of freight than the merchant or the purchaser in Seattle, we are laying down a principle that can not be defended and never has been defended and for which no man can give any reasonable excuse.

That is a sample of what is going on everywhere. I heard a Senator the other day say that on shipments coming from the West, going through Topeka, Kans., the freight charge to Topeka, Kans., was the freight from the shipping point on to the Missouri River and the local rate back to Topeka added. By what principle of justice can a practice of that kind be defended? I can see how the proposition might be defended that the freight should be the same, although that may have two sides to it; but conceding for the sake of the argument that it should be the same, I have never yet heard what, to my mind, was an argument based upon reason or justice that would justify the charging of a higher rate for a short haul than a long haul when the short haul was included in the long haul. That is a system in our transportation more or less in vogue all over the United States, and always has been. Congress has been trying for many, many years to remedy the situation and in one way or another they always fail, even though they have enacted a statute which, it was thought at the time of its passage, would remedy the evil. Why it is that a proposition of that kind is not accepted unanimously is more than I am able to explain.

The Senator from Idaho [Mr. GOODING] was giving some illustrations of the benefits that come to the railroads in the development of some of our rivers in some instances where corporations and individuals somewhat equal to railroads in power were able to continue boats and barges upon our rivers, developed and built up by the taxpayers' money. But when that comes out into the general traffic in general transportation where the people generally are to get the benefit, then no such condition exists.

In the case I cited, for instance, in regard to Topeka, Kans., or some other point farther west, let us say Hutchinson, Dodge City, or some place the railroad runs right through, it means that the people in the interior points are either paying the losses of the railroad at the terminal point, or that the charges for freight at those interior points are away beyond what they ought to be. If the railroad company is making a profit, which it has a right to make, of course, upon shipments to the terminal point, then if it charges a higher rate for less labor and a shorter haul at an interior point, it logically follows that the rate at the interior point ought to be reduced. If they are carrying the freight to the terminal point at a loss, then they are recouping the loss from the less favored communities in the interior. No defense can be made for the practice in either case.

But the Senator from Idaho, when speaking of the influence that the railroads seem to have to prevent legislation sometimes, called to my attention the wonderful propaganda that has been going on against any change in the so-called Esch-Cummins Act. I suppose every Senator and every Member of the House has had the experience that I have had. Thousands upon thousands of letters come from various kinds of business men in all the localities of the country asking us not to change the Esch-Cummins law and particularly not to change section 15a. I had the experience of having received 8 or 10 letters from a little town in my State, all to the same effect, all written in different language, but all asking the same thing. The next day I would get 8 or 10 letters from another town, 15 or 20 miles away, and so on all the time. That has been going on for months, and is still going on. I took occasion one day to take up the letters that came from one town at the same time, and wrote a letter to each one of those persons and asked them how it was that they came to write the letter. Some of them never answered me, although I inclosed a stamped addressed envelope for reply in every case. Some of them were kind enough to say that on the day when they wrote the letter the attorney for the railroad company had been to see them. One man said, "In fact, he wrote my letter on my typewriter and I signed it. I do not know anything about it. I have not given it any study."

One of the peculiar things is that the people do not know, they do not seem to realize, that they are paying the expense of this propaganda. This attorney who was traveling around was traveling ostensibly on a salary from the railroad company paid by the railroad company, with his expenses paid by the railroad company; but as a matter of fact the people of those towns who purchased anything that had been shipped on the railroad were the people who paid that fellow's salary, and paid for the writing of that letter. It makes very little difference to the company how much the expense of this propaganda is. It is very little concern of theirs how many million dollars it costs, because it is all in the freight bill, and the people who wear clothes, who eat food, wherever they are, are paying their proportionate share of that expense.

I have here a copy of a telegram sent out by the Great Northern Railway Co., and it is only a sample. All the companies are, of course, engaged in the same propaganda work, and we are paying the expense of all of it—every cent of it. It does not cost them anything. This telegram is sent in cipher, in part, and I want to read it to the Senate. I have omitted the name of the person to whom it is sent and his address, because I do not want to identify him and possibly get him into some trouble. The telegram, which is in part in cipher, reads as follows:

St. Paul, April 23, 1924.

GREAT NORTHERN RAILWAY CO.,

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful position as against railroads. Under new rules, bill has been called out of committee for consideration by House and comes up on or about May 5; please confer with other railroad counsel in your State and see whether through cooly plaster and mattings in your stroll abide of leech craft cars drunk time rebuke chide. At conference of railroad counsel to-day all agreed if any useful results are possible, they will be obtained through remit stoles thinly by sex filch.

M. L. COUNTRYMAN.

I will now read that telegram as it is translated, so it will appear in the RECORD decoded. It reads as follows:

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful positions as against railroads. Under the new rules, bill has been called out of committee for consideration by House and comes up on or about May 5. Please confer with other railroad counsel in your State and see whether, through business men and interests in your State, the House can be convinced to oppose bill. At conference of railroad counsel to-day all agreed if any useful results possible they will be obtained through other sources than railroads direct.

M. L. COUNTRYMAN.

I have here a general letter that went out from the law department of the Missouri Pacific Railroad. It is directed "To all local surgeons," and reads as follows:

MISSOURI PACIFIC RAILROAD CO.,
LAW DEPARTMENT,
Atchison, Kans., March 7, 1924.

To all local surgeons:

A meeting was held in the office of the general solicitor of the Atchison, Topeka & Santa Fe, at Topeka, with reference to the situation at Washington.

The situation at Washington indicates that there is danger of legislation in the Senate and House striking at the transportation act of 1920, and there is so much activity in the direction mentioned as to make it necessary to intensify our efforts to defeat the same without delay.

It was decided at the meeting to call on all local surgeons to proceed at once and secure letters from business men, farmers, and others, directed to the congressmen of their district, setting forth,

briefly, why the transportation act should not be repealed or amended, but given a fair trial.

I am sending you herewith the following documents:

(1) Memorandum dated Chicago, January 21, prepared by S. T. Bledsoe, Santa Fe general solicitor.

(2) Letter from Earl H. Ellis, Santa Fe solicitor for Colorado, to Mr. Gardiner Lathrop, dated January 19, 1924.

(3) Points to be used in the letters above referred to.

I am also inclosing a copy of an editorial article entitled, "The transportation act," from the Kansas City Star, December, 1923, which argues against the amendment of the transportation act.

It is of supreme importance that we get as many letters as possible forwarded promptly to our Congressmen and Senators. We do not expect them all to be in the same form. This should be avoided. I am asking you, therefore, to give preferred attention to the subject matter of this letter and lose no time in getting as many letters as possible and having them sent to our Senators and Congressmen.

If you are put to any expense in this matter, such as automobile hire in going to other towns to secure these letters, let me know amounts thereof, and I will make voucher to cover.

Since the expense would be incurred by surgeons, I suppose, there would be something in the vouchers to show that some person was sick or was hurt. The letter continues:

I shall thank you, within the next 10 days, to send me a list of persons who have written letters at your request. You can assist the writers of these letters in preparing the form, having them as different as possible, and not of a rubber stamp, stereotyped character. Immediate attention to this matter is especially requested.

If you can get a few prominent farmers to send in such letters, it would be of much benefit.

Please regard this communication as confidential and not for publication.

I beg pardon; perhaps I ought not to have read it; but that suggestion comes so late in the letter that it had gotten out before I really had time to stop myself. The letter is signed—

Yours truly,

W. P. WAGGENER, *General Attorney.*

That letter was sent to all the surgeons of the system. The people of the community do not know that the surgeons of the railroad companies are doing anything except that which pertains to their professional duties. They do not realize that a great propaganda is on and that surgeons as well as attorneys and other agents are all engaged in the same kind of work if they obey the directions given to them from the top.

Mr. President, in that letter it will be remembered the writer said he included "points" which he wanted to be emphasized in the letter. I have the inclosure, and find that he has stated 11 points. The first point which he wishes them to emphasize in the letter—and Senators who have read the letters which have come to them will recognize these points—is that the railroad is giving the best service ever in the history of the United States. The second point is that they are enabled to give this service under the transportation act. The third point is that under section 15a it is the duty of the Interstate Commerce Commission to prescribe rates which shall yield a fair return, and so forth.

I will print the entire inclosure with my remarks.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Without objection, permission to do so is granted.

The matter referred to is as follows:

POINTS

I. Best service in 1923 in railroad history.

II. Result of operation under transportation act.

III. Most valuable provisions of act are:

1. Section 15a, making it duty of Interstate Commerce Commission to prescribe rates which will yield a fair return.

Paragraphs 3 and 4 of section 13 relative to the supervisory control of the Interstate Commerce Commission over intrastate rates.

IV. While less than a fair return, as fixed by the Interstate Commerce Commission, has been realized under the prescribed rates, yet the income has been sufficient to enable the railroads to pay expenses of operation and small dividends, and their credit has been stabilized so as to enable them to raise and borrow money for pressing capital expenditures.

V. A repeal of section 15a would undoubtedly lead to reduction in rates, which is the real object of the repeal, with consequent reduction of railway revenue and inevitable impairment of service.

VI. Railway credit would also be seriously crippled.

VII. A restoration of the power of the State commissions over intrastate rates, with a limitation upon the supervisory control of the Interstate Commerce Commission thereover, would seriously affect the orderly administration of the transportation act as to rates and bring back the chaos and costly litigation of former years.

VIII. The business and shipping public by a great majority are well satisfied with the present law and the performance of the railroads under it and are opposed to its amendment.

IX. Reductions in rates would bring but little relief to the individual farmer who is complaining, but would shrink the revenues of the railroads to the danger point.

X. Efficient transportation is essential to business prosperity.

XI. Good service is of far greater importance than a reduction of rates.

Mr. NORRIS. I have here a letter which is directed "To all local attorneys in Colorado." It is dated January 18, 1924, and is signed by Earl H. Ellis, general solicitor of the State of Colorado. I am not going to take the time of the Senate, Mr. President, to read the letter, but I will state that it is along the same lines, except it is more in detail than is the letter which I have read which directed the surgeons of the railroads to go out and get letters from business men and farmers addressed to Senators and Members of the House of Representatives asking them not to make any changes in the Esch-Cummins law. I ask unanimous consent that the letter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

FOSTER BUILDING,
Denver, Colo., January 18, 1924.

To all local attorneys in Colorado:

I have stopped the practice of sending out marked copies of the Traffic World, because I found that they did not make the rounds very promptly. I have looked through the last few numbers, having in mind the thought of what might interest you in connection with our publicity program, and think it proper to comment upon the following matters:

Recently the directors of the National Lumber Manufacturers' Association adopted a resolution which pointed out that the lumber industry can not be served except by regular and dependable car supply; that the Government operation of the railroads failed to give the country efficient service; and that restrictive railroad legislation has resulted not in better service or in lower rates but in financial and physical impoverishment of railway transportation; that during the past three years the railroads, operating under the present law, have furnished the lumber industry with the most satisfactory transportation service in its history, so that:

> "The lumber industry is opposed to further legislative experimentation with the railroad service; to any action that will unnecessarily impair the credit of the railroads or that will hinder or discourage the efforts of the railroads to develop for all American commerce prompt and reliable transportation service at reasonable rates."

Perhaps some of you know lumber people well enough in your community to call their attention to this resolution and to request that they write a letter to any Congressman known to them, placing the stamp of their personal approval upon this argument of the lumber industry generally.

On January 5 to 8 the sixth annual business meeting of the American Fruit & Vegetable Shippers' Association was held at Chicago. At the meeting there was approved a report of the traffic committee, in which a further trial without change of the present transportation act was recommended, and it was ordered that copies be forwarded to all legislative representatives. At the meeting W. A. Schumacher, general freight manager of the Fruit Dispatch Co., gave an address and drew applause, it is reported, when he declared that the carriers needed to be let alone and that efficient service was of greater value to the fruit and vegetable shipper than a rock-bottom rate. In discussing the transportation act he declared that the so-called "guaranty of earnings" clause was in reality a limitation-of-earnings provision.

Perhaps some one of the fruit and vegetable shippers in your community would feel inclined to echo this sentiment in a personal letter, if they happen to know any Congressman well enough, and if you should make the suggestion to them.

A recent bulletin of the Guaranty Trust Co. of New York stresses that continued trial of the transportation act of 1920, maintenance of the existing railroad rate structure as satisfactory to all interests for the present are the cardinal features of a sound railroad policy. The company points out that a reduction in rates on agricultural products would fall on the carriers least able to stand the loss (meaning, among others, the western railroads). Also, it is axiomatic that any savings to the farmers would necessarily result in heavier costs to other classes, with no general benefit to all. The bulletin asserts that a lowering of rail earnings would not constitute a tax on the wealthy people of the country, but would fall upon 2,000,000 owners

of rail securities, many of them persons of small means. From the pamphlet I take the following quotation:

"To nullify, directly or indirectly, at this time, the principle of a fair return on a reasonable valuation, as expressed in the 1920 law, in the face of the generous response of the railroads to its own provisions, and before its full effects can be known, would be not only an act of bad faith but a misdirected effort to remedy conditions whose real causes lie quite outside the field of railway legislation."

I have recently sent you a copy of the Santa Fe bulletin, in which Mr. Storey so clearly proves the fact referred to above that the reasons for high rates lie outside of the railroad legislative field and are purely economic.

Secretary Mellon of the Treasury Department, in his annual report, first points out that the benefit the country has received during the past year was on account of the liberal expenditures by the railroads. He says, however, one unsatisfactory feature, and that is that the funds for this purpose have been almost wholly provided by borrowing under bond issues. Of course this can not be a permanent financial scheme, so unless a proportion of the new capital is provided in the form of proprietary investment the credit of the country would suffer, interest rates upon their offers will have to be advanced, and soon a limit will be reached to such borrowing power. So he concludes:

"The public is interested in maintaining the credit and the service of the railroads, and especially interested now that their expenditures shall be in 1924, as in 1923, a strong supporting element in the general employment business situation."

As you know, rail executives are planning to keep up the remarkable improvement program for the coming year, believing that Congress is not going to change the present law. Any change of any serious nature whatsoever would undoubtedly, in my opinion, result in an immediate curtailment of the railway companies of these expenditures, which are so beneficial to the general situation throughout the country.

Walker D. Hines, former Director General of Railroads, recently made a very able talk in connection with section 15a of the interstate commerce act, the basis of the present structure of freight rates. He referred favorably to the decision of the Supreme Court which has denied the validity of the contention made by a few railroads relative to the recapture clause and has upheld the excess-earnings provisions of the transportation act. He sees in this a reason for insisting with greater emphasis and confidence than ever before that section 15a be not repealed. His suggestion to the business men of the country is so important that I feel that I should give it to you, as you may find the opportunity to use it in discussing this general question with any business man or Congressman.

"If your public Representatives say they are favorable to this repeal, ask them to search their conscience and tell you why. Do they wish to break down the railroads so as to bring about eventual Government ownership and operation; do they wish to aid in bringing about a practical situation where rates will be lower than are necessary to meet the legitimate cost of railroad operation? If not, why do they wish to repeal section 15a? They certainly will not admit that they do so for the purpose of leading the public to believe that the repeal will bring about rate reductions which they believe would not be brought about. Nor are they likely to admit that they simply want to shift the entire burden of responsibility to the commission and be wholly free from any such burden themselves, and yet that is one of the most obvious things that would be involved in a repeal of the section. Congress would be washing its hands of a great responsibility in connection with an essential affirmative policy for protecting the transportation which the people need. Nor are our public Representatives who seem favorable to a repeal of this section likely to admit that they wish to abandon an affirmative and comprehensive policy toward the railroads and go back to the old-time piecemeal policy of negation. But if none of these things do account for their position, then why do they wish to repeal section 15a? I urge you to press that question home and to insist upon an answer. If they come forward with an adequate substitute, some other and better expression of the comprehensive and affirmative policy which is indispensable to give the people the transportation they need, a different situation would be presented. But no such substitute is proposed. It is a bare proposal to undo what has been done, to return to a negative policy instead of an affirmative policy, and I urge you to continue to ask why this should be done and to insist that it shall not be done."

If you find such a letter as this of any value or assistance to you I shall be very glad.

Very truly yours,

EARL H. ELLIS,
Solicitor for Colorado.

Mr. NORRIS. Mr. President, if all citizens of the United States realized that the propaganda such as has been going on for the last several months and which is still going on is conducted at the expense of the people at large and not of the railroads, they would appreciate the importance of it. The great efficiency that is claimed by the present management lies in part in the fact—and of that I do not complain—that they are able to pass on all charges to the consumers of the country. They ought, however, to be prevented from carrying on a propaganda as expensive and great as that which is going on now; they ought to be compelled to pay it out of their own earnings and not be allowed to charge it up as freight and passenger rates to the people of the United States, who must contribute the entire expense.

Mr. WALSH of Montana. Mr. President, let me inquire of the Senator whether the auditing system imposed upon the railroads by the Interstate Commerce Commission requires them to itemize expenditures of that kind? It has been represented to me that an enormous amount of money has been expended by the various railroads of the country for the purpose of carrying on a propaganda against the Government ownership of railroads and for the purpose of discrediting the administration of the railroads by the Government during the war. Does the auditing system descend so much into detail as to afford us any information concerning the total amount of money expended for such purposes?

Mr. NORRIS. I am unable definitely to answer the Senator's question. I may be wrong about it, but, in my judgment, the auditing system does not do that.

Mr. WALSH of Montana. How is it in the case, for instance, which the Senator has mentioned?

Mr. NORRIS. The letter which I read was directed to the surgeons of the railroad. I emphasized as I went along that portion of the letter which advised the surgeons that if they incurred any expense, if they hired automobiles to go to other towns, for instance, to send in a statement and it would be covered with a voucher. The man who wrote that letter was not a surgeon. He was one of the attorneys, and I presume he would cover the expense in a voucher that would show the expenditure of the money in the line of duty of the surgeon.

Mr. WALSH of Montana. But when I go to the monthly report of the railroad company showing its receipts and expenditures, under what head would such expenditures as that be found?

Mr. NORRIS. I presume they would be found under the heading of expenses of surgeons. The expenses incurred under the other letter which I read here would come under a different department; probably they would come strictly under the legal department, and I presume, if the local attorneys went to any expense, that a voucher would provide for their expenses and, perhaps, would include payment for their time, although I do not know as to that, and would be covered up somewhere in the books as expenses of the legal department, and so on.

Mr. WALSH of Montana. I am reminded that when I was a youth in Wisconsin lumbering was extensively carried on, and the manager of the winter camp used to send in a bill which included the item of "incidentals." That item was generally regarded as covering drinks.

Mr. NORRIS. Yes; and I presume there would be some of the same kind of "incidentals" in the work of the surgeons and attorneys to which I have referred. Probably if it were necessary to get a good letter from a farmer he would like to partake of those "incidentals."

Mr. KING. Perhaps they would include cider or homemade beer.

Mr. NORRIS. Possibly.

Mr. President, it seems to me important that we should bring home to the people of the United States the fact that they are paying the bill for these expenditures. As the Senator from Montana has said, the propaganda of the railroads against Government ownership, their propaganda against a change in the law, and their propaganda when the time comes—and it does come every little while—in regard to the appointment of some man on the Interstate Commerce Commission or perhaps on the Federal bench, carried on all over the United States, involve the expenditure of millions and millions of dollars. The expense of postage alone on letters that come to Members of the House of Representatives and the Senate is something enormous. They are coming to my office, and have been coming for months, at the rate of from 10 to 15 every day. Somebody writes them. In many cases men are on the road traveling around doing the work. They all get good salaries; they all stop at good hotels; and the entire bill is paid for by the farmers and business men of this country. In other words, the people of the country are being bled and made to pay for their own deception.

Mr. JOHNSON of Minnesota. The Senator might add also that Mr. Countryman himself, the vice president and counsel of the Great Northern Railroad, is out every week making

speeches telling that the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Nebraska [Mr. NORRIS], myself, and others are out with threshing machines for the railways. I imagine that expense is also charged up, and we have to pay the bill.

Mr. RANSDELL. Mr. President, I wish to discuss—briefly I hope—the proposed amendment of the Senator from Nevada [Mr. PITTMAN]. In my judgment, this amendment, which provides for enforcement of the long-and-short-haul clause of the interstate commerce act, is one of the most important measures that have been presented to Congress in the present session, indeed that have been before us in a great many years. I know of nothing that enters more closely into the daily relations of life than transportation. It affects everything we eat, everything we wear, the houses that shelter us, and our means of getting from place to place. It really and truly enters into our daily life as closely as anything can possibly do.

The question before the Senate to-day was stated very tersely at a meeting of the rivers and harbors congress in this city about two years ago, when a joint debate was held on the subject: "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative of that proposition was taken by Mr. Frank Lyon, an attorney of this city. He stated the question so much better than I can that I will read it:

> The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water-competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroad were forced to charge the water-competitive points the same reasonable rate that it must charge interior points.

That is the whole case—to pass a law that will prevent the railroads of the country from charging such low rates at water-competitive points as will deprive boats, whether ocean carriers or steamboats on our interior waters, from getting and doing the business they are entitled to receive by the natural advantages which their cheaper method of water transportation naturally gives to them.

Mr. President, I have always been in favor of the idea presented by this amendment. During my entire 25 years in Congress I have taken an interest in the development of the waterways of this country. The Senator from Nevada [Mr. PITTMAN], in discussing this question two days ago, rather criticized the attitude of myself and others in so strongly advocating large appropriations for the improvement of waterways which are not used. That criticism was not an unnatural one on the part of the Senator, and I am sure he did not intend it in any improper sense.

We have spent very large sums for improving rivers which at this day are not being used at all, or used only very slightly; but, Mr. President and Senators, we have also spent large sums for improving rivers and connecting waters that are used, and used with tremendous benefit to the American people. Let me cite you the giant locks on the Sault Ste. Marie River, connecting Lake Superior and Lake Huron, the improvements on the Detroit River, the great improvements on the harbors of the Lakes. Vast sums have been spent for those connecting channels and lake harbors, with what result? A truly colossal commerce is carried annually from the upper end to the lower end of the Lakes and back again—from the upper end largely composed of iron ore to be converted into steel for the use and benefit of all the citizens of the land, and from the lower end mainly of coal for the use of the citizens of the great Northwest.

There is a vast commerce also in machinery, autos, lumber, furniture, and in package goods of various kinds and sorts. I have not the figures before me, but the last time I examined them that commerce ran into something like eighty to ninety million tons per annum, and it was carried at a rate averaging about one-ninth of the railroad rate of the country. For one-ninth of the railroad rate of the country this colossal commerce was carried on the Great Lakes because of the expenditure of several million dollars to construct big locks at the Sault Ste. Marie and to dredge the channel of the Detroit River and to deepen the harbors on the Great Lakes so that mighty steamers, truly ships, drawing 20 to 21 feet of water, could ply those Lakes—inland seas, as they are justly called. Mr. President, all America has received wonderful benefits from those waterway improvements.

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

Mr. RANSDELL. I yield to the Senator.

Mr. KING. I should like to ask the Senator whether or not the costs to which he now refers upon the Great Lakes would be substantially the same or would they not be very much less than the costs upon what might be called inland streams, rivers, and waterways; and, secondly—if I may ask two questions at the same time—whether the cost of handling bulky material, such as were carried upon the ships, would not be less relatively than the cost of handling manufactured and more valuable articles and commodities, because in carrying the latter it seemed to me that both ships and railroads would be compelled to employ instrumentalities and agencies of a higher character and to bestow upon them greater care than would have to be bestowed upon the bulky and less valuable articles?

Mr. RANSDELL. That is a very pertinent question. To answer the latter part of it first, there is no doubt but that it costs more to handle ordinary merchandise, manufactured articles of iron and steel and wood, package goods of every kind and sort, than it does to handle such commodities as iron ore and coal, to which I have just alluded.

There are wonderful appliances for handling ore and coal on the Great Lakes. I had the pleasure of visiting the Mesabi Range, at the western end of Lake Superior, several years ago. I went out into the country about 80 miles from Duluth-Superior and saw this very rich iron ore, 65 to 70 per cent iron, being scooped up from the ground in steam shovels—not mined in the ordinary sense, but dug up in steam shovels—and loaded onto cars. The cars then traveled for 80 miles to the city of Duluth, and went out over the docks on their rails. They had automatic openings underneath and these openings dropped the ore into the great docks, which were built, as I recall, for a long distance out over the lake and high above the water. The boats then ran alongside these ore docks. There were large steel chutes running from the lower portion of the ore docks into the hatches of the ship—one chute for each hatch—and it was entirely feasible to load one of those big steamers, carrying nine or ten thousand tons of ore, in 60 to 90 minutes.

I do not know any place in the world where commerce is handled more expeditiously than there. That ore ship would then go through the entire length of Lakes Superior, Huron, and Erie to the ports in the State of Ohio, such as Cleveland, Ashtabula, Conneaut, and others, or to Buffalo, N. Y. There it would dock alongside of railroad tracks, and with a perfectly marvelous machine, known as the Hewlett automatic unloading machine, this ore would be picked up in a big scooping shovel handling 6 or 7 tons at each load, would be whisked up from the ship, carried on an overhead trolley, and dropped in the car without being ever touched by human hands. That car would carry it to local furnaces or to Pittsburgh or wherever it was to be handled.

That was a wonderfully cheap method of handling the ore at both ends. Coal was handled very much in the same way. I saw great cars loaded with many tons of coal picked up, swung out by a great crane over the ship, and tilted so that the entire load of coal was dumped down into the ship. Of course, it is impossible to handle ordinary commerce by any such method as that; but a great advance has been made, let me say to the Senator, in the handling of many kinds of commerce. Truly marvelous water terminals have been constructed on the Mississippi River within the last few years. Many devices, the product of the best engineering skill, have been placed along these waterways, and it is possible to load and unload freight from the boats at a very small charge. A great deal of the commerce on the interior rivers—to make some kind of comparison between the freights there, as I understood the Senator's question, and the freights on the Great Lakes—a great deal of the commerce on these interior rivers, certainly in the past, was coal, the fuel which is essential to human civilization. That coal was carried down the Ohio and the Mississippi Rivers in great fleets of barges. There is an instance on record where a steamboat carried in one tow 56,000 tons of coal in a fleet of 72 barges. That coal was loaded at the extreme upper end of the Ohio River, either in Pennsylvania or West Virginia. It was carried down the river on freshets. It could not be conveyed during the greater portion of the year, but when the water was high in the spring, for several months when there was good boating on the river, that coal was carried down in small tows, was picked up after it reached the Mississippi River, bunched together in this one immense tow, and carried all the way down to Louisiana.

That kind of commerce was as cheap as the commerce on the Great Lakes. Gen. William L. Sibert, one of the most remarkable engineers this country ever produced, the builder of the Gatun Locks and Dams at Panama, a colaborer in the wonderful task of constructing the Panama Canal with General Goethals and General Gilliard, made a most elaborate study of transpor-

tation on the Ohio and Mississippi Rivers, and according to him the cost to carry coal down the Ohio, when canalized to 9 feet, and the Mississippi would be about one-eleventh to one-tenth of the average railroad charges in the country.

Beyond question, Senators, water transportation is much cheaper than rail transportation where you have good channels available all the year round. The frictional resistance of water itself, a fluid, is infinitely less than that of steel rails. A given amount of energy applied to a vessel loaded with a thousand tons or ten thousand tons of freight will carry that freight a great deal farther and easier and at infinitely less expense than if carried over a railroad. Your own common sense will tell you how much easier it is to move a load on the water than over a dirt road or a steel railroad.

There is no question, Senators, but that the god of nature intended the waterways to be used by man as transportation agencies. We have had the railroads for only a little over a hundred years. We have had real beneficial development of railroads for less than a hundred years; but during all the ages of time prior to the last hundred years man was dependent upon the waterways. The great cities of the ancient world were always found on navigable waters. There were comparatively very few highways of any consequence anywhere on earth. We read of the famous Appian Way and some good roads in the old Roman Empire, but the roads were very few and very far between. People could travel by water with comparative ease, but it was extremely difficult to travel by land.

In the early days of our Republic, the days of the immortal Washington, great interest was taken in waterways. Some historians say of Washington that not only was he the Father of his Country but, in a particular degree, the father of waterway transportation in this country. As I understand it, when he was notified of his nomination for President of the United States he resigned his position as president of a canal company to become President of the United States.

The initial cause, the main cause, for the convention which resulted in our great Constitution was the necessity of the various States getting together on transportation problems. In many instances rivers were the dividing lines between the States. Interstate commerce was a problem of extreme difficulty. It was absolutely necessary to provide for close interstate relations; and because of the troubles between Maryland and Virginia on the Potomac, and Pennsylvania and Delaware and New Jersey on the Delaware, the first interstate convention was called, which resulted later in the convention that created our Federal Constitution. It was necessary to settle this very problem of water transportation.

George Washington predicted, in the early portion of his career, following the Revolution, that if the Atlantic States did not connect with the Ohio Valley by a good, sufficient waterway, the people of the Ohio Valley would separate and form a government entirely distinct from that along the Atlantic. From the earliest days of this Republic until very recent times we used the waterways and derived great benefits from them.

As the Senator from Nevada [Mr. PITTMAN] said in his able speech two days ago, when he and I were boys—I believe I was a little bigger boy than he—living on the banks of the Mississippi River in northeast Louisiana, there were a great many steamboats, and magnificent boats they were, plying the Mississippi River. But at that time there were no railroads to serve the large population on each bank of the river. The only means of transportation from New Orleans up to St. Louis, from St. Louis on to Kansas City, from Kansas City on and on and on, up to Fort Benton on the Missouri, was by boats. The only way to reach most of the river points up to Pittsburgh, a thousand miles up the Ohio, was by boat. The only way to get up to St. Paul and Minneapolis in those early days, perhaps a little earlier than the time to which I have alluded, was by boat.

In spite of the fact that there were many shallows in the river which interfered with navigation during extreme low-water seasons, and in spite of the fact that ice interfered materially during several months of the winter in the upper stretches of the river, those boats gave the people reasonably good and cheap transportation for several months out of each year, and the only transportation they had. Certainly, Senators, there were no highways in those days; there were no railways, and it was either use such waterways as the god of nature had given us, unimproved as they were, or not travel. That was the situation.

When the railroads came they found it advisable from their narrow and unwise viewpoints to destroy water competition. All up and down the Mississippi River, at such points as Baton Rouge, Plaquemines, Vidalia, St. Joseph, and Lake Providence, in my State; Natchez, Vicksburg, Greenville, Friars Point, and other places in Mississippi; Helena and other points in Arkansas; Memphis and other points in Tennessee, and so on up the line, the railroads said, in substance, "We do not propose to have boats competing with us and carrying freight a great deal cheaper than we can possibly carry it."

I will not attempt to go into details on that; it has been done already; but, as a matter of history, the boats were gradually driven off the river by the railroads making such low rates at river points that the boats were unable to compete with them, and in that instance these railroads charged very much higher rates at interior points sufficiently far from the waterway so that it would cost more to haul by wagon from the point to the river than the extra freight would amount to. In other words, at interior points they placed on the commerce all the charges that it would bear. If a town was 10 or 15 miles in the interior and there was an impassable forest or swamp between that point and the river, they charged just as much from that point as from an interior town 100 or 200 miles from the river-competitive point. They succeeded thoroughly in driving the boats off the river.

Now comes the question, Why did we go on improving the rivers, seeing there were no boats on them and no commerce? Why did Congress undertake, at a cost of what I believe will ultimately be more than $100,000,000, to canalize the Ohio River from Pittsburgh to Cairo?

That is 1,000 miles of river. It runs through the most marvelous freight-developing region in America. There is no place on this globe—and I say it advisedly—which generates anything like as much commerce in tons—I do not say in value, but in tons—as Pittsburgh and the district 50 miles around it. Students of the subject say that the commerce of that region is greater than the combined commerce of London, Liverpool, Hongkong, and New York, greater than all four combined, not more valuable than all four, for it is commerce composed very largely of steel and iron and coal and the products of those three minerals.

However, Senators, it costs practically as much to convey from Pittsburgh to the seaboard a ton of coal as it would cost to convey a ton of the most valuable manufactured products that can be conceived. To a great extent a ton is a ton when it comes to conveying it from place to place. After the railroads had driven away the boats they began to put up the rates and to make things extremely unpleasant for people along the rivers. So throughout the land waterway associations were formed for the purpose of assisting in and urging Congress to improve the rivers in order that they might become the same effective carriers of freight in the future as in the past. The engineers were required to survey the Ohio River to see if it could not be made navigable every day throughout the year when the ice permitted boats to travel. The engineers found that it was feasible and practicable to do so.

Congress undertook the improvement of the Ohio River by a law enacted in 1876 and we have been enacting laws ever since to improve it. The original law provided for a 6-foot channel. In 1910 the law was changed so as to provide for a continuous depth of 9 feet all the way down the Ohio River from Pittsburgh to Cairo, by the construction of 53 locks and dams at an estimated cost, to complete the improvement in 1910, of $63,000,000, if my memory is correct. That act provided that the work was to be completed within 10 years. Fourteen years have elapsed since 1910, and according to the latest information from the Engineer Corps of the Army it will require at least five or six years longer to finish the Ohio River work. So we are going to be 10 years behind time in completing that work which was begun in 1876. In this connection let us not forget that the Panama Canal—by odds the most difficult and expensive waterway improvement ever undertaken—was completed and in operation within 10 years from its inception.

Surely no one can expect boats to compete reasonably with railroads along the banks of the Ohio—and I use that as an illustration for other waterways—unless the river is so improved that they have a continuous certain period of navigation when free from ice. I have just told of the colossal commerce on the Great Lakes amounting to 90,000,000 tons carried at one-ninth of the average railroad rate. On the Great Lakes there are between four and four and a half months of ice. Boats can only run about seven and a half to eight months at the outside. Yet commerce knows definitely and positively that for the other seven and a half to eight months great fleets of boats are going to run, and carry that commerce at very low rates.

If we could have the Ohio improved so as to have a dependable channel of 9 feet for every month of the year except when stopped by ice—say eight dependable months from the high water of the spring until the ice accumulates in December—there would be large fleets of boats on the Ohio. They would carry very large volumes of commerce from that great freight-producing region, the Pittsburgh district and throughout the entire length of the river. They would carry the products of steel and iron and porcelain and everything made of minerals for 2,000 miles down the Ohio and the Mississippi to the ocean at New Orleans to be transshipped thence to the marts of the world. They would carry a vast commerce on the Ohio, if the other rivers were properly improved, down to Cairo and up to St. Paul, out to Kansas City and Omaha, and up through an improved Illinois River to the city of Chicago and the Great Lakes. They would carry it, Senators, through the 16,000 miles of navigable waters of the Mississippi River system if all those rivers were properly improved as some of them are now being improved. We can not use them effectively now, because of innumerable shallows and obstructions, but we would use them to great advantage if properly improved, and that is the answer to the query, "Why are you improving the rivers and not using them?"

One little river up near Pittsburgh was improved a few years ago, the Monongahela. On the Monongahela, a little river which many of us probably have never heard of, there were 30,000,000 tons of commerce carried last year—think of it—30,000,000 tons, at an average of one-third the average rail rates of the country. Who gets the benefit of that cheap commerce on the Monongahela River? Every one of us, for that commerce is iron ore and coal and the products of ore and coal, and every citizen of the Union is a beneficiary of the resultant low priced steel and its countless products.

It is needless for me to remind the Senate that the very large portion of our expenditures for rivers and harbors has been for the harbors of the country. The harbors, as we all know, are railroad terminals. What is the great harbor of New York, that of Boston, that of Philadelphia, that of Baltimore, that of Norfolk, of New Orleans, of Los Angeles, of San Francisco, Seatle, and Portland—what are all of those great harbors but railroad terminals? The railroads run into those ports, run up alongside the ships, unload their cargo into the ships, and receive a return cargo from the ships.

After 25 years of experience in Congress, 23 of which have been spent as a member of either the Rivers and Harbors Committee of the House or the Commerce Committee of the Senate, I can say that I have never known any opposition on the part of the railroads or from any other source to the improvement of harbors. I have shrewdly suspected very serious opposition to the improvement of the rivers from our railway competitors. I hope I make myself clear. The harbors on which immense sums have been spent are cooperators, parts and parcels, of the railway systems, and wisely so. I am not criticizing it. They have been improved, with everybody willing to make the improvements, but when it came to improving a great river like the Ohio, with its wonderful potentialities as a competitor with railroads, somebody worked his rabbit's foot in such a way that although we began to improve the river in 1876—48 years ago—we are still six years away from completion.

Now, Senators, suppose anyone with plenty of money in hand—for no one can say the United States did not have sufficient money to improve the Ohio River, and no one can say we did not have as able engineers as there are on earth—should handle his private business in that way? What would be thought of him? That is not any more extreme than other cases I might mention. I use it as an illustration.

Again I say it is for such reasons as that that the waterway organizations throughout the land have insisted that we must make the rivers navigable all the year around. Right now before the Committee on Agriculture and Forestry there is an extremely interesting hearing going on that has taken weeks and weeks of time in connection with the Muscle Shoals development. At Muscle Shoals we are building a great dam for the joint purpose of creating electric power and giving good navigation on the Tennessee River. In connection with it we have to construct another dam up the stream known as Dam No. 3. Then other dams will have to be constructed on the Tennessee. Work is going on upon many of the rivers of the country. Well do I recall that when elected to Congress in September, 1899, the first movement in which I took a live interest was the improvement of the Ouachita River in Louisiana and Arkansas. That was practically 25 years ago. We began active work on the river after a very desperate fight in Congress in 1902, 22 years ago, under the leadership of Senator Berry, of Arkansas, and of myself in the House. Just 10 days ago the first steamboat went up the Ouachita from New Orleans to Camden, the head of that navigation.

It took us 22 years to finish the locks and dams on that great river—and I use the term "great" advisedly—so that boats could load at New Orleans, go up to the junction of Black River with the Red, and up the Ouachita 400 miles to the city of Camden. We are going to use that river now. It is navigable for the entire year. It will be used, and great will be the benefit to the people along its banks. With that discussion as to rivers, I wish to say just a few words about the coastwise trade.

I have not looked into that subject very carefully lately. I listened to what the Senator from Nevada [Mr. PITTMAN] said, and I have no doubt he stated the facts correctly, that if we do not watch closely and do not enact this amendment which he has proposed or legislation similar to that the vast coastwise commerce of this country will be destroyed.

I had a conference several days ago with several members of the board of directors of the National Merchant Marine Association, and one of the ablest shipping men in America made the statement that the coastwise business of this country is in very great distress and it is necessary to do something for it. Senators, all of us recall that when the World War broke out in 1914 all but 9 per cent of the foreign commerce of this country was carried in ships flying foreign flags. Only 9 per cent of our gigantic foreign commerce was carried under the folds of Old Glory; 91 per cent was carried in foreign ships, exactly reversing the conditions which prevailed 100 years before, when 90 per cent of our commerce and a great deal of the commerce of other countries was carried under the American flag and only 10 per cent was carried under foreign flags.

Our overseas merchant marine was in a very unfortunate position at the outbreak of the World War; but, thanks to the law prohibiting foreign vessels from engaging in the coastwise business of the United States, we had a very respectable fleet of vessels under our flag engaged in the coastwise business, a fleet consisting, if I recall correctly, of nearly 5,000,000 tons of good ships. When the cry went up for ships, more ships, and still more ships to carry food and supplies to our allies abroad, and to carry our men across the sea to save democratic institutions, we had at least the nucleus of a fleet in those coastwise vessels. They performed wonderful service to this Nation and for mankind, and we can not afford to do anything that will jeopardize the coastwise business of our country. If the railroads are to be permitted so to reduce their freight rates to seaport as to make it unprofitable for vessels to engage in the coastwise commerce, and so to drive those vessels from the sea, I should consider it such a serious national calamity that it must be prevented at any cost; and such a calamity, beyond question, would be prevented should the pending amendment on the long-and-short-haul clause be adopted. That consideration alone, in my judgment, warrants us in adopting the amendment.

Senators, I have never knowingly given my consent to anything that was palpably unjust and unfair to any portion of our Republic, and no man with any real sense of fair play in his make-up can say that the interior sections of our country, away from the waterways, away from navigable streams, and especially those sections which are located in what are known as the intermountain region, have been treated fairly in regard to their freight rates.

Their treatment has been unjust in the extreme, and I for one am willing now, as I have always been willing, to vote for any law that will bring about reasonable and proper treatment of all sections. In this category I include not alone the intermountain section, for there are plenty of other towns and cities in this land, situated 25, 100, or 150 miles away from navigable waters and a thousand miles or more from the intermountain section, which need relief. So do not imagine that that section alone is interested in this question; a great many others are likewise interested, and common decency requires that all of them should be properly and fairly treated.

Mr. President and Senators, beyond any question it is our duty, especially in this period when freight rates are high, when the cost of living is high, when the cost of everything is high, so to act, if we possibly can, that we may have a reduction in the cost of transportation.

Do not understand me as being inimical in any sense to railroads. I consider that the railroads of this country have been the most marvelous developers of civilization the world has ever known. Our great country could not have gone forward by leaps and bounds as it has, could not have risen to the highest place in the world, but for our great railroad systems. I give them proper credit; but, while I accord them all the credit to which they are entitled, I deem it the part of wisdom, I deem it essential for us to develop and use the

highways and to develop and use the waterways to the very fullest possible extent.

There is a trinity of transportation—highways, railways, and waterways. There should be no rivalry between them, no competition between them; they should be friendly; they should cooperate in every way. As Schley said to Sampson after the Battle of Santiago, "There is glory enough for all," so we may say of the highways, railways, and waterways, "There is business enough for all three systems of transportation in this country." Let us develop them and use them. Certainly if the Maker of the universe so planned His work that waterways can carry freight for very much less than railways can carry it, we are not cooperating with the Creator unless we use those waterways. He intended them for use.

I have shown that the colossal commerce of the Great Lakes is carried at one-ninth of the rail rates; I have shown, according to Colonel Siebert, that a great portion of the commerce of the fully improved Ohio and Mississippi can be carried at from one-tenth to one-eleventh of the rail rates. Then, if that be true, it is our duty beyond any question, Senators—it is our bounden duty as patriots and lawmakers—so to legislate that these waterways will be used. And I say to you that I know of nothing that will tend more to bring them into use than the adoption of the amendment offered by the Senator from Nevada.

Mr. President, I have very little more to say. I should like to read as part of my remarks two telegrams addressed to Mr. William Allen, Munsey Building, this city, by Mr. Theodore Brent, of New Orleans. Mr. Brent is one of the best traffic men in America, and for many years was connected with the railroads.

For the past few years he has been in charge of the barge line on the Mississippi River, the line of boats running from New Orleans to St. Louis, which we have every reason to believe is going to prove quite successful in carrying large quantities of freight and greatly reducing the rates thereof, although at the present time the reduction is only 20 per cent. That is, this barge line, in its incomplete condition, with unfinished terminals, with boats not equipped as they should be, and with a shortage of plant in many things, is carrying a large amount of freight at 80 per cent of the rail rates; and the railroads are carrying freight adjacent to that river, as the Senator from Nevada pointed out, at considerably less than their average rates—58 per cent of their average rates, the Senator reminds me. Let me say that it is not only the freight actually carried by the barge lines for which the shippers pay 80 per cent of the average rail rates, but there is a very large commerce carried by the railroads adjacent to the river for which the charge is only 58 per cent of their average rates; so it will be seen that that barge line is beginning to be of immense benefit to the people.

This telegram is dated May 14, from New Orleans, and reads as follows:

WILLIAM ALLEN,
830 Munsey Building, Washington, D. C.:

I have already wired you giving my own opinion as to the Gooding bill. As to paragraph 2 of section 4, as administered by commission, there is no health in it for a water line. The commission has allowed the railroads to do what they please, and they have always been able to make a plea of changed conditions, other than elimination of water competition, which suited the immediate emergencies of the railroad. If the Gooding bill passes, we don't need the second paragraph of the fourth section. No person who hopes to see inland and coastwise water transportation, whether publicly or privately administered, become as permanent a part of the Nation's transportation system as the railroad should oppose the present effort to secure a more rigid fourth section. The 14 years of discretionary administration of this section by the commission offers little hope of stabilizing investment in water-transportation property under the existing law. Under a more rigid law requiring the railroads to consult the actual aggregate cost of rail transportation in fixing railroad rates, instead of their eagerness to absorb traffic which can be more cheaply carried by water, it will, in my judgment, result in a gradual and logical separation between rail rates and water rates commensurate with the relative cost of the service performed by each, and with the savings of water transportation easily reflected to the people of the interior through logical expansion of the system of joint rail, water, and rail rates.

BRENT.

In this connection I desire also to read the following telegram:

MAY 15, 1924.

WILLIAM ALLEN,
830 Munsey Building, Washington, D. C.:

Your letter 13th. I have read CONGRESSIONAL RECORD as suggested. Senator PITTMAN is absolutely correct. I think it would be very foolish for friends of waterways not to join these intermountain people in their efforts to pass the Gooding amendment. At the very least we should not jeopardize river appropriations and barge-line legislation by any opposition to this law. I can not personally think of anything which will so tend to clean up the uncertainty as to the future of water transportation as to remove from the field of commission's discretion the administration of the fourth section except in matter of export and import rates which are essentially divisions of through rates to points beyond our country, and in allowing one railroad to meet the shorter haul of another railroad. Experience has proven that this is all the latitude that ever was necessary in order to give the proper measure of railroad competition; and now we should go a step further, and see that the railroads under the law are not privileged to prey upon the water lines. * * * Railroads put the steamboats on the Mississippi River out of business by just the same methods the transcontinental lines are using to put the coastwise ships out of business; and there is also pending before the Interstate Commerce Commission at present time a similar application on the part of the Mississippi Valley lines to do just the same thing with rates between Chicago and New Orleans.

BRENT.

Before concluding, Mr. President, I wish to say that in my judgment we are rapidly approaching the time when waterways are going to be used again. On a few of the rivers of the country the improvement is in such a state that it is feasible to use these waterways; and though the boats were driven off years ago, and though it is very hard to get men started again to using the rivers, it is being done gradually. If Congress will carry on for a few years longer the policy of improving a few of our great rivers, and of completing work already begun, such as the completion of the Ohio, to which I have alluded, of the upper Mississippi, of the Missouri to Kansas City, and of the Illinois to the city of Chicago, there will grow up within the next 10 years a very great commerce by water through all that interior section.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Louisiana yield to the Senator from Maryland?

Mr. RANSDELL. I do.

Mr. BRUCE. I should like to ask the Senator just why it is, in his opinion, that general use is not made at the present time of the inland waters of this country for commercial purposes? To what does the Senator ascribe that fact?

Mr. RANSDELL. If the Senator had listened to me he would not have been obliged to ask that question, because I tried to cover it.

Mr. BRUCE. I listened, I can truly say, to every word the Senator uttered, and certainly his thoughts were very clearly expressed; but it seemed to me he never came just to that question.

Mr. RANSDELL. I tried to show that in the early days, when there were no highways and no railways, the boats were so much better than for people to haul their goods in mule wagons or ox wagons or something of that kind, that, although the rivers were frozen for several months in the year in the wintertime and were very shallow for several months of the year in the summer time, there was a period of a few months of each year when the boats could run on them, and they had a very large commerce. When, however, the railroads were built on either bank of the stream, and when the boats were completely driven away by the very low charges at river points, recouped by the high charges at interior points, the boats went out of business, and people have not been willing to put their money in them since.

Mr. BRUCE. What I want to ask the Senator is this: Are those boats being driven away at the present time by rate discriminations in favor of the railways?

Mr. RANSDELL. No, Mr. President; they were driven away years ago, and they have never come back.

Mr. BRUCE. But there must be some reason, then, for their never having come back, aside from railway discrimination. Why have they not come back?

Mr. RANSDELL. Let me ask the Senator, if he had a lot of money that he wanted to conserve for the use of his family, his wife and children, does he think he would invest it in steamboats on the Mississippi River, let us say, when there was a rival railroad on either bank of the river, and the moment he got started carrying freight on that river the railroads would make such low rates at Baton Rouge, and Natchez, and Vicksburg, and Lake Providence, and Greenville, and Helena, and Memphis, and all the points up the river that he could not afford to carry the freight?

Mr. BRUCE. Yes; I would, provided there was an Interstate Commerce Commission sitting at Washington pledged by the statute under which it was discharging its duties to foster and preserve both railway and water transportation.

Mr. RANSDELL. I am glad to see the faith the Senator from Maryland has in waterways, for I have been a waterway crank for 25 years, and I have done everything I possibly could to encourage the use of these waterways. I have some good friends who have gone down in the slough of despond and in poverty in their old age as a result of trying to fight railroads by running boats. They can not do it. There is something wrong in the laws, and I believe this amendment will correct that wrong.

Mr. BRUCE. The Senator will not be affronted, I am sure, if I ask him, then, whether he believes with the Senator from Idaho [Mr. GOODING] that the Interstate Commerce Commission is the tool of the railway companies of the United States?

Mr. RANSDELL. I do not want to say anything of that kind. I would not go so far as that.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. RANSDELL. Pardon me for a moment; then I will yield to the Senator.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. RANSDELL. Let me say to the Senator from Maryland that what a man drinks in with his mother's milk influences him during all of his life; and the Interstate Commerce Commission was created for the purpose of regulating railroad rates. If the Senator will examine the law, he will not find that it mentions waterways. There is not anything about waterways in it. The commission has not any right to regulate rates by water, either on the ocean or in the interior. It is a railroad organization, so intended by law, to regulate rates. It is natural that its members should lean that way. I do not believe that a single one of these gentlemen means to be corrupt or bad; but I believe that all the trend of their thoughts is to build up and maintain and strengthen the great railroad systems of the country, which they were created to assist and regulate. That is my view of the matter.

Mr. BRUCE. Why have they that bias, if I may ask the Senator from Louisiana?

Mr. RANSDELL. Why, they were created that way.

Mr. BRUCE. The Senator means the Interstate Commerce Commission?

Mr. RANSDELL. The act itself creates a railroad commission. It does not create a waterways commission.

Mr. BRUCE. The Senator is aware that the transportation act expressly declares it to be the policy of the United States Government to foster and preserve both rail and water transportation?

Mr. RANSDELL. I remember that well. I had the honor of being the author of those words, and for years and years and years we fought to get those words put in. I think they were put in in the act of 1920, were they not, just three or four years ago?

Mr. BRUCE. Yes.

Mr. RANSDELL. Up to that time we could not get even an expression that Congress wanted to have the waterways treated fairly, and I presume that since 1920 the commission is a little more friendly to waterways; but when you have grown up with a system, when you do absolutely nothing else but that all your life, you can not help leaning to it, and these gentlemen naturally lean toward the railroads. I would if I were one of them.

Mr. BRUCE. But the Senator is aware that the commission has jurisdiction over lines that are partly rail, and partly water, under the same common management and control, is he not?

Mr. RANSDELL. Yes; but we have no lines now that are partly rail and partly water.

Mr. BRUCE. Oh, the Senator is mistaken.

Mr. RANSDELL. In substance that is true. I am going to reach that in a minute. In substance we now have no lines that are partly rail and partly water except the barge line on the Mississippi, and, perhaps, some of the lines on the Great Lakes. The boats were so completely driven out that they do not exist. We have a few lines that are not common carriers. Take the situation on the Ohio: The United States Steel Corporation has built some wonderful barges there.

Mr. GOODING. Mr. President——

Mr. RANSDELL. I will yield to the Senator from Idaho in a moment. Jones & Laughlin, a tremendously big corporation at Pittsburgh, have built some extra good barges, and they go down the Ohio River on the freshets in the spring loaded with thousands and thousands of tons of steel products for my section of the Union and for other sections. They are not common carriers, however, and they are not subject to this law. They are private carriers.

Mr. BRUCE. Is it not the real fact that inland water transportation is subject to certain transportation shortcomings, as compared with rail transportation, that the Interstate Commerce Commission, as a body of sensible, judicious men, are bound to recognize?

Mr. GOODING. Mr. President——

Mr. RANSDELL. I yield to the Senator from Idaho.

Mr. BRUCE. I object to the Senator from Idaho taking me off the floor.

Mr. GOODING. I merely want to correct the Senator.

Mr. BRUCE. The Senator from Louisiana can take me off the floor, but not the Senator from Idaho.

Mr. RANSDELL. I do not want to yield to the Senator from Idaho until the Senator from Maryland has finished his query.

Mr. BRUCE. Exactly; I knew the Senator would not.

Mr. RANSDELL. I do not want to do that, but really I do not want to yield for a speech. I am glad to yield for a question.

Mr. BRUCE. Of course. I do not want to make a speech. The Senator has answered all my questions. I am very much obliged to him for answering them. I will put no more.

Mr. RANSDELL. I yield now to the Senator from Idaho.

Mr. GOODING. Mr. President, I wanted to correct the Senator from Maryland in regard to a statement. I did not make the statement that all the members of the commission were tools of the railroads. I did say that some of them were, and I am glad to have a chance to repeat that. I have come to that conclusion as the result of things that I know, telegrams that I have put into the RECORD, where the chief executives of the railroads were going to the commission in a body, not to present facts and evidence in regard to why there should be a violation of the fourth section, but merely because they were the chief executives of great railroads. Those were matters of record that are part of the record of the Senate, and I put them in, taken from the files of the railroads and railroad organizations.

Mr. RANSDELL. I yield further to the Senator from Maryland.

Mr. BRUCE. I have nothing further to say.

Mr. GOODING. Judge Prouty has been spoken of. I have a very high regard for him. I have a very high regard for men who are now on the commission. I do not think we ever had a greater man in the service of the country than Judge Prouty, of the Interstate Commerce Commission, as far as that is concerned. There have been many other great men who have served their country on this commission. Judge Prouty is a big, broad, true American, and I have respect for such men; but when I know, after I have made a study of these questions, how they get violations of the fourth section, that there have been practically 6,000 violations made without much or any investigation and without a hearing, and that out of all that have been made in only some three hundred and odd has there been any hearings at all, I make up my mind that there is some influence besides evidence.

Mr. RANSDELL. I yield to the Senator from Maryland, if he cares to say anything.

Mr. BRUCE. I have nothing more. I have elicited from the Senator from Idaho just what I wanted to elicit, that if he does not think that all the members of the commission are the tools of the railways he at least thinks a majority of them are.

Mr. RANSDELL. Mr. President, I hope I will not be considered as taking part in this criticism of the Interstate Commerce Commission. I have never found I could get anywhere in this life by criticizing people, and I never indulge in criticism; so I trust that part of this debate will not be misunderstood, as far as I am concerned.

I ask to have attached to and made a part of my remarks a brief address, only four or five pages long, delivered by Mr. Frank Lyon, of this city, before the eighteenth annual convention of the National Rivers and Harbors Congress held in this city on December 6, 1922. The convention on that date held a joint debate on the subject, "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative was taken by Mr. Lyon.

The PRESIDENT pro tempore. Is there objection?

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

ADDRESS OF FRANK LYON, WASHINGTON, D. C.

Ladies and gentlemen and members of the association, I hope I will be able to so state my case as to require no reply on my part. [Laughter.] I shall do my best to make it so that I will not have to make a reply. I am a lawyer. I am an advocate. I believe in a thing or I do not believe in it. I imagine I have before me a much easier task than had my opponent, because I have a partial and sympathetic audience.

If I understand the purpose of your association, it is to develop water commerce. You are not particularly solicitous about the railroads of the country, except as they serve your needs, just as other inventions serve them, but I assume you are here to serve the interests of the water lines, and I am here to join you, and to tell you from the experience I have had how it may be done. The method that has been pursued by my honorable opponent, against whom I have appeared for the last 10 years in many controversies before the Interstate Commerce Commission, is the best way to wipe out transportation by water that could be devised. I point to history in support of that statement. This country now has the greatest natural system of waterways in the world. The possibilities of its development are beyond the imagination of the present generation, and it lies with such organizations as this to initiate the steps required for its development. We have the greatest rivers in the world. We have the greatest harbors. We have probably the longest coast line. With these wonderful natural facilities placed at our disposal by nature, what has been the history of water transportation during the past 60 years—since the advent of railroads in the equation of transportation? You gentlemen know that as well as I do. Water as a means of transportation has been in use since the earliest times. The aborigines had their canoes, and then came the application of the sail as applied to the canoe. This transportation goes back thousands of years. It has been the means of transporting commodities from the earliest time.

About the beginning of the last century came the invention of the steam engine by Watt, and a little later its application to the railroad. Prior to the Civil War the development of the railroad was in its infancy. After that war there was a great impetus to the building of railroads, and coincident therewith was the disappearance of the ship. Prior to the Civil War the American flag was in all the harbors of the world. Since the Civil War the American flag gradually disappeared from the high seas. It was in part restored by the building of a great fleet during the recent war. Now it is proposed to subsidize those ships in order that the flag may continue upon the sea.

The coastwise traffic of this country has always been protected by laws which prohibit the engaging therein by foreign ships, but there never has been any law which forbade the railroads from depriving such ships of business by the railroads charging less at the water competitive points than they do to points in the interior where there is no competition. I am here to advocate a line of policy on your part that will lead to the enactment of a law which will not permit the railroads to deprive the steamships of business by charging less than reasonable rates at the ports of call of the ships. Under the present law the Interstate Commerce Commission may authorize lower rates at the water competitive point. This authority should be withdrawn.

It is a question of governmental policy as to whether there shall be transportation by water. The Government might adopt a policy, or rather continue the present policy, of throwing all of its energies to the development of the railroad, leaving the ships to take only that business which the railroad does not want. I heard a prominent attorney of one of the transcontinental lines make an interesting argument upon the proposition that it is vastly more important to develop the railroad than the ship. While I do not agree with that contention, it is understandable from the point of view of those who have money invested in railroads. But what I have never been able to understand is how an advocate from Seattle, an important port on the Pacific, the residence of my opponent, could advocate any policy that would deprive Seattle of one pound of transportation by water. The only advantage a seaport has over an interior point is the fact that it is accessible to transportation by water, and here my opponent advocates a policy which has the effect of transferring from the bottoms of the ships to the railroads traffic that would naturally go by water if it were not for the policy advocated by him. It is a natural argument for the representative of a railroad. It is an unnatural argument for the representative of a port.

The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroads were forced to charge the water competitive point the same reasonable rate that it must charge interior points.

If the authority granted by the commission to the railroads to charge less than reasonable rates to the water competitive points does not have the effect of either diverting to the railroads a portion of the business then being handled by the water lines or preventing new business from coming to the water lines, the action of the commission is of no avail whatever to the railroad. It is important to get this thought clearly in your minds. The purpose of a departure from the rigid provision of the fourth section, that the railroads shall not charge less for the longer distance, is to divert natural water-borne business to the railroads. This fourth section of the act to regulate commerce has been amended two or three times, but the fundamental purpose has been written into all the amendments. Long before 1887, when the act to regulate commerce was enacted, railroads were charging less at water competitive points, and that policy has continued down to the present time. The Interstate Commerce Commission is a regulating body, created for the purpose of looking after the interests of railroads and shippers over railroads. It has no official duty with reference to water lines. The commission has no authority over ships and the steamships have no rights before the commission, unless it be in the case of joint rates. The commission has always been most courteous in permitting the representatives of the water lines to appear before it when fourth section applications were being considered which would have the effect of diverting business to the railroads if authority were granted. In the transportation act of 1920 Congress has said that railroads may earn 5½ or 6 per cent, and it is the duty of the commission to see that they do earn this if reasonably possible and the interests of the water carriers are not to be considered by the commission in its attempt to have the railroads make these earnings.

Do not understand me to imply that the commission is without sympathy for the water lines. What I mean to say is that Congress has so framed the fourth section, and the exceptions to be authorized thereunder, that it is entirely within the limits of propriety for the commission to lean toward serving the railroads at the expense of the water lines. In other words, your remedy is before Congress and not before the commission. So long as Congress leaves the law in the form it now is, that the commission may allow less rates at water competitive points than at intermediate points, it is inevitable that the commission will lean to the granting of such authority when the railroads show that the water lines are getting the business. The commission may not be justly criticized for this attitude.

During the war there was no transportation by water between the Atlantic and Pacific coasts and the railroads secured 100 per cent of the business. That was the ideal condition from the railroads' point of view. After the war the steamships again reappeared in the coast-to-coast business. In the nature of things they could not have reappeared had they not made rates lower than the reasonable rates that had been heretofore charged by the railroads. They could only secure business by reducing rates, as their service is less attractive. As soon as the steamships commenced to secure this transcontinental business in such volume as to justify their continuance in the business the railroads applied to the Interstate Commerce Commission for leave to depart from the rule of the fourth section by charging less between the coasts than to intermediate points. There were several of these applitions before the commission, some on westbound business and some on eastbound. The commission granted some and denied others. The denial was not based upon the fact that if granted the business would be diverted from the water to the rail line.

The basis of these applications by the railroads was that the ships were taking business between the coasts which they had not theretofore handled, and that in order to prevent this it was necessary that the railroads should be authorized by the commission to charge less for the haul between the coasts than to intermediate points. This means that less than reasonable rates would be charged by the railroads between the coasts while reasonable rates would be charged to the intermediate destinations. It is well recognized that the additional cost of handling additional business is less than the average cost of handling all business. In other words, with the railroads operating between the coasts, if business now carried by the ships could be transferred to the railroad, the additional cost of handling this new business would be relatively small. It was upon this theory that the case was presented to the commission and the railroads showed that they would not lose money by taking on the additional business at less than just and reasonable rates as that phrase is understood in the first section of the interstate commerce law.

The commission has heretofore recognized this as justifying an exception to the fourth section, if other provisions of the law were not violated. These low rates could not be authorized if their application unduly prejudiced the interior. Some of the applications made by the railroads were granted and some were denied. It would be tedious for the audience for me to here enter into a detailed discussion of the technical grounds upon which the applications were granted and denied. Suffice it to say that the denials were not based upon consideration for the water lines. The westbound applications were in such form that the commission held some sections would be unduly prejudiced if they were granted. These denials have worked to the advantage of the water lines to as great an extent as though there were a rigid fourth section applicable to this particular business. However, these decisions favorable to the water lines may be reversed at any time the commission

should change its mind or whenever there should be a change in membership. It must be remembered that substantially the same law has been in effect since 1887, and this is among the few decisions rendered that have curtailed the activity of the railroads in depriving ships of business where actual water competition was shown. Owing to this uncertainty as to what will be the attitude of the commission from time to time, it is vitally important that it should have no discretion and that the railroads should be forced to adhere to the strict provision of the fourth section where water competition alone is involved.

Members of the association will remember that in these recent transcontinental applications some were granted and some were denied. It may be that upon a second application some of those now denied may be granted. It may interest the association to know that there is set for hearing at Salt Lake City on January 30, 1923, a number of applications of these same transcontinental carriers for permission to depart from the rigid provisions of the fourth section in the making of rates on hides from the Pacific coast to the Atlantic coast. This involves identically the same question that was in the application for leave to depart from the fourth section in the case of wool, which was denied by the commission.

The shipping industry can not be built up successfully so long as the Interstate Commerce Commission is left discretion to allow departures from the fourth section which have for their purpose the limiting of business to be transported by water. To do away with uncertainty the law should be either that the railroads may take all the business or that the boat lines should be allowed to engage in the transportation without having hanging over them the continuing threat that at any moment this business will be taken from them because of authority granted by the commission to the railroads to charge less than reasonable rates at the water competitive points.

The issue is clearly drawn and is simple. There may be no denial of the fact that if the water lines transport the business the railroads will lose it. The converse is equally true. If the railroads transport it, the boat lines will lose it. It is for this association to take a definite and positive position in support of its own interests, and that position should be that the Interstate Commerce Commission shall not have authority to allow the railroads to charge less than reasonable rates at water competitive points.

In these applications the railroads in making them and the commission in rendering its decision often speaks of dividing the business between the water lines and the rail lines. In fact, that is what meeting competition means—that both means of transportation shall do part of the transporting. However, you can never get the railroads to say what proportion of the business they hope to take from the water lines. The reason for this is that they intend to get it all, if they can do so under rates that will be allowed by the commission. It is only a pretense on their part to say that they want only a portion of the business. If they are entitled to take 1 per cent of the water business, they are entitled to take 99 per cent of it so long as they do not place a burden on other railroad traffic, and that is what they intend to do under their application. The history of railroading shows that that is what they have substantially done upon all the inland waterways of this country.

Due to the war, the high railroad rates charged during and since the war, and to the fact that the attitude of the Interstate Commerce Commission as at present constituted is more favorable to water lines, there has been a substantial increase both in coastwise and inland water-borne traffic. If this attitude could not be changed, the water business would continue to grow, but so long as that attitude is subject to change, as it is under the present law, the ventures in water lines will be restricted, as no one will know when his investment will be made unprofitable by the granting of applications.

That the granting of applications in the past has gone further than the law contemplated is evidenced by the fact that the water competitive points have always been represented before the commission by counsel and traffic men, urging the commission to grant the application. Of course if these applications went no further than to give to the water competitive points only the advantage which they enjoyed by water, there would be no occasion for representatives of the water points to be insisting before the commission that the applications be granted. The moment you see one of these attorneys or traffic men appear before the commission on behalf of the application of the railroad you may rest assured that granting the application will give the water competitive point something more than it has been able to secure by the water line. During the past 10 years, in which I have represented the water lines in the transcontinental cases, our strongest opponents have been not the railroads but the terminal cities. The representatives of those cities have insisted that the applications be granted, although they represented the ports from which the ships sailed. It is a strikingly inconsistent attitude for the ports to insist that the Interstate Commerce Commission pursue such a course of action as will deprive the ships serving the ports of the only business they are able to secure. Yet this has been their position in all these cases, as it is that of my opponent here.

Not only have the railroads insisted that they had a right to meet the water competition at the places where that competition actually existed but, under the principle of "market competition," they have insisted that they have a right to deprive the water lines of business not only by making less than reasonable rates between the ports but by making less than reasonable rates from an interior point of manufacture to the port reached by the steamship.

As matters now stand the commission has no obligation to the steamships, while it has a definite obligation to the railroads, and it is but natural that it should decide fourth-section applications with that duty ever before it. It is for the commission to say how far the railroads may go in reducing rates to meet water competition. The only limitation is that the rates shall not be so low as to cast a burden upon other commerce. It must at least pay the extra cost of handling the additional traffic. This additional cost is so low that if allowed to be applied by the railroads there will be little water transportation. It will be remembered that this "out-of-profit cost" is not the "out-of-profit" cost from port to port, but from some interior point to the port of destination. Under such conditions no water line could meet the situation. Under that practice the railroads have in the past been allowed an exception under the fourth section in making rates from Colorado to San Francisco to meet the competition of boats from New York to San Francisco. In this case the "out-of-profit" cost is only that cost from Colorado to San Francisco. The recent decision of the commission in the transcontinental cases leans away from this method of making rates. But up to that decision the commission has authorized the meeting of water competition under the conditions named.

Compared with the twelve thousand million tons of freight orginated by railroads each year in this country, the amount handled by the water lines is comparatively trifling. In the transcontinental cases it appeared that in 1921 the total tonnage, both eastbound and westbound, through the Panama Canal from coast to coast was about 1,500,000 tons, and that the earnings were not over $15 a ton, making the gross revenue $22,500,000. The gross revenue of the rail carriers in 1921 was over six billions. The purpose of the fourth-section applications was to transfer part of this $22,500,000 to the railroads. If they had secured all of it they would hardly have known that it had been received.

In closing I can only repeat that if you are to serve the interest which brings you together in the Rivers and Harbors Congress it is necessary for you to urge an amendment to the interstate commerce law to the effect that water competition shall not constitute an exception under the fourth section authorizing the charging of less for the long than for the short haul. [Applause.]

Mr. ASHURST. Mr. President, the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] has been ably discussed. If Senators still are in doubt, I would ask them to send for a copy of the hearings held by the Committee on Interstate Commerce of the Senate in this session of Congress. It is a voluminous document, containing 887 pages.

I will not take the time to read even extracts from the hearings, nor would I ask a Senator to read all the hearings, but whoever reads a considerable part of these hearings will be convinced, as, indeed, any fair mind would be convinced, of the gross injustices and the discriminations of the long and short haul. I hope that when the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] is called to a vote, as I understand it will be very soon, it will prevail.

I have said nothing up to this time on this subject, because what I had intended to say has been said in a better way by other Senators than I could have said it. Upon this subject I will ask Senators to recall that when the conference report on the railroad control bill, which was House bill 10453, was pending before the Senate in February, 1920, a number of speeches were made on the conference report, which was adopted by the Senate on that day.

At that time the then Senator from Mississippi, Mr. John Sharp Williams, spoke upon this subject of the long and short haul. Not only was that Senator a philosopher, not only do we remember him for his flashes of Gallic wit, but we recall that when he applied his faculties to a question he usually produced a result that could be defended. It so happens that he gave the long-and-short-haul question his attention, and I am going to read a part of the remarks he delivered upon that subject when the conference report on what we now call the Esch-Cummins bill was before the Senate. That was on February 23, 1920. Pretermitting other matters not pertinent to the issue, I read as follows from Senator Williams's remarks:

Mr. President, I am in favor of the adoption of the conference report, although there are several provisions in the bill and several provisions in the existing law of which I do not approve. However, when you are brought face to face with a situation you are not called upon to say what is the best thing possible, but what is the best thing presently attainable. I think that this conference report is the best thing pres-

ently attainable. I do not, however, want my position in favor of the adoption of the conference report misunderstood, and therefore I want to say that in a part of what has been said by the Senator from Nevada [Mr. PITTMAN] I sympathize very much. As to that, I like to go back to history for an argument.

When the original railroad commission bill, as it was called, which afterwards became the interstate commerce law, passed the House of Representatives under the championship and leadership of Mr. Reagan, of Texas, afterwards a Member of this body, and prior to that time postmaster general of the Confederacy, and a man of very great ability, it contained a proviso to the effect that there should never be a freight rate for a short haul exceeding a freight rate for a long haul upon the same road in the same direction. When that bill got here the Hon. John Sherman, then a Senator from the State of Ohio—I believe it was he, but if not he, he advocated it, at any rate—proposed an amendment which the Senate adopted, putting in three little words—

We recall with what remarkable emphasis, and even with what grimaces, the learned Senator from Mississippi spoke of those three little words.

Mr. KING. Weasel words.

Mr. ASHURST. Weasel words, he might have said, as I am reminded by the able Senator from Utah. I quote further from the remarks of Senator Williams:

"under similar conditions," I believe were the words, or, perhaps, "under similar circumstances" (under similar circumstances and conditions).

When the law went to the courts and to the Interstate Commerce Commission they decided that when freight was being carried from New York to San Francisco or from Boston to New Orleans on a railroad the railroad had a right to compete with water rates on the ground that water rates and land rates were not similar but dissimilar, and that, therefore, the three little apparently innocent words "under similar conditions" changed the entire construction of the law. They therefore ruled that a bale of cotton could be carried down the Yazoo River from my town, which was on the Yazoo River, to New Orleans on the railroad for $1.25, whereas from Vaughan Station, 25 miles due east from me, and the same distance on the same railroad, but not on a navigable river, they could charge $2.25 a bale. The decision was based upon the ground that Yazoo City was on a waterway and Vaughan not, although Yazoo was out of the direct way from Memphis to New Orleans. What has been the consequence? The entire actual commerce upon the Mississippi River has been killed as dead as a door nail. When I was a boy I could go down to the wharf at Memphis, Tenn., and find any day from 15 to 25 boats at the levee. You could have gone down to New Orleans and found still more; to Vicksburg, and found as many; but the minute the railroads were allowed to reduce their freight rates in competition with water rates just low enough to put the steamboats out of operation, the steamboats went out of operation.

Then a great many people in these towns on the rivers but in favor of river and harbor bills began to talke about "potential competition." What is needed is not "potential" competition but actual competition.

What was the further consequence? The further consequence was that the railroads on each side of the Mississippi River—and there is a continuous line on each side—were congested with freight, so that it frequently took absolutely a longer time to send a given commodity by freight on the railroad from Memphis, Tenn., to New Orleans, La., by rail than it did downstream by river, because the railways were congested. The reasons for that Senators who understand insurance and understand the remainder of the situation will appreciate.

Mr. President, what happened in Germany in connection with a similar condition? Under old Bismarck's wise statesmanship the German Reichstag absolutely forbade any railroad ever charging more for a short haul than for a long haul. There were railroads on each side of the River Rhine, and when I was a boy, before Bismarck's policy went into operation, the Rhine had no great cargo-carrying business at all. Tourists made use of it and it carried a few commodities from river landing to river landing, just as the Arkansas or the White River steamboats do; but after that policy was put into operation two things occurred. The first thing that occurred was that all the lumber and the iron ore and the coal, where expedition of delivery was not essential to the business, went by water down and up the Rhine, and other business requiring expedition went by rail, there being two continuous railroads, one on each side of the Rhine. The consequence was that the railroads were never congested and that the Rhine increased its business twentyfold.

The consequence of the other policy, which was pursued here, was that the great Mississippi River, the central artery of this country, carrying freight from St. Paul to New Orleans and from above St. Louis on the Missouri to New Orleans and from above Cincinnati on the Ohio to New Orleans, was absolutely crippled and put out of business except for a little coal delivered on barges downstream and some grain delivered in the same way.

So I am just as much opposed to the system which is criticized by the Senator from Nevada [Mr. PITTMAN] as he is; but, as the Senator from Washington [Mr. Poindexter] says, the fault is in the present law and not in this conference report. That is not all. That particular point about long and short hauls is not in conference at all. If the conferees had attempted to deal with it a point of order could have been made.

The Senator in another part of his able speech made a further statement that I desire to read. I recall that speech with particularity. I think I was sitting then in the seat I now occupy. The speech struck me so forcefully that when my attention was called to it yesterday I concluded that it ought to be delivered again to the Senate. He said:

Water carriage alone—a gift of God and of nature—makes a sufficient discrimination, and if a railroad were forbidden ever to charge more for a short haul than for a long haul, whenever they reduced the long-haul charge they would have to reduce the short-haul charge proportionately, and intermediate points would get the benefit, and this would avoid the very inequity of which the Senator from Nevada complains and would bring about that equality of opportunity which, whether for individuals or communities, spells equality.

I know in my own section how the scheme has been worked. Freight can be carried from Memphis to New Orleans upon the Mississippi River, by the Illinois Central, or the Mississippi Valley road, or on the road on the western side of the river. The rail rates are put just a little bit above the water rates, because they need not go quite down to the water rate. Shippers having the same rate both by water and rail will prefer to send by rail, with the idea that the shipment will reach its destination quicker. So the railroads put the boats out of commission; they were tied up, no new boats were built to take their places, and the great, magnificent interior waterway system that God gave this country has been deprived of almost all of its efficacy.

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I do not so much reprobate the question of discrimination against intermediate points, although that is unequal, inequitable, unjust, and bad, as I do the destruction of the God-given navigability of the waterways of interior America. This is the very opposite of conservation of resources. It is destruction of natural resources by the artificial operation of statute law. Here is this great arterial system from above St. Paul to New Orleans, from the Blue Ridge down to the Gulf, from the Rocky Mountains nearly down to the Gulf; and by just three apparently innocent little words in a law this whole magnificent opportunity of the American people was destroyed. You may say whatever you please about old Bismarck and the Germans—and I have no good word to say of Bismarck's way of running his country—but Bismarck had better sense than that; he never destroyed the commerce on the Rhine; he built it up. He never destroyed the railroads, because while the water carried the heavy commodities, the railroads carried the light commodities, and wherever expedition of delivery was the chief thing to be considered the railroads carried the freight, and where cheapness of delivery was the chief thing the water carried it.

It seemed to me that the debate on the proposed amendment ought not to close until this contribution had been put into the RECORD. Paying my tribute of respect and admiration to all that has been said, and well said, this speech made on the 23d of February, 1920, by the then Senator from Mississippi, Mr. Williams, is to this hour unanswered. In my judgment it is unanswerable.

In conclusion, respecting the long and short haul, nearly everyone admits that it is a discrimination as it operates at this time. I repeat, nearly every person admits that it is a discrimination. A large majority of our citizens admit that it works an injustice. But there never has been a person in America who has replied to the charge that it was dishonest. No man can defend its honesty, because it is a dishonest provision. It attempts to do by indirection that which it has not the courage to do directly. It attempts to discriminate, and it does grossly and furiously discriminate, against intermediate points in favor of points, which, as the able Senator from Mississippi well said, have already by nature and by Providence been very sufficiently provided for.

Mr. KING. Mr. President, the subject under consideration is of transcendant interest to the people of the United States, and particularly to various interior sections. The question of transportation now, as always, is one of supreme importance. The fertility of the soil, the increase in agricultural products, the thrift and industry of the people; all these things count for naught if transportation facilities are denied or are accompanied by obstacles so great as to deprive producers of profit upon their investments or reward for their labor.

In ancient times, when land transportation was limited to most primitive methods, the prosperous and progressive communities and States were found upon the shores and banks of

oceans, seas, lakes, and rivers. The wind and the sail and the boats propelled by human hands carried the products of the people to waiting markets. The shores of the Mediterranean Sea were dotted for hundreds, if not thousands of years, with mighty cities made great and populous by their maritime trade.

Wealth results from barter and trade, from the sale and exchange of commodities and the products of labor. The Greeks and Phœnicians were trading peoples and gained eminence centuries ago as a result of the intrepid spirit of their traders and seamen, who carried from port to port and country to country not only the products of Hellenic States and Phœnician cities but also those of many races.

Venice wore the crown of commercial primacy because upon the seas were thousands of craft carrying under the Venician flag the products of all climes. Great Britain's marvelous development is attributed to her maritime activity. Before the days of Drake England's place in the world was not conspicuous; but when British ships traversed the seven seas and sought the ports of all lands the day of her greatness dawned and the foundations of her commercial and political power were laid.

In the early days of this Republic and, indeed, until the time of the Civil War, this Nation was a strong competitor of Great Britain in ocean commerce. From the shipyards upon the Atlantic coast came the swiftest and best cargo-carrying vessels. The harbors of the world were familiar with the Stars and Stripes which fluttered from the mast-heads of innumerable American ships which brought to our shores, and carried from our ports to many lands, products essential to the people of the world. A trading people will become a prosperous people. It is important that there should be great production, but it is essential that proper and adequate transportation systems, both rail and water, shall be developed if industrial progress shall be enjoyed by the people of this age.

Following the Revolutionary War, the adventuresome sons of American fathers turned their faces toward the West. They crossed the Alleghenies and settled Kentucky and Tennessee and other sections out of which great Commonwealths have been carved. Still others pushed beyond the Ohio and into the Northwest Territory, where great States were founded. And as the years went by, their children looked beyond the Mississippi and toward the plains and mountains of the West and to the far-off Pacific coast. By their heroism, thrift, and industry they established towns and cities and States, and added to the wealth and glory of this Republic.

The numerous waterways threading our vast domain were utilized by the people, and proved of value in the development of the country. They cheapened transportation and enabled the people to convey their surplus products, not only to interior points, but to ocean ports from which they were carried to the markets of the world.

The genius of America was never more conspicuous than in the application of scientific principles and new discoveries and inventions in aid of the industrial and economic development of our country. Steamboats were placed upon our rivers and lakes, and railroad lines crossed the land, binding together not only oceans which washed our shores, but all sections of our country. We often speak of the Seven Wonders of ancient times—of the Colossus of Rhodes, of the Hanging Gardens of Babylon—how little and insignificant they appear compared with the remarkable, not to say miraculous, development of railroads in the United States and the vast transportation system which was created.

At the beginning of the World War we had more than 280,000 miles of railroads within the continental limits of the United States; and these great railroad systems, notwithstanding their defects and the mistakes which the officials of some systems had committed, were serving in a fairly satisfactory way the needs of the people in many sections of our country. I do not mean to state that the conduct of all railroad companies was free from criticism or can be wholly indorsed. As a matter of fact, many injustices were perpetrated and oftentimes discrimination was practiced which not only proved injurious to some parts of our country but destructive of the prosperity of the people residing therein.

The American people for a hundred years following the Revolution were like a young giant. They burst their bonds and with a militant and buoyant spirit pressed forward into unknown projects and almost undiscovered territory, and oftentimes with heedlessness they pushed forward enterprises and projects without proper provision for their development or any recognized objective. The blood of youth was in their veins, and they were often carried forward upon the strong wings of a consuming ambition to accomplish big things in a big way. The material achievements during the period to which I have referred, utilitarian though they were, constitute an epic, and future ages will point to that time as one of the dynamic and heroic periods of the world's history. The business of the world was revolutionized, and the inventions and discoveries of men of genius were directed along practical lines and harnessed to the car of progress which carried the people of our country forward.

We do not forget Vanderbilt and the projectors of the New York and New England railroad systems, and those who developed the great railroad organizations in such States as Michigan, Ohio, Indiana, Illinois, Wisconsin, as well as in many of the Southern States; and when American railroad systems are discussed, we think of those who projected and built the railroads west of the Mississippi and to the Pacific coast. Stanford and Huntington and Hill, and a multitude of other great builders bulk large on the horizon when we speak of the railroad and empire builders of this Republic. Eulogies have been paid during this debate to those who have built our railroads and terminals; I join with Senators in paying tribute to those who have carried out vital transportation projects, who have planned great bridges and pierced mountains and performed difficult engineering feats required in the execution of the mighty tasks which they undertook. They were architects in the building of our Republic.

America has produced not only political architects who have builded a great political and governmental system and founded democratic institutions—which we pray may be preserved for all time—but she has given to the world architects and builders and engineers whose works have been the marvel of the age and whose labors have materially contributed to the happiness and welfare of the American people. These men have applied the scientific discoveries and inventions of the age, and have brought within the reach of the people not only the necessities of life, but commodities and products and countless other things which have ministered to the comfort and happiness of the people.

I should not omit to pay tribute to the moral and spiritual and intellectual leaders produced by our country, whose contributions to America's development and the progress of the world can not be estimated or fully appraised.

Mr. President, as I have indicated, while recognizing the merits, advantages, and benefits of our railroad transportation system, it must be confessed that there are defects in its framework, and there have been serious mistakes which have imposed burdens upon the people in its administration. Unfortunately at times men have seized control of railroads for selfish ends and have used them for personal aggrandizement. There have been crooked schemes devised and frauds perpetrated by manipulators and capitalists and promoters who exhibited but slight regard for the laws of morality and common honesty. These outstanding transactions and in some instances fraudulent and corrupt practices, however, provoked resentment upon the part of the people, and lead oftentimes to wholesale criticisms and indiscriminate condemnation of our entire transportation system. Undoubtedly in the early days of railroad building not only the promoters and builders but most of the people regarded these enterprises as belonging exclusively to the corporations controlling them or to the interests behind such corporations. The idea had not been developed that corporations existed not as a matter of right but by reason of the will of the people, and that transportation companies were common carriers and subject to State and governmental control.

Many railroad corporations and their managers resolutely opposed Federal or State regulation or any curb upon rates, either passenger or freight. The prevalent idea for many years was that railroads, being privately owned, were not subject to any regulation, either municipal, State, or National. This view led some railroad managers and some operating systems to pursue a high-handed and arbitrary course in their dealings with the public.

Senators are familiar with the system of rebates and the discriminatory and unfair practices which prevailed for many years. Finally legislation, State and National, corrected these evils, and the railroads accepted the view that they were common carriers, that they were public-service corporations, and subject to reasonable rules and regulations promulgated and enforced by National and State authorities. That rather dark and wholly unsatisfactory chapter in the history of our railroad development, I think, is closed. Generally speaking, I believe that those who own and control our railroads recognize that the welfare of the public is paramount and that railroads must be operated in the interest of the public and be subject to such reasonable regulations as may be prescribed by law.

It is to be expected that occasionally there will be found rebellious persons who can not accommodate their views to

the changed conditions and to the true and proper concepts as to the functions of railroads and their relation to the public generally.

I have felt at times that some railroad officials have been indifferent to the needs of the people and were too strongly influenced by the traditions that have come down from the past.

Upon the other hand, we frequently find persons in official as well as in private life who regard the railroads as the exclusive property of the public or of the Government. They seem incapable of understanding that private persons have built the railroads, and that the billions of dollars employed in their construction and equipment have been furnished by hundreds of thousands of people whose holdings therein are represented by stocks and bonds. It should not be forgotten that many estates and insurance companies own railroad stocks and bonds, and hundreds of thousands of people of moderate means have invested a portion of their savings in railroad securities.

For years the railroad question has been the subject of controversy; it has aroused bitter discussion and has been the basis of political disputation. Among the farmers, the wage earners, the business men, the capitalists—indeed everywhere throughout the land, the question "What shall be done with the railroads?" has been the subject of discussion, often partisan and frequently in ignorance of facts. Intemperate remarks and unfair criticisms have been directed against the railroads and their management. Many who have discussed the question have been unwilling to consider all factors involved or all elements entering into the subject. They have been dogmatic, oftentimes selfish, and frequently ignorant. They have not always appreciated that the railroad problem is one of great intricacy and may not be solved by tyros or comprehended by superficial investigators. It is a problem calling for intensive study and sound judgment. It is not a subject which should be treated in a partisan manner, nor should it become the football of politicians. Unfortunately, efforts have been made from time to time to make it a political question, and upon many occasions it has been used for the elevation of unworthy persons to official position. And the railroads themselves and their officials have too often been arrogant in their dealings with the people and have sought to control States and their political subdivisions.

But I believe a new day has dawned and the railroad corporations and their stockholders and the majority of the people have a truer conception of the duties and responsibilities of transportation companies and their proper relation to the Government—State and National.

Speaking broadly, I think it may be said that railroad officials as well as the Interstate Commerce Commission and the various railroad commissions of the States are seeking the adoption of plans and policies which will best serve the people and at the same time protect the rights of those who have invested in the securities of transportation companies.

I am compelled, however, to modify this statement in view of the situation which was brought to the attention of Congress and which the amendment now under consideration seeks to correct. The action of the transcontinental railroads, which are seeking permission to modify, if not abrogate, the long-and-short-haul provision of the transportation act, seems to me to be a recrudescence of the policy of discrimination which has so marred the record of the railroad companies of the United States. I regret exceedingly such action upon the part of the railroads. It will provoke resentment and arouse prejudices which have been allayed, if not extinguished. It will tend to develop old feuds and controversies, the injurious effects of which will be felt sooner or later by the railroad companies.

Mr. President, while conceding that the transportation problem is a complicated one, nevertheless it would be childish to declare it to be insoluble, and therefore the public and railroad officials must deal with it in a capricious, haphazard, and experimental way. Much light has been thrown upon the subject of transportation during the past two decades, and certain rational—indeed some might say scientific principles—have been evolved. However, the railroad question has not yet been settled. It has not been determined what form of organization will finally be adopted. The extent to which the unification of all transportation systems shall be effected does not bring a concurrence of views.

Many of the States evince great dissatisfaction with the authority exercised by the Interstate Commerce Commission over intrastate railroads, as well as over the segments of interstate railroads found within the boundaries of such States. Many believe that the Federal Government has exercised too much control over railroads, while others insist that there has been too little Federal supervision. We find still others contending that the Government shall take over the railroads and own and operate them.

While admitting that the railroad question is still in the lap of the gods, I believe that sufficient data are available to enable the railroads to formulate just and rational transportation policies. Undoubtedly the questions involved in rate making are difficult. I have thought at times, however, that some railroad companies have surrounded the rate-making structure, or the machinery which rate-making experts created, with an air of mystery, largely for the purpose of bewildering the people, particularly the shippers. Rate-making experts have accompanied their explanations with so many technicalities and dubious phrases and clouded utterances that State utility commissions as well as courts have sometimes been befogged and misled.

Mr. President, Washington is the Mecca to which come caravans, not all of whom are composed of wise men, who seek to impose their views upon Congress and to secure legislation and the adoption of executive and administrative policies which they believe, or affect to believe, are indispensable for the welfare of the people. Many foolish and fantastic schemes are suggested with reference to our transportation system, as well as activities which it is urged the Government must undertake. Some persons desire the States submerged and the assumption by the Federal Government of all powers now exercised by sovereign States and their political subdivisions. There are some individuals who profess their devotion to democratic principles and to what they call "progressive policies," whose only idea of progressivism is embodied in the doctrine that the Federal Government shall create a multitude of agencies and bureaus to whom shall be committed the power to rule the country. There are some who profess great interest in social questions, in education, in economic and industrial problems, but the solution offered by many of these individuals for the evils—real or imaginary—supposed to exist in our country, is found in the formula that Congress must enact more laws and extend the jurisdiction and authority of the General Government over States and individuals.

The idea of many of the people seems to be that bureaucracy and paternalism constitute the unfailing panacea for all social, economic, and political ills. It is sometimes discouraging to behold the lack of understanding upon the part of so many people as to our form of government and the checks and balances which have been provided for the preservation of the liberty of the people. It is amazing to find so many American citizens who are unaware of the rights of the States and the limitations placed upon the Federal Government; and it is depressing to discover the large number of unthinking people who are seriously engaged in the task of destroying local self-government and converting the people to the view that they are incapable of governing themselves or working out their own destiny, and therefore a powerful Federal and paternalistic Government must be created where authority will be exercised through hundreds of bureaus and departments and commissions and Federal agencies.

There are too many Americans who are constructing crutches to put under the arms of individuals and too few who are expounding those enduring principles which guided our fathers when they established this Republic.

Some of the class of people to whom I have referred are constantly importuning Congress to have the Government acquire and operate the railroads. They seem indifferent as to whether the owners of the railroads shall be paid for their property or not. Many such persons regard the Government as possessed of all power, seeming to be oblivious to the fact that such view would make a despotism of this Republic. The examples which we have before us, of the failures of governments to successfully and economically and efficiently carry on enterprises which belong to the realm of private endeavor, are lost upon these apostles of paternalism and bureaucracy, whose cries resound throughout the land and whose shadows haunt the Capitol. However, I shall not pursue this thought further.

Mr. President, I confess that I approach the discussion of the measure before us with some misgivings. I have given some study to our transportation problems and have endeavored to familiarize myself with the legislation of Congress, as well as that of most of the States; and I have followed with interest the decisions rendered by the Interstate Commerce Commission and by our courts—State and Federal—upon transportation questions which have been brought to their attention; and I have given some little attention to the theory upon which freight rates are based and have sought to understand the effect

of changes in the rate structure and the modification of what, in the absence of a better term, I shall call the "mechanism of rate making."

Of course, it would be presumptuous upon my part to say that I can throw any light upon a question which I have conceded is intricate and complicated. However, the point which I desire to discuss can not be dissociated from certain concrete and practical matters, nor from effects with which many people are familiar. Oftentimes, even without technical or expert knowledge, pertinent observations may be submitted where injustices are being suffered and policies executed which discriminate against sections or classes. The proposition before us is not new. Many sections of our country have suffered from what the people regard as discriminatory and unfair practices of railroads in charging lower rates for the longer than for the shorter distances between two points, the shorter being included within the longer distance. In many sections of our country it is believed that the railroads and the Interstate Commerce Commission have nullified congressional legislation which was enacted to protect interior points against a system of freight rates which, as applied, gave advantages to other sections, and particularly to terminal points.

The long-and-short-haul provision of various acts of Congress has been provocative of controversy, and the efforts which have been made, by those sections of the country which have suffered from the discriminatory rates imposed, to secure what they believed to be a proper interpretation of these acts, and the failures attending such efforts, have produced a feeling of exasperation and resentment which could only arise from a sincere belief that a gross injustice had been done.

The Senator from Maryland [Mr. BRUCE] has presented in an admirable and able manner the position of some railroad officials upon this perplexing question. He attempted to demonstrate that the charging of less rates from coast to coast, or from one section of our country to another, than were charged to intermediate points upon the same line, would result in benefit to the people, taken as a whole, including, of course, those residing at such intermediate points. I am not able, Mr. President, to subscribe to the conclusions reached by the able Senator. The Senator from Arizona has just read from a speech delivered by former Senator John Sharp Williams on February 23, 1920, during a discussion upon the long-and-short-haul provision of the transportation act. This speech presents in a convincing way the arguments in opposition to the policy of permitting lower rates for a long haul upon the same road in the same direction than upon a short haul. He pointed out the disastrous effects of such a policy upon water transportation and the injurious effects resulting to intermediate points. He denounced the "discrimination" against the intermediate points as being unequal, inequitable, and unjust.

The pending amendment deprives the Interstate Commerce Commission of the power to grant departures from the fourth section of the transportation act to meet water competition. In other words, it gives full effect to the long-and-short-haul clause in so far as railroad rates may be affected by water competition. It does not forbid rail and water competition, but it does forbid the right to reduce rail rates to and from water competitive points, the result of which would be to charge less for longer than for shorter distances for the transportation of passengers or property. It compels, in effect, a rate structure which would compel the Interstate Commerce Commission to require that rates charged to competitive water points shall be compensatory and shall not only pay the actual cost of moving freight but contribute its fair share toward a fair return on the property.

The Senator from Maryland confessed, as I understood his position, that there should be some limitation upon the authority of transportation companies to impose higher rates upon the freight hauled to intermediate points. His position, as I understood it, was that it would be unfair if freight should be carried at a loss from one terminal point to another, so that freight rates to intermediate points would have to be maintained or adjusted to meet the deficit. However, he contended that to meet water competition railroads should be permitted to modify the long-and-short-haul clause of the existing law. It is difficult to determine just where the position of the Senator would lead us to, or where he would draw the line below which rates might not be reduced. I shall discuss this question later in connection with the 1920 act, providing that rates must be "reasonably compensatory."

Mr. President, it is possible that under some circumstances and for a limited period a policy may be justified which gives advantage to the long haul over the short haul, but no conditions now exist justifying further departures from the fourth section. Indeed, broadly speaking, I doubt whether a policy which permits discrimination resulting in higher rates for the short than for the long haul will prove beneficial either to the railroads or to the country. The injustices of such a course are manifest. It is unfair to charge the same rates from Chicago to Denver as from Chicago to San Francisco.

The intermountain States have been the victims of railroad rate discrimination, and this policy has prevented the development of the intermountain regions. It is apparent that a rate structure which discriminates against sections will arrest the development of that part of the country to which such discrimination is applied, regardless of its natural resources or the thrift and energy of its people. No part of our country can be prosperous without adequate transportation facilities, and such facilities are not adequate if discriminatory rates are laid upon it. For years it has appeared to the residents of the intermountain region that the railroad companies were more interested in developing cities upon the Pacific coast than they were in doing justice to the intermountain region and to territory west of the Missouri River.

It was felt that after some of these discriminations had been removed by the Government when it was operating the railroads there would be no further attempt to return to the old conditions; but certain transcontinental lines are now seeking permission, under the pretext of meeting water competition, to lay the heavy hand of destruction, through discriminatory freight rates, upon a large section of our country. The Senator from Maryland stated that there was no certainty that the Interstate Commerce Commission would grant the application, and therefore no legislation should be enacted to restrain it from exercising its discretion in the matter.

I concede that we do not know what action will be taken by the commission. However, if its former interpretations of the long-and-short-haul provisions of the law are prophetic of its action upon these applications, then there is real ground for concern upon the part of those residing within the intermountain region. The granting of the applications would prove so disastrous to this section that even the thought of it fills the people with dismay.

It has been said by persons familiar with conditions in the West that economic and industrial ruin would sweep over the intermountain States and severely affect other portions of our country. In view of this impending peril, the people of the intermountain States have been aroused to the imperative necessity of obtaining legislation such as is contemplated in the bill now before us.

Mr. President, I shall not indulge in harsh criticism of the Interstate Commerce Commission, although I feel constrained to say that some of its decisions in interpreting and applying the long-and-short-clause of the transportation acts have seemed to me to be illogical and at variance with the spirit if not the letter of the law. I appreciate the fact that the questions presented for their determination are intricate and complicated, and that the mutations in our economic and industrial life aggravate the problems presented for their consideration. It is also true that these changing conditions add to the problems of transportation companies. The construction of the Panama Canal introduced a new factor into the equation and perhaps called for a reexamination of the issues which theretofore have been raised. I know the practice is quite general throughout the country to denounce our courts and the Interstate Commerce Commission. Their decisions are often the subject of coarse and brutal criticism, and the officials themselves sometimes are not free from vituperative abuse.

Mr. President, in my opinion the judges of our country are men of probity and integrity. I think the same is true of members of the Interstate Commerce Commission; and, generally speaking, it may be said that our public officials measure up to the high standards of honor and integrity which should obtain among an enlightened people. As a lawyer I have met many judges and State and Federal officials. I have never seen a judge who I thought was corrupt or who betrayed his trust.

During this debate the Interstate Commerce Commission has been severely criticized, and I have felt that some of the criticisms have reflected upon the fairness and integrity of at least some of the members of the commission. I repeat that while I have not agreed with all decisions of this important Federal agency I have never felt that the members of the commission were actuated other than by a desire to be just and to administer the law as they understood it.

We must recognize the fact that individuals are influenced unconsciously by their training. Coming as I do from a section in which the people universally believe they have suffered from the failure of the Government to enforce the pro-

visions of section 4 of the transportation act, it is quite natural that I should be influenced by that view. Those who are called to the bench or to fill positions with the Interstate Commerce Commission carry with them their former views and ideas. They do not change overnight, nor can they throw off the thoughts and habits of a lifetime. It is not expected that they should. But the history of our political institutions and of our courts confirm the statement that those who have been called to responsible positions in the Republic, or in the State, or in the executive, legislative, or judicial branches of our Government, have sought with fidelity to discharge the duties devolving upon them and to meet the responsibilities of their various callings in a patriotic and honorable way.

Recurring to the applications filed with the Interstate Commerce Commission by the transcontinental lines, I desire to repeat that the people of the West are filled with apprehension. They know what the consequences will be if favorable action is taken upon these applications by the commission. Prior to 1918, as Senators know, the departures from the fourth section of the transportation act, departures authorized or acquiesced in by the commission, brought disaster to the intermountain States.

Nature has endowed that part of our country with great wealth. The fields are fertile and the mountain streams carry vitalizing waters which, when applied to the soil, result in abundant harvests. The coal mines there found can not be equaled in any part of the world. Petroleum deposits are found in great stretches of oil sands hundreds of miles in extent. The mountains hold within their embrace gold, silver, lead, copper, and other precious metals the value of which can not be computed. The mountains and the plains and the deserts furnish food for cattle and sheep. The raw materials are there for great manufacturing enterprises and for industries of the most varied character. But with all these resources industrial and commercial advancement has been retarded, if not prevented, because of the discriminatory freight rates imposed. High freight rates have prevented the development of our coal mines and the establishment of important iron and steel industries. Agricultural products which can be produced in such great abundance are deprived of value because markets are closed against them through prohibitive railroad tariffs. And so it is both with respect to commodities and products produced in the region referred to as well as with respect to commodities imported into such district.

In 1918 some relief was obtained by the people of the region to which I am particularly referring. Freight rates became more equitable and uniform. It must be stated, however, that the rates imposed were so high as to prohibit the shipment from intermountain States of surplus products of the value of hundreds of millions of dollars, and these surplus products were needed in the United States and in foreign lands; but their value was destroyed and the industries to which the West was entitled languished and many of them died. Notwithstanding the great coal deposits from which the world could be supplied for thousands of years, Utah has been permitted to ship annually but a few million tons.

The same may be said of Wyoming, as well as other Western States, whose coal measures are inexhaustible. I repeat that the freight rates which have been and are in force make it impossible to ship from the West the mineral wealth, the agricultural products, and other commodities which are found there in such rich abundance. Without lower freight rates this section and other parts of our country will be prevented from developing and reaching that high standard of industrial and economic development which their resources demand.

A number of small industries, however, have been developed in Utah and surrounding States since some of the discriminatory practices to which I have referred were abandoned; but if the petitions referred to are granted then the industrial progress which is being witnessed will be arrested and industrial paralysis will follow.

Mr. President, it is a great mistake to have our manufacturing plants and factories in a few restricted districts. There is too much congestion in the "neck of the bottle." There should be more of a diffusion of the manufacturing business of our country. It would be far better for the Nation—and certainly for the people—if many of the great manufacturing plants, factories, and industries now crowding New York, Philadelphia, Boston, and Chicago, as well as other points which might be mentioned, had been erected in the interior of the United States and in some of the Western States and upon the Pacific coast. The housing problem in the great cities would not have been so serious. We have witnessed the advantages of this decentralization of industry in some of the Southern States. There factories have been erected in country towns and in rural districts, and the people who work in manufacturing plants have all the advantages incident to suburban life.

President Harding, in his message to Congress in December, 1921, in effect, condemns the rate-making policy which has brought unhealthy concentration of wealth and industry in limited sections. His words are as follows:

> The existing scheme of adjusting freight rates has been favoring the basing points until industries are attracted to some centers and repelled from others. A great volume of uneconomic and wasteful transportation has attended, and the cost increased accordingly. The grain-milling and meat-packing industries afford ample illustration and the attending concentration is readily apparent. The menaces in concentration are not limited to the retarding influences on agriculture.
>
> Manifestly the conditions and terms of railway transportation ought not to be permitted to increase this undesirable tendency. We have a just pride in our great cities, but we shall find a greater pride in the Nation which has a larger distribution of its population in the country where comparatively self-sufficient smaller communities may blend agricultural and manufacturing interests in harmonious helpfulness and enhance good fortune. Such a movement contemplates no destruction of things wrought, of investments made, or wealth involved. It only looks to a general policy of transportation of distributed industry and of highway construction to encourage the spread of our population and restore the proper balances between city and country. The problem may well have your earnest consideration.

President Harding argued for a transportation policy which would tend to decentralize population and develop in various parts of our country manufacturing industries and markets, in order that there might be a symmetrical and proper development in our economic and industrial life. The discriminatory rates and the inequities found in rate structures of the past and, in part, of the present, are largely responsible for the unhealthy congestion and spotted industrial development of our country.

I am glad to know that some leaders in manufacturing industries are taking a different view from that which has obtained in the past and are erecting factories in small towns and in rural districts. Some of the problems of transportation would be solved if the factories and manufacturing plants were taken to the farms. If there were in Iowa and Nebraska and Kansas and in other agricultural sections large manufacturing plants, furnishing employment to hundreds of thousands of people, the farmers would have better markets for their products and would be free from the crushing burdens imposed by transportation charges, and the profits for their toil and labor would be very much greater.

In the Intermountain States the mineral and other resources are so great that hundreds of industries could be developed if reasonable rates could be obtained. The coal-tar products of Pennsylvania have aided in developing a great chemical industry. The bituminous coal fields of Utah, Colorado, and Wyoming are the basis for a multitude of chemical plants. The West needs steel and iron. It has iron deposits and coal from which a superior quality of coke can be produced, but the transportation problem stands as a threatening specter before every movement for industrial and commercial development.

Mr. President, it is not a satisfactory condition which develops prosperity in spots. We must have universal prosperity in our country. Our industrial system is faulty if it reduces the farmers to poverty and adds to the tremendous fortunes of the manufacturers and the great industrialists of the land. If for a protracted period agriculture languishes, its effect will be felt in the cities and in all sections of the country. Agriculture is the basis of our Nation's prosperity. The United States can produce agricultural products sufficient to feed the world, and our resources are so great that we can supply annually manufactured products of the value of billions of dollars for the people beyond our shores. If the West does not prosper and agriculture languishes, within a short time manufacturing plants will close and thousands of unemployed will walk the streets of our cities crying aloud for opportunities for work and bread for their families.

With our great resources, there should be no atrophy or hypertrophy. There must be no dilation of the heart or atrophy of the limbs. The blood of prosperity must course freely through all parts of the land, giving life and vigor to the people and producing a well-balanced and symmetrical development.

It is a mistake for railroads to dry up the fountains of wealth in some sections for the purpose of increasing production in other sections. A transportation policy which prevents the development of one portion of our country in order to overdevelop some other part can not be defended in morals or

be justified upon any rational ground. Railroads are public agencies, and they must not use their powers to destroy communities or sections. The laws under which their charters are obtained should prevent discriminations and should require of them the adoption of just and fair measures and the execution of policies which will have the interests of all the people of our country at heart. Much of the prejudice against railroads, and I regret that there should be any prejudice, has resulted from the feeling that some railroad officials have been indifferent to the needs of the people and to the just demands which they have made. There is a feeling that there have been too many conflicts between rival groups of capitalists to obtain control of railroad companies, whether competing or not; and many people feel that they have been mere pawns upon the chessboard to be used in promoting organizations which have played with railroads as if the people had no interest in the same.

Let me repeat what I stated a few moments ago, that the time has come when the transportation question must be settled along the lines of justice and equity. The owners of the railroads are entitled to a reasonable return, and a railroad policy must be adopted which will encourage capital investments in railroad development. With the growth of our country, the expansion of business is sure to come. We must add annually to our railroad trackage thousands of miles. There must be no confiscation of property, no governmental or bureaucratic oppression which will paralyze the initiative and the genius of railroad managers and operators. The railroads must be so operated as to command the confidence and support of the people, and a spirit of mutual good will and fellowship must be cultivated.

The growth of our country is such that the freight carried by our railroads doubles every 10 or 12 years. If time permitted, I could show, covering various decades during the past four or five decades, the remarkable increase in the freight carried by the railroads of our country. It is likewise true that the gross earnings have increased in a most astonishing manner during the last 15 years. During the next 10 years the population of the United States will increase many millions. The production of the country will likewise increase. Unless our railroad facilities are multiplied the transportation problem will become more serious than it has been in the past. I repeat, a policy must be pursued that will encourage capital investment in our transportation systems. There are now needed not hundreds of millions of dollars but several billions for betterments and improvements and for construction of additional railroad trackage. Hundreds of locomotives and thousands of cars are required. Better terminal facilities must be obtained.

Cooperation and integration among the railroad companies are imperatively required. The situation will become serious within a very short time unless capital is available for railroad development. Every reasonable effort should be made by railroad managers to satisfy the just demands of the people and to acquaint them with the obstacles which the railroads encounter and the difficulties which they have to meet, and the reasons, if reasons exist, why more favorable policies and lower rates may not be adopted and put into effect.

If the people can be convinced that the railroads are being operated efficiently and economically and that the interests of the people are being protected, then many of the attacks made upon the railroads will cease and the demand for governmental control and operation of the railroads will grow feebler. When the people believe that their interests are being ignored or betrayed and that they are the victims of wrongs at the hands of individuals or corporations or groups they will make demands which may be radical and perhaps unjust.

The way to prevent bad legislation and the enactment of measures which are socialistic and paternalistic is for those who are engaged in enterprises and activities of a quasi-public character to appreciate their true relation to the people and to adopt policies which are just and fair and can be defended in the forum of morals.

I venture to suggest that if those who own and operate our railroads want additional capital they must secure the confidence of the people. And I submit that with the growing demands for further transportation facilities it becomes a serious question where and how the needed capital is to be obtained. It is obvious that the applications made by the transcontinental lines to obtain permission to modify section 4 of the transportation act will arouse indignation throughout the intermountain region, as well as in other parts of our country. The people in the regions referred to will regard the railroads as enemies and feel that they are seeking to injure and to oppress them. I believe that the filing of these applications is not only imprudent and unwise but is unsound from an economic and business standpoint.

The granting of the applications would arouse a feeling of bitterness against the railroad companies among millions of people. It would result in decreasing the freight hauled to and from large sections of our country, and the losses thereby sustained could not possibly be compensated by any gains derived from the hauling of a larger tonnage from ocean to ocean or from the Chicago zone to the Pacific coast.

It is proper to remark that the Chicago district has been active in pushing these applications for the abrogation of some of the provisions of the fourth section of the transportation act. It is regrettable that there are sections of the country in which business interests urge the adoption of a selfish policy which must result in harm, if not disaster, to other parts of the land. There is no water competition, or, at least, it is unimportant, between the Chicago territory and the Pacific coast. Apparently the purpose is to meet competition of shippers on the eastern coast who send their products to the Pacific coast, and the plan, of course, is to compel the interior, and particularly the intermountain section, to supply funds from which the railroad companies may recoup their losses incurred in carrying out the plan of the Chicago district. It has been said that this is market competition and not carrier competition, and that when the railroads make market competition instead of carrier competition then the evil of a policy of this character becomes more apparent.

Railroads have no right to aid in market competition when it will result in discriminatory rates. The applications pending before the Interstate Commerce Commission are in aid of market competition rather than in aid of carrier competition. It is frequently said in reply to the appeals of the intermountain section for justice and relief that nature has given to coastal cities geographical advantages denied to the intermountain States, as well as to various interior points, and therefore no complaint should be made if lower rates are granted from coast to coast than from the coast to interior points, or from the latter to the coast.

It may be remarked that the Chicago territory is not as favorably situated geographically, in order to obtain the benefit of water rates, as are cities upon the Atlantic and Pacific Oceans, but it is sought by an adjustment of rates which will give Chicago the same opportunity to ship to the Pacific coast as if it were located upon the Atlantic coast, and thus to remove the geographical disadvantage from which it suffers. The fact is that "Chicago seeks to sell upon the Pacific coast upon an equality with cities upon the Atlantic Coast, which ship by water; but it denies the intermountain region, which is situated 900 miles nearer Chicago than the Pacific coast, the right to rates by rail which will enable the intermountain jobbers to buy in Chicago upon an equality with San Francisco and Seattle."

At the expense of the intermountain region, it is designed to aid the Chicago district to obtain the same rates to the Pacific coast as to any intervening point. The scheme is to repeal, or at least to suspend, the provisions of the long-and-short-haul clause, and to force from the interior points millions of dollars in excess freight rates with which to recoup the losses which the railroads will undoubtedly sustain in carrying out this discriminating policy in favor of Chicago. As stated, it is demanded that the rates by rail to the coast shall be reduced, notwithstanding the statutory long-and-short-haul rule, so that in selling upon the coast the adverse effects which might arise from the existence of the Panama Canal may be averted. This plan would permit the Pacific coast to buy upon the Atlantic coast with advantage of the longer haul, and then purchase in Chicago with discrimination against intermountain points along the railroad.

It is quite likely that it would be beneficial to the markets in Chicago territory, but it would be disastrous to the intermountain districts. It is sought, under these applications, to use the power of the Interstate Commerce Commission to suspend the law, thus increasing the disadvantages due to geographical location of all intermountain territory in order that the disadvantages, geographically, which Chicago has may be removed.

The injustice of such a plan is so patent as to need no argument. It seems to me to be shocking, and I can not believe that the Interstate Commerce Commission will give an affirmative reply to the request made.

Much may be said in support of the proposition that such a plan is illegal. As I read the statute, it requires that rates shall be "compensatory," I submit that the statute is not complied with by fixing rates for a long haul so low that re-

coupment must be made by increasing rates, or maintaining inordinately high rates, to and between intermediate points. A compensatory rate is not one which meets the costs of transportation. It was said in the case of Coleman Commercial Club v. Louisville & Nashville Railroad Co. (33 I. C. C. Reports, p. 634) that—

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Applying this decision to case made by the petitions now being considered by the Interstate Commerce Commission for further departures from the fourth section of the transportation act, it seems manifest to me that they should be promptly denied. To grant them, I submit, would be gross discrimination against shippers to intermediate points and manifestly unfair to the intermountain section of our country. In passing may I refer to the statement made by the Senator from Maryland [Mr. BRUCE]? As I understood him, his position was that there are no discriminations now with respect to the long-and-short-haul clause of section 4, that shipments from the East are required to pay the same rates to the coast as are shipments to intermediate points, and that shipments from the western coast, or from intermediate points to the East, are governed by the same rule. The Senator, I feel sure, is in error. The rates from the Pacific coast, for instance, to Chicago or New York are lower than are the rates from Salt Lake City or Denver or Reno to Chicago.

Mr. PITTMAN. Mr. President——

Mr. KING. I yield to the Senator from Nevada.

Mr. PITTMAN. The only change that has been made in the pre-war discriminations which existed under that section were those discriminations that were removed during the war on the ground that there were no ships left on the Pacific Ocean and therefore there was no excuse of competition. The same discriminations that were practiced before the war, moving east and moving throughout the rest of the country, are there now. That is the situation.

Mr. KING. That is as I understand it. The broad statement, therefore, of the Senator from Maryland needs qualification. The intermountain region is now discriminated against, and this injuriously affects this region in its efforts to find markets for its surplus products. It can not successfully compete in the Mississippi Valley and intermediate points with the Pacific coast and, of course, with the Chicago territory. Steel products manufactured in California or Oregon from pig iron produced in Utah may be shipped to Chicago or eastern markets at lower rates than are imposed upon similar products manufactured in Utah. Though 800 miles nearer Chicago than is San Francisco, Utah products are compelled to pay a much heavier rate than like products shipped from California. The Interstate Commerce Commission supports this policy, though it is ruinous to Utah and surrounding States.

Such a policy is economically unsound and it needs no argument to demonstrate its injustice and inequity. I submit that a transportation policy which permits such discrimination will disastrously affect many sections of our country, and the reactions upon our national, economic, and industrial life must, in the end, be exceedingly harmful. Moreover, I affirm that it is wrong to employ the power of the Government, through the Interstate Commerce Commission, to permit railroad companies to paralyze business in one section to improve industry in another, and to dry up the fountains of production and wealth at one point to open up springs of production in some other part of our country. Such a course is an abuse, indeed a perversion of the power committed to the Federal Government. That power has been used in the past, and it is against the continuation of this unfair practice that the legislation now before us is sought.

It is desired that section 4 of the transportation act shall be so amended as to make it impossible to continue abuses which have been so ruinous to the West and to other parts of our country. It is not sufficient argument to say that the railroads are compelled to meet competition between coast and coast because of the Panama Canal. I repeat the words of the decision just referred to that:

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Notwithstanding this statement by the commission, the railroads are now asking for permission to give lower rates between terminal points than are fixed for intermediate points, though in so doing they would receive no compensation in many instances for carrying freight from coast to coast or from the Chicago district to the Pacific coast.

Mr. President, if the Panama Canal is to be used as a pretext to destroy interior sections of the United States, there will be some individuals who may feel that the more than $400,000,000 expended in its construction was not wisely spent.

In passing may I add that the Government has expended more than $174,000,000 upon the Mississippi River and its tributaries; more than a billion dollars have been expended by the Government upon its rivers and waterways. These vast sums were expended to aid commerce and to develop the industries of our country. Unfortunately much of these stupendous sums, in my opinion, have been wasted. A few years ago I made a careful examination of the items constituting these vast sums expended by the Government upon its rivers and inland waterways. I examined thousands of pages of reports and testimony, involving substantially every project, big and little, upon which money had been expended for the Government. I discovered that tens of millions of dollars had been wasted upon little streams and creeks and bayous and swamps. There had been a most profligate expenditure of the public funds. It is not to be wondered that there were criticisms of the "pork barrel" bills which were forced through Congress by "logrolling" and other unworthy methods.

Of course, such appropriations by Congress were illegal. They can not be defended from any standpoint. The reports revealed the strategy employed by various districts to obtain appropriations and the methods by which favorable consideration was given to unworthy projects.

Mr. President, the record of many of these appropriations is an ugly one. It is a reflection upon Congress, as well as upon the people in many parts of the country. There are many streams upon which millions were spent which never carried a pound of freight and never will. I recall that approximately eight millions of dollars were expended upon the Hennepin Canal in Illinois and I recall that a former Senator from Illinois, Mr. Sherman, admitted that the appropriation was improper and that the canal was of no advantage to commerce.

I have in mind scores of streams and districts which obtained many millions of dollars; the money was absolutely wasted and no freight is carried upon the stream. I am not opposed to a rational plan for the improvement of our harbors and inland waterways. I have heretofore condemned the wasteful, unscientific, and reprehensible policy which the Government has pursued in the past in dealing with its harbors and waterways. All attempts made to introduce a scientific and rational plan for the improvement of harbors and rivers failed.

Several years ago I offered a bill creating a suitable commission which should be charged with the duty of improving our harbors and waterways. This commission was to determine what expenditures were needed in order to provide for our commercial development and expend whatever Congress appropriated for rivers and harbors. I believe that a commission composed of technical, scientific, and business men should be charged with the responsibility of expending such sums as Congress might appropriate and allocating the sums to such harbors and rivers as they deemed for the best interests of the country.

The control of our harbors and waterways at present is some little improvement over the past, but we are still pursuing a wasteful and unscientific policy. Congress is still passing laws for the improvement of unworthy projects, and we are still appropriating for streams and rivulets which by the wildest stretch of imagination can not be brought within the principle which empowers Congress to regulate interstate commerce.

The fact is that the interstate commerce clause of the Constitution is being perverted and laws are passed based upon said clause, which I submit can not, in all fairness, be brought within the words and spirit of the Constitution. I recall that in the reports which I examined I learned that upon many streams work had been in progress for a great number of years. It seemed as if there was no purpose to complete the work but merely to furnish jobs for a large number of persons.

The Senator from Louisiana [Mr. RANSDELL] referred a few moments ago to the appropriations which had been made for the improvement of the Ohio River. These appropriations have extended over a period, as I recall, of more than 30 years. A number of dams have been constructed, and three or four additional ones are required. The work has been carried on in a halting, hesitating, and wasteful manner. No advantages have thus far been derived, and millions of dollars have been taken from the Public Treasury. If the project was worthy of Federal consideration it ought to have been completed promptly.

It is a fact, however, Mr. President, that the railroads have, by their better service, made some of our inland streams of but little if any value as carriers of freight. Railroads have paralleled some rivers, and where this has been done, river traffic has ceased. The rates on railroad lines paralleling the Mississippi

River are approximately 60 per cent of the average rates in the interior sections of our country. The railroads have, in some instances, in order to destroy water competition upon streams where the Government has expended millions for their development, established rates so low as to drive the boats from such waterways.

However, the rates fixed upon these lines were not applied in other sections. Doubtless in some instances the railroad companies derived no profit whatever from the operation of lines paralleling waterways. Freight rates in other parts of the country had to be maintained at higher levels in order to meet the losses resulting from the efforts to destroy water competition.

Much might be said upon the frightful waste, as well as the absurdity of a policy which takes millions out of the Treasury of the United States for the improvement of waterways and then permits the destruction of water transportation by permitting railroads paralleling the waterways to fix rates for that purpose.

Congress has done much to encourage the building up of our coastwise trade. Following the war, many American boats were put into this important service. The rates established by them, between intercoastal or from coast-to-coast points, were, generally speaking, reasonable, but the proposition is now presented of injuring, if not ruining, a portion of our coastwise trade, or at least that engaged in coast-to-coast traffic.

In the transcontinental cases of 1922, the Interstate Commerce Commission announced, as a criterion to be applied as construing the fourth section of the transportation act, that rate reductions proposing a departure from the fourth section must not threaten the elimination of legitimate water competition. It seems to me that this view is the correct one and that it should be adhered to by the Interstate Commerce Commission. Undoubtedly it expressed the will of Congress as that will was manifested in various legislative enactments.

I have heretofore referred to the importance of developing the internal trade and commerce of our country and adopting a sound policy which would call for the maintenance of our railroads at the highest point of efficiency. I also referred to the importance of encouraging the investment of capital in railroad enterprises, because of the imperative needs of railroad extensions and railroad development in many parts of the United States. The field of commerce is broad enough for two systems of transportation. Our railroads can not now adequately care for the demands of the people. Water transportation is needed, and a policy should be pursued which will make possible its development to meet the growing needs of the people. A destructive competitive policy, which would drive all boats engaged in coastwise trade from the seas and all boats and barges from our inland streams, must not be permitted; indeed, there must be encouragement for the development of our railroads and the expansion of our water-transportation systems.

On the 28th of February, this year, the Shipping Board, which is presumed to have some interest in the development of our merchant marine—although I confess its record is one of failure—protested, by resolution, against these applications of the railroads to set aside the provisions of section 4 and affirmed its belief that the plan contemplated in the applications would seriously injure our coastwise trade. I recall that an exhibit, which was offered by Mr. Garrow in the hearings before the Committee on Interstate Commerce upon the applications to which I have referred, showed the total westbound tonnage through the Panama Canal in 1923 to be 3,277,225 tons. This was only 1.2 per cent of the westbound tonnage of the 13 transcontinental railroads. In other words, there were carried by boats from coast to coast through the Panama Canal 3,277,225 tons as against the enormous tonnage carried by the railroads, represented by 98.8, the base of calculation being 100.

The tonnage passing through the canal from coast to coast in the same year, exclusive of oil, amounted to 5,586,724 tons. The tonnage of the 13 roads increased from 226,800,000 tons to 271,600,000 tons, and for the year 1922 there was an increase in the tonnage of freight carried by these roads of 32,400,000 tons. These figures show the absurdity of claiming that there is any necessity for a modification of section 4 in order to meet water competition through the canal.

The railroads are scarcely able now to handle the vast tonnage which will be offered to them to be carried from ocean to ocean as well as from interior to various coastal points, and the rapidly increasing commerce of the United States will soon impose upon the railroads demands for additional facilities that they will be unable to meet. I repeat that a wise transportation policy calls for a general reduction in freight rates throughout the United States, not only from coastal points to interior points but from interior points to other interior points as well as to the coasts.

This is no time for the inauguration of further discriminatory policies. The farmers now are in distress, particularly because of the high freight rates and their inability to ship their surplus products to markets. I repeat that it would be most unwise, and certainly unjust, to abrogate the provisions of section 4 and permit the railroads to enter into a ruinous rate war with the boats which carry such a small fraction of our tonnage from coast to coast.

Mr. President, I ask the indulgence of the Senate while I briefly refer to legislation of Congress which was aimed at discriminatory rates. The railroads, by their rebates, discriminations, and evil practices, aroused the country to such an extent that Congress in 1887 was compelled to act. Some of the evils which the act of 1887 sought to correct were set forth in an article written by Judge McChord, of the Interstate Commerce Commission, in 1918, a part of which I ask may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the request will be granted.

The article is as follows:

MONUMENTS EVIDENCING RUINOUS EFFECTS OF LONG-AND-SHORT-HAUL RATES

Many of these factories proved to be failures, and a ride over the country to-day discloses crumbling buildings and smokestacks in many towns and villages as grim monuments to the dead hopes of their projectors. Not all of these were properly located; many of them were the result of the dreams of some inventor of a short cut to wealth, but most of them should have survived and would have done so except that influences were at work that made success impossible. Among the chief of these was the fact that the railroads favored certain manufacturing centers in the way of facilities and rates.

The freight-traffic manager's business was to secure tonnage for the particular railway by which he was employed. Long hauls in large lots afforded attractive business that added to the aggregate of the returns to the carrier from his efforts and led to his preferment by those higher up in the control and management of the road. Competition for business at points reached by several railroads was keen and incessant. The more railroads that served a particular point, the keener the struggle between rival traffic officials for business. For many years previous to 1910, and by many roads until 1906, rebates were paid to secure business to such an extent that officials have frankly admitted in evidence in proceedings before the Interstate Commerce Commission that few carriers pretended to collect more than 80 per cent of the advertised rates on shipments from competitive points. Railroads were built from business centers to business centers. Some reached the objective points by short direct routes and others by long indirect routes. The latter, in order to do business at the competitive point, met the rates named by the short line, meanwhile maintaining higher rates at shorter distance points on their own lines. In the same way competition by boats on our inland and coastwise waterways was met by all-rail carriers until transportation by water, so far as our inland rivers are concerned, has been nearly abandoned.

The inducement to give the large shipper and all shippers for manufacturing centers an adequate supply of cars, transit privileges, switching arrangements, etc., was ever present, and the force of competition operated in favor of such shippers.

These considerations rendered it impossible for the factory at the small town to compete in the sale of its products with a factory producing the same product at the larger and more favored city. The result was that the factory in the small town ceased to operate, and its employees were compelled to seek employment in the centers of production. * * *

Relatively the same facilities should be furnished the factory that ships 1 carload a day as the one that ships 10 or more carloads. The opportunity to do a manufacturing business at a profit should be afforded at any point in the country. The supply of raw material and the possible field of consumption will dictate the location. * * *

Mr. KING. The Interstate Commerce Commission in its second annual report commented upon the injustices resulting from the rate systen then in force. Its statement is as follows:

The sense of justice received a shock when one was told that the small dealer in the country town was made to pay three times as much for the carriage of his goods as the city merchant paid upon a like quantity for even a greater distance; and a well-founded feeling of discontent arises among many people when it can see things done under the protection of its law which seem to be plainly and unmistakably unjust. The advantages growing out of freight rates and discriminatory charges were referred to in the Sacramento-Santa Rosa case (29 I. C. C. 65)). The commission there said: "There can

be no question about the great commercial advantages which accrue to the towns having these rates. In the contest for new factories, to the industries looking for locations on the Pacific coast, the town with these rates has an advantage which can not be overcome by its rivals not blessed with such rates. New factories mean more workers, more money, more houses, and more people in general. * * * The record of these cases shows that, although the fact that the railroads have published tariffs, eliminating San Jose, Santa Clara, and Marysville from the coast or terminal points has been known only a few months; already these three points have felt the disadvantage of the possibility of ultimately losing such rates. San Jose, for example, has been unable to secure new industries because of the absurdity of its terminal-rate position."

The situation became so intolerable that Congress determined to prevent the evils resulting from the discriminatory rates adopted by the railroads. The purpose was to prevent the charging of lower rates for longer hauls than for shorter hauls. Congress wrote into section 4 provisions which it was believed would terminate this great evil. Section 4, in part, is as follows:

That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kind of property under substantially similar circumstances and conditions for a shorter than for a longer distance over the same line in the same direction; the shorter being included in the longer distance. But this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great a compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the commission appointed under the provisions of this act, such common carrier may in special cases, after investigation by the commission, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property, and the commission may, from time to time, prescribe the extent to which such designated common carrier may be relieved from the operation of this section of this act.

This section, of course, must be construed in connection with other provisions of the act. Sections 1 and 3 of the act of 1887 sought to secure reasonable and nondiscriminatory rates. It was the contention of able lawyers and many shippers that a proper construction of sections 1, 3, and 4, and, of course, all must be construed together, prohibited such discriminations as would arise from granting lower rates for a long haul than for a short haul. Moreover, it is a principle of statutory construction that the evils sought to be remedied are to be taken into account in the construction of the remedial statute. Accordingly, as stated, it was believed by many that the act of 1887 prohibited, once and for all, the evils which resulted from granting lower rates over the same road and in the same direction, for a long than a short haul.

However, the commission and the courts took the view that the words—

under substantially similar circumstances and conditions—

permitted the railroads to depart from the provisions of section 4 which made it unlawful for a common carrier to charge or receive greater compensation for a shorter than for a longer distance over the same lines in the same direction, the shorter being included in the longer distance, and to continue the evil practices which had aroused such universal opposition throughout the country. And they also made the railroads the judges for the purpose of determining, when departures from the fourth section were made, whether the conditions and circumstances were "substantially similar" to those which fixed the rates for other commodities to intermediate points.

Under the construction placed upon the act the discriminations resulting from charging lower rates for the long haul than for the short haul continued. The act was practically nullified by the construction placed upon it, and the people continued to be subject to the inequitable and discriminatory practices which they had revolted against and which they believed the act of 1887 would terminate. The provisions of the statute which provided that upon application to the commission it might—

in special cases, after investigation, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property—

were entirely disregarded, and without authorization the condemned practices against which the statute was leveled were continued.

The purpose of Congress in enacting the legislation referred to was to secure just and reasonable rates and to make unlawful every unjust and unreasonable charge; to prevent preferences between persons, localities, and commodities; to make undue or unreasonable prejudices or discriminations unlawful; to prevent discrimination in rates and charges and to make them unlawful; to make it unlawful to charge more for a short haul than for a long haul of persons or property; and to prevent pooling of freight of different railroads or dividing earnings of railroads. The purpose of Congress was manifest, but the construction placed upon the act left the people in many instances empty handed.

Under the construction placed upon the act the carriers applied indiscriminately higher rates for a short than for a long haul whenever it was of advantage to them. The shippers continued to charge to interior points in the intermountain States the maximum rate from the point of origin to the Pacific coast plus the rate from the Pacific coast to the point of destination. To illustrate, a merchant in Salt Lake City purchasing his goods in New York was compelled to pay the rate from New York to San Francisco with the added charge from San Francisco to Salt Lake City. And it should be stated that the rate from the coast to Utah and the intermountain region was exceedingly high. The merchants in Idaho who purchased goods in the same market were not charged the same rates, though the goods were shipped in the same car. And the merchandise destined for Idaho was unloaded in that State and the rest of the merchandise went on to Portland, 800 miles or more distant. The Idaho merchant was compelled to pay the rate to the Pacific coast plus the rate from Portland back to Idaho. This system, of course, imposed higher freight rates upon the interior sections. This policy was in violation of sections 1 and 3 of the act of 1887, and, as I contend, was not in harmony with the provisions of section 4.

It is obvious to the most superficial observer that this policy gave the Pacific coast an advantage and prevented the development of the intermountain region. The oppressive policy of the railroads became so intolerable that in 1910 Congress was compelled to respond to the demands of the people. The words of section 4—

under substantially the same circumstances and conditions—

were eliminated from the section, and the section was further amended so as to make it impossible for the carriers to charge—

any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act.

A further proviso was added to the section reading as follows:

Provided further, That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission in accordance with the provisions of this section, until a determination of such application by the commission.

Whenever a carrier by railroad shall, in competition with a water route or routes, reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

Undoubtedly it was felt by those who had suffered so long from the injustices and discriminatory practices of the railroads that these amendments to section 4 would bring relief, and it was believed that no modification of the long and short haul clause would be permitted by the commission, except upon proper showing and after a full and complete hearing.

The Interstate Commerce Commission on November 9, 1911, revoked former orders and restored the old system of rate making on combination rates to the coast with the back-haul rate to the point of destination. The Interstate Commerce Commission refused permission to the carriers to continue lower commodity rates from the Missouri River district and west to the Pacific coast than to intermediate points, but did authorize higher rates to intermediate points than to the coast on traffic originating in Chicago, Pittsburgh, and New York territories.

The rate from the Missouri River to the interior was fixed at not to exceed the rate to the coast. The rate from Chicago was fixed at 5 per cent, Pittsburgh 15 per cent, and New York 25 per cent higher to the interior than to the coast. This order was set aside by the Commerce Court, but in 1914 the Supreme Court of the United States reversed the action of the Commerce Court and affirmed the decision of the Interstate Commerce Commission. Thereupon the carriers sought relief from the effect of the decision and the commission extended the time when the decree was to be made effective as to approximately 80 per cent of the westbound traffic until January 1,

1915. This action resulted in imposing millions of dollars of additional freight charges upon the people of this section.

Later, the commission, by decision, authorized the carriers to establish commodity rates from the Missouri River territory to the Pacific coast lower than to intermediate points—

provided the rates from the Missouri River territory to the intermediate points were not exceeded by more than 15, 25, and 35 cents per hundred pounds from the points in Chicago, Pittsburgh, and New York territories, respectively. That is, the carriers might establish a rate to the Pacific coast from the Missouri River, the Chicago district, and New York; and a rate to the interior points at $1 from the Missouri River, $1.15 from Chicago, $1.25 from Pittsburgh, and $1.35 from New York.

Under this tariff the rates from New York to the Pacific coast on certain goods amounted to 85 cents, and to the interior, 1,000 miles shorter haul, $1.10. And in substantially all commodities this same inequality in tariff rates existed. This enabled the jobbers and merchants upon the coast to reship their products into the intermountain region and to compete with merchants and jobbers resident in that section.

The freight-rate situation continued unsatisfactory with constant applications for increase in rates and for discriminatory charges. It would tax the patience of the Senate if I should detail the devious ways of the carriers in evading the provisions of section 4, and in perpetuating the unjust and inequitable system of discriminatory rates which, with but slight modification, had prevailed for many years. It is sufficient to say that the law was practically nullified and the elimination of the words—

in substantially similar circumstances and conditions—

brought no benefits to the people or relieved them from the injustices to which they have long been subjected.

The situation was still unsatisfactory, and when the transportation act of 1920 was enacted demands came from various parts of the United States for relief from the oppressive and discriminatory rates which were still being enforced by many of the carriers.

Section 4, as amended by the act of February 28, 1920, makes it unlawful for any common carrier to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of a like kind of property, for a shorter haul than for a longer distance over the line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate points subject to the provisions of this act. It also provides that upon application to the commission a common carrier—

may in special cases, after investigation, be authorized by the commission to charge less for the longer than for the shorter distances for the transportation of passengers or property * * * but in exercising the authority conferred upon it in this provisio the commission shall not permit the establishment of any charge to or from any more distant point if it is not reasonably compensatory for the service performed.

The provision is also made for a modification of section 4 where a circuitous rail line or route—thus increasing its mileage—is compelled to meet rail competition between and at the same terminal points. It was the intention of Congress, by this amendment to section 4, to terminate once and for all the evasions and injustices practiced by common carriers in exacting higher rates to intermediate points. It was felt that the railroads had treated contemptuously the long-and-short-haul provisions of the law and by tricks and devices wholly unworthy of them had imposed upon the people unconscionable rates to their great injury.

But events transpiring since the passage of the act indicate that Congress again failed in its purpose and that the railroad companies considered that they could still impose higher rates upon intermediate points and charge lower rates for the long haul.

The railroads are demanding the right, upon the pretext of meeting water competition, to nullify the long-and-short-haul provisions of section 4. They place a construction upon the words "reasonably compensatory for the service performed" at variance with the accepted meaning of the words and contrary to the interpretation placed upon them by the legislative branch of the Government. Because of the interpretation placed by the railroads upon section 4 as amended in 1920, and because of the uncertain attitude of the Interstate Commerce Commission with respect to the construction of section 4, as amended, and particularly in view of the applications filed by 17 or 18 transcontinental railroads for permission to establish lower rates for longer hauls over rates applied to intermediate points, the intermountain section and other parts of the United States are demanding legislation which will make it impossible for the applications referred to to be granted.

The Senator from Nevada has offered as an amendment to H. R. 7877, known as the War Department appropriations bill, an amendment which deprives the Interstate Commerce Commission of the power to modify the long-and-short-haul features of section 4 in order that common carriers may meet water competition. Undoubtedly it would be more regular and more in conformity with the rules of the Senate to consider this question separate and apart from the appropriation bill now before us and solely upon its merits. But the lateness of the session and the numerous bills which have a privileged status make it impossible to secure consideration of this matter except as it shall be presented in the form of an amendment to an appropriation bill.

If the Interstate Commerce Commission had interpreted section 4 as Congress intended that it should be interpreted, then I have no doubt that the Senator from Nevada would not have offered his amendment. But when he sees the West and other sections of the country threatened with the revival of the discriminatory rates which have been so ruinous to the people, he feels, and other Senators feel, that the situation is so critical as to justify this rather unusual procedure.

Mr. President, there are those who believe that neither water competition nor any other form of competition warrants a policy permitting lower rates for a long than for a short haul. Hon. Johnston B. Campbell, one of the members of the Interstate Commerce Commission, has stated that—

the fourth section fosters waste in transportation service, tends to reduce the revenue of carriers, and creates the very worst kind of discrimination ever devised by the mind of man. It takes away from the intermediate localities the benefit of their location with respect to the farther distant points. It favors the large centers and the large shippers as against the small centers and small shippers. It tends to make the large center larger and the small community smaller. It casts an additional burden on our economic questions. It tends toward congestion in the large communities, impoverishes the small community, and creates economic problems not only for this generation but for future generations to solve.

It seems clear that under the amendment of 1910, and certainly under the amendment of 1920, Congress intended to give vitality to section 4 and to prevent the evils which, Commissioner Campbell points out, arise from the construction which has been placed upon it.

The Supreme Court in the Intermountain Rate cases (234 U. S. 487) declared that—

power in the carrier primarily to meet competitive conditions in any point of view by charging a less rate for a longer than for a shorter haul has ceased to exist, because to do so, in the absence of some authority, would not only be inimical to the provisions of the fourth section but would be in conflict with the preference and discrimination clauses of the second and third sections.

In other words, to meet competition is not sufficient ground to modify section 4 and thus impose discriminatory rates upon certain individuals or sections of the country. The 1910 amendment strengthened the act of 1887 and forbade any departures from the long-and-short-haul provisions, except that in "special cases and after investigation by the commission" modification might be made. But it is clear that competition was not a reason nor a "special case." Conceding that to meet water competition presents a "special case," the amendment of 1920 imposed a condition which must be met by the carrier before any modification of section 4 may be obtained.

The carrier must show, in order to obtain permission to charge less for a long than a short haul, that the charge made is "reasonably compensatory" for the service performed, and an investigation must be made by the commission and they must afterwards find that the charge made is "reasonably compensatory." The commission in determining this question must always keep in mind that whatever discretion they have must be a sound legal discretion—

as to whether the request should be granted compatibly with a due consideration of the private and public interests concerned and in view of the preference and discrimination clauses of the second and third sections.

The public interest manifestly would not be served by adopting a policy which destroys water competition and ruins large centers of our country. Even without the amendment to section 4 in the transportation act of 1920, I am at a loss to understand the attitude of the Interstate Commerce Commission. It permitted violations of the fourth section by continuing the discriminations which were in force when the act of 1910 amending section 4 was enacted. Commissioner Campbell expressed

his views upon this matter in the case of Palmine Co. *v.* I. C. R. R. Co. (87 I. C. C. 279), where he said:

By the 1910 amendment, therefore, the right and power to depart from the long-and-short-haul provision of the fourth section was taken from the carrier and lodged in the commission; and that amendment, so far as the carriers are concerned, made this provision of the fourth section absolute and unqualified, except in so far as it gives to the carrier the right to apply to the commission for authority to depart from that provision. This latter right to make application for such authority is specifically limited to "special cases," and such an application must embody facts which purport to present a "special case," or under the law it should not be considered as an appropriate application for authority to depart from this provision of the fourth section. The fourth-section violations brought about by the rates assailed in this case were not protected by such an application and should be held to be unlawful; and, following the reasoning in my dissenting expression in Anaconda Copper Mining Co. *v.* Director General (64 I. C. C. 136), since complainant paid freight charges on basis of such unlawful rates to the intermediate points, it is entitled to restitution in the amount of the difference between charges so paid and those which have been approved under the lower rate to the more distant point.

But conceding, for the sake of the argument, that under the provisions of section 4 as amended in 1910 departures from the fourth section were within the power of the commission to grant, a different question is presented in the light of the 1920 amendment.

It seems to me that much casuistry has been employed in explaining away the meaning of the words "reasonably compensatory." It must be borne in mind that Congress intended to prevent discrimination and to give vitality to the long-and-short-haul provisions of section 4. The special cases which might possibly warrant an exception to the rigid application of the rule must be brought within the rule that the rates charged must be "reasonably compensatory." In other words, Congress did not intend by the amendment of 1920 to permit a repetition of the wrongs resulting from violation of the long-and-short-haul clause.

The discussions in the Senate at that time indicate that it was the intention of Congress to prohibit the inequities and injustices visited upon certain sections or parts of our country in charging a less rate for a longer haul, and it was clear that the possibility of water competition was not a reason or a "special case" calling for modification of section 4. Indeed, it is declared in section 500 of the transportation act of 1920—

To be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation.

Congress has shown its sincerity in promoting and fostering water transportation by appropriating more than a billion dollars to construct and repair harbors and to develop our inland waterways. Congress has appropriated more than $400,000,000 to construct the Panama Canal. Are these stupendous sums to be wasted and our water transportation to be destroyed? Manifestly Congress believed there was a broad field both for rail and water transportation.

Commissions had studied the transportation systems of Germany and reported that great benefits had been derived by the German people from the development of her rivers and harbors. The prosperity of Germany in part was due to the harmonious development of her dual transportation systems and to a proper coordination of the same.

At the last session of Congress approximately $40,000,000 were appropriated, as I now recall, to be expended upon our rivers and harbors. It is inconceivable that a policy should now be adopted that would drive boats and barges from our rivers and streams and paralyze the activities of our ships engaged in intercoastal or coastwise trade. And yet it is conceded that if the plans of certain railroads are carried into execution a large part of our coast-to-coast water traffic will be destroyed and all boats and barges driven from our inland streams. Even the Interstate Commerce Commission, in the transcontinental cases decided in October, 1922 (74 I. C. C. 48), stated:

It clearly would defeat the intent of Congress to foster transportation by rail and water in full vigor if the rail carriers were permitted at practically little or no profit to themselves to operate so as to deprive water carriers of traffic which the water carriers would naturally handle. Moreover, it must be borne in mind that where "out-of-pocket" theory is used as a rate basis there is inevitably thrown upon the rest of the traffic the task of providing the bulk of the net return contemplated in section 15 (a). Too wide an extension of the out-of-pocket theory would transpose the entire burden of meeting other fixed charges upon only a part of the traffic carried.

And in the case of a shipment of coffee from Galveston and other Gulf ports (64 I. C. C. 26) the commission stated, in granting relief from the fourth section, that it was necessary to consider not only the letter but the spirit of the law and the interests of the destination. However, these views can not quite be reconciled with the decision of the commission in the case above referred to (74 I. C. C. 71) where it is held that—

In the administration of the fourth section the words "reasonably compensatory" imply that a rate properly so described must (1) cover and more than cover the extra or additional expenses incurred in handling the traffic to which it applies; (2) be no lower than necessary to meet existing competition; (3) not be so low as to threaten the extinction of legitimate competition by water carriers; and (4) not impose an undue burden on other traffic or jeopardize the appropriate return on the value of carrier property generally, as contemplated in section 15 (a) of the act.

Commissioner Campbell concurred in the conclusions of the commission in denying certain of the applications but dissented from the construction placed upon section 4 as amended by the act of 1920, and stated:

To my mind "reasonably compensatory" as used in the amendment means a rate equal in amount to a "nonconfiscatory rate."

He then quotes from the opinion of Mr. Justice Brewer in the case of C. & N. W. Ry. Co. *v.* Dey, 35 Fed. 879, as follows:

Compensation implies three things: Payment of cost of service, interest on bonds, and then some dividend. Cost of service implies skilled labor, the best of appliances, keeping of the roadbed and the cars and machinery and other appliances in perfect order and repair. * * * The same rule obtains as to engines, machinery, roadbed, etc., and it may be doubted whether even the legislature, with all its power, is competent to relieve railroad companies whose means of transportation are attended with so much danger from the full performance of this obligation to the public. The fixed charges are the interest on the bonds. This must be paid, for otherwise foreclosure would follow and the interest of the mortgagor swept out of existence. The property of the stockholders can not be destroyed any more than the property of the bondholders. Each has a fixed and vested interest which can not be taken away.

When the act of 1920 was under discussion the words "reasonably compensatory" were considered. Senator CUMMINS in discussing the matter stated:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticize it in that respect, for its work has been very difficult.

But, as I understand the decision of the commission in the Transcontinental cases, their definition of the words "reasonably compensatory" is much more restricted. A rate which would bring a return sufficient to more than meet the extra or additional expenses incurred in handling the traffic to which it applies would be "reasonably compensatory." How much more, they do not state; 1 cent or $1 might be more than sufficient to cover the extra additional expenses incurred in handling the traffic to which it applies. And yet it is obvious that that would not be "compensatory." How long would a business last if its returns were measured by the definition of the commission?

The statement of Senator CUMMINS contemplates that a rate which is "reasonably compensatory" must be such as will defray the cost of maintenance and operation of the railroad and will bear its just share of the return upon capital. One of the essentials of the compensatory rate is that there should be a reasonable return upon the capital invested. It is not a compensatory rate if the bare expenses of operation are met. If no returns were made upon investments, our industrial development would halt.

In the case of the Northern Pacific Railroad *v.* North Dakota (236 U. S. 585), the Supreme Court stated that—

in determining the cost of the transportation of a particular commodity all the outlays which pertain to it must be considered. We find no

basis for distinguishing in this respect between so-called "out-of-pocket" costs or "actual" expenses and other outlays which are none the less actually made because they are applicable to all traffic instead of being exclusively incurred in the traffic in question. Illustrations are found in outlays for maintenance of ways and structures, general expenses, and taxes. It is not a sufficient reason for excluding such or other expenses to say that they would still have been incurred had the particular commodity not been transported. That commodity has been transported, the common carrier is under a duty to carry, and the expenses of its business at a particular time are applicable to what it does carry.

Commissioner Campbell, in testifying before the Senate Committee on Interstate Commerce, refers to the time when rail carriers violated the fourth section without check and in so doing destroyed water competition. He referred to the fact that they had driven water transportation from the ocean around the Horn, and by rail across the Isthmus of Panama. He further stated that, in his opinion, if the railroads were permitted to violate the fourth section to meet water competition, all boats would immediately reduce their rates and their decline would continue until destruction overtook them.

It would seem obvious that if a rate were "reasonably compensatory" for the services performed, any higher rate must be excessive, and if a given rate between Chicago or New York and San Francisco is "reasonably compensatory," then a higher relative rate, based upon mileage, to any intermediate point is excessive. I submit that any rate for a long haul, which is determined to be "reasonably compensatory," must be no greater than the aggregate of the intermediate rates.

If the provisions of the fourth section are broken down by the subtle casuistry which is employed in defense of the proposition that a rate is "reasonably compensatory" if it meets the out-of-pocket-plus standard, then there will be a recrudescence of the evils which obtained for so many years and brought such injury and distress to many parts of our country.

If water competition may be met by abrogating the fourth section, then the intermountain region and other States will be brought to economic and financial ruin. I am advised that the railroads proposed, if their applications are granted, to submit rates from the Chicago territory and other western points to the coast very much less than the present rates, and rates which manifestly will not be reasonably compensatory. But they will not change the rates to intermediate points, which means that those residing at such points must bear the additional burden resulting from the reduced rates upon the long haul. As an illustration, out of hundreds which might be given, I call attention to the proposed rates upon structural iron and steel from Chicago to Los Angeles.

As I understand, if the applications filed with the Interstate Commerce Commission are granted the rates upon these products from Chicago to Los Angeles will be $1 per hundredweight on a minimum carload lot of 100,000 pounds and $0.80 per hundredweight on a minimum carload lot of 80,000 pounds. This will be a reduction of 25 cents and 20 cents, respectively, over existing rates. But the rates between Chicago and New Mexico upon the same products will not be reduced, notwithstanding the fact that New Mexico is approximately 700 miles nearer Chicago than is Los Angeles. A 40,000-pound shipment of iron and steel from Chicago to New Mexico will cost $500, but if the same shipment is carried 735 miles farther the cost will be but $400.

It is apparent that such discrimination will injuriously affect New Mexico, and the same policy, of course, will be followed by all other transcontinental roads which are seeking the same ends, and the same serious consequences will visit the entire intermountain region.

Mr. President, the reason is apparent for the waging of this contest to secure the adoption of the amendment offered by the Senator from Nevada. Under the more equitable rate policy following the control of the railroads by the Government there has been some development in manufacturing and other industrial enterprises in Utah and in the entire intermountain region. The inhabitants of this section perceive, in the applications filed by the transcontinental railroads and in the attitude of the Interstate Commerce Commission, a danger and menace which brings to them terror and dismay. For more than a quarter of a century they contended against powerful odds. When the act of 1887 was passed they believed relief was at hand, but the evils from which they suffered were continued. The amendment to the fourth section enacted in 1910 it was confidently believed would terminate the evil practices which had brought them such harm. They regarded the provisions of the amendment to section 4 of the act of 1900 as a complete protection against discriminations and inequitable freight rates. And now after these years of battle and conflict they discover a new danger. It would be surprising if they did not avail themselves of every opportunity to secure protection against the enemy which is at their gates.

Mr. WADSWORTH. Mr. President, before temporarily laying aside the bill, which I understand the Senator from Wyoming [Mr. WARREN] is going to request, and also before we take a recess or go into executive session, I desire on behalf of the committee to offer an amendment.

On page 79, line 14, under the title "Citizens' military training camps," I move to strike out in line 14 the figures "$2,100,000" and to insert "$2,330,000."

The PRESIDING OFFICER (Mr. FESS in the chair). The Senator from New York offers an amendment, which will be stated.

The READING CLERK. On page 79, line 14, it is proposed to strike out "$2,100,000" and insert "$2,330,000."

The amendment was agreed to.

Mr. PITTMAN. Mr. President, I want to say with reference to the proposed amendment to the appropriation bill, I have discussed the matter with the chairman of the committee and with the Senator from New York, and I have agreed to present the amendment to-morrow at 1 o'clock. At that time there will undoubtedly be a point of order made, and the question then will be on the point of order. I hope between 12 and 1, if I get an opportunity and the Senate will permit me to do so, to present my views with regard to the parliamentary situation affecting the presentation of this matter.

Mr. WADSWORTH. Mr. President, may I say to the Senator, for one, that I am entirely willing that the procedure outlined by him shall be followed; and, for that matter, I am willing that the amendment be officially and formally offered now, and no point of order will be raised against it before 1 o'clock to-morrow.

Mr. PITTMAN. That course is probably better. Then it can be printed in the RECORD.

For that purpose, Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 96, after line 6, insert:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency, such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has, or common carrier have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearings, based on no less a

showing than that upon which the commission is herein authorized to grant relief: *Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed.

Mr. WADSWORTH. Mr. President, so that we may all understand it, I will state the intention is that at the conclusion of business this afternoon the Senate will stand in recess until 12 o'clock to-morrow, and that at 12 o'clock general debate will cease, and that at 1 o'clock, if the Senator from New York may obtain recognition—which I hope he will be permitted to do, in the spirit of this agreement—the point of order will be raised.

The PRESIDING OFFICER. Does the Senator submit that request?

Mr. PITTMAN. As far as the Senator from Nevada is concerned, if he has the floor, he will yield for that purpose; and, as I stated before, I hope to present my views of the parliamentary situation in justification of my offering this amendment. Of course there may be other Senators who will want to speak.

Mr. WADSWORTH. I think we all understand each other, and there probably will be no serious difficulty about it.

Mr. GOODING. That is my understanding, Mr. President.

Mr. WADSWORTH. I am very grateful to both Senators.

The PRESIDING OFFICER. Does the Senator submit that as a request?

Mr. PITTMAN. I do not think it is necessary for a unanimous-consent agreement to be entered into. The amendment is here, subject to a point of order. If the point of order should be made, I am perfectly willing to trust the matter to the Senator from New York.

Mr. WADSWORTH. Perhaps it can be done in this way: I may give notice that at 1 o'clock to-morrow, or as near that time as may be, I shall make the point of order.

Mr. PITTMAN. As I said, when I presented the amendment I did so with entire confidence in the Senator from New York. I do not require any agreement.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House 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. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the House receded from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 9, 10, 11, and 12 to the bill H. R. 8350; receded from its disagreement to the amendment of the Senate numbered 19, and concurred therein with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate numbered 21, 22, and 23; agreed to a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama were appointed managers on the part of the House at the further conference.

LEASING OF UNALLOTTED INDIAN LANDS

Mr. HARRELD. Mr. President, last evening the Senate passed Senate bill 2314. It has reference to giving power to the Secretary of the Interior to make leases of unallotted Indian lands, instead of for 10 years, as under the present law, for 10 years and as long thereafter as oil or gas is found in paying quantities. Inadvertently we overlooked the fact that there is before the Senate a similar bill which has already been passed by the House and has already been reported favorably by the Senate Committee on Indian Affairs.

Under the circumstances, I ask unanimous consent that the unfinished business be temporarily laid aside and that the House bill, which is on the calendar as Order of Business 580, with a favorable report from the Indian Affairs Committee, be considered at this time; and if it is passed, I shall move to reconsider the action of the Senate by which Senate bill 2314 was passed yesterday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma for the temporary laying aside of the unfinished business and the present consideration of this House bill?

Mr. PITTMAN. Mr. President, just one question, please. Was there any opposition to this bill in the committee?

Mr. HARRELD. No. This proceeding is merely to correct an error that was made last night. We should have substituted the House bill for the Senate bill and passed the House bill; but the fact that the House bill was on the calendar and was before the Senate with a favorable report was overlooked at the time. I make the request simply to remove the necessity of having to pass the Senate bill in the House. We have met half way between the two places. It is just to correct a parliamentary tangle.

Mr. PITTMAN. The Senator's request carries with it a request that the bill now pending shall be only temporarily laid aside for this purpose?

Mr. HARRELD. Yes.

Mr. PITTMAN. I have no objection.

The PRESIDING OFFICER. Without objection, then, the unfinished business will be temporarily laid aside. Is there objection to the present consideration of the bill indicated by the Senator from Oklahoma?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. HARRELD. Now, Mr. President, I ask unanimous consent to reconsider the votes by which Senate bill 2314 was ordered to a third reading and passed, and that it be indefinitely postponed.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent to reconsider the votes by which Senate bill 2314 was passed and that it be indefinitely postponed. Is there objection? The Chair hears none, and that order will be made.

EMPLOYEES OF THE LEGISLATIVE BRANCH

Mr. WARREN. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate may take up House bill 8262, to fix the compensation of officers and employees of the legislative branch of the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government.

Mr. WARREN. Mr. President, as there is hardly time to consider the measure to its end to-night I ask unanimous consent to lay it aside for the purpose of taking up some executive business which will follow.

Mr. WADSWORTH. Mr. President, I think under the form of the request this particular bill would be the unfinished business to-morrow at 12 o'clock.

Mr. WARREN. I hardly think so after the agreement is made to take up the appropriation bill at a special hour. However, I am perfectly willing to submit to the chairman in charge of the bill to-morrow if he will lay aside his bill that I may call up this bill. As I understand the arrangement made, the appropriation bill will be taken up at 1 o'clock.

Mr. WADSWORTH. At 12 o'clock. The Senator from Nevada desires to discuss the War Department appropriation bill at 12 o'clock, and at 1 o'clock I am to raise the point of order on his amendment. I had hoped that we could pass this bill to-night.

Mr. WARREN. Unfortunately, in the absence of one or two who want to be heard on House bill 8262, it is likely to take a longer time than we have to-night. I am perfectly willing to have it considered now and passed.

Mr. PITTMAN. Of course, if some time is to be taken up in the consideration of the bill called up by the Senator from Wyoming, we would have to alter the arrangement about the War Department appropriation bill.

Mr. HARRISON. May I make an inquiry of the Senator from Wyoming? Is the bill which he seeks now to have passed the one that eliminates the bonus and gives the employees a 5 per cent increase?

Mr. WARREN. It gives various increases. It gives the senior clerks to Senators a minimum of something more than 20 per cent over the bonus and their old salaries. It gives House Members $4,000 each for two clerks, which is an increase of only 10 per cent over their present allowances. It gives the other employees the bonus and somewhere from 8 to 10 per cent over the salaries and bonuses they were receiving.

The PRESIDING OFFICER. What request does the Senator make?

Mr. WARREN. The Senator from New York has a right to ask that, having taken this bill up now, we put it on its passage.

Mr. WILLIS. I trust that will not be done. The Senator from New Hampshire [Mr. MOSES], who has taken a great deal of interest in this matter, is not present. I will say that there would be at least some discussion. If it is desired to run on for a time, I do not object to that, but I should have to call for a quorum, because I would not like to have the bill disposed of unless the Senator from New Hampshire were present.

Mr. WARREN. I do not wish to tangle up matters at all, and I am willing to withdraw my request.

Mr. WADSWORTH. I desire to have the Senator from Wyoming thoroughly understand my own predicament.

Mr. WARREN. I understand it perfectly.

Mr. WADSWORTH. We have just reached an arrangement under which at 1 o'clock to-morrow a certain point of order will be raised on an amendment which has already been offered to the War Department appropriation bill. So, of course, the War Department bill must be before the Senate when that point of order is raised.

The PRESIDING OFFICER. The Senator from Wyoming withdraws the request he made.

Mr. WARREN. I withdraw it altogether. I acted only with a desire to push the matter along.

Mr. WILLIS. Mr. President, I want to make a brief statement about this matter. So far as I am concerned, I have not the slightest objection to the consideration of the bill now.

Mr. WARREN. Before the Senator starts, permit me to say that the Senator from New Hampshire [Mr. MOSES] asked me two days ago not to call the bill up and finish it on Thursday, but that he would be here on Friday, and he wished to offer an amendment, which I told him I would certainly oppose, and he made no further request. It is a question whether he should be present when we call the bill up or whether he should not be. He knew I would call it up at the first opportunity. That is the situation.

Mr. WILLIS. No one, of course, questions in the slightest degree the good faith of the Senator——

Mr. WARREN. I simply withdraw my request altogether.

The PRESIDING OFFICER. The request is withdrawn.

Mr. WILLIS. I want, if I may, to finish my statement. Of course, no one questions the good faith of the distinguished Senator from Wyoming. I simply know that there are a number of Senators who are interested in this measure and who have expressed a desire to be present, and I know that one or two desire to offer amendments to the bill. I therefore think it proper to call attention to that situation and to say that if the bill is to be taken up at this time, in fairness to those Senators I shall have to call for a quorum.

LA PLATA RIVER COMPACT

Mr. BURSUM. Mr. President, I ask unanimous consent to submit a report from the Committee on Irrigation and Reclamation.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. BURSUM. From that committee I report back favorably without amendment the bill (S. 1656) granting the consent and approval of Congress to the La Plata River compact, and I submit a report (No. 554) thereon.

This is a bill ratifying a compact between New Mexico and Colorado relating to the apportionment of the waters of the La Plata. No other State has any interest whatever in the bill. The Senator from Colorado is here, and I ask that the bill be now considered.

Mr. OVERMAN. I do not think we ought to put any bill on its passage this afternoon; it is too late.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent for the present consideration of the bill.

Mr. OVERMAN. I shall object to any bill going through this afternoon.

The PRESIDING OFFICER. Objection is heard, and the bill goes to the calendar.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and District of Columbia rents act, approved October 22, 1919, as amended; and

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes.

RECESS

Mr. HARRISON. Mr. President, what is before the Senate?

The PRESIDING OFFICER (Mr. FESS in the chair). There is nothing before the Senate.

Mr. HARRISON. I understood there was to be a motion for an executive session.

Mr. LODGE. I promised one or two Senators that I would not call for an executive session to-day.

Mr. WADSWORTH. I move that the Senate stand in recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Saturday, May 17, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 16, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou art merciful and gracious and slow to anger, and Thy truth endureth from generation to generation. Do Thou, gracious Lord, incline our hearts to seek Thy face and to own Thee as Father and Savior. Into the secret places of every breast, let Thy whisper come and bless us with Thy peace. Let Thy blessing rest upon our homes. The loved ones of our firesides, wherever they may be, O may they ever be kept dear and near to the heart of our heavenly Father. May we have the faith that gives hope in the darkness, strength in weakness, courage in perplexity. Bear with our infirmities and fortify us against error. Deliver us from the anxiety of the future and make us strong, urgent men of to-day, through Christ. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. CAMERON, and Mr. FLETCHER as the conferees on the part of the Senate.

The message also 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. 7995) to limit the immigration of aliens into the United States, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, county of Cook, State of Illinois;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund and for other purposes";

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by U. S. submarine *K–4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain hometsead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.; and

H. R. 3183. An act for the relief of Rush O. Fellows.

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

S. 1834. An act for the relief of the legal representative of Robert Dillon, deceased;

S. 1013. An act for the relief of Gordon G. MacDonald.

S. 1699. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 953. An act for the relief of William Kaup;

S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds;

S. 830. An act for the relief of Elizabeth Wooten;

S. 819. An act prescribing certain qualifications of postmasters of offices of the first, second, and third class;

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 116. An act to amend section 196 of the Code of Laws for the District of Columbia;

S. J. Res. 95. To authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.;

S. J. Res. 90. Providing an extension of time for payment by entrymen of lands on the Fort Assinniboine abandoned military reservation in the State of Montana; and

S. 933. An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia.

AMENDING NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2169), to insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER. The gentleman calls up the conference report on a bill which the Clerk will report by title.

The Clerk read as follows:

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I wish to call up the conference report on the bill H. R. 5078, the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan calls up a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.
LOUIS C. CRAMTON,
FRANK MURPHY,
CHARLES D. CARTER,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment to the amendment of the House to the amendment of the Senate No. 47. Mr. Speaker, in support of my motion I desire to make this statement of the situation with reference to the Interior Department appropriation bill: That bill, as you know, covers the appropriations for all activities of the Interior Department. It is a bill of very great importance. It carries a number of items which are immediately available. That bill passed the Senate on February 28. Since then it has been in conference. It is now in May and the delay very largely has been caused by inability of the two bodies to agree with reference to the item providing for purchase of the Bright Angel Trail in the Grand Canyon. I received a telegram the other day that the *Boxer*, a ship used by the board of education for its work in Alaskan waters, has been laid up. The captain and engineer are laid off because there is no money with which to pay them, although this bill carries money for that purpose.

There are other activities that are suffering likewise by reason of this delay of this bill to become a law. It is strange indeed that the bill should be delayed because of this one item, which at first blush might appear to be of small consequence. It involves an appropriation proposed by the House for the purchase of the trail leading from the rim down to the floor of the canyon in the Grand Canyon National Park from the county of Coconino. The opposition to that is led in another body by a gentleman who has a very close personal interest in that matter. In the CONGRESSIONAL RECORD on page 4001, March 11, 1924, will be found a letter from one Ralph H. Cameron to the Senate conferees on this bill under date of March 5, which says:

It has been stated that I have an interest in certain mining claims within the Grand Canyon National Park, which have been the subject of litigation. I reiterate that I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919, any interest in claims title to which is being litigated by the Government of the United States. It has also

been stated that the water from two springs on the Bright Angel Trail have been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz.; the other in a mining location in which I have had no interest for many years.

I can not say who is the Ralph H. Cameron who signed that letter. I have a letter from the Attorney General of the United States in response to a recent inquiry on my part. I will say that the mineral claims that are cluttering up the development of the Grand Canyon and make possible the continuance of serious nuisances in the park, the question of validity of those claims of Ralph H. Cameron was passed on by the Supreme Court of the United States in 1920, which held them to be invalid. It is apparent, if you had no knowledge of the facts, you would understand that nothing but high influence of some description could hold possession of United States property in a great national park for four years in the face of a decision of the United States Supreme Court.

Ralph Cameron writes the Senate conferees he has no interests in claims in litigation. Under date of May 6, 1924, Attorney General Stone wrote me as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., May 6, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives, Washington, D. C.

DEAR MR. CRAMTON: I am in receipt of your letter of the 2d instant regarding the pending cases involving Ralph H. Cameron, which affect lands within the Grand Canyon National Park.

Upon receipt of the letter dated February 28, 1924, from the Secretary of the Interior, to which you make reference, I instructed the United States attorney at Tucson, Ariz., to take appropriate action to enforce full and complete compliance by Mr. Cameron with the decrees which had been entered in the suits brought to enjoin occupancy of these lands by him and others. In my letter, which was dated March 5, 1924, I referred to the fact that the controversy regarding occupancy of lands under mining claims in that area was of long standing and should be terminated as speedily as possible, and that I desired him to give the matter immediate attention.

I may say that the letter of the Secretary brought to my attention not only the failure of Mr. Cameron and his associates to fully comply with the decrees in the cases referred to, but also the claims asserted by eight individuals said to be associates of Mr. Cameron under about 55 placer mining locations of 160 acres each on the floor of the Grand Canyon. As to these, the United States attorney was directed to institute appropriate suit or suits.

Prompt acknowledgment of my letter of instructions was made by the United States attorney. The institution of proceedings has been somewhat delayed by reason of the fact that he was engaged in important court work and for the further reason that some investigation was necessary, as was also the procuring of certain data from the local land office in Arizona. I have, however, received a report dated the 5th instant, in which the United States attorney states that motion and affidavit in contempt proceedings for violation of the injunction were that day forwarded to Phoenix for filing, and that a bill for injunction against locators of the claims on the floor of the canyon will be completed and forwarded to the superintendent of the Grand Canyon National Park for verification not later than to-day.

I have had close supervision kept of this matter, and assure you that no unnecessary delay will be tolerated.

Respectfully,

HARLAN F. STONE, *Attorney General.*

So that this letter makes it apparent that one Ralph Cameron is to-day and has been for years in litigation with the United States concerning mineral claims in the Grand Canyon National Park. Whether this Ralph Cameron who wrote the conferees is the one or not, some Ralph Cameron is party to a litigation now being carried on by the Attorney General of the United States. At the same time I have a report from the superintendent of this national park dated May 1, 1924, referring to a Mr. Steel who is in charge of Indian Gardens in the park, and who takes his orders from some Ralph H. Cameron, which says in part:

Warm weather will be here soon, and I sincerely trust that during the heated period visitors to Grand Canyon National Park may be permitted to rest and eat lunch in the splendid grove of cottonwood trees, where pure water is abundant.

Mr. Steel, the hard-boiled caretaker, is not at Indian Gardens at present, but I understand he is away on a short vacation. In his place there is a rather likeable young man, who yesterday, at least, appeared to be very courteous. It is obvious, however, that he is carrying out the instructions of Mr. Steel, for when we arrived at Indian Gardens from Phantom Ranch two hikers were resting on the benches at the lunch station, where the water has been found to be dangerous, and where we posted the signs that have been torn down.

I might say that the water at the place where tourists stop for lunch has been found to contain thousands of colonies of typhoid bacilli. The gentleman from Oklahoma [Mr. CARTER] and the gentleman from Arizona [Mr. HAYDEN] and myself drank quantities of that water, and I do not know how we got by the typhoid germs, but we did.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there?

Mr. CRAMTON. Yes.

Mr. HOWARD of Nebraska. Would the gentleman be kind enough to locate this person Steel and this person Cameron, of whom he speaks, and tell us with just what department of the Government he is still connected officially?

Mr. CRAMTON. Steel is an employee of one Ralph Cameron and has charge of this ideal camping spot in the national park that is withheld from public use by Ralph Cameron, who holds possession without legal right. Ralph H. Cameron I am not able to identify. There seems to be difficulty, for the reason that one Ralph H. Cameron wrote a letter to the conferees in which he said that he had no interest in the control of these springs or any mineral claims, but the Ralph H. Cameron that is the employer of Mr. Steel exercises to-day that control, and under his authority the signs which the administration of the park put up to warn the public against drinking that typhoid water were torn down, probably by Mr. Steel.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WATKINS. You say you can not identify Mr. Cameron. What you mean to say is that you will not identify him? Is not that it?

Mr. CRAMTON. I am seriously handicapped by the parliamentary rules in the presentation of the matter, reference to Members of another body being forbidden.

Mr. HOWARD of Nebraska. That is entirely sufficient.

Mr. CRAMTON. Mr. Eakin in his letter states further, referring to the two hikers who were sitting there:

I asked them if they had drunk any of that water, and they replied that the man above had told them that the water at the house was unsate, but that the water at the lunch station was safe—

That is, where it contained the typhoid bacilli. Then he proceeds:

In other words, they were deliberately misled and deliberately directed to water that is impure. This, I believe, shows you the necessity of obviating any delay possible in securing Government control at Indian Gardens.

I have a few pictures here that you can not very well see at a distance, but anyone interested in them can look at them more closely and see the disgraceful sort of shacks and wrecks that strew this most beautiful part of the trail leading down into the canyon. Visitors to the park wonder how the Government of the United States permits those things to be there. But they are on the land held by Ralph Cameron in defiance of law. I myself wonder why, after four years, with the decision of the Supreme Court of the United States declaring the invalidity of his claims, Cameron still holds possession, but he does. The present Secretary of the Interior and Attorney General now have proceedings under way to put him out.

The gentleman from Oklahoma [Mr. CARTER] and myself visited the place a year ago and we came to the conclusion that we would stop this thing, and that the Government should maintain its control over the property, no matter how high the official position or connection of the squatters might be. To fully clear up the situation it is essential the Government acquire title to this privately owned trail in the park, which is a toll trail.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAMTON. I will yield.

Mr. BLANTON. The House, by an overwhelming vote, backed up the gentleman in his position. I do not know anything that has transpired since that would warrant the House in receding from that position.

Mr. CRAMTON. I hope the House will not recede, but will make its position more apparent. We have again been in conference, and we can not agree.

Mr. BLANTON. There was not a single dissenting vote before.

Mr. CRAMTON. It is amazing to me that any private individual, whether in office or not, should maintain the attitude that some Ralph Cameron does maintain toward this wonderful park—a national playground. It is so contrary to the attitude of others.

The announcement of a gift of $250,000 for the purpose of constructing and maintaining museums in the national parks was made this week by the American Association of Museums which has been holding its annual conference here in Washington. The Congress has made possible the acceptance of such public-spirited benefactions by giving the Secretary of the Interior the necessary legislative authority to accept donations for national-park purposes.

With this splendid contribution park museums which will tell the story only of the parks are to be built in Yellowstone and Yosemite National Parks, and adequate funds are to be provided for their maintenance over a period of several years. In Mesa Verde Park, in southwestern Colorado, which I visited last summer, I saw the walls of a building, harmonious with its surroundings, rising under the almost loving touch of the superintendent, which is to house the relics of a prehistoric civilization which built the wonderful ruins that are preserved in this park. The funds for this building were subscribed by a park visitor, who felt the small inadequate timber structure which the Government of the United States had given funds to build was a disgrace, and out of her own means she has supplied funds for the proper housing of these invaluable relics.

These museums are supplying the demand of thousands of visitors who pour into these parks for information on the natural sciences. Specimens of the beautiful but unknown flowers growing by the wayside are to be placed in these museums, properly labeled so that the visitor may identify them in the field. The rocks and trees, and in fact all the living and growing things can thus be made known by the museums and the early historical records kept there. These museums are fountains of education, and by giving a better knowledge of our land create a stronger love for it. These invaluable adjuncts to the wonderful service that is being rendered in these national parks are being given by public-spirited citizens without a cent of cost to the Federal Government.

That is the spirit that is aroused in the normal American who comes in contact with these great playgrounds and scenic reservations. That spirit is commendable, the desire to serve the common good by private means and private effort.

In comparison, how pitiable is the exhibition of the desire to hinder the public use or to monopolize and exploit for private gain these wonder spots of the earth.

I am not going to take longer time. I am going to ask a roll call on this, because I want another body to understand that this House has determined that this intolerable situation in a great national park shall not continue, and that no amount of personal influence shall be permitted to stand in the way of the public good.

Mr. Speaker, I move the previous question.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there for a moment first?

Mr. CRAMTON. I yield.

Mr. HOWARD of Nebraska. Will the gentleman be good enough to tell the House if this bill is being held up on any other items than this Bright Angel Trail item?

Mr. CRAMTON. The bill has been completed for two months as to everything else in the bill except this one item.

The SPEAKER. The gentleman from Michigan moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. CRAMTON] that the House further insist on its disagreement to the Senate amendment.

Mr. CRAMTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 353, nays 1, *not voting* 79, *as follows*:

YEAS—353

Abernethy	Bacharach	Black, Tex.	Britten
Ackerman	Bacon	Bland	Browne, N. J.
Aldrich	Barbour	Blanton	Browne, Wis.
Allen	Beck	Bloom	Browning
Allgood	Beedy	Bowling	Brumm
Almon	Beers	Box	Buchanan
Andrew	Begg	Boyce	Buckley
Anthony	Bell	Boylan	Bulwinkle
Arnold	Berger	Brand, Ga.	Burton
Aswell	Bixler	Brand, Ohio	Busby
Ayres	Black, N. Y.	Briggs	Butler
Byrns, Tenn.	Greene, Mass.	McSwain	Sears, Nebr.
Cable	Greenwood	McSweeney	Seger
Canfield	Griest	MacLafferty	Shallenberger
Cannon	Griffin	Magee, N. Y.	Shreve
Carew	Hadley	Magee, Pa.	Simmons
Carter	Hammer	Major, Ill.	Sinclair
Casey	Hardy	Major, Mo.	Sinnott
Celler	Harrison	Manlove	Sites
Chindblom	Hastings	Mansfield	Smithwick
Christopherson	Haugen	Mapes	Snell
Clague	Hawes	Martin	Speaks
Clancy	Hawley	Mead	Spearing
Cleary	Hayden	Merritt	Sproul, Ill.
Cole, Iowa	Hersey	Michaelson	Sproul, Kans.
Collier	Hickey	Michener	Stalker
Collins	Hill, Ala.	Miller, Wash.	Stragall
Colton	Hill, Wash.	Milligan	Stedman
Connally, Tex.	Hoch	Mills	Stephens
Connery	Holaday	Minahan	Stevenson
Cook	Hooker	Montague	Strong, Kans.
Cooper, Ohio	Howard, Nebr.	Mooney	Strong, Pa.
Cooper, Wis.	Hudson	Moore, Ga.	Summers, Wash.
Cramton	Hudspeth	Moore, Ohio	Summers, Tex.
Crisp	Hull, Morton D.	Moore, Va.	Swank
Croll	Hull, William E.	Morgan	Sweet
Crosser	Hull, Iowa	Morrow	Swing
Crowther	Humphreys	Murphy	Swoope
Cullen	Jacobstein	Nelson, Me.	Taber
Cummings	James	Newton, Minn.	Tague
Darrow	Jeffers	Newton, Mo.	Taylor, Tenn.
Davey	Johnson, Ky.	Nolan	Taylor, W. Va.
Davis, Minn.	Johnson, S. Dak.	O'Connell, R. I.	Temple
Davis, Tenn.	Johnson, Tex.	O'Connor, La.	Thatcher
Deal	Johnson, Wash.	O'Sullivan	Thomas, Ky.
Dempsey	Johnson, W. Va.	Oldfield	Thomas, Okla.
Denison	Jones	Oliver, Ala.	Thompson
Dickinson, Iowa	Jost	Oliver, N. Y.	Tillman
Dickinson, Mo.	Kearns	Paige	Tilson
Doughton	Keller	Parker	Timberlake
Dowell	Kelly	Parks, Ark.	Tincher
Drewry	Kendall	Patterson	Tinkham
Driver	Kent	Peery	Treadway
Dyer	Kerr	Perkins	Tucker
Eagan	Ketcham	Perlman	Tydings
Elliott	Kincheloe	Phillips	Underhill
Evans, Iowa	Kindred	Porter	Underwood
Evans, Mont.	King	Pou	Vaile
Fairchild	Knutson	Purnell	Vestal
Fairfield	Kopp	Quayle	Vincent, Mich.
Faust	Kunz	Quin	Vinson, Ga.
Favrot	Kurtz	Ragon	Voigt
Fenn	LaGuardia	Rainey	Wainwright
Fish	Lampert	Raker	Watkins
Fisher	Lanham	Ramseyer	Watres
Fitzgerald	Lankford	Rankin	Watson
Fleetwood	Larsen, Ga.	Rathbone	Weaver
Foster	Larson, Minn.	Rayburn	Wefald
Frear	Lazaro	Reece	Weller
Fredericks	Lea, Calif.	Reed, Ark.	Wertz
Free	Leatherwood	Reed, N. Y.	White, Kans.
Freeman	Leavitt	Reid, Ill.	Williams, Ill.
French	Lee, Ga.	Richards	Williams, Mich.
Frothingham	Lehlbach	Roach	Williamson
Fulbright	Lindsay	Robinson, Iowa	Wilson, Ind.
Fuller	Lineberger	Robsion, Ky.	Wilson, La.
Fulmer	Linthicum	Romjue	Wingo
Garber	Logan	Rouse	Wolff
Gardner, Ind.	Longworth	Rubey	Wood
Garner, Tex.	Lowrey	Sabath	Woodruff
Garrett, Tenn.	Lozier	Salmon	Woodrum
Garrett, Tex.	Lyon	Sanders, Ind.	Wright
Gasque	McClintic	Sanders, N. Y.	Wurzbach
Geran	McDuffie	Sanders, Tex.	Wyant
Gibson	McFadden	Sandlin	Yates
Gifford	McKenzie	Schafer	Young
Goldsborough	McLaughlin, Mich.	Schneider	
Graham, Ill.	McLeod	Scott	
Green, Iowa	McReynolds	Sears, Fla.	

NAYS—1

O'Connor, N. Y.

NOT VOTING—79

Anderson	Funk	Madden	Sherwood
Bankhead	Gallivan	Miller, Ill.	Smith
Barkley	Gilbert	Moore, Ill.	Snyder
Boies	Glatfelter	Moores, Ind.	Stengle
Burdick	Graham, Pa.	Morehead	Sullivan
Burtness	Hill, Md.	Morin	Taylor, Colo.
Byrnes, S. C.	Howard, Okla.	Morris	Upshaw
Campbell	Huddleston	Mudd	Vare
Clark, Fla.	Hull, Tenn.	Nelson, Wis.	Vinson, Ky.
Clarke, N. Y.	Kahn	O'Brien	Ward, N. Y.
Cole, Ohio	Kiess	O'Connell, N. Y.	Ward, N. C.
Connolly, Pa.	Kvale	Park, Ga.	Wason
Corning	Langley	Peavey	Welsh
Curry	Lilly	Prall	White, Me.
Dallinger	Little	Ransley	Williams, Tex.
Dickstein	Luce	Reed, W. Va.	Wilson, Miss.
Dominick	McKeown	Rogers, Mass.	Winslow
Doyle	McLaughlin, Nebr.	Rogers, N. H.	Winter
Drane	McNulty	Rosenbloom	Zihlman
Edmonds	MacGregor	Schall	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Dallinger with Mr. Hull of Tennessee.

Mr. Burdick with Mr. Croll.

Mr. Kahn with Mr. Clark of Florida.

Mr. Rogers of Massachusetts with Mr. Dominick.

Mr. Ward of New York with Mr. Ward of North Carolina.
Mr. Cole of Ohio with Mr. Stengle.
Mr. Luce with Mr. Barkley.
Mr. Curry with Mr. Byrnes of South Carolina.
Mr. Clarke of New York with Mr. Upshaw.
Mr. Funk with Mr. Kvale.
Mr. Rosenbloom with Mr. Taylor of Colorado.
Mr. Vare with Mr. Doyle.
Mr. Hill of Maryland with Mr. Vinson of Kentucky.
Mr. Boles with Mr. Sherwood.
Mr. Connolly of Pennsylvania with Mr. Bankhead.
Mr. MacGregor with Mr. Park of Georgia.
Mr. Madden with Mr. Wilson of Mississippi.
Mr. Burtness with Mr. Sullivan.
Mr. Miller of Illinois with Mr. Gallivan.
Mr. Graham of Pennsylvania with Mr. Howard of Oklahoma.
Mr. Kiess with Mr. Gilbert.
Mr. Moore of Illinois with Mr. Huddleston.
Mr. White of Maine with Mr. Drane.
Mr. Ransley with Mr. McNulty.
Mr. Winslow with Mr. O'Connell of New York.
Mr. Mudd with Mr. Glatfelter.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Winter with Mr. Morehead.
Mr. Zihlman with Mr. O'Brien.
Mr. Welsh with Mr. Dickstein.
Mr. Schall with Mr. Morris.
Mr. Morin with Mr. Williams of Texas.
Mr. Smith with Mr. Corning.
Mr. Campbell with Mr. Lilly.
Mr. Moores of Indiana with Mr. McKeown.

The result of the vote was announced as above recorded.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for two minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I do not like to object to any man addressing the House; but if Members could realize the pressure that is brought upon the Rules Committee to get legislation before the House, they would appreciate the position I am in at this time. The Rules Committee is willing to bring out rules as fast as the House can absorb them, and that is the best we can do. If we are going to get this legislation through, we can not yield for speeches outside of the regular order of business. I will not object now, but I do feel that in the future I shall be obliged to object.

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

Mr. CONNERY. Mr. Speaker and gentlemen of the House, while listening to the President's veto message yesterday I had some very strange and ironic thoughts. I was wondering whether the President fully realized what the service men of the Nation did in the war not only to keep safe our beloved country from foreign aggression but to protect the property of the taxpayers in whose welfare the President seemed so intensely interested.

Now, knowing from past experience that this veto was what to expect, I saved a little clipping which was written by "Old Timer" in the Chicago Tribune after the late lamented President Harding had sent his veto message to Congress. I saved this clipping, knowing that the day would come when this adjusted compensation bill would be again vetoed, and I am going to offer it for the deep consideration of this House:

I remember the dawn of that cold rainy day
Our first time over the top,
How for hours we crouched in the mud of the trench
With our hearts going flippity-flop.
And at last the word came—and over we went,
Where the bullets whistled and spat;
And shrapnel screamed 'round like devils from hell,
But—nobody vetoed that.

I remember a night in a thick marshy wood,
When the boche gave a chlorine-gas ball;
We couldn't fight back, we were held in reserve,
Had to stay there and take it—that's all.
And thicker and thicker the stinking fumes grew
While we lay there sprawling out flat,
Choking and cursing—but—holding our ground;
And nobody vetoed that.

I remember the nights, when with pick and spade,
We scooped shallow graves for our dead;
No songs could be sung—there were snipers around,
Not even a prayer could be said.
We had to work fast for with coming of day
The guns would start in to chat;
Without coffins or blankets we laid them away—
And nobody vetoed that.

Now, my colleagues, I confidently hope that the membership of the House of Representatives when we vote to-morrow will rebuke the President for the gratuitous insult which he gave, in his message yesterday, to the men who bore arms for this Republic, and by an overwhelming vote will pass this adjusted compensation bill, and thus render belated justice to the service men of the United States. [Applause.]

EXTENSION OF REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with the conference report on the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in connection with the conference report on the Interior Department appropriation bill. Is there objection? [After a pause.] The Chair hears none.

DEPARTMENT OF STATE APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I call up the conference report on H. R. 8350, making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, and I ask unanimous consent that the statement be read instead of the report.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on H. R. 8350 and asks unanimous consent that the statement be read instead of the report. Is there objection? [After a pause.] The Chair hears none.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, 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 1 and 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 15, 16, 17, 18, 20, 24, 25, 26, 27, 29, 30, 33, 34, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$261,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$233,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "597,550"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On Nos. 1 and 2: Strikes out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000, and appropriates $1,069,600, as proposed by the House, instead of $1,072,100, as proposed by the Senate, for salaries in the office of the Secretary of State.

On No. 3: Authorizes $2,500, as proposed by the Senate, instead of $1,800, as proposed by the House, for the operation and maintenance of the launch for the embassy at Constantinople.

On No. 13: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $47,750 heretofore appropriated for the revision of Chinese customs tariff.

On No. 14: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $21,000 heretofore appropriated for inquiry into extraterritoriality in China.

On No. 15: Places in the discretion of the President the use of $6,000 of the appropriation for the International Boundary Commission between the United States and Mexico for taking over the water gauging now being done by the State of Texas, as proposed by the Senate, instead of making mandatory such use of the money, as proposed by the House.

On No. 16: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $15,000 heretofore made for the International Commission on Public and Private International Law.

On No. 17: Strikes out the House language making the quota of the United States for the support of the International Office of Public Health payable in gold francs.

On No. 18: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $20,000 heretofore appropriated for the Third Pan American Scientific Congress.

On No. 20: Appropriates $58,287, as proposed by the Senate, instead of $51,750, as proposed by the House, for contingent expenses of the Department of Justice.

On No. 24: Provides for printing and binding the official reports of the Supreme Court of the United States, and advance pamphlet installments thereof, during the fiscal year 1925, as proposed by the Senate, instead of 1924, as proposed by the House. It is merely the correction of an error.

On No. 25: Places a limitation of $150,000, as proposed by the Senate, on the amount of the appropriation of $840,00 for special assistants to district attorneys which may be expended for special counsel to enforce the national prohibition act.

On Nos. 26 and 27: Corrects the language of the paragraph making appropriations for contingent expenses of the Department of Commerce.

On No. 28: Appropriates $261,000, instead of $241,000, as proposed by the House, and $291,000, as proposed by the Senate, for commercial attachés.

On No. 29: Appropriates $400,000, as proposed by the Senate, instead of $385,000, as proposed by the House, for promoting commerce in Europe and other areas.

On No. 30: appropriates $181,000, as proposed by the Senate, instead of $166,000, as proposed by the House, for district and cooperative offices, Bureau of Foreign and Domestic Cemmerce.

On No. 31: Appropriates $233,000, instead of $213,000, as proposed by the House, and $253,000, as proposed by the Senate, for promoting commerce in the Far East.

On No. 32: Appropriates $597,550, instead of $582,500, as proposed by the House, and $625,000, as proposed by the Senate, for export industries, Bureau of Foreign and Domestic Commerce.

On No. 33: Corrects the punctuation by inserting a semicolon, as proposed by the Senate, instead of a comma, as proposed by the House.

On No. 34: Appropriates $180,278, as proposed by the Senate, instead of $158,778, as proposed by the House, for the enforcement of wireless communication laws.

On Nos. 35 and 36: Appropriates $314,300, as proposed by the Senate, instead of $250,000, as proposed by the House, for Pacific coast surveys under the Coast and Geodetic Survey, and corrects the total.

On No. 37: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $40,000 heretofore made for the establishment of a fish-rescue station on the Mississippi River.

On No. 38: Makes immediately available, as proposed by the Senate, $100,000 of the appropriation for additional land-border patrol under regulating immigration.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 4 to 12, inclusive: Making appropriations for the surviving next of kin of consular officers dying in the service.

On No. 19: Relating to subsistence expenses of employees of the Mixed Claims Commission, United States and Germany, while in a travel status.

On Nos. 21, 22, and 23: Relating to salaries of employees in the war transaction section, Department of Justice.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, H. R. 8350, making appropriations for the Departments of State, Justice, Commerce, and Labor, as it passed the House carried for items in dispute, on which the conferees have agreed, $3,117,678, and as it passed the Senate it carried $3,374,965. The conference figures now are $3,295,015. The real increase made by the Senate and agreed to by the conferees over the House bill is $177,337. There are three items that are not in agreement, and I move the previous question on the adoption of the conference report.

Mr. HUDSPETH. Will the gentleman yield for a question?

Mr. SHREVE. Yes.

Mr. HUDSPETH. I call the attention of the gentleman to page 16 of the report regarding the $6,000 which I offered as an amendment to provide for the gauging of the water of the Rio Grande. That is left discretionary with the President, and I notice the House has receded. I would like to ask the gentleman if he does not think that if this money is not expended in properly gauging the water by the Federal Government it may cost this Government $50,000,000 or $60,000,000. Why should it be left to the discretion of the President when it is really a duty upon the Federal Government?

Mr. SHREVE. I will say to the gentleman that that was an amendment put in by the Senate at the suggestion of Senator SHEPPARD, and we all know that Senator SHEPPARD is deeply interested in the gauging of this water. The Senators in conference felt that the President, having charge of the matter, would see that the gauging was done. We explained that the reason the amendment was put on the bill was for the very purpose of compelling the commission to do the gauging.

Mr. HUDSPETH. I usually agree with the Senator over there, but I think in this case he is mistaken, because I will state to the gentleman that it is not in accord with the request of the boundary commissioner, Mr. Curry, which I submitted, through a letter, to the Senator.

Mr. SHREVE. They understood fully the attitude of the House on the question. The only object we had was to enforce the gauging of the river.

Mr. HUDSPETH. That is the idea.

Mr. SHREVE. But they said under their amendmeat the President would see that the work was done.

Mr. HUDSPETH. I trust he will.

Mr. SHREVE. And we accepted that statement.

Mr. HUDSPETH. It is a duty upon the Federal Government and I think the Senator is mistaken in his view. I think it should be mandatory upon every President, because, I will state to my friend who suggested a similar amendment to me that I placed upon the bill and who had that much interest in the matter, that other Presidents have not seen to it that the gauging was done; and the State of Texas has had to do the gauging for several years in order to protect the Government. I would suggest to my friend that he adhere to the original amendment that I placed in the bill, making it mandatory on the Federal Government, and for once override the Senator from Texas on the proposition.

Mr. SHREVE. I am inclined to think that the Senators will live up religiously to the agreement and see that the work is done as they say.

Mr. HUDSPETH. I sincerely trust they will, but I would rather have it the other way, as the House placed it. I think it is safer for this Government, because, I will state to my friend, that the Mexican Government at all times has gauged this water and is now preparing to levy a claim, so I am informed, against this Government for excess water that they claim we have used, and therefore it is very essential that this work be done.

Mr. McKEOWN. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. McKEOWN. I desire to ask the gentleman with reference to Nos. 1 and 2, which strike out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000.

Mr. SHREVE. I may say that the Senate attempted to raise the salary of this Undersecretary from $7,500 to $10,000 and the House disagreed. This is simply bringing it back to $7,500.

Mr. McKEOWN. I wish to compliment the gentleman very much on that proposition. I am absolutely opposed to paying more than Members of Congress receive for work of a similar nature.

Mr. SHREVE. Thank you.

Mr. McKEOWN. There is another question I would like to ask the gentleman: What is the necessity for reenacting and making available the balances that have not been expended out of various appropriations? For instance, unexpended balances for Pan American Scientific Congress and $15,000 for eastern trade, and I call the gentleman's attention to the unexpended balance of $21,000 for the extraterritorial inquiry in China.

Mr. SHREVE. In reply to the gentleman permit me to say that item was authorized some time ago, but due to the effects of the war that work was never accomplished, and this is simply carrying out work started a long time ago in our legal relations with China.

Mr. McKEOWN. It is not the purpose of these men to simply use up the money that has been made available?

Mr. SHREVE. Absolutely not; it was work that was delayed by reason of the war. They are treaty obligations—and there are several of them—and it was necessary to reenact them and place the department in position to carry on the regular, orderly course of business with such foreign countries.

Mr. McKEOWN. I again compliment the gentleman, because I do not like this idea of these men having money they can not expend and then wanting a little more time in which to spend it. I want them to try to save it.

Mr. SHREVE. I quite agree with the gentleman.

The SPEAKER. The gentleman from Pennsylvania moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SHREVE. Mr. Speaker, I wish to call up and have read the amendments that are in disagreement.

The SPEAKER. Does the gentleman wish to take action on them?

Mr. SHREVE. I would like to have action taken on amendments 4 to 12.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

Mr. SHREVE. Mr. Speaker, I will say that the reason we brought back these items is because they are legislation and we did not desire to establish the practice of legislating on an appropriation bill. I think the committee realizes that these are claims against the Government, and we are prepared to submit the matter to the House so it may take action upon it. It is establishing a precedent. If we are to pass items in this way on appropriation bills, it will soon become a precedent that we can not get away from. We are all anxious to keep the appropriation bills as clean from legislation as possible. So we place the responsibility squarely upon the House.

Mr. BRITTEN. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. BRITTEN. Senate amendments 4 to 12 apply to consular officers who have died at their post of duty in the service of the Government. For 30 years this character of amendment has come to the House on various appropriation bills. I sincerely hope the managers on the part of the House will recede and concur in these nine Senate amendments. They are not out of the ordinary, but are brought back to the House only because they are legislation on an appropriation bill. Gentlemen in the House know that legislation on appropriation bills has become the custom rather than being unusual since the new rules of the House have divided the authority of the various committees. I recall that the naval appropriation bill now in conference comes to the House with much added legislation, which the conferees will probably agree to, because the legislation is not objectionable to the Committee on Naval Affairs.

Mr. SHREVE. But that legislation is to be brought back to the House.

Mr. BRITTEN. Yes; it may come back, but it is not unusual for appropriation bills nowadays to have legislation added to them, and I hope the House managers will recede and concur.

Mr. Speaker, for more than 30 years past Congress has appropriated money for the relief of the widows of deceased diplomatic and consular officers, and I now have in mind the payment to the heirs of Alexander Clark, late minister and consul general to Liberia, being one year's salary, $4,000, authorized in act of July 28, 1892. Then again on March 3, 1893, Congress authorized a payment to Mrs. Sarah O. Hanna, widow of Bayless W. Hanna, late minister resident and consul general to Buenos Aires, of $5,375. There are dozens of precedents in the succeeding years, but I will not take up the time of the House to recite them. Suffice it to say that Congress has continued to promote this form of relief for the widows of many Amercan consular officers, and I am sure that every Member of the House will agree with me that it is the least that could be done under the circumstances. Everybody knows that our diplomatic and consular representatives are underpaid and that their sudden death very often leaves a family in destitute circumstances. I am glad to call to the attention of the House the further fact that each of the nine Senate amendments apply to cases where the consular officer actually died at his post of duty from illness contracted in the service, with the single exception of an officer who was returning home in a sick and weakened condition who died aboard ship.

Mr. Speaker, I move that the House recede from its disagreement to the Senate amendments 4 to 12, inclusive, and that it concur in the same.

Mr. SHREVE. Mr. Speaker, I move that the House recede and concur in the Senate amendments from 4 to 12, inclusive, and upon that motion I ask that all amendments be considered en bloc.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the amendments from 4 to 12, inclusive, be considered en bloc. Is there objection?

There was no objection.

The Clerk read the amendments, as follows:

(4) For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

(5) For Pauline M. Robinson, widow of Fred R. Robinson, late consul to Saltillo, Mexico, one year's salary of her deceased husband, who died while returning to the United States from his post of duty of illness incurred in the Consular Service, $3,500.

(6) For May Adelaide Sharp, widow of Hunter Sharp, late consul at Edinburgh, Scotland, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,000.

(7) For Ethel Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $4,000.

(8) For William B. Kirjassoff and David M. Kirjassoff, minor children of Max D. Kirjassoff, late consul at Yokohama, Japan, one year's salary of their deceased father, who died in the earthquake and fire while at his post of duty, $3,500.

(9) For Eliza R. Scidmore, sister of George H. Scidmore, late consul general at Yokohama, Japan, one year's salary of her deceased brother, who died of illness incurred in the Consular Service, $8,000.

(10) For Frances R. Jewett, widow of Milo A. Jewett, late consul of the United States at Trondhjem, Norway, $3,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(11) For Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, $5,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(12) For Irene Gracie Pontius, widow of Albert W. Pontius, late consul general at Mukden, China, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,500.

The SPEAKER. The gentleman from Pennsylvania moves that the House recede and concur in the Senate amendments.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Now, Mr. Speaker, I call up the amendment No. 19, at the bottom of page 4.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 25, line 21, strike out "and subsistence expenses" and insert "expenses and per diem in lieu of subsistence at not exceeding $8."

Mr. SHREVE. Mr. Speaker, I move to recede and concur in this amendment with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to amendment of the Senate No. 19, and agree to the same with an amendment as follows: "expense and per diem in lieu of subsistence, and the Secretary of State may allow per diem in lieu of subsistence for foreign travel at not to exceed $8."

The SPEAKER. The gentleman moves to recede, and concur with an amendment.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Mr. Speaker, I desire to further insist on the disagreement to Nos. 21, 22, and 23, on page 4 of the conference report.

The SPEAKER. The Clerk will report the amendment.

The Clerk reads as follows:

Amendment 21: Page 33, line 5, strike out "one person" and insert "two persons."

Amendment 22: Page 33, line 7, after the word "annum," insert the word "each."

Amendment 23: Page 33, lines 7 to 9, inclusive, strike out the following language: *Provided further*, That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment," and insert in lieu thereof the following: "but the Attorney General may fix the compensation of not to exceed eight persons at not to exceed $10,000 each."

Mr. SHREVE. I move that the House agree to the request of the Senate for a further conference.

Mr. OLIVER of Alabama. Before that is done, did the gentleman include Senate amendment 23? I was under the impression that we had reached an agreement on amendment 23.

Mr. SHREVE. I thought so myself. I thought the matter was disposed of when the gentleman from Alabama and I departed, but it seems—and I get my information from the Clerk—that they were not disposed of.

Mr. OLIVER of Alabama. In other words, they felt that all three amendments should be considered together?

Mr. SHREVE. Yes; that is my understanding.

Mr. OLIVER of Alabama. I think the gentleman will agree that it is the sentiment of the House that we should adhere strictly to insistence on the provision of the House that not more than one person in the Department of Justice be employed at a cost exceeding $10,000. That seems to be the crux of all these amendments.

Mr. SHREVE. I am glad to have the support of the gentleman from Alabama in our contention that there should be but one person employed at a rate exceeding $10,000.

The SPEAKER. The gentleman from Pennsylvania moves that the House further insist on its disagreement to the Senate amendments 21, 22, and 23.

Mr. SHREVE. Mr. Speaker, I move to concur in the request of the Senate for a further conference.

The motion was agreed to.

The SPEAKER appointed the following conferees: Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama.

CRITICISMS OF CONGRESS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning recent criticisms of Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, several recent issues of the Literary Digest, a weekly magazine with very large circulation, have conspicuously displayed many bitter criticisms of Congress; and this was true notably of the issue of May 10, 1924. Please note carefully that this criticism is not directed at the majority—Republican—in control and responsible for the conduct of congressional business. The attack is a broad, general, and unconditional condemnation of Congress as an institution, as a governmental agency, as one of the chief creatures of our Federal Constitution.

Danger lurks in the mental attitude back of these complaints. The suggestion is unmistakable that such a useless, constantly irritating, business-disturbing agency as Congress be abolished or permanently prorogued. In a pretense of fairness the Literary Digest prints a few contrary views buried so deep in the text as not to attract attention. But the sensational, wholesale, passionate denunciations are played up far to the front to startle the eye and mind.

What can be the motive? Do such men as Judge Gary still, as Alexander Hamilton did, prefer a monarchy? Do they wish to transform the President into a dictator, an autocrat, a despot? Would they have such despotism slowly changed to a hereditary imperialism? Do they contemplate violent revolution, or a slow, silent, secret, sapping of liberty, till the people's power be enchained and militarism be enthroned? Let them either withdraw their words, confess their mistake, or stand convicted of treason to the sacred institutions our fathers set up to bless all humanity.

Congress is the most essential part of the constitutional machine. It not only must enact all laws, levy all taxes, appropriate all money, but when the Electoral College fails to function must elect the President, may remove the President or any other officer, including judges, by impeachment. Without Congress, neither the executive nor judicial department could ever function a single day.

Corruption in government does not creep in through congressional action or judicial decisions. History shows that in all countries and ages, as in our own, corruption springs up through the executive or administrative department. There is a reason. In Congress everything said is public for all to hear and printed for all to read. A jealous and ambitious minority is always watching every move of the majority, anxious to expose a fault. So in the courts the hearings are public and decisions written and printed in book form. There are two adversaries mutually and usually bitterly opposed in every court proceeding. There is simply no opportunity for corruption.

Generally wherever corruption in Members of Congress has been established it has been in conjunction with corruption of some executive or administrative officer. It has been due to some corrupt conspiracy between one executive and a Congressman relating to such matters as pardons, public lands, or public property, such as surplus war material, or permits, privileges, or franchises under executive control, or the division of the salary of some executive office. Corruption between Members of Congress regarding legislative business is entirely unknown, not even suspected or charged by the enemies of Congress.

The reason that corruption in government nearly always is found to exist in the executive branch is manifest. Executive acts, decisions, and orders are made in secret. Both sides are not publicly represented. There are no galleries "listening in."

There is no stenographer taking down every word to be printed and scattered abroad. Here is the opportunity for corruption, and history, both past and present, shows that where the opportunity exists it is employed to the great financial benefit of the executive office holder. Such opportunity exists par excellence in the income tax bureau and prohibition enforcement unit. Does corruption exist there? If not, then only fear of exposure by a congressional investigation prevents it.

Consequently, the great duty of preserving the full limit of congressional power to investigate every thing and everybody connected with the Government, at any time. Most of this present tirade against Congress arises from the proper, necessary, and effectual investigations of executive corruptions that Congress has conducted.

The Literary Digest, having virtually challenged us to defend Congress created by the Constitution, I felt impelled to send a letter to its editor, and I herewith print same for the information of the public:

The EDITOR OF THE LITERARY DIGEST:

I feel a duty to answer your request for a statement—very brief it must be—fearing lest silence may be misconstrued to the prejudice of the liberties of America. I do not defend, nor would it be becoming to me, the personnel of the present Congress. I, too, would change the Republican majority to a Democratic majority. But the sentiments to which you are giving such wide circulation go deeper; they strike at Congress as an institution; they condemn parliamentary government. When you link together Bolshevism and Congress as joint destructive agencies, when you disseminate sentiments that "the worst thing we have is our American Congress," you necessarily argue the destruction of Congress. Indeed, one writer in The Chronicle of April 26, 1924, following the implications of Elbert H. Gary's statements, suggests that "Congress and all State legislatures take a five-year recess." He goes on to say: "We will never have a stable business situation until we have a stable government." Again: "Can business ever prosper in the true and complete sense with this vulture gnawing at its vitals?"

Did Judge Gary and his disciple writing in the Chronicle think "Congress the worst thing in America," "Congress a vulture," when in 1921 Congress enacted the high protective tariff law now in force? Do they regard the tariff as class legislation promoted by a selfish tariff bloc? I respectfully suggest that the trouble with Judge Gary and the other tariff beneficiaries is that they do not agree with the present majority in Congress regarding surtax rates on incomes, adjusted compensation for ex-soldiers, and restrictive immigration. They failed to suggest in April, 1921, that Congress should then take a five-year recess before it reduced the surtax rates and raised the tariff rates.

Judge Gary and those who think as he does are evidently entirely out of sympathy with popular government, with a parliamentary system, and therefore do not like our American institutions. They manifestly prefer an autocracy either of one man or a few, either Italian, Spanish, or Russian. Their great teacher and leader, Alexander Hamilton, in his day preferred the English Government for its "autocratic stability." But doubtless Judge Gary and his sympathizers regard the present English Parliament, which is the entire English Government—legislative, executive, and judicial—as worse even than the American Congress.

Judge Gary and his school forget that the essence of parliamentary government, of congressional government, of American Government, is majority rule by compromise. No one man nor set of men less than a majority can have their own sweet way. By compromise independence was finally declared and achieved. By compromise the Constitution was finally formulated and adopted and the National Capital located. By compromise the Nation has developed swiftly and mightily.

But some seem to think that suddenly American institutions have become all wrong. While there is restrictive immigration, there is not restriction on emigration; expatriation is an American doctrine. We should bless, not curse, the hand that feeds us.

Judge Gary and his school are following a dangerous course—"Worst things" ought to be changed. Thus they imply that Congress ought to be abolished, not merely recess five years. What would they have in its stead? "Aye, there's the rub." Does Judge Gary wish a "big business soviet"? Does he seek an American Mussolini? Is he organizing the American facisti? Or does he prefer General Rivera and the methods of Spanish militarism? To dissolve and dismember the American Congress would be revolution. When a revolution starts where will it stop? But Judge Gary must remember that all revolutions start with words, thoughts, ideas, followed finally by deeds—violent deeds. Judge Gary is using the words and suggesting the ideas.

Let me respectfully but earnestly suggest an idea to Judge Gary and others who hastily and thoughtlessly repeat his words: Revolutions are decided by numerical, physical man power; not by money power, as elections are sometimes decided. As Senator Tillman used to say, "When skull cracking commences all men's skulls look alike." Judge Gary must remember that a hundred thousand Regular Army soldiers can not overwhelm a hundred million American people and hold them in restraint. He can not count on the National Guard and the organized reserves to help the Regular Army subjugate the American people.

Then, most earnestly do I plead for patience, tolerance, and the spirit of "give and take," the spirit of Washington, Jefferson, and Lincoln. The only hope for invested capital and the vested interest is in the American constitutional system, including both Federal and State Governments. Of this system, the legislative branch, to wit, Congress and all State legislatures, is the bedrock. The preservation of the American legislative system, including the fullest power to investigate everything and everybody at any time, is essential and indispensable to the preservation of American liberty, and liberty is more precious than life.

Let Judge Gary and his disciples reread and remember the American history, English history, French history, German history, Italian history, Russian history, Roman history, Biblical history, and rejoice that we still have an American Congress.

Let not Judge Gary and other "big business men" give any just cause for others to say of them as was said of the "big business men" of France long ago—"the Bourbons never learn anything and never forget anything."

Finally, let me suggest that the remedy is not to destroy the Congress, but to clean it out—not burn the barn to be rid of the rats. Let all men, including even Judge Gary, give their personal time and attention, not merely their money, to their civic and political duties. Let our ablest and cleanest men run for Congress, and, if necessary, let some of them forego the huge financial returns from industrial leadership, and, if elected, go into Congress to exemplify before the country their ideal of how a Congressman should function. Congress is not an abstract institution—it is composed of 531 human beings; so we are dealing with an individual and personal problem.

My personal experience and testimony is that Members of Congress, with rare exceptions, are able, honest, and patriotic men, but hoping to be reelected by a majority of the men and women in their respective districts; they will not take orders from any one man, though as rich as Judge Gary, or as able and learned as Dr. Nicholas Murray Butler.

J. J. McSWAIN.

The majority of all who love free institutions, and who therefore feel a deep protest against an attack upon the only direct representation the people have in the Federal Government, are voiceless. They have no great newspapers and magazines; but here is a letter from one of them:

A TIMELY PROTEST

GRAND FORKS, N. DAK., *May 12, 1924.*

Hon. JOHN J. McSWAIN, M. C.,
Washington, D. C.

DEAR SIR: It was with deep concern and regret that I read a recent statement made by Judge Gary that "the worst thing we have in this country is Congress"—the Congress that was founded on the principles of true democracy, conceived in the faith that all men are created equal and therefore entitled to a voice in the making of those laws with which we are governed; a Congress that had its genesis in the cradle of liberty, that shone as a beacon light throughout the world in those dark days when life and liberty and the pursuit of happiness were purchased with the blood of our forefathers, and which since then has withstood the vicissitudes of civil war, governmental corruption, invasion of the doctrine of hate and anarchy, and that has made America the greatest nation on earth.

Shall we now tolerate utterances from men who regard themselves greater than Congress, that destroy the faith and confidence in that branch of our Government that we have learned from childhood to revere and respect? Shall they be permitted to malign and libel the men ordained as Representatives of the people, who are conscientiously endeavoring to serve all the people for the good of all, and, above all, restore the confidence of the people by stamping out dishonesty or any semblance of dishonesty among those who retain the stewardship of public office?

Is it possible that these "supermen"—and we do not refer particularly to Judge Gary—feel chagrined at their inability to control the destiny of the people through control of Congress, that they may either guide the lawmakers to do their bidding for the protection and gain of their own private interests, or prevent them from passing legislation demanded by the big majority that might somewhat impair these private interests? At least these men give vent to their spleen in such a manner as to foster and encourage that growing tendency in this country to disregard law and order and those institutions founded by the fathers of this Nation.

Can it be that we have a "supergovernment" ruled by such men as Judge Gary and Julius Barnes, who regard the Constitution as a "scrap of paper"? Woe be unto this Nation if the people become convinced of this! There is no doubt that these men, by virtue of their positions and influence, wield a big power in the Government, and I want to protest most vigorously against the position they take toward a measure that is the crying need of America to-day, for it involves the very life and existence of the most important industry in this country, agriculture.

* * * * * * *

Yours very truly,

GEO. E. DUIS,
President North Dakota Wheat Growers' Association.

INLAND WATERWAYS CORPORATION

Mr. SNELL. Mr. Speaker, I call up House Resolution 279, a privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 279

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution simply provides for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. Under authority granted by Congress during the war the President took over a majority of the railroads and a good many of the steamboat transportation lines of the country. Under the special authority of that act he was granted power to take over these boats, barges, and steamboats and also to build additional ones to meet the demands of the Government. Because of the shortage of transportation facilities, he was obliged to buy a considerable number at war costs. When we passed the

1920 transportation act turning back the railroads to the individual owners, it was provided in sections 201 and 500 of that act that the Secretary of War should conduct, for the present at least, such transportation facilities as the Government then owned on the Lake Erie Canal, the Black Warrior River, and the Mississippi River. It has been found by actual working that it is practically impossible for the Secretary of War to carry out in an efficient way the provisions of that law, and it seems to be absolutely necessary, if we are going to get as good results as possible from the operation of these various lines, that there should be an independent corporation formed, of which the Government should own all the stock, to take over and operate these lines in accordance with the direction of Congress. The Government at the present time owns all of the barges, and so forth, and this act provides for a corporation with a capital of $5,000,000, and the Government shall own all of the stock. As a matter of fact, it simply puts the Government in a position to operate these various lines in an efficient, businesslike way, and under same conditions as any other private organization. As far as I know, there is no opposition to this general proposition. It comes as a unanimous report from the Committee on Interstate and Foreign Commerce.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. NEWTON of Minnesota. There has been a rule reported out from the Committee on Rules in respect to increased hospitalization. Can the gentleman advise the House when we may expect that to be called up?

Mr. SNELL. Either late this afternoon or to-morrow morning. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DENISON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8209) to create the Inland Waterways Corporation, for the purpose of carrying out the mandates and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8209, with Mr. TILSON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

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

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois to control one-half of the time in favor of the bill.

Mr. RAINEY. Mr. Chairman, may I have the other half of that time? I am not opposed to the bill, but there are some features of it that I would like to discuss.

Mr. DENISON. Mr. Chairman, I understand there is no one on the committee who is opposed to the bill. I do not know that I could yield him half of the time, because I think there are some gentlemen on that side who want to discuss the bill.

Mr. GARRETT of Tennessee. Mr. Chairman, no time was taken in the debate on the rule, practically, and it seems to me it might easily be agreed here to extend the time a little in the Committee of the Whole by unanimous consent, so that the gentleman from Illinois [Mr. RAINEY] might have some time. If I had known the gentleman from Illinois desired time, I should have asked for it on the rule and arranged to give him some.

Mr. RUBEY. Mr. Chairman, I would like to have 5 or 10 minutes' time, but I do not want it on this bill.

Mr. GARRETT of Tennessee. Of course, debate is confined to the bill under the rule.

The CHAIRMAN. If no member of the committee claims the right as opposing the bill, the Chair will recognize the gentleman from Tennessee to control half the time.

Mr. GARRETT of Tennessee. I am not opposed to the bill.

The CHAIRMAN. The Chair understands that.

Mr. RAINEY. I am not opposed to the bill, but there are some features of it I want to discuss that I am not in favor of.

Mr. DENISON. It is satisfactory to me if the gentleman from Tennessee controls one-half of the time, and then he can yield such time as he desires to the gentleman from Illinois.

The CHAIRMAN. Without objection, the gentleman from Tennessee will control the time in opposition to the bill.

There was no objection.

Mr. DENISON. Mr. Chairman, I desire to proceed until I complete my statement without interruption, because I do not want to take up all of the time. Some of the other members of the committee desire an opportunity to express their views.

This is a question of transportation, and preliminary to an explanation of the bill I shall say just a few words upon the question of transportation. There is no question more important to the American people than that of transportation. The welfare of the entire country depends upon it, and the question of transportation is a question that is going to be before Congress for its attention for some time to come. About $20,000,000,000 is invested in the railroads, it is claimed, and freight rates are very high. That fact comes home to every family in the country. I have serious doubts whether there is any chance or any hope to get a material reduction in railroad freight rates in the country in the near future.

Mr. Markham, president of the Illinois Central Railroad, has stated that the railroads are going to require $10,000,000,000 for improved facilities in the next 10 years, or at the rate of a billion dollars a year. I do not see how they are going to get the money. I think it is impossible, because that will make the railroad investment at least $20,000,000,000, and rates will have to be fixed so as to give a reasonable return on the investment, if they ever expect to get the money. So I think it is impossible. Mr. Rhea, one of the great railroad men of the country, stated that the transportation necessities of the country double every 10 years, which is in harmony with the statement of Mr. Markham. If these facts are true, the railroads are going to be unable absolutely to take care of the country's transportation of the future. So the problem will be up to Congress to provide some sort of transportation facilities to accommodate the commerce, the industry, and the economic development of this country in the future.

How are we going to do it? Transportation has become more and more specialized, and it is going to become more so. We are developing highways, building hard roads, building feeders for the railroads, and motor haulage has to take care of a certain class of transportation; it is bound to do so. If we had not the hard roads and motor haulage in this country, the railroads could not now take care of the transportation of the country. We have to improve the roads and use motor haulage and furnish feeders for the railroads. Now, then, the railroads have to handle a certain class of transportation that can not be handled either by motor haulage or water haulage. But there is a class of freight that the railroads ought not to be expected to handle and will not in the future handle, and that class must be handled by the rivers and canals of the country. Transportation is going to become more and more specialized as the country develops and industries increase, and those who have studied the subject carefully, I think, will agree that the future needs of the country absolutely make it imperative that the Government improve the rivers and inland waterways and take some appropriate action to rehabilitate water transportation.

The older countries have found this to be so. Germany has 8,500 miles of improved waterways; France has 8,600 miles of improved waterways, and 25 per cent of all the freight of the Republic of France is transported on its waterways. Forty-one per cent of all the freight that goes into the great city of Paris goes on the Seine River. There is also the little country of Belgium, which has about 1,500 miles of improved waterways. Those countries have found their industrial development depended absolutely upon the development of their waterways. and they are honeycombed with canals and improved rivers. As we increase in population and as our business and industries increase we ought to develop our great system of waterways in this country. The railroads alone can not meet the situation. And so that problem is our problem, and it is up to us to provide for a system of water transportation.

Now, let me give you a few figures which perhaps some of you may know, but may have forgotten. We have expended in this country, I find on making some investigation recently, $1,058,453,343 in the development of rivers and harbors already. We have expended something over $600,000,000 in the development and improvement of rivers alone. Let me give you these illustrations: We have expended on the improvement of the Warrior River, which runs from above Birmingham down to Mobile, about 419 miles—we have expended on that river and its 17 locks $10,271,295, and that project has been completed.

That is a completed project. We have expended on the Mississippi River from the head of the Passes up to the mouth of the Ohio River $137,920,738, and from the mouth of the Ohio to the mouth of the Missouri about $21,681,600, and from the mouth of the Missouri to Minneapolis $34,402,000, so that upon the Mississippi River system we have expended about $194,004,338, according to the best figures I could get from the engineers. On the Ohio River we have expended about $89,542,389, and on the Missouri River $19,027,500. Now, we have expended all this money on the theory that we are going to make these rivers navigable and put commerce back on them. There still remains a great deal of work to be done. The Mississippi River is practically completed from the mouth of the Ohio to the head of the Passes.

Mr. LINTHICUM. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LINTHICUM. The gentleman mentioned the amount of money spent on river and harbor improvement. I want to state that we have spent considerable money at Miami, and constituents of mine established a steamship line to Miami; and just as soon as they began to make it a success the railroads got in and asked the Interstate Commerce Commission to allow them to reduce their rate so they could compete with the boats, and how can you ever establish water transportation so long as that exists?

Mr. DENISON. That is one of the problems Congress is going to have to take hold of, and I hope we may find a solution to it very soon.

Mr. LAZARO. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LAZARO. I know the gentleman is quite a student of waterways. Now, in view of what the gentleman has stated here, does not the gentleman think it is the duty of Congress to pass a river and harbor bill before we adjourn?

Mr. DENISON. I do; I think the river and harbor bill ought to be passed before Congress adjourns. Now, the problem which the gentleman from Maryland mentions is one that ought to be solved, and I think it will require additional legislation; but that is not entirely pertinent to the bill we are now considering.

I mentioned these expenditures for the improvement of rivers for the purpose of showing that Congress has expended a great deal of money for the development of water transportation. The Mississippi River has about 6,520 miles that can be improved into a navigable waterway—that is, the Mississippi River system, that runs right through the heart of the country, can be easily made into a navigable waterway system of that length.

Now, we are spending money each year to complete these projects. What is the purpose of it? What has all this been for? It is for the purpose of restoring commerce to our waterways, to relieve the railroads of their strain, and to cheapen transportation. And it will cheapen transportation. I will tell you why: The cost of transportation by railroad on the average is about 10½ mills per ton-mile; on the rivers the Government is now hauling freight at an average of 3½ mills per ton-mile, so that you can carry freight on the rivers at about one-third of what you can carry it for on the railroad.

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. MORTON D. HULL. When you figure the cost of hauling freight on the waterways do you figure it on the cost of opening up the waterway and the improvements, or just the actual transportation?

Mr. DENISON. The actual transportation costs.

Mr. MORTON D. HULL. Well, the cost of transportation as figured on the railways includes the interest on the bonded indebtedness and all the construction costs.

Mr. DENISON. Yes; that is true, but we have always improved our rivers and harbors from the Federal Treasury as a national policy.

Mr. KINDRED. Mr. Chairman, may I suggest to the gentleman the value of fully verifying the statements through the verification of the United States Board of Engineers and other most reliable sources as to the great amount saved?

Mr. DENISON. Yes. All countries have found it so, and we are going to find it so, that if you expect to get cheap transportation in this country—and you must have it—you have got to get it by water.

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

Mr. DENISON. Yes.

Mr. WILLIAMSON. I understand that on the Warrior River as well as on the Mississippi River the Government is transporting freight at 3½ mills per ton-mile, but that the business on the Warrior River has been running at a loss ever since they began. Have they reached the point where they can pay the expense and make a profit?

Mr. DENISON. The reason why the barge line on the Warrior River has not been operated at a profit is on account of certain conditions that exist there, and it is the purpose of this legislation to enable the Government to remove those conditions. If we can enact this legislation and give the Government a chance to carry out its program, freight can be carried on the Warrior River at a profit to the Government and at a great saving in transportation charges to the people.

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

Mr. DENISON. Yes.

Mr. LINTHICUM. Does not this put the Government in competition with private owners?

Mr. DENISON. No. There are no private owners that are now operating on these rivers.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes; I yield to the gentleman from Iowa.

Mr. COLE of Iowa. When you speak of the cost of water transportation, have you counted in the expense of improving the waterways and the maintenance and depreciation, or do you approximate that?

Mr. DENISON. Those items are not considered as part of the costs. The navigable rivers belong to the Government and are under the direct supervision of the Government, and we have to develop them for national defense purposes if for no other.

Now, I want to proceed with the discussion of the bill after these preliminary statements. This vast investment that we have made in the development of our waterways and the additional amount that will be required to complete them will not accomplish anything unless it succeeds in putting transportation back on the rivers. In the old days we had transportation on the Mississippi River and other rivers. There were packet steamers that went along and used such channels as they could find. But the days of such transportation have passed. The transportation that we are going to have on our waterways in the future is through an entirely different class of transportation facilities. We are using now the barge system, where we can haul bulky and heavy freight that does not require much speed, and where you can haul immense quantities with a small amount of power.

During the war the Government came into possession of various facilities for transportation on the Mississippi River and other rivers. The Government took them because the railroads had fallen down and were unable to carry the commerce of the country; and we resorted to every possible means of transportation. Among other things, we took over tugs and barges on the rivers, and anything that we could get, at any price we could get them for. Of course, we had to take them at high prices during the war. The Government then began to increase its facilities for water transportation, but it was done at war prices; and when the war ended and we began to settle up our accounts we found quite a large number of barges and towboats and other water craft in the possession of the Railway Administration which had been taken over during the war. Something had to be done with them. We handled that question in the transportation act—section 201 of the act of 1920. That act provided that all such facilities that the Government had come into possession of should be turned over to the Secretary of War, and he was given a mandate to operate them on the Mississippi River and the Warrior River as a transportation system.

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

Mr. DENISON. In a moment. He was told in that act to operate them as a private transportation company, and he has been doing so the very best he could since the passage of the transportation act.

Now I yield to the gentleman.

Mr. ABERNETHY. Does the act apply only to the Mississippi River?

Mr. DENISON. No; it applies also to the Warrior River.

Mr. ABERNETHY. We had a very substantial boat line operated by the Government from Baltimore to Newbern, N. C. That was gobbled up by somebody and taken off. Colonel Ashburn had charge of it. I notice here that he has given you certain information. I want to support the gentleman's bill, but if we have the same bad luck as we had on our waterway over here between Baltimore and Newbern it does not look very encouraging to me.

Mr. DENISON. That was a separate transportation company taken over by the Government as we did the railroads.

Mr. ABERNETHY. They got about half a million dollars' worth of property and sold it to a lot of irresponsible people. I had the matter from Colonel Ashburn, and I never have had a satisfactory explanation of what became of it.

Mr. DENISON. I am unable to give the gentleman from North Carolina any definite information about it, except that the Government turned back all these transportation facilities to the owners, and I presume they have been trying to operate them. Since then the Secretary of War has been operating these barges on the lower Mississippi from St. Louis to New Orleans, and on the Warrior from Birmingham to New Orleans. He has been operating them with some considerable success and now and then some considerable loss due to special conditions; but he has found that in the management of this immense business he is surrounded with so many limitations that surround all management by a Government bureau or a Government department that he can not operate them with any considerable success, and he feels that additional legislation should be enacted to enable him to carry out the mandate of Congress in a businesslike way and with a fair chance of success.

Mr. McKEOWN. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. McKEOWN. Does the gentleman have any information that the Secretary of War has changed his opinion with reference to privately operated affairs of the Government since he made the statement that he was in favor of selling the Panama Railroad and the Warrior River barges?

Mr. DENISON. I think I am in a position to advise the gentleman from Oklahoma that the Secretary of War, after further and mature consideration, has somewhat modified his views on that subject, and he is very anxious to have this legislation enacted.

The Secretary of War, in the operation of this barge system, has been carrying freight from St. Louis to New Orleans, and, through railroads connecting with the barge line, we have been carrying freight from 35 different States. Only about 20 per cent of the amount of freight that is being carried on the barge lines originates at points on the rivers. The freight is being sent from Kansas, Nebraska, Colorado, and other States, even from Ohio, Indiana, Michigan, and Wisconsin. That freight is sent to St. Louis and Cairo, Ill., and there loaded onto the barge line and transported down the river to New Orleans and to other parts of the world. They have been doing an immense business, but with increased facilities and improved business methods, which it is intended to give them by this legislation, the business of the barge lines can be wonderfully increased and the savings to the shippers of the country can be greatly increased.

Mr. McKEOWN. Will the gentleman yield for a further question?

Mr. DENISON. I yield.

Mr. McKEOWN. What difference will there be as to the losses? Who will have to pay the losses under this incorporation?

Mr. DENISON. What losses does the gentleman mean?

Mr. McKEOWN. The losses in operating the barges.

Mr. DENISON. Well, if they sustain any losses the Government will have to pay them just the same as it is paying them now.

Mr. McKEOWN. The Government does sustain losses now in the operation of these barges, does it not?

Mr. DENISON. No. Sometimes it sustains losses and at other times it has large earnings.

Mr. SHALLENBERGER. The reports and the testimony before the committee show that for the entire year there has been a profit to the Government in this operation.

Mr. DENISON. Yes; even under all these difficulties we have been making a fair profit.

Mr. McKEOWN. Then what is the necessity for a change?

Mr. DENISON. I am going to explain that. If the gentleman will allow me to proceed without interruption I will try to explain it to his entire satisfaction.

Mr. SHALLENBERGER. If the gentleman will permit, I would like to ask this question. I wonder whether the gentleman has stated to the House that the Committee on Interstate and Foreign Commerce has unanimously reported this bill?

Mr. DENISON. Yes. The committee gave very careful consideration to this bill; the hearings are contained in a fairly good-sized volume, and it has been favorably reported by the unanimous vote of the committee. The bill is wholly nonpartisan. It is a businesslike bill; it is trying to put some business methods into this business the Secretary of War is trying to conduct under the mandate of Congress.

In the last 30 months, gentlemen, this little barge line, with its poor facilities and under all the difficulties with which it has been surrounded, has saved to the shippers of the country the sum of $2,123,770 in freight rates. You understand, I suppose, that the barge lines carry freight at 80 per cent of the parallel rail rate, and the parallel rail rate along the Mississippi River is only about 60 per cent of the average freight rate of the country. So you can see what a saving it means to the shippers of the country to be able to use these facilities of water transportation.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. MANSFIELD. Is it not a fact that people away from the river get the benefit of those reduced rates on freight that goes over the river?

Mr. DENISON. That is true. There is an immense amount of wheat that comes in from Kansas, Nebraska, and Iowa. It is shipped to St. Louis, and is there transhipped to the barges, and then it goes down the river for shipment to other parts of the world. The McCormick Harvester Co. is using the barge line very extensively now to ship their products to all parts of the world. As I said a moment ago, freight is being carried from practically every congressional district between the western border of Pennsylvania and the Rocky Mountains. They are all using this barge line in order to get the advantage of the cheap freight rates.

Now, the value of this matter is this: The Government is carrying on a pioneering enterprise in water transportation. We are carrying on an experiment. We are trying to demonstrate to the people of the country the efficiency, the value, the practicability, and the economy of water transportation. However, there are certain problems connected with water transportation which must be solved before private capital will invest in water transportation facilities. Those problems are so difficult and so great that it is the judgment of those who have made a study of this subject that the Government itself must solve them before private capital will again become interested.

Now, that is what we are trying to do. We have expert men handling these barge systems; they are working on the problems that are preventing the rehabilitation of water transportation; and just as soon as we can work those things out and solve those problems there is no doubt at all but that the private capital of the country will seek this investment and put transportation back on the rivers of the country just as fast as we can go ahead and complete the navigable channels.

Let me tell you what some of those problems are, if I have the time to do so: In the first place, before we can get transportation back on the rivers of the country we have to complete the navigable channels.

We have to have navigable channels, and the Government is carrying on that work from time to time; what we ought to do is to see that it is done as systematically and as rapidly as possible, because we can never restore transportation to the rivers until we complete the navigable channels. That is the first thing.

The next problem to work out is appropriate equipment. You have to have one sort of facility for the Mississippi River, for instance, and it takes an entirely different facility for the Warrior River, and it will take a different kind of a boat or barge for the Missouri River, and perhaps a different kind for the Ohio River. The Warrior River has 17 locks and only barges of a certain type can go through the locks. The upper Mississippi River has a certain depth of channel. The barges that are suitable for the lower Mississippi will not be suitable for the upper Mississippi. All these problems have to be worked out by engineers and require experimentation, and that is what we are doing.

Private capital can not afford to take the chances of loss in the working out of these problems, and our engineers are working on them. We have lost some money in the process of developing these things. We have built barges and found out after they were built they were not properly adapted to the place where they were to be used and could not be used there. There are immense engineering problems that must be worked out and that is one of the things the Government is undertaking to do in the operation of this barge system on the Mississippi and Warrior Rivers. That is the second problem.

Mr. LINTHICUM. Will the gentleman yield for one other question?

Mr. DENISON. Yes.

Mr. LINTHICUM. Did I understand the gentleman to say that the parallel railroad rates along the Mississippi are only 60 per cent of the regular rates?

Mr. DENISON. Of the average rail rates of the interior.
Mr. LINTHICUM. Only 60 per cent of them?
Mr. DENISON. Yes.
Mr. LINTHICUM. Then the balance of it has to be made up from the interior parts of the country?
Mr. DENISON. That is exactly true. That suggests another one of our problems, and that is the difficult one. That is the thing, gentlemen of the committee, that really stands in the way of rehabilitating water transportation.
Transportation was driven off of the river by the railroads years ago.
Mr. LINTHICUM. Will it not be driven off again if that situation continues?
Mr. DENISON. We are hoping not. That is one of the problems that is up to Congress to solve. Years ago the Government permitted the railroads to reduce the rates along the rivers so that gradually transportation was driven off of the rivers. Of course, the interior of the country pays the loss back to the railroads. That is the system that has become entrenched, and private individuals can not dislodge it. It is a problem for the Government to solve and that is one of the things this barge service is now undertaking to do.
In the first place, you have got to have interchange rates between the railroads and the rivers, and the railroads are reluctant to give up any part of their business to a water transportation system; generally they will not do it unless they are made to do it. Some of them are voluntarily doing it now, but only a very few, and therefore it is up to the Government, I think, to take such proceedings before the Interstate Commerce Commission as will compel proper interchange arrangements with the railroads.
Then there is the further question of a proper division of the joint rates between rail and water transportation facilities. That is a problem that requires proceedings before the Interstate Commerce Commission. It will take several years to work it out, but until all these problems are solved, private capital will not invest in expensive transportation facilities on the rivers. [Applause].
The CHAIRMAN (Mr. MICHENER). The time of the gentleman from Illinois has expired. By consent of the committee, the opposition time is to be controlled by the gentleman from Tennessee [Mr. GARRETT]. Mr. GARRETT has requested that the gentleman from Kentucky [Mr. BARKLEY], a member of the committee, be recognized to control the time, and the Chair will recognize the gentleman from Kentucky [Mr. BARKLEY].
Mr. RAINEY. I may say, Mr. Chairman, that the gentleman from Kentucky [Mr. BARKLEY] yielded the time to me.
The CHAIRMAN. By consent of the House, then, the Chair recognizes the gentleman from Illinois [Mr. RAINEY] for 30 minutes.
Mr. RAINEY. Mr. Chairman and gentlemen of the committee, I have listened with great interest to the explanation of this bill and the necessity for it given by my colleague from Illinois [Mr. DENISON]. I am an enthusiastic advocate of river transportation. I have for 20 years voted for every river and harbor bill presented to the Congress and for every proposition remotely connected with transportation by water in this country, and I am going to vote for this measure. But I conceive that I can render the best service in this matter at this time by calling attention to the failures of this service and to the reasons for the failures.
I know I can not amend this bill. I know it can not be defeated in this House, and I do not want to defeat it, but I want to put in the RECORD some facts that may lead to a material reformation of the bill when it reaches the Senate.
I agree with everything my colleague has said as to the necessity for developing the rivers and as to the approaching possibilities of river transportation, but this bill in its present form and under the present method of controlling these barges will, I think, result in injury rather than benefit to this service. I want now to call attention to some of the losses which have been sustained through the operation of these barge lines. It is true, as has been stated by my colleague, that nearly every congressional district in the Mississippi River Valley has contributed freight to this barge line.
It is true that a substantial saving has been made, just as he has stated, to the shippers of freight, but I want to tell you how much it has cost the Government to do it. According to the evidence submitted and the report of the committee, the loss of operating these barges on the lower Mississippi River, counting the loss during the war, is $1,320,000. The loss of operating these barges on the Warrior River, including the loss during the war, is $1,783,000, making a total loss of operating the barge lines on these two rivers up to date, according to the testimony of the Secretary of War, $3,103,000. This does not include interest on the amount that the Government has invested in barges, nor on the losses it has sustained. We can add to this total a million dollars, if we compute the interest at the rate of 4½ per cent.
In addition to that the Government has loaned to cities along the route of these barges $887,000 for the purpose of assisting these cities in erecting river terminals. Of course, if the barge service is not a success, the Government will not get any of that money back, although it goes as a loan. That makes $887,000 additional. In other words, estimating now the losses from operating these barge lines, the total loss will be $4,990,000, or, in round numbers, $5,000,000. This does not account for all of it, because they have been buying other equipment as it has been offered them. I do not know how much they own now and the hearings do not disclose, but a careful audit as to the method of conducting these barge lines will disclose that probably the Government's loss up to this time is $7,000,000 or $8,000,000.
Now, this bill authorizes an appropriation of $5,000,000. Unless this amount is appropriated this transportation service must stop, because it has failed. In other words, we will be asked to appropriate in order to continue the lines in service as much as I have shown we have already lost, and this will be necessary in order to continue the barge lines for a certain period in the future—and I do not believe under the present management they will run for five years. If the bill is passed, we are to promote a colonel of the Coast Artillery, who is now in charge of the operations of the barge line, over all other officers and give him the rank of a major general of the Army and his salary.
Mr. SHALLENBERGER. A brigadier general.
Mr. RAINEY. A brigadier general, with a salary of $10,000, ignoring the engineers of the service who have usually been connected with the operation of rivers. I know that we could take an engineer if we wanted to.
Mr. WINSLOW. Will the gentleman yield?
Mr. RAINEY. I will.
Mr. WINSLOW. I am not offering anything in opposition to what the gentleman is saying, but I want to find out if he really had in mind that the bill contemplated the appropriation of $5,000,000 in real money.
Mr. RAINEY. Yes; it does.
Mr. WINSLOW. Hardly.
Mr. RAINEY. What kind of money is it going to be?
Mr. WINSLOW. The proposition is to take the property that is floating around in the assets of the War Department, bring them together and transfer as a matter of bookkeeping to the corporation which will have the keeping of the $5,000,000. Nobody ever expected $5,000,000 new money would be appropriated. It will be an accounting matter, and only a small part of the $5,000,000 will be needed in cash, and then not all at one time. It authorizes the use of that money, the purpose being to make the corporation an institution that can borrow money in time of a shortage and relieve the situation, and not to come to Congress to get money when it needs it, as it might take three months' time.
Mr. RAINEY. It will probably result in a Government appropriation very soon, because no private party is going to loan on a losing proposition any amount of money.
Mr. WINSLOW. I am not going to argue the matter with the gentleman. I am telling him what the bill means.
Mr. RAINEY. I am obliged to the gentleman for his contribution to my speech, and he always makes a valuable contribution whenever he interrupts.
Mr. DENISON. Will the gentleman yield?
Mr. RAINEY. I will.
Mr. DENISON. In reference to what the gentleman said about appointing a colonel of the Coast Artillery.
Mr. RAINEY. I said you could appoint an engineer if you wanted to do it.
Mr. DENISON. The promotion of the engineer during the management of this concern only means a nominal increase. It is an increase in quarters, because he has reached the point where his salary would be about the same.
Mr. RAINEY. That is immaterial, I do not care anything about that. It is not important, but there are other matters exceedingly important.
Mr. WILLIAMSON. Will the gentleman yield?
Mr. RAINEY. I yield.
Mr. WILLIAMSON. The gentleman has mentioned certain leases, including leases during the period of the war. Do I understand from the gentleman that he contends these barge lines on the Mississippi have been running at a loss since the war?

Mr. RAINEY. I think they have; yes—oh, yes.

Mr. WILLIAMSON. I thought it was stated that they have been running at a loss on the Warrior River, but that they were making money on the Mississippi.

Mr. RAINEY. The report makes that statement, but it does not comply with what the Secretary in his testimony has said. Of course, the greatest losses were during the war, and occasionally for a month or two when the river is high they run at a profit when they have made prior arrangements for freight.

Mr. DENISON. Oh, the gentleman is entirely wrong. The only time when they lost money was when the river got so low that a barge was hung up and they sustained a loss, but nearly always when no accident of that kind happened they made a handsome profit for the Government.

Mr. RAINEY. Part of the time they made a profit and part of the time they sustained a loss, and the losses exceeded the profits; and the losses I have stated correctly, according to the testimony of the Secretary of War. This is the reason why they have not succeeded better; we constructed these barges as they construct barges on the slack-water canals and rivers and lake systems of New York. We had that kind of an engineer. He constructed that kind of barges. These barges were intended to operate and carry full loads in a channel 8 feet deep between St. Louis and Cairo. According to the testimony of Colonel Ashburn, the boats when loaded drew 8 feet 3 inches. In other words, they deliberately designed boats for use on the lower Mississippi between St. Louis and Cairo which could not operate on the lower Mississippi between those cities because they drew too much water. In order to meet this situation—and this was a serious mistake—it has become necessary for this service to run shuttle boats between St. Louis and Cairo during a large portion of the time, according to the testimony of the Secretary, and then transfer the barge to the deeper-draft Government propelling boats, and this involves much additional expense. In addition, these barges are built with what we call a bluff bow or slack-water bow, and when you try to propel a barge of that kind upstream it meets with a tremendous pressure from the current of the river as it flows on down toward the sea. As a result, the operation is slower and it costs more money. The Government steamers which were built—and there are 40 of these barges and 6 of these steamers—the steamers were all built with screw propeller of the tunnel type. On the Mississippi River, as any Mississippi River pilot will tell you, they must follow the channel, either in going up or down the river. That channel winds back and forth. The driftwood on the river also follows the channel, and the driftwood becomes entangled in these propellers, which are on each side and on the end of the boat, and that causes trouble. So these boats were improperly designed and constructed in about every other particular, in addition to the fact that they were constructed so that they drew more water than there was in the river.

The Secretary of War has been endeavoring to make a demonstration as to the possible success of barge service on the Mississippi River with the result I have indcated so far in my remarks.

I call attention to another feature of this problem. In the report submitted with this bill I find the following language:

> During the war the Government entered into a contract with a private individual in St. Louis for the operation of a system of barges on the upper Mississippi above St. Louis. Under the terms of the contract, the Government was to construct the barges and towboats and turn them over to this individual to be operated between St. Louis and St. Paul. It was thought advisable at that time that this service be inaugurated for the purpose of bringing ore from the North to St. Louis and transporting coal from St. Louis to the North.

I do not know where my colleague obtained that information. I can not find it in the hearings, and I ask him now where he obtained the facts on which he bases that statement?

Mr. DENISON. Does the gentleman mean with reference to what it was used for?

Mr. RAINEY. No; in reference to the contract under which the barges were seized, being entered into during the war.

Mr. DENISON. Does my colleague have reference to the date of the contract?

Mr. RAINEY. Yes; in the report it is simply said that during the war the Government entered into a contract with a private individual in St. Louis.

Mr. DENISON. I do not know that I could put my finger on where I got the information, but I understood that he entered into that contract during the war.

Mr. SHALLENBERGER. It was made with Mr. Goltra during the war. Mr. Goltra appeared before the committee and made his statement.

Mr. RAINEY. But you did not get it from him.

Mr. DENISON. I have the information from other sources; I could not state where.

Mr. McKEOWN. Was that the controversy out of which they were trying to put a man in jail for contempt of court?

Mr. RAINEY. No; I do not think anybody was put in jail. I have here a photostat copy of the contract, and it was made on the 28th of May, 1919, after the war was over. This is the contract under which these boats were being operated at that time, and it was not made during the war. I have a photostat copy of that contract here.

Mr. SHALLENBERGER. It was made under the war administration by the Secretary of War.

Mr. RAINEY. It was made after the war was over.

Mr. SHALLENBERGER. Under the war powers given the Director of Railroads.

Mr. RAINEY. It was made on the 28th of May, 1919, and the war ended on the 11th of November, 1918. I want to tell now how this happened and something about the seizure of these boats and something about the boats themselves. During the war the War Department found itself short of 4,000,000 tons of pig iron. We were preparing for a war of long duration. At first we expected it to last 11 years, and they were short 4,000,000 tons of pig iron, and the existing facilities were not sufficient to manufacture 4,000,000 tons additional of pig iron. Therefore they commenced to look about to see how it could be done. They found that the Mississippi Valley Iron Co., operated in St. Louis, was the only company with which they could enter into a contract, and so they called Mr. Goltra, who was at the head of that company, to come here to Washington and talk the matter over. He agreed to produce that amount of pig iron by assembling at St. Louis iron ore from the Mesaba Range and coking coal from West Virginia, using the rivers.

And the Government agreed to build four blast furnaces in St. Louis in addition to the blast-furnace equipment the Mississippi Valley Co. already had. So that this contract the Government entered into required the building of 19 barges and 4 propelling steamers. Then the war ended abruptly, and the Government never built the blast furnaces, but the Government was committed to contracts which involved the completion of these barges and these propelling steamers at an expense of $3,860,000. Mr. Goltra was entirely relieved from his contract; there was nothing else for the Government to do; and so the officials of this Government sent for him. He came and finally, as a result of their solicitation, he agreed to take off their hands these 19 barges and 4 propelling steamers at the time of their completion. That was the occasion of this contract. I have it here. Under this contract he agreed to give bond for $300,000 and to take these barges and operate them as a common carrier on the rivers. Then he agreed to take all the profits from the operation of these barges and deposit them in such banks as the Government might indicate, these banks to be bonded. He was not to get a dollar out of this contract; he took the chances of loss. He was compelled to keep the boats insured against destruction from fire and all kinds of accidents, including collisions, and he was required to keep up this equipment as the Government might dictate and to operate the boats as a common carrier, and to put every dollar of the net profits in such bonded banks as the Government might indicate, to remain there for a period of five years, and at the expiration of that five years, if he earned a profit equal to $3,860,000 and the interest on it—he was to be charged 4 per cent interest during all of that time—that amount would be applied to the payment of the barges, and the barges were to be his if he wanted them. If that much money was not deposited out of the profits at the end of the five years, there was to be an appraisal of these barges to determine their value at the time, and he was to have the option of taking the barges at the appraised value. He entered into a bond of $300,000 to carry out this contract. Now, that looked fair enough. It was not going to cost the Government a dollar.

Mr. Goltra is a successful business man. He has had to do with large enterprises, and he could make this a success if anybody could. If he does not make it any more of a success than the Government in operating these barges, he stands to lose three or four million dollars in the next four or five years. I want to tell you what happened after this contract was made. After this contract was entered into and the barges were completed and delivered to him he went to the Secretary of War and told him he was ready to operate as a common carrier and asked the Secretary of War what rate he could have as a common carrier—and I will print in the RECORD this original contract to show what the terms are—and the Secretary said to him, "I want you to operate these boats on the upper Mississippi

River alone." This contract provides he can operate on the Mississippi River or any of its tributaries. He started in to operate on the upper Mississippi River and did operate successfully there. While the Government barges could not be operated successfully on the deeper depths of the lower river he was making a success on the upper river. He was making a success of it because these barges, when they are loaded to carry 1,300 tons, draw 5 feet of water, and when the Government barges are loaded with 1,300 tons they carry 7 feet of water; and, as my colleague has stated, the Government must have different kinds of barges to use on different rivers. These barges will operate on any of the inland rivers. Finally he got the Secretary to agree to let him operate as a common carrier on the lower river at 20 per cent below the rail rate, provided he carries only coal, sand, oil, and one or two other commodities of that kind. The Secretary agreed that he could operate there as a common carrier and carry package freight or anything he wanted to carry, but not at 20 per cent less than the rail rate. He must carry those things at the rail rate; and there is plenty of evidence I can find for this statement—he must operate at the rail rate. The reason for it, of course, is apparent; there can not be any question about what the reason for it was; these Government barges had failed.

They had tried to make it a success by operating the Government barges with a shuttle boat connecting with the barges at the greater depths of the lower river at Cairo. The Goltra boats could run through from Minneapolis or from St. Louis and then on down the lower stretch of the river to New Orleans at all seasons of the year and carry 1,300 tons on each barge each trip. The Goltra barges were built as he wanted them built. He knew something about operating boats on rivers. He had made a demonstration in 1917 for the Government by taking the old barges and running them up to Minneapolis and back again. This was an expensive process. It cost him over $12,000 to do it. So he knew something about building barges for use on the Mississippi River. During the war he suggested these barges be built not with the blunt, bluff bows, but with what is known as spoon-shaped bows. The current strikes that oval part of a barge of this type and then slips off on either side. They built the propelling towboats with stern wheels to keep them from being injured by driftwood. If a successful demonstration were to be made at all with barges on the Mississippi River, it must be made with the Goltra barges. But in spite of all these difficulties placed in his way by the War Department, and this is one objection to operating a utility of this kind by the Government, in spite of all this, he was quite ready to operate these barges, even though he was not permitted to carry at 20 per cent less than the rail rate, but was required to carry the valuable package freight at the rail rate, and the Secretary has testified that is where the profit is. That is part of the record. Now, bear in mind this contract which permitted him to operate as a common carrier on the Mississippi River and its tributaries, gave the Secretary of War the right to fix rates, and the Secretary of War said to him:

> You can not operate as a common carrier unless you operate with these more valuable freights at exactly the rail rates.

I want to read to you an extract from a notice served on Mr. Goltra on the 3d day of March, 1923:

> You are hereby notified that in my judgment you have not complied with the terms and conditions of said contracts in that you have failed to operate the said towboats and barges as a common carrier and in other particulars.

Now, the Secretary states in his testimony that "he was advised that this was the case." Mr. Goltra replied at once to the notice and refused to return the barges. Then they waited, Colonel Ashburn, of the Coast Survey, until the 25th day of March, and that was Sunday. On that day, with revolvers strapped about him, Colonel Ashburn, at the head of 42 armed men, boarded the Goltra barges, drove his captains and men off, and captured the barges, and moved them to the other side of the river, where, he was advised, they would be out of the jurisdiction of the court in St. Louis and where writs could not be served on him. A writ was served on him, however. He refused to accept it, and they threw it down at his feet. The court ordered the barges returned, but he did not bring them back to the jurisdiction of the court until April 20 following. Then he brought them back. He applied for a writ of prohibition, and the case was argued here before the Supreme Court of the United States, and I have here the opinion of the Supreme Court of the United States. The opinion was rendered on the 10th day of December last, refusing a writ of prohibition and confirming the jurisdiction of the courts in St. Louis.

These barges and towboats are still held by the Government. We are operating these Government barges for the purpose of making a demonstration that barge service on rivers can be successful—for the purpose of inviting private capital to enter into this service on the rivers and to finally take over these barges. But with armed men the War Department drove from the Goltra barges the captains and the crews employed by Mr. Goltra. Is this the way to get private capital to invest in boats for our rivers?

EXTRACT

1. This lease, made this 28th day of May, 1919, between the United States of America, represented by Major General William M. Black, Chief of Engineers, United States Army, directed by the Secretary of War so to represent the United States, hereinafter designated as the lessor, party of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, hereinafter designated as the lessee, his heirs, executors, and administrators, party of the second part, witnesseth that—

Whereas the party of the second part at the request of certain Government officials as an emergency of war, in order to increase the output of pig iron, made certain arrangements for iron ore and coal properties with a view to producing pig iron at St. Louis, Missouri; and

Whereas the United States Shipping Board Emergency Fleet Corporation allotted to the Chief of Engineers the sum of $3,860,000 for the construction of a fleet of towboats and barges for the primary purpose of transporting the said iron and coal to and from St. Louis, Missouri; and

Whereas on the 1st day of August, 1918, the United States of America entered into contracts for the construction of nineteen barges suitable to use for the transportation of said iron ore and coal; and

Whereas the United States of America is about to construct by contract or otherwise a fleet of towboats for the purpose of towing the said barges, the construction of which in the opinion of the Secretary of War is necessary to enable the Government to dispose of the said barges more advantageously; and

Whereas the said fleet of towboats and barges is especially designed for and adapted to the transportation of iron ore and coal; and

Whereas the said lessee has entered into various engagements and undertakings to increase the pig iron supply as a war measure, which may have created, and according to the contention of the lessee did create, obligations on the part of the United States to the said lessee, but which he entirely releases and discharges in part consideration of this lease, which engagements, undertakings, and lease are in furtherance of the original design for the assembling of coal and iron ore at St. Louis, Missouri, and for the increase of pig iron facilities.

Now, therefore, the said lessor doth hereby charter and lease unto the said lessee for a term of five (5) years, beginning with the date of delivery to the lessee of the first barge or towboat and terminating five (5) years after the delivery of the first barge or towboat the following-described property, viz:

Nineteen barges which are being constructed under contracts dated August 1, 1918, with the Marietta Manufacturing Company, of Point Pleasant, W. Va., the Dravo Contracting Company, of Pittsburgh, Pa., and the Dubuque Boat & Boiler Works, of Dubuque, Iowa, and three or four towboats about to be constructed and described in accordance with specifications prepared or to be prepared therefor.

It is thereupon covenanted and agreed between the said parties as follows:

2. (a) That the said lessee shall operate as a common carrier the said fleet of three or four towboats and nineteen barges upon the Mississippi River and its tributaries for the period of the lease and of any renewals thereof, transporting iron ore, coal, and other commodities at rates not in excess of the prevailing rail tariffs, and not less than the prevailing rail tariffs without the consent of the Secretary of War; but nothing herein shall be deemed to prevent the most profitable and most advantageous use of said vessels being made provided the Secretary of War consents to such use other than as a common carrier.

(b) That the lessee shall pay all operating expenses of the fleet and maintain, during the continuance of the lease, each towboat and barge of the fleet in good operating condition to the satisfaction of the lessor, and shall hold the United States entirely free from all liabilities and indebtedness of every kind in connection with the operation, care, and maintenance of the entire fleet and all its engines, boilers, outfit, tackle, apparel, furniture, and appurtenances; and the lessee shall, without unnecessary delay, as soon as he acquires any knowledge thereof, discharge any and all maritime liens that may at any time during the continuance of this lease from any cause arise against or become impressed upon any one, any or all of the fleet of nineteen barges and three or four towboats. The lessee shall procure and take out for the benefit of the United States insurance, both fire and marine, in such an amount as in the judgment of the Secretary of War each of the vessels may require and with such underwriters or in such companies as are approved by the lessor, insuring each and every one of the barges and towboats against physical injury to them, or any of

them, and against the loss of any or all of the barges and towboats hereby leased. The lessee shall likewise procure and take out fire, marine, and towers liability insurance in such an amount as in the judgment of the Secretary of War each of the vessels may require with such underwriters or in such companies as shall be approved by the lessor, and for the benefit of the United States, insuring each of the vessels against such injury as may be inflicted by such vessel upon other property, such as might result in maritime liens, or in liability or obligation by the lessor and, if the lessor shall require, execute and deliver to the lessor a bond in the penal sum of three hundred thousand ($300,000.00) dollars, conditioned to protect the United States against such liability or obligation and against any and all maritime or other liens against the fleet or any of the vessels of the fleet and against any and all depreciation in value of all or any of said vessels, by reason of maritime or other liens arising or becoming impressed upon them or any of them. Such bonds as in any part of this contract are required to be given by the lessee for the benefit of the United States shall always and at all times during the continuance of this lease be kept good and shall be replaced at any time by other good and sufficient bonds at the request of the lessor, and they shall be kept good not only against the impaired credit or financial responsibility of the obligor or surety, but also against partial depletion or entire exhaustion thereof brought about by the payment of losses or indemnities thereunder.

(b–1) All salvage earned, to which any of the said fleet shall become entitled, shall be for the benefit of the United States, after deducting all expenses incident thereto and the proportion due to the master, officers, and crew.

(c) For the protection of persons furnishing materials, services, and labor in connection with the operation, furnishing, repair, care, and maintenance of the said towboats and barges the lessee shall furnish to the lessor and continue in effect during the period of the lease, *and* in case of sale until title passes to the purchaser, a good and sufficient bond, approved by the lessor, in the penal sum of two hundred thousand ($200,000) dollars.

3. The net earnings above operating expenses and maintenance for each and every ton of cargo moved and all other net earnings shall be turned over by the lessee to the Secretary of War as soon as practicable after each proper determination of the amount thereof, but at least every ninety days, for deposit with the Treasurer of the United States to the credit of the Secretary of War in a special deposit account and shall continue so to be turned over to him and so deposited by him until such time as said net earnings shall equal the full amount of the cost of the several vessels of the fleet plus interest on said cost at 4 per cent per annum computed from the respective dates of delivery of the several vessels of the fleet and that thereafter all net earnings over and above the full amount of the said cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum, shall be deposited to the credit of the Secretary of War at least every 90 days by the lessee in one or more national banks in St. Louis, Missouri, to be designated by the lessor, to be held for the fulfillment of the terms of this lease, provided that earnings derived from the transportation of commodities in barges hereby leased, moved by towboats not furnished by the United States, shall until all vessels of the Government fleet are delivered to the lessee be subject to deduction of cost of the hire of the necessary towboats to move said barges, in addition to any other operating expenses and maintenance in connection therewith.

The lessee shall keep accurate detailed accounts of all tonnage moved and of all moneys received and due and of all items of operating costs, and his accounts shall at all times be subject to inspection by the lessor or his representatives. The overhead expenses included in operating costs shall be subject to the approval of the lessor, and any items not approved by him and to which the lessee may object and take exception shall be referred to the Secretary of War, whose decision shall be final.

4. The approved national banks shall be required to furnish good and sufficient bonds, approved by the lessor, in penal sum in amounts at least equal to the sum deposited, conditioned for the safety of the funds held on deposit, as provided in this lease, said bonds to be delivered to the custody of the lessor and to be maintained during the period of deposit. The said banks shall credit to the account interest at the local prevailing rates of nonchecking accounts.

5. Within three months prior to the expiration of the lease, or of any period of renewal, or sooner if so desired by the lessee, a board of three persons shall be appointed, one to be designated by the lessor, one by the lessee, and one by the said two members, unless they shall fail to agree, in which case the third member shall be appointed by the Secretary of War, all of whom shall be familiar with the construction and cost of river vessels of steel and with the current market values thereof, to appraise the value of the said fleet at that time, and the said lessee shall be given the option of purchasing the fleet upon the following terms:

(a) If the funds turned over to the Secretary of War and deposited by him with the Treasurer of the United States, under section 3 of this lease, shall aggregate a sum equal to the full amount of the cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum as aforesaid, then in case of the exercise of said option by the lessee said funds shall be applied to payment in full for the fleet, and any net earnings over and above the amount required for such payment on deposit in said bank or banks, provided in section 3 of the lease, or otherwise held on deposit, shall be paid to the lessee.

(b) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, under section 3 of this lease, shall be less than the full amount of the cost, plus accrued interest at the rate of 4 per cent per annum on such cost, but greater than the appraised value, the funds shall in said event be applied to payment of the fleet at the appraised value, and any amount in excess of the appraised value shall be retained by the Secretary of War for the use and benefit of the United States; and the fleet shall thereupon become the property of the lessee.

(c) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, as provided by section 3 of this lease, shall be less than the appraised value, then in the event aforesaid such funds shall be applied to the payment of the fleet so far as they shall reach, and the lessee shall pay in addition thereto, in the manner specified in section 6 hereof, the amount whereby the aggregate funds so turned over to the Secretary of War fall short of the said appraised value.

6. It is further covenanted and agreed that the method of payment of any amount which the purchaser shall be required to pay, and not provided for out of the sums deposited to the credit of the Secretary of War, shall be as follows:

There shall be sixteen (16) payments. The first shall consist of all moneys on deposit to the credit of the Secretary of War, as indicated above, and shall be so applied at the date of the sale. The lessee shall execute for the balance fifteen (15) promissory notes, in equal amount, payable at the expiration of one year, two years, three years, etc., from date of sale, with interest at 4 per cent per annum. Title to the property shall remain in the United States until the payment of the whole of the purchase price of said property.

7. It is understood and agreed that the lessee assumes full responsibility for the safety of his employees, plant, and materials, and the said nineteen barges and three or four towboats, and for any damage or injury done by or to them and from any source or cause in the operation of the fleet.

8. The lessor reserves the right to inspect the plant, fleet, and work at any time to see that all the said terms and conditions of this lease are fulfilled, and that the crews and other employees are promptly paid, monthly or oftener; and noncompliance, in his judgment, with any of the terms or conditions will justify his terminating the lease and returning the plant and said barges and towboats to the lessor, and all moneys in the Treasury or in bank to the credit of the Secretary of War shall be deemed rentals earned by and due to the lessor for the use of said vessels.

9. In the performance of the conditions of this lease, the employment of persons undergoing sentences of imprisonment at hard labor which have been imposed by courts of the several States, Territories, or municipalities having criminal jurisdiction is prohibited.

10. No Member or Delegate to Congress or Resident Commissioner, nor any person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit which may arise herefrom; but under the provisions of section 116 of the act of Congress approved March 4, 1909 (35 Stats. 1109), this stipulation, so far as it relates to Members of or Delegates to Congress or Resident Commissioners, shall not extend or be construed to extend to any contract made with an incorporated company for its general benefit.

In witness whereof the parties aforesaid have hereunto placed their signatures the date first hereinbefore written.

WILLIAM M. BLACK, [SEAL.]
Major General, Chief of Engineers, U. S. Army.
(First party.)

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA, [SEAL.]
(Second party.)

Witness:
THOS. J. JENNSEN,
Lieut. Col. of Engineers.

The insertion of the words "three or" in the thirteenth and nineteenth lines of page 2, the seventh line of page 3, and the fifteenth line of page 7 are correct and were made before the contract was completed.

WILLIAM M. BLACK,
Maj. Gen., Chief of Engr.
(First party.)
EDWARD F. GOLTRA,
(Second party.)

It is further understood and agreed between the said William M. Black, Chief of Engineers, United States Army, and Edward F. Goltra, parties of the first part and of the second part, respectively, of the above contract, that the number of towboats to be supplied under the above contract, denominated "three or four" therein, shall be at least three, and that a fourth shall be supplied only in the event that four suitable towboats of the general type and power described in the request for proposals now being canvassed for four towboats for the upper Mississippi River can be obtained with the funds available as specified in the second whereas of the above contract, and not otherwise.

WILLIAM M. BLACK.

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA.

Witness:
JAMES M. HOFFMAN,
Capt., Engrs., U. S. A.

(War Department, engineers. Form 19b)

Whereas on the twenty-eighth day of May, 1919, a contract was entered into between Major General W. M. Black, Chief of Engineers, U. S. Army, who, as well as his legally appointed successor, is hereinafter designated as the lessor, representing the United States of America, of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, his heirs, executors, administrators, or assigns, hereinafter designated as the lessee, of the second part, for chartering and leasing unto the lessee for a term of five years, subject to renewals, nineteen (19) barges and four (4) towboats, belonging to the United States.

And whereas it is found advantageous and in the best interest of the United States to modify the said contract as hereinafter specified, for the following reasons:

To more fully provide for the operation of the said barges and towboats as a common carrier by providing unloading facilities at St. Louis, Mo., by the use of funds remaining from the allotment of $3,860,000.00 from the United States Shipping Board Emergency Fleet Corporation, and to provide for the sale of the said unloading facilities to the lessee under certain conditions.

Now, therefore, the said contract is, by this supplemental agreement between Maj. Gen. Lansing H. Beach, Chief of Engineers, United States Army, and the said contractor, on this 26th day of May, 1921, hereby modified in the following particulars, but in no others:

The lessee will, at his own expense, within eight months from the date hereof provide the necessary tract of land and runway on which the said unloading facilities are to be erected, stand, and operate, said tract to be selected by the lessor, subject to approval by the lessee, and said runway to be built according to plans submitted by lessee and approved by the lessor.

The lessor will erect on the said tract of land an unloading apparatus or facilities of a kind and character mutually agreed to by lessor and lessee as sufficient and adequate to handle the cargoes to be transported by the said barges and towboats.

The said lessee shall, at his expense, maintain and operate the said unloading facilities in connection with the barges and towboats as a common carrier, subject to such charges for services of loading and unloading as may be approved by the Secretary of War.

The said lessee shall take out and maintain for the benefit of the United States insurance in such amount and with such companies as may be approved by the lessor.

The terms of the original lease as to net earnings (par. 3), appraisement and option to purchase, and conditions of purchase (par. 5), method of payment in the event of purchase (par. 6), inspection (par. 8), shall govern so far as applicable and pertinent to the said unloading facilities.

In case the said lessee, his heirs, administrators, executors, or assigns does not take over and pay for the said unloading facilities according to the aforesaid terms, then and in that case the lessor may, without let or hindrance by the said lessee, his heirs, administrators, executors, or assigns, take said unloading facilities in the same manner as is provided in the original lease as to the barges and towboats; or

In case the lessor does not desire to remove the said unloading facilities under the preceding paragraph the lessor shall have the right to lease the land and runways on which the unloading facilities stand for five years with the privilege of renewals, the terms of such lease, if not mutually agreed to by the lessor and lessee, to be fixed by a board of three persons, one member to be selected by the lessor, one member by the lessee, and one member by agreement between the two aforesaid members.

This supplemental agreement shall be subject to the approval of the Secretary of War.

In witness whereof the parties aforesaid have hereunto placed their signatures at the time of execution of this agreement.

LANSING H. BEACH,
Major General, Chief of Engineers.

Witness:
P. J. DEMPSEY.

EDWARD F. GOLTRA.

Witness:
THOMAS M. ROBINS,
Major, Corps of Engineers.

[Executed in triplicate]

Aproved May 27, 1921.

J. M. WAINWRIGHT.

Approved: ——— ———, 192—.

———,
Assistant Secretary of War.

CONSENT OF SURETY

We, ——— ———, bondsmen for the due performance of a contract dated ———, 192—, between the United States, represented by ——— ———, Corps of Engineers, U. S. Army, and ——— ——— for ———, hereby give our full consent to the attached supplementary articles of agreement, dated ———, 192—, providing for ———.

Supreme Court of the United States
(No. 23, original—October term, 1923)

In the matter of the petition of the United States of America, as owner of 19 barges and 4 towboats. (December 10, 1923.)

Mr. Justice McKenna delivered the opinion of the court.

Motion on part of the United States, as asserted owner of 19 barges and 4 towboats, praying a writ of prohibition to be directed to the Hon. C. B. Faris, a judge of the district court, eastern division of the eastern judicial district of Missouri, and the other judges thereof, to prohibit him and them from asserting and exercising jurisdiction in a certain suit brought March 25, 1923, by Edward F. Goltra against John W. Weeks, Secretary of War, and other officers of the United States, in which it was averred that a contract was made between the United States, represented by Maj. Gen. William M. Black, Chief of Engineers of the United States Army, as lessor, and Goltra, as lessee, whereby the boats and barges (then under construction by the United States) were leased and chartered to Goltra for the period of five years from the date of delivery of the boats and barges to him, Goltra, upon the payment of certain periodical rentals and a compliance by Goltra with other terms and conditions.

The suit by Goltra, the pleadings in which are detailed in the petition, was brought to determine his rights under the contract and a supplement to it.

The contract was preceded by negotiations between Goltra and representatives of the Government, particularly with the War Department and the then Secretary of War, which included, among other things, the construction of a fleet of towboats and barges in the then emergency of war. But after the signing of the armistice and the emergency of war had ceased, other negotiations were had between Goltra and the War Department and the Secretary of War, and a lease was made—the contract above—whereby the boats and barges were leased to Goltra, by him to be operated on the Mississippi River and its tributaries as a common carrier, he to pay all operating expenses, to take out fire and marine insurance, and incur and discharge other obligations.

On May 28, 1919, the supplement to the contract was entered into between Major General Beach, then Chief of Engineers of the United States Army, the successor of Black.

On March 3, 1923, Weeks, as Secretary of War, undertook to cancel the contract for the noncompliance by Goltra, as lessee, with its terms and conditions, and demanded the return of the boats and barges to the United States; and the defendants, on March 25, 1923, unlawfully took possession of some and were about to take possession of the remainder of them.

There was a prayer by Goltra for a temporary restraining order against such action or against any action interfering with his possession. There was also a prayer for a temporary injunction against any act whatsoever looking to the cancellation and termination of the lease or the retaking of the boats and barges taken before the attempted cancellation of the contract. The prayer was that upon final hearing a decree be entered in favor of Goltra to determine his rights under the contract and to perpetually enjoin the defendants from interfering in any way with his rights thereunder.

A mandatory order was issued as prayed, and an order to show cause why a temporary injunction should not be issued.

In response to the order to show cause, the Attorney General filed suggestions against the jurisdiction of the court, and subsequently the other defendants made returns to the order averring that the suit was in purpose and effect one against the United States and its property.

A motion was made in accordance with the representations. It was overruled and the defendants granted time to plead.

It is alleged in the petition that, unless restrained, the district court judge will proceed with the cause and issue an injunction as prayed by Goltra, and that such order will deprive the United States of the possession and use of boats and barges of the value, approximately, of $3,800,000.

Prohibition was prayed as above stated.

The return of Judge Faris to the petition concedes some of its allegations and denies others. It denies the character described to Goltra's suit. It alleges that there is a right of possession of the boats and barges in Goltra, and that while his bill was in course of preparation the defendants in the suit were proceeding with a large force of men to take from him and remove from St. Louis the boats and barges that remained in his possession. And that the suit was not one against the United States, but against individual defendants who were proceeding in violation of law. And it is averred that there is an adequate remedy by appeal.

The answer of Goltra to the petition is presented with elaborate detail of fact and argument. In foundation and essence it is the same as that of the district court. The opinion of the court, which was oral, is attached to it. The opinion cites that of Judge Baker in United States Harness Co. *v.* Graham et al., in the District Court for the Northern District of Virginia.

The merits of the case present interesting questions. The question of the remedy is, however, the more insistent. Does the case justify it? Prohibition is a remedy of exigency and in exclusion of other process of relief. It is directed against unwarranted assumptions of jurisdiction or excesses of it. In some cases there may be instant judgment that such is the situation and the writ granted. In other cases there may be doubt and the writ denied. (Ex parte Muir, 254 U. S. 522, 534.) And doubt in the instant case would seem to be justified, for two district courts have decided that under the circumstances such as presented in this case it does not involve or constitute a suit against the United States. And also the writ is to be denied if there be remedy against the action complained of by appeal.

Ex parte Oklahoma (220 U. S. 191) and cases cited is a complete exposition of the writ and its uses. The opinion in that case observed the distinctions of prior cases; that is, that the writ is a remedy against unwarranted assumptions of jurisdiction and that, besides, the condition of its issue is that the party attacking the jurisdiction has no other remedy. In other words, the writ can not be made to perform the office of an appeal or writ of error. Are the decisions applicable here?

There was submitted to the court the contracts and their construction and effect—whether under them the United States or its officers retained property in the boats and barges or whether that property was transferred with the right of possession to Goltra. The court so construed them, adjudging Goltra's right to the property and, necessarily, his right to the possession of it, and that he was entitled to an injunction to protect that possession pending the suit. From that decision there was right of review by appeal, and it would be timely and adequate for relief if the decision were erroneous. (Judicial Code, sec. 129; United States Fidelity & Guaranty Co. *v.* Bray (225 U. S. 205, 214); Denver *v.* New York Trust Co. (229 U. S. 123, 136); Ex parte in the Matter of Chicago, Rock Island & Pacific Railway Co. (255 U. S. 273).)

Writ denied.

A true copy.

Test:

_____,

Clerk, Supreme Court United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of carrying on the operations of the Government-owned inland, canal, and coastwise waterways system to the point where the system can be transferred to private operation to the best advantage of the Government, of carrying out the mandates of Congress prescribed in section 201 of the transportation act, 1920, as amended, and of carrying out the policy enunciated by Congress in the first paragraph of section 500 of such act, there is hereby created a corporation, in the District of Columbia, to be known as the inland waterways corporation (hereinafter referred to as the "corporation"). The Secretary of War shall be deemed to be the incorporator, and the incorporation shall be held effected upon the enactment of this act. The Secretary of War shall govern and direct the corporation in the exercise of the functions vested in it by this act.

Mr. SHALLENBERGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. SHALLENBERGER. Mr. Chairman and gentlemen of the committee, I wish to confine my remarks principally to the objections that the gentleman from Illinois [Mr. RAINEY] made to this bill. In the first place, he referred to the fact that Colonel Ashburn, who is to be in charge of this corporation, if the bill passes, is to be made a brigadier general with a salary of $10,000. The salary of $10,000 mentioned in the bill is a civilian's salary; it is the salary paid to the director of traffic that manages and controls the traffic of the corporation. That you undersand, is a technical position and requires men who are thoroughly informed on the matter of securing contracts for traffic and the directing of it. It has no reference to Colonel Ashburn.

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

Mr. SHALLENBERGER. Yes.

Mr. McDUFFIE. The present traffic manager is receiving that salary at the present time.

Mr. SHALLENBERGER. Yes. The present traffic manager is receiving that salary. Colonel Ashburn has been in the service of the United States for 30 years as a commissioned officer. He is entitled under the law to retire at any time he asks for retirement. If he continues in the service, as he will under this act, he will be entitled to all the allowances of a colonel because of his 30 years' service. If he is promoted to the rank of brigadier general during his term of service as chairman of the board, the only thing he will get out of this law is promotion to the rank of brigadier general and $400 increase in pay. He has now been practically four years in charge of this work and has acquired, of course, a great amount of valuable information and experience, which the Government would lose if he is permitted to go back to service with troops. Therefore the committee felt they were warranted in recommending his appointment to this position and his advancement to the rank of brigadier general, because it will add very little to the expense of the Government and will reward an officer who has rendered a great service to the Government.

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

Mr. SHALLENBERGER. Yes.

Mr. McKEOWN. What salary is it proposed to pay under this bill?

Mr. SHALLENBERGER. To whom?

Mr. McKEOWN. To the chief operator.

Mr. SHALLENBERGER. To the director, $10,000.

Mr. McKEOWN. Is the gentleman from Nebraska in favor of creating positions that pay salaries higher than that of a Member of Congress?

Mr. SHALLENBERGER. I will say to the gentleman that this is a position to manage the business affairs of a corporation of $5,000,000 capital and to direct a traffic that affects the welfare of the people of half the States of the Union; and we thought, and I think, that $10,000 as the salary at this time is not too much to pay to the man in that position.

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

Mr. SHALLENBERGER. Yes.

Mr. WINGO. Does the gentleman know of any private business of this magnitude that could get a man of the requisite business experience and responsibility for as low a salary?

Mr. SHALLENBERGER. Well, there are men who are receiving twice as much as this in private employment in positions similar to the one provided for in this bill.

Mr. McKEOWN. I can find 20 who will accept $7,500.

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

Mr. SHALLENBERGER. Yes.

Mr. KING. The gentleman is a Democrat in every sense of the word. I wonder if he does not deprecate this new idea of detailing Army officers to fill civilian positions. Right now one is detailed to be the Chief of the Bureau of Engraving and Printing. Every day we are hearing of these officers being detailed to occupy civilian positions. That has been against the policy of this Government for 50 years.

Mr. SHALLENBERGER. In answer to that I will say to the gentleman that I am a Democrat, as he says, but in this particular position Colonel Ashburn is a man who has been trained by this Government at our military school; he has been given the highest character of education, both as to engineering and to general education, that the Government can

give him, and now we are to get the benefit of that man's ability and the benefit of the training the Government has given him at a salary one-half the salary at which we could expect to get the same character of man from civil life. The Army develops men with the single ambition to serve their country, and that is the spirit that Colonel Ashburn has been showing in this matter.

Mr. KING. And if anything should happen to him another military officer would be appointed in his place.

Mr. SHALLENBERGER. I would be apt to agree with the gentleman if we were simply taking a military officer and placing him untried in this position, but that is not the case in this particular instance. Colonel Ashburn has acquired experience and shown ability that are now invaluable to success of this enterprise.

The CHAIRMAN (Mr. TILSON in the chair). The time of the gentleman from Nebraska has expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. MOORE of Virginia. Did the committee consider the expediency of placing the services which are mentioned in this bill in charge of the Department of Commerce, transferring them from the War Department?

Mr. SHALLENBERGER. Well, we did consider that, but the situation with which we are confronted now is that it is in the hands of the War Department and in the hands of men who have been managing it for four years. They therefore are well equipped to go on with it.

Now, I want to say to the committee that instead of the management proving a failure it has proven a success. It is true that during the war and before Colonel Ashburn came into the management of it we did lose the millions of money to which the gentleman from Illinois [Mr. RAINEY] has referred. But if you will refer to the report, page 13, you will find that Colonel Ashburn took charge of this corporation, or the operation of this Government activity, in 1920. From January 1, 1921, to June 30, 1921, the barge-line service on the lower Mississippi was operated at a net profit to the Government of $67,170 and a saving to the public in freight rates of $280,700; during the period from July 1 to December 31, 1921, it was operated at a net profit to the Government of $85,262 and a saving to the public in freight rates of $363,300; during the period from January 1 to June 30, 1922, it was operated at a net profit to the Government of $31,924 and a saving to the public in freight rates of $486,700; during the period from January 1 to June 30, 1923, it was operated at a net profit to the Government of $159,499 and a saving to the public in freight rates of $482,000; and even during the period from July 1 to December 31, 1923, when the Government lost in operating expenses on account of extreme low water the sum of $200,589, the public saved in reduced freight rates during the same period the sum of $441,000.

Mr. BLACK of Texas. Will the gentleman yield for one question?

Mr. SHALLENBERGER. Yes.

Mr. BLACK of Texas. Does the gentleman know whether in counting up the question of profit they made any allowance for capital investment or for depreciation?

Mr. SHALLENBERGER. No.

Mr. BLACK of Texas. But a private business would have to make those allowances.

Mr. SHALLENBERGER. The fact is that the Government at that time took it over as a war measure; they have it on their hands and they can not sell it for anything like what it cost the Government. The purpose now is to demonstrate to the country the practicability of water-borne freight service. We are operating with the kind of boats the gentleman from Illinois [Mr. RAINEY] stated; they are not the best suited for river traffic, but these and other problems connected with it are being worked out.

Mr. BLACK of Texas. Then the gentleman's statement would hardly be accurate that the Government has realized a profit when it has not made any depreciation charge or any charge for capital investment.

Mr. SHALLENBERGER. Perhaps not. I realize that if we were to go into the matter of making charge for interest and depreciation, probably we would not be able to show so much profit, but I have made this statement to show that we have not lost the millions of money stated by the gentleman from Illinois [Mr. RAINEY].

I want to say another thing to the committee. It was demonstrated before the committee in its hearings by representatives of the great steel interests and coal interests of Pittsburgh, for instance, that water transportation on the Monongahela River was costing one-sixth of the rate that would have to be paid to the railroads, and representatives of one of the great steel companies of Pittsburgh came before our committee and showed that they were moving freight on the Ohio River at one-third the rate charged by the railroads. But, gentlemen, that cheap freight is all moved upon barges owned by these great corporations; they are not open to the general public, and they are not public carriers. This is an attempt to give the public a chance to enjoy the benefits of reduced rates because of water transportation. This is to demonstrate the value and practicability of inland-water transportation.

I want to call the committee's attention to this fact: That railroad freight-rate reduction is a thing which the public attention is fixed upon now. Water competition is going to have a tremendous effect upon the transportation question and is one of the means whereby we hope to secure that reduction.

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

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more, because gentlemen, by their questions, do not give me a chance to explain some matters that I believe the House wants information upon.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. ABERNETHY. Mr. Chairman, reserving the right to object, I would like to follow the gentleman for a few minutes.

The CHAIRMAN. The Chair can not make any promises as to recognition.

Mr. ABERNETHY. I do not object.

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

Mr. SHALLENBERGER. I think the effect of water transportation on railroad transportation has already been demonstrated by the requests of the railroads of the Nation to the Interstate Commerce Commission.

Requests were made to the Interstate Commerce Commission to reduce freight rates upon commodities essential to life—on coal, foodstuffs, and other essentials. Even the President of the United States asked the railroads to reduce the freight rates upon coal, being a necessity, but the railroad managers refused to grant it. But when water competition, through the Panama Canal, came in direct conflict with coast-to-coast rates upon the railroads, then the railroad corporations of this country came to the Interstate Commerce Commission and asked, upon bended knees, to be allowed to cut freight rates 25 per cent from coast to coast because of water competition. It is to develop the practicability of public carrier service upon the rivers and lakes of the country that we are asking to have this proposition tried out.

Now, as to the conflict with Mr. Goltra. I do not care to discuss that more than to say that it was brought before the committee. As you can see from the remarks of the gentleman from Illinois [Mr. RAINEY] it is evident that the Government entered into a contract during the war with Mr. Goltra because they thought he could help them out of a certain situation, as the gentleman from Illinois has explained to you. It was to assist the movement of ore and other things necessary for war purposes; but it was demonstrated that Mr. Goltra could not successfully operate boats upon the upper Mississippi River. He said in his testimony that one of the reasons the Government vitiated his contract and seized his boats was because he did not operate them upon the upper Mississippi, that he was five months trying to bring one of those barges, which the gentleman from Illinois referred to, from St. Paul down to St. Louis, and he could not return because it drew too much water. His answer to the complaint of the Government was that he could not move the boats over the upper Mississippi because the Government did not provide him a water channel that would enable him to operate them. There is a conflict between the Government and Mr. Goltra as to his contract. It is in the courts, and the courts must settle it.

Now, the only reason for bringing Colonel Ashburn into this and attacking him is because as the agent of the Government authorized by the Secretary of War he was empowered and

directed to seize those boats, and he did seize them, and that is the quarrel between Mr. Goltra and Colonel Ashburn.

Now, Mr. Chairman and gentlemen, this bill provides for a capitalization of $5,000,000. The chairman of the committee called your attention to the fact that it does not require that the Government shall invest $5,000,000 in cash. That is not contemplated. But this barge property was turned over to Colonel Ashburn without any capital with which to operate. The barges were turned over to him and he is not responsible for the character of those barges. The barges were built by engineers and by Government officials before they were turned over to Colonel Ashburn. The War Department and the Railroad Administration lost money until Ashburn got hold of them.

Since he has had control of this system he has been making money, but the corporation must have capital, as any corporation does transacting the amount of business they handle, and in order to get it he had to go to the banks and borrow it. Therefore we hope now if you will pass this bill to give the corporation sufficient capital so that it will not be put to the point of having to go to borrow money every time the corporation falls short of cash, as any corporation may do in certain periods of its operation.

The $5,000,000 includes the value of all the property it now has in its hands. It may be $2,500,000, or it may be $3,000,000. I do not know what the valuation is, but the entire amount of capital stock that may be issued, taking into consideration all the property we have now, is to be $5,000,000. We do not expect the Government will have to advance more than perhaps $1,000,000 of actual cash at any time to carry on the operation of this corporation, and it is only for five years in order that we may try this matter out. Personally I would like to see the corporation made permanent, but a majority of the committee determined otherwise.

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. SHALLENBERGER. I yield now.

Mr. LINTHICUM. I want to ask the gentleman whether in figuring the amount of money which the gentleman says has been earned as a profit they have figured anything for depreciation or interest on investment?

Mr. SHALLENBERGER. I answered that question before. That was figured in, as I recall. I do not know certainly.

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

Mr. DENISON. Mr. Chairman and gentlemen, I want to take five minutes to explain one or two matters. The Secretary of War in the accounting system of the barge line is carrying this equipment on the books at just what it cost the Government. My friend, the gentleman from Nebraska [Mr. SHALLENBERGER], I think, inadvertently made a misstatement, unless he was thinking of a different thing from that which is in my mind now. We are carrying this equipment under the regulations of the Interstate Commerce Commission at just what it cost the Government during the war, and it cost about three times what you could replace it for now. In other words, we are carrying it at war prices because the Government acquired it then by either taking it over or building the equipment during the war. Since the time that Colonel Ashburn has had charge of it the Government, with the exception of one period of six months, has made a substantial profit over and above the actual cost of operation, including interest on the investment at war prices and depreciation.

Mr. SHALLENBERGER. If the gentleman will permit, I stand corrected. I was not aware of that.

Mr. DENISON. I thought the gentleman was mistaken. They have had to figure out depreciation and have had to figure interest on war prices and, notwithstanding all that, during the first half of 1921 the Government made a net profit of $67,000 and saved to the shippers in reduced freight rates $280,000. During the next half of the year the Government made a net profit of $85,000 and saved to the shippers in reduced freight rates $363,000 plus, and during the next half year they made for the Government, net, over $300,000 profit and saved to the shippers $486,700 in reduced freight rates. I will not repeat further the figures that the gentleman from Nebraska [Mr. SHALLENBERGER] gave you. These are net profits over and above operating costs, interest on investment of something over $13,000,000, and depreciation.

Now, during one-half of one year the Government sustained a heavy loss due to the fact that on one of these trips the barges got hung up on a sand bar south of St. Louis and the Government had no equipment there to take it off. The barge-line service has no "trouble boat" to go to a place where they have trouble and take the barges off a sand bar. The result was they had to unload and thereby sustained a heavy loss.

Now, what we want to do is to secure a boat for that purpose. Let this service secure a boat that will be available to help when a barge is hung up on a sand bar, or for some other reason.

Mr. HUDSPETH. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. HUDSPETH. Does the gentleman believe that the operation of this barge line will tend to decrease freight rates throughout the country?

Mr. DENISON. Absolutely; freight is being shipped over this barge line to different points of Texas, and it will tend to reduce the freight rates in Texas.

Mr. HUDSPETH. I want to state that the Senator from Missouri [Mr. REED], who lives on the river, made a statement in the Senate the other day that water transportation tended to decrease freight rates adjacent to that territory; but for railroad points that were not reached by water transportation, in order to make a reasonable return upon the investment, they had to raise the rate for those points.

Mr. DENISON. I was speaking of the territory reached by water transportation. If the Interstate Commerce Commission permits the railroads to do that, the charges will be higher.

Mr. HUDSPETH. I know that I am talking against the interests of my own State.

Mr. SHALLENBERGER. I want to say to the gentleman that that was under the operation of the section 15a, and after we get that repealed it will not be possible.

Mr. BARKLEY. Will the gentleman yield?

Mr. DENISON. I will.

Mr. BARKLEY. That would not happen unless it was a competitor that was not competing with river traffic, because the road that reduces the rate would get all the business, and the road that did not would not get any.

Mr. DENISON. That is right.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. WHITE of Kansas. I was interested in the statement of the gentleman from Nebraska when he stated that the Coastal Transcontinental Line had asked for 25 per cent reduction. Is it the practice, if the gentleman can give us the information, for the Interstate Commerce Commission to permit a line paralleling in successful operation to make a lower rate—does the gentleman know what the practice is?

Mr. DENISON. In former years they did, and that is what drove transportation off the rivers. But we are hoping that the Interstate Commerce Commission will not allow that to be done in the future.

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

Mr. DENISON. Mr. Chairman, I ask for two minutes more, and then I will quit. I do not want to take up any more time, but I want to make this statement for the information of the committee: One of these barges on the Mississippi River carries as much freight as you could put into 100 freight cars, and one towboat will take eight of these barges to New Orleans in six days. In other words, one trip from St. Louis to New Orleans will take 800 carloads of freight. Think what that will do for the country, how it will relieve the railroads in time of car shortage and supply the shippers of the country with cheaper transportation.

Now, if a barge in a time of long drought, when sand bars may appear, should be hung up suddenly and the Government has no equipment near to pull it off, they sustain a loss. What we want to do is to give some additional equipment to the barge service in order to prevent this loss until the War Department can complete the improvement of the channel.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. I will.

Mr. MANSFIELD. I want to suggest that General Beach a few weeks ago stated before the Rivers and Harbors Committee that one of these boats on the Mississippi carried the largest cargo ever carried by any vessel in water transportation—56,000 tons of coal.

Mr. DENISON. That is true. Now, gentlemen, the Secretary of War says he would not know how to run a barge service unless he had Colonel Ashburn, who is an expert in transportation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ABERNETHY. Mr. Chairman and gentleman of the committee, I started out to oppose this bill, but when I found so many of my friends with whom it is necessary for me to stay, and whose sections it will aid, I am going to support it. [Laughter.]

Mr. McKEOWN. Is not this a sequel to the Cape Cod proposition?

Mr. ABERNETHY. It is in a large measure. I desire seriously to call the attention of this committee to the situation that has operated along the inland coastal waterway under Colonel Ashburn's supervision, and the reason I am calling the attention of the House to it now is because there is pending before the committee that has charge of this bill a resolution that passed the Senate yesterday by Senator WADSWORTH, of New York, in reference to it. There was a boat line operating from Baltimore to Newbern, N. C., Government owned and operated, and it was working well. That boat line was allowed to be sold without any notice to the local people. It was sold for $400,000 on time, with a payment of $25,000, sold to the people who operated a barge line on the State canal in New York. Now, these people to whom these boats were sold have not paid for them, and they can not pay for them. I have been trying to prevail with Colonel Ashburn to put some of these boats back on the inland waterway between Baltimore and the South, which is a part of the link that we voted on the other day when we voted for the Cape Cod Canal, but by the resolution which passed the Senate yesterday it is solemnly proposed to allow the people who bought these boats and others from the War Department to be relieved of half a million dollars of the amount they agreed to pay, and still we have no boats on the inland waterways from whence these boats were taken and sold to irresponsible people, as I contend.

Gentlemen, I am going to vote for this bill, because I think it is a step in the right direction and will aid the great Mississippi Valley section of the country. I am a very small cog in this situation. However, all up and down the Atlantic coast we need waterway transportation right now. In the State of North Carolina now the railroads are undertaking to raise freight rates at this time to a point where it is going to run our business men out of existence. We need boats, and I appeal to this powerful Committee on Interstate and Foreign Commerce to hold up this Wadsworth resolution, and I appeal to you men who are favorable to this proposition to help me hold it up until we can see if it is not possible to have returned the boats which were taken from us and have them placed back into the service on the inland waterways. That is all I want to say, and I am going to vote for this bill.

Mr. BLACK of Texas rose.

Mr. DENISON. Can not the gentleman discuss this matter on the next section?

Mr. BLACK of Texas. I want to state some objections I have to the bill. I see no reason why I should not discuss it right now.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. RAKER. Mr. Chairman, reserving the right to object, I would like to have five minutes.

Mr. DENISON. Does the gentleman want it on this particular section of the bill? Would he not be just as well satisfied on another section of the bill?

Mr. RAKER. The trouble is that if we pass to the next section, and one of the committee rises, not being on the committee, I would get left.

Mr. DENISON. If the gentleman feels he is liable to be left, I will amend my request to make it 15 minutes.

The CHAIRMAN. Is there objection to 15 minutes?

Mr. RAINEY. Mr. Chairman, reserving the right to object, may I have five minutes of that?

Mr. DENISON. Can not the gentleman speak on the next section?

Mr. RAINEY. I would like to reply to something said by the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. DENISON. The gentleman from Texas wants five minutes?

Mr. BLACK of Texas. Yes.

Mr. DENISON. The gentleman from California wants five minutes?

Mr. RAKER. I would like to have 10 minutes.

Mr. DENISON. I can not agree to that just now. Is the gentleman from Oklahoma [Mr. MCKEOWN] insisting on some time?

Mr. McKEOWN. If the gentleman do not take too much time, I am going to wait.

Mr. DENISON. Mr. Chairman, I amend my request and make it 15 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this section and all amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, if a man gets up in the morning and puts his pants on with the seat in front and the front behind, we would say that he was either asleep or crazy. It seems to me that we are undertaking to do that very thing in legislation of the sort we now have before us. There is no man on the floor of this House who has studied the question of river transportation who does not know that the real trouble is the railroad long and short haul practice. There is the trouble. Until Congress forces a correction of that situation you can operate a barge line for 40 years by the Government and pay the cost of it out the taxpayers' pockets, but you are not going to get private individuals to go very much into river transportation.

Mr. MOORE of Virginia. And may I suggest one other thing, and that is the inadequacy of amounts allowed to the boat lines when the division of rates is made?

Mr. BLACK of Texas. Of course. They can not possibly survive under competition of that sort. We must first get this basic trouble corrected before we can expect to get very far with development of river transportation.

Mr. CLEARY. Is the gentleman familiar with the fact that there are millions of dollars invested by private individuals now in running up Long Island Sound and up the Hudson River, and that they can beat the railroads so much that they get the business and that the railroads do not? And that is being done right now all of the time.

Mr. BLACK of Texas. Yes; I have no doubt that in a congested center such as the gentleman mentions you can do that, but I am talking about transportation on rivers like the Mississippi and the Ohio and streams of that sort. You can not possibly have a successfully operated river transportation when you permit the railroads to come in and cut their rates in such localities below the costs of producing the service. In the face of conditions of that kind to try to establish permanent barge service by a law of this kind is like the man who tries to put his breeches on wrong side in front.

Mr. CLEARY. Will the gentleman allow me to say just a word? Take the water rates from Lake Superior clean on along down to Long Island Sound and through there, and there is no more danger of the railroads taking that freight away than there is of its being taken by the man in the moon, because the water can carry it for less than half of what the railroads can.

Mr. BLACK of Texas. My friend surely heard me admit that in these congested centers and waters like the Great Lakes that can be done.

Mr. CLEARY. It is not only in the congested centers.

Mr. BLACK of Texas. It is somewhat different from conditions on the Mississippi or the Ohio.

Mr. CLEARY. Through the Great Lakes it is the same way. There is not as cheap transportation anywhere in the world. Give us lots of water and never mind your boats and individuals will all go into the business.

Mr. BLACK of Texas. I hope the gentleman will understand that I am not talking about transportation on the Great Lakes. I am talking about the Mississippi and the Ohio Rivers and other rivers, and why it is that we do not have successful water transportation there. From Portland, Me., to New Orleans is a distance of 1,686 miles, and the freight rate on first-class freight is $2.51. From Dallas, Tex., to New Orleans is 515 miles, which is a third of the distance from Portland to New Orleans, and yet the rate from Dallas to New Orleans on the same class freight is $2.31, nearly as much as it is from Portland to New Orleans. From Seattle to Boston is 3,258 miles, and the rate on 100 pounds of paint is $1.83, while the rate on 100 pounds of paint from St. Louis to Denver, an inland point without water transportation, over a level prairie haul and only a distance of 916 miles, is $1.06. There are many instances of that kind, and the United States Government will never demonstrate to private industry that it can successfully operate river transportation as long as these long-and-short-haul discriminations are permitted to be made.

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

Mr. RAKER. Mr. Chairman, in answering the gentleman from Illinois [Mr. DENISON], I stated that I wanted to proceed for five minutes. I now ask unanimous consent that I may speak out of order for those five minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed out of order for five minutes. Is there objection?

Mr. DENISON. Upon what subject?

Mr. RAKER. On the subject of an article that appeared in the Washington Post this morning.

Mr. DENISON. Mr. Chairman——

Mr. RAKER. The five minutes that I would ramble along on this river navigation, which I understand perfectly well, might not do the gentleman very much good but surely no harm to his bill. I think my vote would do more good than my talk, and I would like to use the five minutes on a really important subject.

The CHAIRMAN. Is there objection?

Mr. SCOTT. Mr. Chairman, I object.

Mr. RAKER. Is there not somebody that wants my five minutes?

Mr. CLEARY. I will take it.

Mr. RAKER. I will be glad——

Mr. RAINEY. I will take the five minutes.

Mr. RAKER. I will yield the gentleman from New York my five minutes.

Mr. BEGG. I make the point of order the gentleman can not yield time.

The CHAIRMAN. The gentleman can not yield time, but the Chair can recognize the gentleman.

Mr. RAKER. I ask unanimous consent that the five minutes allowed me be given the gentleman from New York [Mr. CLEARY].

Mr. BEGG. I object to that; that is not in accordance with the rule.

Mr. NEWTON of Minnesota. But the Chairman certainly can recognize the gentleman from New York.

The CHAIRMAN. The Chair said that it was not subject to unanimous consent.

Mr. RAKER. On this water bill it seems strange that other men can take practically all the morning on a subject not directly connected with the bill, and in regard to a statement made this morning relative to legislation that is absolutely untrue a man is unable to explain it to the House that the House Members might know that they have been treated fairly and properly and the matter properly explained to them.

Mr. BEGG. I make the point of order the gentleman is speaking out of order.

Mr. RAKER. I shall get down to the bill.

Mr. BEGG. The gentleman is entitled to speak if he gets recognition for that purpose, but he ought to speak to the bill.

Mr. RAKER. I do not understand I need any criticism or castigation from the gentleman from Ohio especially, many times he has been in a position that we could have said a good many things, but I do not want to take up any of the time of the committee. However, I will get down to a discussion of this bill in proper shape and proper form. It is a very important bill in regard to waterway transportation. The same committee has under discussion railroad legislation which is coordinate with water transportation and railroad transportation.

Mr. DENISON. If the gentleman will yield, let me explain to the gentleman from California that several Members on this side have come to me and asked if I would not let them talk on this same subject, and I have said that I should have to object. We desire to hurry through with this bill as there is another bill coming up and——

Mr. RAKER. The gentleman has made a statement, let me answer it. When I have presented a matter to the House after giving great consideration to it and a paper comes back in the morning and says the matter was not fairly represented, and at least 24 men have asked me in regard to it here this morning, I felt it to be my duty to present the matter to the membership of this House so that they might understand the situation and know that they were not deceived.

Mr. DENISON. I would be glad to help the gentleman as soon as we get through with this bill. I would be glad to ask unanimous consent——

Mr. RAKER. I know the gentleman has been exceptionally kind, and I appreciate it, and I asked for time in order that I might discuss this important bill in five minutes. I told him I wanted the five minutes. I can see plainly my five minutes are going so fast I am not going to get down to a discussion of this bill. Now, in regard to this legislation, the long and short haul, which means so much to our people. For 30 years we have paid freight from the East to Reno and San Francisco and back. For over 40 years we paid the freight from San Francisco to Reno, 200 miles and more, notwithstanding the railroad people left the cars at Reno and did not haul the freight over the mountain. We have had that situation for over 40 years, and the time has come when the people ought to have an opportunity to pay a fair rate of freight and not be compelled to pay a rate for hauling over a mountain grade, the highest in the United States, and then haul it back when the cars are left 250 miles east of the point of termination. We have had so much talk about the equalization of railroad and water rates.

Mr. CHINDBLOM. If you had had an inland waterway, of course, it would not have been so expensive.

Mr. RAKER. But what we ought to have is an equalization of the rates on water and rail, and when there is railroad transportation, freight or passenger, it ought to have a fair, honest compensation for the work it performs, but ought not to be permitted to charge a rate 500 miles from the coast line and make the public pay that extra freight, although I have not gotten very far for what I arose to tell the House. Will do that in due time. I thank you, gentlemen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. Mr. Chairman, I want to call the attention of my friend the gentleman from Nebraska [Mr. SHALLENBERGER] to the fact that these Goltra barges were operated—and operated successfully—on the upper Mississippi River under the direction of the Secretary of War, and did operate there when they could not operate the Government barges on the lower river; and the statement in the testimony of Mr. Goltra that the gentleman from Nebraska called attention to, on page 133 of the hearings, has reference entirely to equipment which Mr. Goltra got from the War Department in 1917 to make an experimental trip to St. Paul and back again.

I read from the hearings:

Mr. HUDDLESTON. Did you not in 1917 get some equipment from the War Department with a view to making experimental trips on the upper Mississippi?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did you make those trips?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did they pay your expenses?

Mr. GOLTRA. No, sir; I paid my own expenses.

Mr. HUDDLESTON. Has any organization asked you to come?

Mr. GOLTRA. No organization, sir. I have not attempted any propaganda whatsoever, Mr. HUDDLESTON.

Mr. HUDDLESTON. But you appear here voluntarily?

Mr. GOLTRA. As a citizen.

Mr. HUDDLESTON. At your own expense?

Mr. GOLTRA. At my own expense.

That is on pages 133 and 134. Again, on page 135, Mr. Goltra says:

I paid for the trip north to St. Paul, which was done at the urgent request of the Government, all of the expenses and, if my memory serves me correctly, lost some twelve or fifteen thousand dollars in that movement, because of the fact that the steamer furnished—when we tried to return, the water having fallen in the river—was of too deep draft to navigate the river. It was the low season of navigation.

Therefore it was not these steamers at all; and the gentleman from Nebraska [Mr. SHALLENBERGER] will find out his mistake if he examines the hearings.

Now, as to the operation of these Government barges at a loss, I simply want to read from the testimony of Secretary Weeks on page 27 of the hearings. He says:

The financial returns up to this time have not been encouraging on the lower Mississippi and have been very discouraging on the Warrior River. The service seems to go pretty well for a month or two or three months and then something happens. I do not know whether or not this will always be the case; but, for example, a year ago last summer we had the lowest water on the Mississippi I believe has ever been known, and the result was such shallow water that our boats could not navigate. They were on bars a good deal of the time.

Again, on page 28:

Up to this time the net result of the operations have been that we have lost on the lower Mississippi—and this includes the war period when, as I have stated, there was insufficient equipment—we have lost $1,320,000; and we have lost on the Warrior River, which has been almost continuously losing, $1,783,000.

Now, with reference to the Goltra barges, which can operate on all these rivers at all times except perhaps on the Warrior River, I want to read again what the Secretary of War said. Referring to these Goltra barges, he says:

In January, 1919, an authorization was made for the construction of towboats and barges for the purpose of bringing—presumably for the purpose, and the preamble stated "for war reasons"—ores from the Mesaba Range to the iron furnaces at St. Louis, and that equipment was leased to Mr. Goltra, of St. Louis. The construction, I should think, was about two-thirds completed when I went into the War Department in 1921. It was certainly completed to a degree which made it financially advisable to complete its construction, although it seemed to me a very doubtful proposition in view of the purposes for which it was to be leased. When it was completed it was turned over to Mr. Goltra. He did not comply with what I was advised were the terms of the lease,

and after a good deal of delay we seized the equipment. He got an injunction in the courts, and the matter is still in the courts, but we have the equipment and are using it. That supplements what we had before and is of real advantage to us now, because it is being used to its full capacity. Before that was done we had to run, because of the depth of the water, a shuttle boat from Cairo to St. Louis, which involved very much additional expense and was not, from a financial standpoint, satisfactory. The Goltra boats can run to St. Louis without any breaking of cargo, which is an advantage.

Then, again, I want to read from his testimony as to the statement that he wants to keep Colonel Ashburn in this service:

The War Department is not equipped to conduct a transportation service. We can do it, and we are doing it to the best of our ability, but my judgment is that this service should have been turned over to the Department of Commerce or to the Shipping Board for operation instead of the War Department.

This is the opinion of the Secretary of War, in spite of what all these gentlemen say as to the qualifications of Colonel Ashburn. The Secretary of War thinks this entire equipment ought to be turned over to the Department of Commerce or to the Shipping Board.

Now, I want to tell you why these Goltra barges operate successfully over all these rivers; and whenever these bills come up I am going to keep on denouncing the seizure of these Goltra barges. It was an act of piracy without a precedent in the history of this country. Operating barges and propelling boats by a private individual does not appeal much to candidates for Congress who are making their campaigns on the strength of the Government service. There is no opportunity to junket up and down the rivers in that service in splendidly appointed Government boats. There are no receptions in cities—no speeches—and therefore a private and a successful operation of boats does not compel much attention and receives no public recommendation.

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

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

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

There was no objection.

The CHAIRMAN. All time has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to correct and extend my remarks in the RECORD.

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

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. The capital stock of the corporation shall be $5,000,000, all of which is hereby subscribed for by the United States. Such subscription shall be paid by the Secretary of the Treasury, within the appropriations therefor, upon call from time to time by the Secretary of War. Upon any such payment a receipt therefor shall be issued by the corporation to the United States and delivered to the Secretary of the Treasury, and shall be evidence of the stock ownership of the United States. There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, the gentleman from North Carolina [Mr. ABERNETHY] was very frank when he admitted that this bill was the sequel to the Cape Cod Canal. This bill is designed to put the Government in business all right.

We had a statement from the Secretary of War a few days ago in which he said that he was in favor of disposing of the Panama Railroad and disposing of all the property that is owned as the private property of the United States; and now we find here a bill putting in his department a privately owned and operated barge system. The trouble with the whole matter of water transportation is not only what the gentleman from Texas said as to rates, but it is with the American people, who are not willing to wait upon freight by water. They are in too big a hurry to get the freight; and they will not wait until it comes by water, but insist on its coming by rail.

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

Mr. McKEOWN. Yes.

Mr. DEMPSEY. The transportation manager of the General Electric Co. stated that they had assembled a chance fleet, not adapted to the business, and found they could deliver freight from Schenectady to New York more quickly and more reliably and dependably than by rail.

Mr. McKEOWN. I take it, with a short distance like that, that would be true. But where you have transportation coming in from western points, on through freight, it would be different.

Mr. CLEARY. May I make a point that will help you?

Mr. McKEOWN. Yes.

Mr. CLEARY. Take the business over the Great Lakes, down through New York. It is a matter of warehouses. This is the reason they are not in a hurry. The goods are stored in great warehouses in the city of New York.

It is the same way with coal transportation. Coal is accumulated in large stocks. It is not true that the boats can not deliver fast enough. I was in the business 40 years, and I carried coal from New York to Buffalo at 50 cents a ton, and from New York to Chicago at $1.50 a ton.

Mr. McKEOWN. I regret I can not yield further. The gentleman evidently thinks I am criticizing water transportation. I am not criticizing water transportation. But the source of the trouble is the fact that our people have not learned to be patient enough to let the freight come by water transportation, as they ought to do.

Now, there is no question but what we are 100 years behind where we ought to be in the matter of water transportation. We have the finest streams in the world and yet we are not making use of them. But that is far afield from the question before us. The question before us is: Why has the Government of the United States embarked in this business of organizing a corporation to run these barges? The distinguished gentleman from Illinois [Mr. DENISON] has changed front since the passage of the transportation act, because the RECORD shows that when the transportation act was under consideration the gentleman from Illinois [Mr. DENISON] said he hoped the Government would dispose of these boats as soon as possible, and that he would only vote for the transportation act because it was a necessary emergency at that time.

Mr. MANSFIELD. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MANSFIELD. Does the gentleman know that freight cars are conveyed on ferryboats from the State of Michigan across Lake Michigan to Wisconsin and that in that way the shippers save two weeks' time rather than to allow them to go through the car yards at Chicago?

Mr. McKEOWN. I have been informed that works a miracle, as far as that is concerned, but I want to say to the gentleman that if it comes to transporting freight down the Mississippi River to St. Louis and then that freight has to be reshipped into Oklahoma, our fellows will pay a higher rate.

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

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ABERNETHY. Has the gentleman any water transportation in his section?

Mr. McKEOWN. I will say to the gentleman from North Carolina that when we have water in our streams we have too much and when it it dry we hardly have enough water for fish to swim in. That is the condition in Oklahoma. But that is not the question here. I am talking about the policy of organizing a corporation and embarking in this business. On every hand we hear the statement made that the Government should stay out of business, but we are now asked to have the Government embark in this business.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The proposition is, I will say to the gentleman, that the Government is already in this business, and we only hope to give them sufficient capital to carry it on for five years and try it out.

Mr. McKEOWN. I am in favor of letting it go along like it is, because when you get the corporation organized you will never be able to bring it to an end.

Mr. SHALLENBERGER. I hope it will never be brought to an end.

Mr. McKEOWN. I am in favor of the Government going along as it is at present; I am in favor of the Government operating these barges and carrying on this industry, with the hope that in a few months or a few years we will be able to develop a great business down there, a great business that will be of real benefit.

Now, when you get these special rates on your waterways, all well and good; but the rest of the country has got to pay the freight. When you have a country like mine, which has no water transportation, and you get specially favored rates from the railroads in competition with the water rates, my people in Oklahoma and in the great State of Kansas have to pay that additional rate, because they have to make good the loss which they stand when they go into competition with the water rates.

Mr. SHALLENBERGER. Will the gentleman yield further?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The question of long and short hauls comes into the problem and affects you in Oklahoma in the same way as was stated by the gentleman from Texas. But the gentleman must know that is entirely a matter of interpretation on the part of the Interstate Commerce Commission. The law prohibits that now, and unless the Interstate Commerce Commission sees fit to hold hearings and decide that for some special reason in a special case they can do it. The correction of the entire evil is with the Interstate Commerce Commission.

Mr. McKEOWN. I do not want you to misunderstand me. I am not opposed to the development of water transportation in this country, because, as I say, I think we are 100 years behind where we ought to be in water transportation. But what I do say is this. The country is going broke over the proposition of the high rates we have to pay and we must do something immediately, but that does not mean that we shall go to work and incorporate this company, because I think the Government can pay the money just as well one way as another way. I think this Government should go along like it is until we see what we are doing.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. The gentleman is anxious about the waterways and he says he does not want the Government to do it. Does he want the railroads to do it?

Mr. McKEOWN. No. But what is the difference between the Government owning a corporation such as this and the Government doing it itself? And we will pay for it no matter whether you have a corporation do it or whether you have the Government to do it as it is now doing it.

Mr. LaGUARDIA. And I will state to the gentleman that my State will pay for it and not his.

Mr. McKEOWN. I will say to the gentleman that they have plenty of waterways up there and plenty of money.

Mr. LaGUARDIA. And the State developed them.

Mr. McKEOWN. Yes; that is true.

The rate problem before the people of the United States is one of the greatest problems that confronts them at this time, and I say to you now that the proper way to adjust this is to fix rates so that farm products throughout the country may have special rates to certain groups of places in the far-distant parts of the Nation. Here, on the one hand, you have the cabbage raised down in the district of my friend from Texas [Mr. HUDSPETH] that is rotting because they can not pay the freight to Chicago, and the people in Chicago are getting hungry because they can not get the cabbage from the district of my friend in Texas. Gentlemen, it is like the situation in the Indian Territory in the old days when we had such high freight rates out there. A fellow shipped four carloads of horses to East St. Louis and got a bill back for $136 additional after they had sold the horses to pay the freight. He was a fellow who could not read and write very well and had not much education, and he wrote them a letter like this: "Dear Frisco: I ain't got no money, but I can ship you some more horses."

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLACK of Texas: Page 2, line 8, strike out all of section 2.

Mr. BLACK of Texas. Mr. Chairman, the concluding language of section 2 is: "There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription."

A few days ago the Committee on Interstate and Foreign Commerce reported the Cape Cod bill with an authorized appropriation, I believe, of $11,500,000, and to-day we have from the same committee an authorization of $5,000,000 more, and I think this committee will, if it does much more along this line, earn the title of the economy committee of the House. To use a slang expression, this is saving money "over the left." I agree with my good friend, the gentleman from Nebraska [Mr. SHALLENBERGER], that the real fault of this river transportation system—in a sense, the real fault—lies with the Interstate Commerce Commission; but after all, let me call my friend's attention to the fact that the Interstate Commerce Commission gets all of its power from the Congress of the United Sates, and we are cognizant of the fact that the commission is not enforcing that section of the interstate commerce act or the Esch-Cummins bill, to be more explicit, which prohibits the long and short haul discriminations which we are talking about, and the view I have in mind is that if we want relief from this situation, if we really want to bring about some relief in our freight rate structure, the thing to do is to absolutely prohibit the carriers from indulging in such practices as carrying 100 pounds of first-class freight from Portland, Me., to New Orleans, La., a distance of 1,686 miles, for virtually the same rate as the railroad carries it to Kansas City, practically one-half the distance.

We will never get any relief from that situation by coming in here and trying to set up a little $5,000,000 corporation to demonstrate that the Government can operate a barge sysem so successfully that private enterprise will take hold. Gentlemen will find out they will get no relief from that. The basic difficulty must first be corrected.

I received a letter sometime ago from the Intermediate Rate Association of Spokane, Wash. I think it suggests the only thing that will give us any relief. This letter says:

The only relief we see in sight is the passage of the bill introduced by Senator GOODING, which will amend the fourth section of the interstate commerce act to prohibit fourth section violations for the purpose of meeting water transportation.

First, it will protect the interior West from the continued assaults upon us and permit us to grow and develop as we should. Second, it will put a stop to the cutthroat rate competition on the part of the railroads that has put so many of our boats and steamship lines out of business.

I understand that bill is pending in the Senate and I hope that legislative body will pass it and send it over to the House, and it will certainly receive my unqualified support.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) Until otherwise directed by Congress, the corporation shall continue the operation of the transportation and terminal facilities now being operated by or under the direction of the Secretary of War, under section 201 of the transportation act, 1920, as amended, and shall, as soon as there is an improved channel sufficient to permit the same, initiate the water carriage heretofore authorized by law upon the Mississippi River above St. Louis.

(b) If the Secretary of War deems it advisable to discontinue the operation of any part of the transportation or terminal facilities or to develop and operate new lines in order to give the public the proper service, he shall report thereon to Congress. The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

(c) The operation of the transportation and terminal facilities under this act shall be subject to the provisions of the interstate commerce act as amended and to the provisions of the shipping act, 1916, as amended, in the same manner and to the some extent as if such facilities were privately owned and operated; and all vessels of the corporation operated and employed solely as merchant vessels shall be subject to all other laws, regulations, and liabilities governing merchant vessels.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to correct an error in line 14. The word "some" should be "same."

The CHAIRMAN. Without objection, the correction will be made by the Clerk.

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, I have an amendment.

In line 7, page 3, after the word "Congress," strike out the balance of line 7 and all of lines 8 and 9.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 7, after the word "Congress," strike out the remainder of the paragraph.

Mr. BLACK of Texas. Mr. Chairman, the language I seek to strike out reads as follows:

The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

I understand the purpose of the creation of this corporation is to relieve the present United States Government operation of the barge lines from unbusinesslike methods and from bureaucratic control and to allow the corporatioon to operate somewhat in the same manner as a private enterprise would operate, and yet, by this language we would say to this corporation, "Even if you find a line you are operating is unprofitable and losing you money every day, you have got to come here to Congress and get Congress to pass a law permitting you to discontinue its operation, before you can cease your service on that line."

Mr. DENISON. Will the gentleman yield?

Mr. BLACK of Texas. I will.

Mr. DENISON. We are conducting an important experiment down there, and we do not want to authorize the Secretary of War to stop it unless he puts it up to Congress. On the other hand, we do not want to allow him to extend this to some other river unless Congress gives him the permission. There is a great deal of political influence used one way and another, and the Secretary of War does not want to be subjected to it, but let Congress control it.

Mr. BLACK of Texas. Yes; it is because I know the inefficiency produced by this political influence that I do not want the Government to continue in this business. Let me call attention to this fact: Suppose we should say to the Emergency Fleet Corporation, which is charged with the responsibility of operating our Government-owned fleet, "You shall not discontinue a line or put another line into operation until you come to Congress and get authority."

Mr. ABERNETHY. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. ABERNETHY. I think this is necessary language to remain in the bill. If we had had that language in there, the Secretary of War, through his agent, would not have been allowed to have taken off the inland-waterway boats and sold them to a State barge line.

Mr. BLACK of Texas. Oh, no. What the gentleman has stated emphasizes the reason why I expect to vote against this bill. You want to tie, and you will tie, the hands of this corporation so that it can not operate this in a business way. The only way the corporation can operate it is to come to a committee of Congress and let that committee tell its operating officials upon what route you shall operate your boats, and it does not make any difference how much money you are losing, you must not discontinue a single line until Congress allows you to do it. Committees of Congress have their useful functions to perform, but operating steamboats is not one of them.

Mr. WINSLOW. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. WINSLOW. I sympathize with the gentleman in his argument based on his point of view, but I fear he has not comprehended the spirit of the bill and its purposes. The central idea in this bill is to try out an inland-waterway service.

Mr. BLACK of Texas. In a businesslike method?

Mr. WINSLOW. That is what I would have said in less elegant language [laughter] if the gentleman had not made his inquiry. We differ as to the essence of the proposition, but that is the central idea. The purpose is to try it without the Government going permanently into the business of inland waterways.

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

Mr. WINSLOW. Mr. Chairman, I will ask the floor for myself. Mr. Chairman, the purpose of this bill is to demonstrate whether inland-water transportation is worth encouraging in this country for private enterprise. As the industry stands now it is discredited and no capital is going into it. We have, through the exigencies of war, a considerable amount of money invested in barge lines on the Black Warrior and Mississippi Rivers. They have gone through the preliminary stage of trial, and those who have most to do with them believe there is ample warrant to go on and try it a little further.

The $5,000,000 is a matter of bookkeeping. The waterway property now in the War Department is to be transferred to this proposed corporation so as to make the business efficiently transacted. If we were to go in as does the Emergency Fleet and build up a shipping industry without much regard to time or where it would land, that would be one thing. If the corporation created by this bill does not demonstrate permanently the wisdom of waterway develpoment and operation, building barges and clearing channels of the rivers all over the country, then there is nothing to it. I feel that we ought to look at the problem simply as a trial. Those of us in sympathy with the purpose of this bill believe that the trial will show what value is in the proposition. They feel further that if it proves that inland waterway business can be well done the Government should stop, and that the demonstration of the successful operation will result in the investment of private capital and there will be no need for the Government to go further in such direction. We feel that we should give Congress the opportunity to pass on the principle involved and make all future operations depend on the will of Congress rather than to put the Secretary of War or his agents in a position to reach out and favor this plan or that plan and perhaps one day to be severely criticized by Congress itself.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. BLACK of Texas. I have no objection to the provision not allowing the Secretary of War to establish new lines without the consent of Congress, but does the gentleman think that the Secretary's hands should be tied so far as a losing proposition is concerned so that he can not discontinue a line that is losing without the consent of Congress?

Mr. WINSLOW. I think if we are going to give it a trial we should give it a fair trial, and we ought to operate it long enough so that Congress may be satisfied in the interest of the whole people.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. WINSLOW. Certainly.

Mr. MORTON D. HULL. How long does the gentleman think will be required to demonstrate whether it is wise or unwise?

Mr. WINSLOW. The testimony before the committee was that five years would be a reasonable time, beyond which we ought not to go, and further, we do not advise tying their hands by any shorter trial period.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. OLIVER of Alabama. We were also advised, as I am informed, that it should continue until we felt there was some stability about the service so that the people would be willing to patronize it.

Mr. WINSLOW. Quite so.

Mr. OLIVER of Alabama. And as soon as you create a corporation and give it some life and some hope of continuation then we will take a step in the right direction.

Mr. WINSLOW. That is quite in accordance with the testimony as affecting the development of business.

Mr. NEWTON of Minnesota. And is it not true, in order to operate a barge line, that it is necessary for the owner to some extent to build his connection, and if he has a five-year period he can afford to take the risk of building the connection, but if he has no assurance as to how long it will go he is not willing to take the risk of building a connection without that guaranty?

Mr. WINSLOW. Yes. And, further, no business man will cut himself from present facilities until he is satisfied that this new corporation, and so forth, are sufficiently well established to warrant his patronage.

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

Mr. RAINEY. Mr. Chairman, I understand from the statement just made, and it was an exceedingly clear statement, that the object of continuing the operation of these barges for another five years is to enable the Government to make a demonstration that barge service can be made successful on the rivers. This section authorizes an appropriation of $5,000,000. I know this committee can not appropriate any money, but it is authorized here in this section just as positively as any committee ever authorized an appropriation. Of course, they will have to go to the Budget Committee before they get it, but they will get the entire $5,000,000 before the five years are out. If the object of this demonstration is to show private citizens that they can operate barge lines successfully, why in the name of God did they take away from a private citizen 19 barges

and 4 steamers, barges so constructed as to properly operate on the rivers, upon the alleged charges that he was not operating as a common carrier, when they had refused him permission to operate as a common carrier at the same rate charged by the Government barges? These boats, according to the testimony of the Secretary of War, could go without breaking cargo the entire length of the Mississippi River, all the way from St. Louis clear down to New Orleans, and the Government boats can not do that. Mr. Goltra, who is financially able to make good all of his contracts, and who stood to lose if he could not operate any better than the Government operates barges, two or three million dollars on this contract, was starting to operate under his contract when the Government seized his barges. The Government is operating them now, according to the testimony before the committee. If the object is to encourage private citizens to engage in an enterprise of this kind, are you encouraging private citizens when you seize barges that private citizens want to operate at their own expense without the possibility of a dollar loss to this Government, when they have given a $300,000 bond for the opportunity of operating these barges?

Mr. Chairman, there is politics in this, and I want to tell you what it is. At the time these barges of Mr. Goltra were seized, and we might as well know it, he was the Democratic national committeeman of the State of Missouri, and they did not want a Democratic national committeeman who got his original commission from a Democraic administration to make a success of barge traffic on the river and they seized these barges, although the Government did not stand to lose a dollar and Mr. Goltra stood to lose all of it, if any was lost. They seized them at the moment when he was preparing to operate and make them a success. There is politics in this, and that is the reason why it was done. They can not do anything with the Government barges on that river. They draw too much water, and you can not successfully operate shuttle boats. I propose every time one of these bills comes up to keep exposing that outrage; that act of piracy on the part of the Secretary of War.

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

Mr. RAINEY. Yes.

Mr. DENISON. I would be glad to have the gentleman advise the House that all of this controversy between Mr. Goltra and the War Department is a matter now in the courts and which will be there disposed of in accordance with law. It is not a matter for us to dispose of here on the floor of the House in connection with this bill. It is not relevant to this bill.

Mr. RAINEY. It is a matter of which this Congress, which makes these appropriations and authorizes their services, ought to be advised, and the country ought to know about it, and I am going to see that the country is advised about it.

Mr. DENISON. My friend has now spent about 40 minutes upon this subject, and I think the House is fairly well advised about it. I would like to proceed with this bill.

Mr. RAINEY. I am only occupying the five minutes allowed to me under the rules, and I have said as much as I want to say now. I may want to say more before we get through with this bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 4. (a) The Secretary of War shall appoint an advisory board of six members (hereinafter referred to as the "board") from individuals prominently identified with commercial or business interests in territory adjacent to the operations of the corporation. No member of the board shall be an officer, director, or employee of, or substantially interested in, any railroad. Two of such members shall continue in office for terms of one year, and the remaining four for terms of two, three, four, and five years, respectively, from the date of appointment, the term of each to be designated by the Secretary of War. Each successor shall be appointed by the Secretary of War for a term of five years from the date of the expiration of the term of the member whom he succeeds, except that any successor appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed only for the unexpired term of the member whom he succeeds. A vacancy in the board shall not impair the powers of the remaining members to execute the functions of the board.

(b) The members shall receive no salary for their services on the board but, under regulations and in amounts prescribed by the Secretary of War, may be paid by the corporation a reasonable per diem compensation for attending meetings of the board and for time spent on special service of the corporation, and their traveling expenses to and from such meetings, or when assigned to such special service.

(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life, or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules or regulations issued thereunder) detail an officer from the Military Establishment of the United States as chairman of the board. Any officer so detailed shall, during his term of office as chairman, have the rank, pay, and allowances of a brigadier general, United States Army, and shall be exempt from the operation of any provision of law, or any rules or regulations issued thereunder, which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act.

(d) The board shall meet for organization purposes when and where called by the Secretary of War, and thereafter at such times and places as the Secretary deems necessary. The board shall consider matters submitted to it by the Secretary of War and make recommendations thereon, and from time to time advise him and make recommendations in respect of the management and operation of existing facilities or the development and operation of new lines.

Mr. GRAHAM of Illinois. Mr. Chairman, there is a typographical error in line 21, page 4. The word "addition" ought to be correctly spelled.

The CHAIRMAN. Without objection, the word "addition" will be correctly spelled.

There was no objection.

Mr. DENISON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DENISON: Page 3, line 25, after the word "railroad," insert the word "corporation."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FISHER. Mr. Chairman, I move to strike out the last word. The people of the section of the South in which I live are strong believers in the development of water transportation. Every encouragement and support has been given to the Federal barge line by our city administration and our business men. We have a commission on water terminals composed of strong, enthusiastic business men who have, together with an active and interested mayor and efficient engineer, cooperated to the fullest extent with the representatives of the Government.

About the time there was such a great congestion of freight, due to the war needs, and the Director General of the Railroads for the Government began activities for an increase in the development of the water lines, our city, cooperating with the Government, invested large sums of money in a warehouse near the bank of the great Mississippi River, thus increasing its terminal facilities and at an expense of $450,000. Great improvements were made to facilitate the handling of the river freight. The equipment was inadequate, but the demand for the release of freight held for want of a means of transportation caused great efforts to be made by the few barges of the Railroad Administration and river fleet which were available. This development brought some relief. It aroused our people to the great need for an efficient and dependable line of boats or barges.

The declaration by the Congress in 1920 in the transportation act stating the future policy of the Government with reference to the transportation on our inland waterways was welcome news. Under the terms of section 500 Army engineers and our engineer and commission had many conferences, and as a result a modern water terminal to cost much over a million dollars was planned. It is now completed and furnishes the most modern machinery for the landing of water freight. It was stated by Colonel Ashburn in the hearings before the House Committee on Interstate and Foreign Commerce that this new terminal built by the citizens of Memphis is perhaps the best of its kind in the world to-day. The results have been gratifying. Many of the industries of our city which have in recent years been built with the thought of convenience of railroad trackage can now utilize the new terminals, for there is every convenience for the switching of cars.

With this heavy expenditure of money and with so bright an outlook for a big business, it is expected that under the policy of the Government, stated in the act of 1920, there should be some assurance that the barge line will be continued till the business is established and conditions of rates and other uncertainties done away with; then it may be private interests may come in to buy and take over the business. It is out of the

question to expect private interests to take it over at this time.

In so far as the Federal barge line's operation on the Mississippi River is concerned, even under various handicaps it has proven that the service can make a success, saving the shippers of freight large sums of money. It has already greatly reduced freight rates and has proven that it can render service acceptable to the people. [Applause.]

There are, however, great handicaps to the present management, and it has been recommended that there be created the inland waterways corporation to carry out the policy of the Government as to the development of the waterways system.

The bill provides that the Secretary of War shall be the incorporator and shall govern and direct the corporation in the exercise of the functions vested in it by the law. The capital stock shall be $5,000,000, all of which is subscribed for by the United States. The Secretary of War is authorized to appoint an advisory board of six members from prominent business interests in territory adjacent to the operations of the barge line. It is provided that none of them nor any officer, director, or employee shall be interested in any railroad. The members of the board are to receive no salary and only a reasonable per diem compensation for attendance at meetings of the board and for time spent on special service of the corporation and their traveling expenses to and from the meetings. Provision is made for a chairman of the board at a salary fixed by the Secretary of War, but not to exceed $10,000 a year. There are many provisions in the bill which will make it possible to operate the barge lines efficiently. The bill has had careful study, and has the recommendation of those who have had much experience in the operation of the Federal barge line. The Secretary of War has indorsed it. It is believed that such a corporation is necessary under the present circumstances. If the Federal barge line should not be continued, it would mean the danger of water transportation being given a handicap which would greatly hinder its progress.

The South has great natural waterways upon which the Government has spent millions of dollars. It has great resources in coal fields, iron mines, and a cotton yield which is the greatest in the world. It needs an efficient water transportation to aid in distributing these resources to the markets of the world. [Applause.]

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. DENISON. One moment. I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. BLANTON. Mr. Chairman, I have not had an opportunity to speak on this bill; I ask for five minutes on the bill.

Mr. DENISON. I will amend my request and make it 7 minutes; the gentleman from Oklahoma wants 2 minutes and the gentleman from Texas 5.

Mr. BLANTON. I thank the gentleman.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 7 minutes, the gentleman from Oklahoma to have 2 minutes and the gentleman from Texas 5. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

On page 2, line 20, after the word "service," insert "provided no member of the board will receive in excess of $1,500 in any one year in excess of his expenses."

Mr. DENISON. Please read that again; I did not hear it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The amendment was again reported.

Mr. DENISON. The gentleman must understand that they do not get anything in excess of their expenses. The gentleman is allowing $1,500.

Mr. McKEOWN. They have a per diem allowance for meetings of the board, which is right, which is fair, and for special services a per diem allowance, but I want to limit the amount of the per diem altogether to $1,500. We have experience in some places with officers who get a per diem, and the per diem runs up sometimes to very large sums. I want to limit it not to exceed $1,500, which is in addition to their actual expenses. I think the gentleman ought to accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. McKEOWN. I offer another amendment while I am on my feet.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 10, after the word "exceed," strike out "$10,000" and insert "$7,500."

Mr. McKEOWN. I am just going to say to the gentleman——

Mr. BLANTON. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. McKEOWN. I ask for a division. I want to see if gentlemen here want to pay this man more than they get themselves.

The committee again divided; and there were—ayes 13, noes 46.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I have voted for my last Government corporation. The Shipping Board and the Emergency Fleet Corporation has convinced me that they are unwise; that they cost too much money before we get through with them and before we can get rid of them. You are by this paragraph creating a new position of $10,000 a year, and I want to say to you that you carry with it——

Mr. SHALLENBERGER. I know the gentleman wants to be correct. The fact is that the man already receives that salary without it being declared that he is being paid that money and——

Mr. BLANTON. You are now providing this $10,000 position by law, and as the distinguished gentleman from Nebraska knows, when you once create an office of $10,000 you never can get rid of it.

Mr. McDUFFIE. But we could not run this without this man.

Mr. BLANTON. Oh, yes; but here is what you are doing: This board may appoint, fix the compensation of, and remove such officers and employees, attorneys, and agents as are necessary for the transaction of the business of the corporation.

Mr. DENISON. Will the gentleman yield right there?

Mr. BLANTON. I regret to say I only have five minutes, and I want to state my position on this proposition if the gentleman will kindly excuse me. The bill places no limitation on that. It has no restriction on the salaries or the number of employees. They can appoint just as many as they want, and under the provisions of this bill they can fix their salaries just as high as they want and you could without violating the law have another wasteful, extravagant Shipping Board and an Emergency Fleet Corporation in this bill.

Why do we have to create a new Government corporation, anyhow? Have we not enough already. Surely among all the Government institutions that we have now we could find one of them that could attend to this business without creating another.

I just received this morning a telegram from the West Texas Chamber of Commerce. You will imagine that that was a chamber composed only of bankers and business men. It is not. My colleague from El Paso, Senator HUDSPETH, knows that that is one of the biggest institutions of my State and his State.

Mr. HUDSPETH. It is one of the biggest chambers of commerce in the United States, so far as membership is concerned.

Mr. BLANTON. Yes; it is one of the biggest chambers of commerce in the United States. This telegram came from a convention of 20,000 of them assembled there. They sent a telegram up here demanding that action be taken to stop that Barkley bill from being passed next Monday. They are against it. That chamber of commerce, with 20,000 members assembled there on yesterday, is composed of farmers, if you please; stockmen from all over the country there, and laboring men, if you please; merchants, bankers, preachers, doctors, lawyers, teachers, dentists; men from every avocation and walk in life. If you draw a line north and south through Fort Worth, the district of my colleague, Mr. LANHAM, everything west of that line is the territory of the West Texas Chamber of Commerce; and without equivocation those men sent that direction up here and asked in the name of these people that there be not five boards of 45 members drawing salaries ranging from $7,000 to

$10,000 a year, with all the incidental employees that go into that bill, placed as a burden upon the people.

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

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

Mr. BLANTON. I wish I had the time, but I have not.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and concluded the reading of the bill.

Mr. DENISON. Mr. Chairman, I move that the committee rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The question was agreed to.

Accordingly the committee rose; and Mr. GRAHAM of Illinois having resumed the chair as Speaker pro tempore, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Under the rule the previous question is ordered. Is a separate vote demanded on any of the amendments? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Texas demands a division.

The House divided; and there were—ayes 78, noes 4.

So the bill was passed.

On motion of Mr. DENISON a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CAREW. Mr. Speaker, I make the point of no quorum.

Mr. SNELL. Will the gentleman withhold that for a minute, while I present a rule for printing in the RECORD?

Mr. CAREW. Yes.

WAGES OF GOVERNMENT PRINTING OFFICE EMPLOYEES

Mr. SNELL. Mr. Speaker, I present a report (Rept. No. 773) from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Report from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. Referred to the House Calendar and ordered to be printed.

NO QUORUM—CALL OF THE HOUSE

The SPEAKER. The gentleman from New York [Mr. CAREW] makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Davey	Hull, Tenn.	Mooney
Andrew	Dickstein	Johnson, Wash.	Moore, Ill.
Anthony	Dominick	Jost	Morin
Bankhead	Dowell	Kahn	Morris
Boies	Doyle	Keller	Mudd
Britten	Drane	Kelly	Nelson, Wis.
Browne, N. J.	Edmonds	Kiess	Nolan
Burdick	Fenn	Kvale	O'Brien
Byrnes, S. C.	Freeman	Langley	Park, Ga.
Campbell	Frothingham	Larson, Minn.	Patterson
Casey	Funk	Leatherwood	Peavey
Clark, Fla.	Gallivan	Lehlbach	Prall
Clarke, N. Y.	Garber	Little	Ransley
Cole, Ohio	Gilbert	McKenzie	Reed, Ark.
Connolly, Pa.	Graham, Pa.	McLaughlin, Nebr.	Reed, W. Va.
Corning	Green, Iowa	McNulty	Rogers, Mass.
Curry	Howard, Okla.	MacGregor	Rogers, N. H.
Dallinger	Huddleston	Madden	Rosenbloom
Schneider	Swoope	Vinson, Ky.	Welsh
Snyder	Tague	Voigt	White, Me.
Stengle	Taylor, Colo.	Ward, N. Y.	Williams, Tex.
Sullivan	Thomas, Ky.	Ward, N. C.	Wilson, Miss.
Sweet	Upshaw	Wason	Winter

The SPEAKER. Three hundred and forty-one Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills and joint resolution:

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; and

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes; and

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SCOTT. Mr. Speaker, I offer a privileged resolution from the Committee on Rules.

The SPEAKER. The gentleman from Michigan offers a privileged resolution from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 298

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3318) entitled "A bill to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of New York." That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SCOTT. Mr. Speaker and gentlemen of the House, this rule allows the House to consider House bill 3318. That bill provides for the appointment of two district judges in the southern district of New York. The bill is reported to the House by the unanimous report of the Committee on the Judiciary. It is recommended unanimously by the judiciary, and it is urged by such notable individuals as Chief Justice Taft, of the Supreme Court. In view of the fact that the bill has the unanimous support of your Committee on the Judiciary, I have no desire to discuss before the House the provisions of the rule, which are in accord with the usual rules for the consideration of a bill, and unless some one desires to discuss the matter, I will move the previous question.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SUMNERS of Texas. The gentleman states correctly, as I understand, that there is no minority report?

Mr. SCOTT. That is true.

Mr. SUMNERS of Texas. But as one member of the Judiciary Committee, I voted against agreeing to the bill and served notice within the committee that I would oppose it when it came up for consideration.

Mr. SCOTT. Then I should modify my statement, because I had not the information given me by the gentleman from Texas.

Mr. SEARS of Florida. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SEARS of Florida. Does the gentleman say that Chief Justice Taft has indorsed this bill?

Mr. SCOTT. Yes; he has indorsed the bill.

Mr. SEARS of Florida. Is it not true that less than two years ago, or about two years ago, the Chief Justice recommended 18 judges and opposed any additional judges?

Mr. SCOTT. It seems to me I have a recollection of something of the kind. The situation in the southern district of New York is this: It has been necessary for some time to have judges from other sections of the country come to the State of New York in order to assist in the trial of their cases. If these two new judges are appointed, the expense to the United States Government will be less than it has actually cost the Government to import foreign judges for the trial of the cases.

Mr. GARRETT of Tennessee. Will the gentleman yield me some time?

Mr. SCOTT. Certainly.

Mr. GARRETT of Tennessee. Say, 15 minutes?

Mr. SCOTT. Yes; I yield the gentleman 15 minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CELLER]. [Applause.]

Mr. CELLER. Mr. Speaker and gentlemen of the House, I am from the very district or, rather, the adjoining district in New York which is supposed to be benefited by the creation of two new judges; that is, two judges for the United States District Court for the Southern District of New York.

I am opposed to the adoption of this rule and I am opposed to the bill, first, because we do not need the two judges in New York; and second—and I will endeavor to show you if I have time—that if we pass this bill we will be putting the seal of approval upon a most pernicious practice with reference to equity receiverships which we have ever seen in the history of the judiciary of the United States, and when this is known generally I am sure the gentlemen of this House will not want to vote for this bill.

I have taken the trouble to see whether or not it was necessary for the proper procedure in the court there to have these two additional judges. I have read much in the hearings with reference to the large dockets in the southern district of New York. We hear of thousands of cases of a criminal nature; we hear of hundreds of cases of an equitable nature, so many hundreds in admiralty, that there is tremendous delay and that justice delayed is justice denied. But let us examine into the situation and see whether or not those facts square with the truth. I have before me the hearings held by the Judiciary Committee when they had this very bill under consideration. There was inserted in the record some figures with reference to the number of equity cases, the number of law cases, and the number of admiralty cases which remained pending on the docket in that court June 30, 1923. I have tried to get figures with reference to these cases that remained on the docket six months after December 31, 1923. I have those figures and let me compare them with you.

There remained pending June 30, 1923, in the southern district court, where there are now six judges, 1,151 cases in equity, and there remained six months after—and this is after you had already given New York two additional judges—561 cases in equity, so that there had been disposed of in those six months 50 per cent of the entire equity docket in that court. Why do you want two more judges? I say, verily, if you give a little more time and there is a real willingness to work on the part of some of the judges in that court, you will clear the equity docket in that court very quickly. What is the situation with reference to the legal end of it, the law side of that court? On June 30, 1923, I found that there were 2,184 cases left undisposed of on the docket. Six months afterwards there were only 1,647, a reduction of 25 per cent.

With reference to admiralty cases, there were 3,518 cases on the docket June 30, 1923, and six months thereafter, with the work of these two new judges, there were 1,830 cases, a reduction of 45 per cent.

Now, I say, my good friends, if there have been such reductions all along the line in equity, in law, and in admiralty cases, what is the necessity for the additional judges in the district courts for the southern district of New York?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. I yield.

Mr. PERLMAN. The gentleman has said that with the two additional judges we got they disposed of so many cases. Do you know that within the last year 34 judges from outside of New York were sent to the southern district of New York to help the 6 judges?

Mr. CELLER. I will come to that matter in just a moment, and I will say this, that if you get 2 more judges in New York you will still have 34 judges coming in, because you will get into the situation where the more judges you get the more judges will be desired, and you can never get away from that situation.

Mr. PERLMAN. Will the gentleman yield further?

Mr. CELLER. I have only 15 minutes, and I want to develop my thought.

Now, what is the situation with reference to the criminal side of the court? We find on that particular day in question, June 30, 1923, there were something like 8,836 cases on the docket, and at the end of the six months' period there were just 269 more cases on the criminal side of the court. The figures that I cite are to be found on pages 6 and 8 of the hearings.

To recapitulate:

Cases pending June 30, 1923:	
Equity	1,151
Law	2,184
Admiralty	3,518
Cases pending six months later, December 31, 1923:	
Equity	561
Law	1,647
Admiralty	1,830

We read in the records given by some of the proponents of the bill that the criminal cases have flooded the court and that they have so many criminal cases as a result of prohibition violations that it is utterly impossible to get any cases disposed of; but I will tell you something, my good friends, about that. The judges in the southern district have only themselves to blame for this condition; and why? They have passed a resolution, the six of them, in concert with one, I believe, of the judges of the circuit court of appeals, that they will not fine first offenders for violation of the prohibition law. What has been the result of that particular position which they have assumed?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. In just a moment. We find that none of the attorneys who represent these offenders in the prohibition cases will file pleas of guilty when assured of jail sentences only for their clients, and the result is you have the calendar so congested with prohibition cases that you can not get any of the prohibition cases tried, or only a few of them, and then when they find that condition as a result of their own resolution, which is most improvident, they bring in outside judges who are more lenient in such cases. These outside judges come in, and they only fine first offenders, and then they clear the entire docket.

I say, my good friends, they have no right in New York, considering the public opinion of New York's population, to impose imprisonment in cases of first offenders, when in most parts of the country the Federal judges refuse to imprison and only fine, and I say that if they would be more lenient in their attitude concerning prohibition cases perhaps they would not have so many of these prohibition cases congesting the docket.

Mr. KING. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. KING. What I am interested in is when the gentleman is going to bring out his bill to raise the salary of Members of this House.

Mr. CELLER. I will bring out that bill just as soon as the Judiciary Committee will permit me to do it. [Applause.]

There has been another reason for this congesting of the docket in the southern district of New York. About 20 months ago you gave to the country some 22 new and additional judges and two of them were assigned to New York. It took the Republican Party almost a year and a half to agree upon who should be the designees and who should receive this judicial preferment, and this delay caused considerable trouble. Do not, therefore, say that because Congress gave you the two additional judges and there was this Republican fumbling and delay in the appointing of the judges with the consequent piling up of untried cases, you want two more judges to remove the very court's congestion caused by the said fumbling and delay. I wonder whether the other side, in the event of this bill's passage, will again show its lack of strength of party by being unable to agree upon the recipients of these judicial prizes.

Mr. MOORE of Virginia. Who were the two judges appointed that were authorized by the act approved in 1922?

Mr. CELLER. I think they were Judges Winslow and Goddard.

Mr. MOORE of Virginia. When were they appointed?

Mr. CELLER. They were appointed, I think, January 4, 1923.

I have before me a rather interesting letter written to one of my colleagues, Congressman JACOBSTEIN, of the Rochester district of New York. The gentleman from New York [Mr. JACOBSTEIN] has a bill in the House to establish an additional judicial district in the upper regions of New York State, and at the end of a letter written by Attorney General Stone we have this very significant language, after he had indicated disapproval of the bill:

> This report is not in conflict with the financial program of the President of the United States.

Although this language is vague, I presume that the President in strictest economy does not want any more judges in northern New York. At the risk of being accused of using one Republican President's argument of economy, I nevertheless desire to caution the other side to heed the President. He opposes additional judges in northern New York. To be consistent he must oppose additional judges for southern New York.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the gentleman three minutes more.

Mr. CELLER. Gentlemen, we get nowhere whatsoever if we every once in a while answer the plea of certain sections of the country for additional judges. It is a hit-and-miss policy, a mere palliative. It gets us nowhere. We must develop some sort of permanent policy with reference to taking care of the judicial procedure in the United States, a policy along the lines laid down by Chief Justice Taft of the Supreme Court. We must establish something in the nature of a system of rotating judges. We have plenty of judges in this country, and if there is need in New York for additional judges we have enough of them in the North, enough of them in the West, enough of them in the South, and there should be a policy established whereby New York could draft, as it were, those judges who have not as much to do as other judges in New York and let them come to New York and take care of the congested dockets, if any such dockets exist.

And in that way, my friends, we will do away with this calling upon Congress to give us additional and unnecessary—I say unnecessary advisedly—judges. That is the policy that ought to be adopted, a policy that will prevent the ever-recurring plea for additional judges. When the additional 22 judges were given recently it was thought that the two judges for the southern district of New York would be amply sufficient. Why was not the plea made for four judges? That was only 20 months ago. Has the situation so suddenly changed as to require two more judges for New York? The facts are identical in the equity and law sides of the calendar. There is no necessity for additional judges. In New York also we have a remedy—we can refuse to allow the courts to entertain jurisdiction in a great many cases. The testimony before the committee showed by one who represented the Patent Law Association that it is always the desire and avidity of lawyers to bring their litigation in the New York courts.

In patent cases they can go wherever there is a violation of the patent or the patent license. Despite the permission to try the case elsewhere they always bring their cases in the courts of New York. If we adopted suitable legislation we could deny the right of certain litigants to come into the New York courts to flood those courts with their cases. We can also have an additional remedy in the matter of admiralty cases. Many admiralty cases are brought in the New York courts that have no right to be there.

In this connection there is an interesting letter, on page 13 of the hearings, from I. Maurice Wormser, editor of the Law Journal of New York, part of which permit me to quote:

> The amount of business in this district warrants, in my opinion, the addition of two judges, though, in general, I would oppose this creation because of my regard for the pockets of the already overburdened taxpayers. However, in this particular instance there can be no doubt of the necessity, *particularly as much litigation is brought in New York which ought to be brought elsewhere.*

Much is made of the fact that the judicial council approved this bill, the judicial council being presided over by Chief Justice Taft. That same council recommended an additional judge for a Virginia district not so long ago, and here is what our esteemed friend, Governor MONTAGUE, of the Judiciary Committee, said:

> In my own State you recommended a judge and nobody wanted a judge; even the district judges did not want a judge. You just submitted it to us on a mere mathematical calculation.
>
> I am not criticizing the merits of the bill. I am just wondering how we are wandering into these judges, and *it seems to be the more you appoint the more you need.*

One would imagine if there was so much truth in the statement made of the tremendous business in the court that the administration would endeavor to decrease, rather than increase, the burdens of the court. Yet recently all naturalization cases were withdrawn from the New York State courts and forced into the Federal courts. At each final hearing day, I am informed, there are at least 400 naturalization cases. These final hearing days are not infrequent. I presume that the administration realizes that the Federal judges in the southern district court can take on more work, otherwise why would the administration give them these additional naturalization cases.

There probably will be reported out of the Judiciary Committee the arbitration bill. If this bill passes, and there is every indication that it will, it will have the result of relieving the Federal judges of a great deal of civil work. It will be the means of settling many cases out of court. In the face of this innovation we should indeed hesitate to appoint two Federal permanent judges for life.

Furthermore, in the hearings before the Committee on the Judiciary, United States Senate, Sixty-seventh Congress, first session, on the original bill to provide for 18 new judges—increased later to 22—Chief Justice Taft testified—page 11—"that the Volstead Act only adds 8 per cent to the business of the court." This has been the first authoritative statement I have seen on the question of increase of Federal cases caused by prohibition. The general opinion is that the increase is far more than 8 per cent.

Senator CUMMINS—page 13, those same hearings—quoted Attorney General Daugherty to the effect that—

> in the course of a few years the procedure and rules in connection with the Volstead Act will be so simplified or crystallized that it will not take so many judges to enforce it a few years hence as it takes now.

Attorney General Daugherty himself—page 21, Senate hearings—states:

> The Volstead Act—the prohibition act—is much dwelt upon in connection with the reason for this request for increase. * * * I think it is at its peak now, so far as prohibition laws are concerned. * * * My judgment is that it is at its peak. * * * The prohibition law increases this business not to the percentage that the general public is led to believe or that an effort is made to lead the general public to believe that it has increased.

That being so, I repeat that we must not unduly and hastily increase our number of judges.

Then there is the possibility, or rather the probability, that the Volstead Act might be liberalized to permit light wines and beer, in which event the proportion of Volstead violations will be materially decreased.

We would also do well, in order to decrease the amount of business, particularly in the southern district of New York, to repeal the Overman Act, which permits public utility corporations to test, for example, any State taxing statute or any State transit commission's increase of rates or fare, in the Federal court by having three judges pass upon the facts, the two judges being district judges, and the third a circuit court judge. New York City has suffered immeasurably because of this Overman law. The corporation counsel of the city of New York has pointed out, for instance, that without the permission of a Federal court the city can not bring suit to revoke a franchise with the terms of which the receiver of the bankrupt transit company fails to comply. The hearing of these cases by the three Federal judges usually consumes weeks. This practice is most pernicious and makes for the very congestion that we hear tell of.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Speaker and gentlemen of the House, this is not a matter as to which you gentlemen are interested in the personal opinion of individual Members. The question

as to whether you should provide for two additional judges in the district of New York is one that can best be determined by the judges and by the lawyers who practice in New York. And their testimony, if you please, is unanimous on that point. I have a letter from the secretary of the New York County Bar Association in which he says that the Hon. James O'Gorman, president, directed him to advise that the board of directors, at a meeting held on February 4, approved of the bill providing for the appointment of two additional judges.

Mr. PURNELL. Will the gentleman yield?

Mr. MILLS. I will yield.

Mr. PURNELL. Mr. O'Gorman was formerly a United States Senator and is a Democrat?

Mr. MILLS. That is quite correct. Mr. O'Gorman is a former Democratic United States Senator. I have also a letter from De Lancey Nicoll, a prominent Democrat.

Mr. CELLER. Has the gentleman a letter from Lindley Garrison, who received half a million dollars in fees, who is also a Democrat?

Mr. MILLS. I have not heard from him. The fact that gentlemen are Democrats or Republicans has nothing to do with this matter. The most unfortunate aspect in the discussion of this bill is apparently that it is going to assume a partisan aspect for reasons which I may find opportunity to cover. Gentlemen, what you want to know is: Do the people of New York need these judges; do the litigants need them; are the calendars crowded? What is the opinion of the bench; what is the opinion of the bar? I say to you that the opinion of the bench and the bar is unanimous to the effect that these two judges are needed.

De Lancey Nicoll, speaking for the Association of the Bar of the City of New York, says, "Our judiciary committee feels very strongly that the bill providing for two additional judges should become a law." He says, "The situation is growing daily worse," and he says that it takes two years for a case to be reached for trial.

That is the opinion of the lawyers as to the necessity for these judges. You will also find in the report of the Judiciary Committee the statement that Chief Justice Taft after careful review of the situation is satisfied that these additional judges are needed.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. MILLS. I yield.

Mr. O'CONNOR of New York. In the county of New York is it not a fact that we have over 40 judges and it still takes two years to get consideration of a case?

Mr. MILLS. Yes; and I will say that in the State of New York when it was sought to create four additional supreme court judges to be elected last year in the county of New York, in an off year, when the gentleman's party was sure to elect them, the bill was passed in Albany and signed by a Democratic governor providing for the additional supreme court judges. But when the question now comes up to create two new judges, who are to be appointed by a Republican President, we find a united Democratic opposition, irrespective of the opinion of the judges, irrespective of the opinion of the bar, irrespective of the rights of litigants who for all you care will have to wait until by accident you may elect a Democratic President and appoint Democratic judges. [Applause on the Republican side.]

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I can not yield further. What does the chief judge of the circuit court say?

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes; I yield to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. What was the attitude of the gentleman as to the creation of those new State judgeships?

Mr. MILLS. I was not a member of the State legislature, and never had an opportunity to express any opinion.

Mr. PERLMAN. And is it not a fact that in the State legislature which passed this bill the assembly was Republican and the bill was passed by a Republican assembly?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I can not yield further. That has nothing to do with this matter. What I want to do is to get the facts before this House. What does the chief judge of the Circuit Court of Appeals say? He says:

> The situation in the southern district was one of the matters which came before the judicial conference at its meeting in September. The judicial conference, as you know, is composed of the Chief Justice of the Supreme Court and the senior circuit court judge in each of the nine circuits of the United States. After full consideration the conference voted in favor of the appointment of two additional judges for the southern district of New York.

And this action was taken by unanimous vote, if you please. In other words, the judges decided that the situation demanded the appointment of these extra judges.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am sorry I can not yield.

Mr. HOWARD of Nebraska. So am I.

Mr. MILLS. If I have time, I shall later. The chief judge then goes on to point out that there are over 25,000 cases pending on the calendars; that it takes two and a half years for a case to be reached for trial, and that far from doing what the gentleman from New York [Mr. CELLER] said a few moments ago, catching up during the last six months of 1923, every calendar saw further congestion—the criminal calendar, the equity calendar, the law calendar, each saw a net increase of cases over cases actually disposed of, and the chief judge of the circuit court then proceeds to say:

> That being the condition, it is evident that in many cases a situation exists which amounts to a denial of justice.

That, Mr. Speaker, is not the expression of the opinion of a politician interested in partisanship. That is not the opinion of a politician who under some conceivable circumstances may be interested in whether a judge shall be a Democrat or a Republican—and I plead guilty to being in that class of politicians—that, Mr. Speaker, is the solemn affirmation of the chief judge of our Circuit Court of Appeals, stating that in our city of New York the calendars are so congested that it amounts to a denial of justice.

I sincerely hope, gentlemen of the Democratic side of the House, that upon further consideration you will decide whether it is wise for you as a party, simply on the partisan suggestion of my Democratic colleagues from New York, to vote for what the chief judge of the circuit court of appeals affirms would be a denial of justice to the people of the State of New York.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes.

Mr. HOWARD of Nebraska. I am quite aware that oftentimes in the heat of debate we let slip inadvertently some sentences——

Mr. MILLS. Oh, I yielded to my friend from Nebraska for a question, not for a speech.

Mr. HOWARD of Nebraska. I was wanting to ask the gentleman, by way of a preliminary, whether he spoke inadvertently or advisedly when he said that the people of New York City were interested in this matter. As far as I have seen, he has not presented to me anybody from New York under the head of "people" other than judges and the bar. Has the gentleman any other recommendations?

Mr. MILLS. Yes: I will say to the gentleman that I speak for the 25,000 litigants whose cases wait 24 months before they are reached for trial. I call them as my witnesses.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, in commenting upon the congestion of these New York dockets, the gentleman from New York [Mr. MILLS] should have told you about how the business of those courts is handled. I imagine that if you would investigate you would find that these courts open when they hold business about half past 9 or 10 o'clock in the morning, and then run until about 12 o'clock, then take a noon recess until about 2 or half past 2——

Mr. BLACK of New York. From 1 to 2.

Mr. BLANTON. And then they hold how long, may I ask the gentleman?

Mr. BLACK of New York. Oh, I have seen them sit until 6 or 7 o'clock at night.

Mr. BLANTON. But ordinarily?

Mr. BLACK of New York. Five o'clock.

Mr. BLANTON. And is it not the fact that they sometimes do not open until half past 10 o'clock in the morning?

Mr. CELLER. Half past 10 is the usual hour for these courts to open.

Mr. BLANTON. And if these courts would open a little earlier, say at 9 o'clock and run until 1, and then come back at 2 o'clock and run until 5 or 6 o'clock every day, they could clean every docket in the United States, holding court every working day of the week.

Mr. ALMON. Will the gentleman state his hours when he was on the bench?

Mr. BLANTON. I held court, when it was necessary to clean up the docket, from 8 o'clock in the morning until 6 o'clock in the evening, and then held many night sessions until I cleaned up the docket in all five counties of my district, and I kept those dockets clean; and any judge, State or Federal, can do it if he is willing to work; but the trouble is they do not work enough. May I ask the gentleman from New York this: Does not a judge ordinarily take one or two or three months' vacation in the summer? Is not that the case?

Mr. PERLMAN. No; some do not take any time at all.

Mr. BLANTON. How many months' vacation do the New York judges take?

Mr. PERLMAN. The supreme court or the Federal courts?

Mr. BLANTON. In the trial courts; district judges.

Mr. PERLMAN. Not a day.

Mr. BLANTON. In the summer?

Mr. PERLMAN. No.

Mr. BLANTON. Well, I know some who take two or three months' vacation in the summer.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. LAGUARDIA. When the gentleman held court——

Mr. BLANTON. I am talking about this bill relating to Federal judges.

Mr. LAGUARDIA. When the gentleman held court from 8 o'clock until 6 in the evening and at night, when did he look up his law? [Laughter.]

Mr. BLANTON. I had plenty of time to look up the law. I had the law briefed by the trial lawyers for me just like your New York judges have it briefed for them by the attorneys. I also had time at night to look after it when I went home, where I had a good library; but the trouble is these Federal judges do not work enough, and you know it as well as I do. If these Federal judges would get busy and work like other men do, they could clean up these dockets. Then you would not have the extra surplus judge in Minnesota, like the gentleman from Minnesota [Mr. WEFALD] says they have now. He says they have got an extra surplus one. I wonder if he is going to vote for these two new ones here. You would not have the extra surplus judge in New Mexico, as now exists there, or extra judges all over the United States, if they would all work.

The SPEAKER. The time of the gentleman has expired.

Mr. SCOTT. Mr. Speaker, I do not wish to tire the House, but I am rather surprised this bill has provoked such controversy. It has risen very suddenly and decidedly, contrary to my expectation. This is the first time I have even seen a ripple of dissent, and this rule has been before us for several weeks. I have not any interest in the world in the selection of judges in the southern district of the State of New York, and I was hopeful in my experience in the House that I would find Mr. BLANTON on the right side of the proposition; but I am afraid I am going to be disappointed. But my interest in this matter is that of a taxpayer and a citizen who has no other interest in it in the world. There is no question of doubt that it costs the taxpayers of the United States to-day and has for several years, perhaps, more than the salaries of two new judges or three new judges or four new judges because the entire bench in the State of New York have insisted upon the importation of judges to clean up the calendar. We sent them in the past and we will send them in the future to clean up the calendars, and it will cost the taxpayers of the United States more money to have these judges come in than to create the two new judges which are asked.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Michigan moves the previous question on the adoption of the resolution.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Mr. Speaker, if we should adjourn now, would it be in order to bring this matter up the first thing after the vote on the veto of the bonus bill to-morrow?

The SPEAKER. The Chair knows of nothing of higher privilege.

Mr. SNELL. Would it be better to go into the committee first or take a recess now? The reason I ask is that we have an evening session, and if it were not for the evening session we would clean up this matter to-night, but having the evening session we have to come back at 8 o'clock.

The SPEAKER. The Chair sees no advantage of going into committee first.

RECESS

Mr. SNELL. I move the House take a recess until 8 o'clock to-night.

The SPEAKER. The Chair appoints the gentleman from Connecticut [Mr. TILSON] as Speaker pro tempore for to-night. The gentleman from New York moves that the House take a recess until 8 p. m.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House stood in recess until 8 p. m.

EVENING SESSION

The recess having expired, the House was called to order by Mr. TILSON as Speaker pro tempore.

THE PRIVATE CALENDAR

Mr. EDMONDS. Mr. Speaker, to-night is the night for the consideration of bills on the Private Calendar. I ask unanimous consent that the bills be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bills on the Private Calendar be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first bill on the Private Calendar.

CLIFFORD W. SEIBEL AND FRANK A. VESTAL

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

A bill (H. R. 5448) for the relief of Clifford W. Seibel and Frank A. Vestal.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. HOWARD of Nebraska. What is it?

Mr. BEGG. Mr. Speaker, what bill is taken up?

The SPEAKER pro tempore. The first bill on the calendar.

Mr. HOWARD of Nebraska. It is all right. I have received information from authority now. It is perfectly all right. I do not need any more information.

Mr. BEGG. I have no objection to that.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the General Accounting Office is hereby authorized to credit the accounts of Clifford W. Seibel, chemist and special disbursing agent for the Bureau of Mines, in the sum of $1,418.89, and Frank A. Vestal, special disbursing agent for the Bureau of Mines, in the sum of $546.42, with payments made by them for the maintenance, repair, and operation of certain motor-propelled, passenger-carrying vehicles.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

O. H. TITTMANN

The next business on the Private Calendar was the bill (H. R. 1917) for the relief of Dr. O. H. Tittmann, former Superintendent of the United States Coast and Geodetic Survey.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I think the House would be establishing a bad precedent in allowing this bill to pass. I know it would be a fine thing to put every person on the retired list and pay them a salary during their natural life if the Government could afford it. But the taxpayers can not afford to do that. This bill proposes to pay this man $150 a month as long as he lives because he has done 47 years' service for the Government. We have numerous men in this House—that is, several of them—who have served in Congress almost that long.

A MEMBER. Regular order!

Mr. BLANTON. Somebody seems to be anxious to proceed. Therefore I shall object.

The SPEAKER pro tempore. Objection is made. The Clerk will report the next bill.

RELIEF OF LEBANON NATIONAL BANK

The next business on the Private Calendar was the bill (H. R. 3748) for the relief of Lebanon National Bank.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object.

Mr. BULWINKLE. The gentleman from Tennessee [Mr. HULL], who introduced this bill, is not here to-night. But since the first time this bill was objected to he has corresponded with and furnished to the Secretary of the Treasury an affidavit to show that these coupons were burned, and I have a copy of a letter from Mr. Mellon, in which he says:

This is the first time the Treasury has seen the affidavit in support of the alleged destruction, and the statements contained therein "that the coupons were burned" and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief.

The Secretary of the Treasury also says:

It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I objected to this bill the other night on the ground, first, that there was no favorable report from the department, and held that we should not allow claims of this kind without a favorable report, and at that time favorable recommendation of the department had been withheld because there was no evidence that the bonds had been destroyed.

The fact is that this bill was introduced here and considered by the committee and favorably reported to the House without proof—such proof as was available—as to the destruction of the coupons ever having been offered to the department.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. In a moment. I want to make this statement.

I do not believe that the time of Congress ought to be taken up in passing upon claims when the parties in interest have not offered the administrative branch of the Government such proof as they have to justify their claim. Now time has passed since the objection was made the other night. At that time there had been no proof offered to the department as to the destruction of these coupons, and if they were in the hands of other parties, the Treasury Department held, they would not be able to protect themselves against payment again. Now, I understand the letter—a copy of which has been furnished to me—indicates that proofs have been offered to the Treasury Department, proofs so clear as to the destruction of the coupons by fire, that the department holds that the proof is conclusive.

In the face of that statement I am not going to object to the consideration of this bill; but I want it understood that, so far as I am concerned, the department must be satisfied that the proof of destruction is conclusive before I think Congress ought to pass any act for relief, and I do not want any favorable action on this bill to be taken as a precedent for any general allowance of bills of that kind. Only in the case of a showing of facts as to the destruction of the coupons that will satisfy the department do I think we ought to allow such a claim.

Mr. BULWINKLE. In justice to the committee I will say that they had this evidence, but for some reason or other it did not get into the report. The gentleman from Oklahoma [Mr. THOMAS], who made the recommendation of a favorable report, had this evidence, but for some reason, I say, it did not get into the report.

Mr. CRAMTON. Far be it from me to criticize the subcommittee, but the fact remains that the parties interested in this matter had not gone to the Treasury Department with their proof, but first rushed to Congress.

Mr. BLANTON. Mr. Speaker, I shall not object, in view of the situation, but the Committee on Claims should not assume that the mere filing of a bond in the Treasury Department is going to protect the Treasury. It also requires some careful, watchful action thereafter. Our colleague the gentleman from Illinois [Mr. KING] is present, as he usually is, and he has placed in the RECORD evidence of the fact that the Treasury Department has paid duplicates of $1,000,000 worth of bonds with duplicate numbers; and, if I understand the situation correctly, those bonds were paid without discovery at the time that they were duplicates. Of course, if the Treasury Department is going to do its duty, it should keep a list of these lost bonds and a close check upon same, and then the public will be protected. They ought to do that, and their attention ought to be brought to this matter in a very clear and decisive way. I withdraw the reservation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BULWINKLE. Mr. Speaker, I desire to extend my remarks by including in the RECORD the letter from the Secretary of the Treasury and the affidavits I have referred to.

The SPEAKER pro tempore. The Chair hears no objection to the present consideration of the bill. The gentleman from North Carolina [Mr. BULWINKLE] asks unanimous consent to extend his remarks by inserting in the RECORD a letter from the Secretary of the Treasury and certain affidavits. Is there objection? [After a pause.] The Chair hears none.

The letter and affidavits referred to follow:

THE SECRETARY OF THE TREASURY,
Washington, April 18, 1924.

Hon. G. W. EDMONDS,
Chairman Committee on Claims,
House of Representatives.

MY DEAR CONGRESSMAN: I have received your letter of April 4, 1924, with inclosures, relative to H. R. 3748, a bill for the relief of the Lebanon National Bank, Lebanon, Tenn., on account of the alleged destruction of coupons detached from a Liberty bond and from Treasury notes.

This is the first time the Treasury has seen the affidavits in support of the alleged destruction, and the statements contained therein "that the coupons were burned," and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief. However, if after considering the facts, as previously stated by me, that a bond of indemnity will not afford the Treasury Department adequate protection against double payment of these coupons, especially in view of the fact, as set forth in my letter to Congressman CRAMTON, dated March 25, 1924, a copy of which is inclosed, that Congress in making appropriations for the expenses of the public debt service for the fiscal year beginning July 1, 1924, reduced the Treasury Department's estimates by the amount necessary to pay the expenses of assorting and recording paid coupons, and it will, therefore, be impossible after July 1, 1924, to maintain records from which it may be determined whether or not any particular coupons have been presented and paid, you still feel that relief should be given, the Treasury will interpose no further objection. It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

In accordance with your request the affidavits and letter forwarded by you are returned herewith. A copy of this letter is also inclosed.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

STATE OF TENNESSEE, *County of Wilson:*

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, J. A. Pendleton, to me known, who makes oath that he was on June 23, 1923, and is now employed as assistant cashier of the Lebanon National Bank, Lebanon, Tenn., and that on June 23, 1923, he witnessed the clipping of coupons from United States Government bonds as follows:

$5,000 Treasury certificate, series C-1925, No. 7650, coupon No. 1, due June 15, 1923	$112.50
$5,000 Treasury certificate, series C-1925, No. 7651, coupon No. 1, due June 15, 1923	112.50
$1,000 Treasury certificate, series C-1925, Nos. 41206, 41207, 41208, 41209, 41210, 41212, 41213, 42357, 42358, 42359, 42360, 12 coupons No. 1, at $22.50	270.00
$500 Treasury certificate, series C-1925, No. 12445, coupon No. 1, due June 15, 1923	2.12
Total	508.37

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their lists and burned, and that upon careful search of the burned papers the

ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

J. A. PENDLETON.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON,
Notary Public.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, Mrs. Ruby McGlothlin, to me known, who makes oath that she was on June 23, 1923, and is now employed by the Lebanon National Bank, of Lebanon, Tenn., as assistant teller and bookkeeper, and that on June 23, 1923, she witnessed the clipping of coupons from the following United States Government bonds:

(Same description.)

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their lists and burned, and that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

Mrs. RUBY MCGLOTHLIN.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

The same affidavit made by G. E. Ashby, auditor of the Lebanon National Bank; Will A. Hale, cashier of the bank; and Hampton A. Moore, bookkeeper of the bank.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, John B. Scruggs, who makes oath that prior to and after June 23 and 24, 1923, he was employed as a porter at the Lebanon National Bank, Lebanon, Tenn., and that on the morning of June 24, 1923, he was called to the Lebanon National Bank and questioned as to the loss of certain coupons from Government bonds, and when called on to show where he had burned the refuse paper of the evening before, he, with others, made careful search of the burned papers and found the ashes of coupons, which, while delicate, were easily read and recognized as the following:

(Same description.)

JOHN B. SCRUGGS.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

Mr. KING. I would like to ask the gentleman if the affidavit gives the numbers of these bonds?

Mr. BULWINKLE. Yes.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment instead of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of the Lebanon National Bank, Lebanon, Tenn., the coupon No. 9, matured April 15, 1923, in the amount of $2.12, from permanent coupon bond No. E-03144745 in the denomination of $100 of the fourth Liberty loan 4¼ per cent bonds of 1933–1938, and the following coupons from 4¼ per cent Treasury notes, Series C-1925, issued December 15, 1922, maturing June 15, 1925, payable to bearer; coupons No. 1, maturing June 15, 1923, in the amount of $112.50 each, from notes Nos. 7650 and 7651 in the denomination of $5,000 each, coupons No. 1, matured June 15, 1923, in the amount of $22.50 each from notes Nos. 41206, 41207, 41208, 41209, 41210, 41211, 41212, 41213, 42357, 42358, 42359, and 42360 in the denomination of $1,000 each, and the coupon No. 1, matured June 15, 1923, in the amount of $11.25, from note No. 12445 in the denomination of $500; such redemption to be made without presentation of the said coupons, which have been destroyed: *Provided*, That the said coupons shall not have been previously presented for payment: *Provided further*, That the said Lebanon National Bank shall first file in the Treasury Department a bond in the penal sum of double the amount of said coupons, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the coupons herein described.

The SPEAKER pro tempore The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF HENRY M'GUIRE

The next business on the Private Calendar was the bill (H. R. 1306) for the relief of Henry McGuire.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc, That there is authorized to be appropriated for payment by the Secretary of the Treasury to Henry McGuire, or his legal representatives, the sum of $225.23, as full compensation for 9,385 feet board measure of lumber which, upon dates between September 22, 1909, and October 11, 1909, and at the specific request and direction of an employee of the Forest Service, United States Department of Agriculture, was furnished to one Hiram Campbell for use in the construction of a house to replace one owned by said Hiram Campbell, which was destroyed on September 19, 1909, by fire originating from brush-burning operations conducted on national-forest land by employees of the Forest Service.

With the following committee amendment:

Page 1, line 6, strike out "9,385 feet board."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

PENSION TO NELLIE ROCHE M'ANDREW

The next business on the Private Calendar was the bill (H. R. 2574) granting a pension to Nellie Roche McAndrew.

The SPEAKER pro tempore. Is there obection to the present consideration of the bill.

Mr. BLANTON. Mr. Speaker, I object.

Mr. KNUTSON. I hope the gentleman from Texas will withhold his objection.

Mr. BLANTON. My colleague from Texas [Mr. BLACK] placed upon the war risk insurance bill, with regard to compensation for death, a very fine amendment, which holds to the policy that when a soldier dies he gives his all to the country, whether he is a private or a general, and his life is worth just as much to his widow whether he is a private or whether he is a general. Now, the widow of this distinguished general was entitled to certain privileges under the law and she is now seeking additional privileges by reason of his rank. I object.

Mr. KNUTSON. Will the gentleman withhold his objection?

Mr. BLANTON. There are so many other bills to be considered and I intend to object, anyway, so I object now.

Mr. KNUTSON. Has the gentleman from Texas looked at the service rendered by General McAndrew in the late war?

Mr. BLANTON. Yes. I am willing to admit that it is the very highest that is possible, but we have certain laws that ought to be adhered to with respect to the service men, whether they are privates or generals, and the general law applicable to all of them ought to be carried out. I regret that I must object.

Mr. WATRES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WATRES. I understand it is the rule and has been the custom of the House not to consider bills after one objection, but it seems to me that under the present rules there is room for argument that it should require three objections. There is nothing in the rules of the House as to the Private Calendar which requires that the bill shall not be considered, and that, as I understand, is a matter of custom.

The SPEAKER pro tempore. The Chair will inform the gentleman that we are working to-night under a special rule that has no reference whatever to the Consent Calendar. We are working under a special order, which is that we consider bills unobjected to.

Mr. EDMONDS. Mr. Speaker, will the bill lose its place on the calendar?

The SPEAKER pro tempore. It will not lose its place on the calendar. The bill holds its place on the calendar, and no bills are stricken off of this calendar. The Clerk will report the next bill.

RELIEF OF THE NEW JERSEY SHIPBUILDING & DREDGING CO., OF BAYONNE, N. J.

The next business on the Private Calendar was the bill (S. 1572) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Reserving the right to object, when this bill was up several weeks ago I called attention to certain discrepancies in the report, which at that time the committee in charge were not able to explain.

Since then parties interested in the bill have made a full showing of facts that has sufficiently satisfied me, so that I do not propose to continue my objection. The only occasion for my saying anything now is that in my absence the last time it was up the statement was made on the floor that I was sorry for my objection and I was very enthusiastic for this bill, or words to that effect. I have no apologies to make for having objected to the bill until evidence could be furnished that would. to my mind, justify it. I do not say that the evidence that now has been furnished makes me particularly enthusiastic about the bill, but it is sufficiently strong to cause me to withdraw any objection.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill that involves $152,278.

Mr. KNUTSON. How many cents?

Mr. BLANTON. And some cents. It is too large a bill to be passed by unanimous consent, without any consideration at all. A bill of this size and character ought to go to the Court of Claims, and it ought not to be passed here under unanimous consent.

Mr. EDMONDS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. EDMONDS. I would like to explain to the gentleman that in this case the amount of damage has been settled by the Navy Department. There was also an added charge of $52,000 for demurrage. If you send this to the admiralty court, you will find you will pay not only the $150,000 but will also pay the $52,000 demurrage.

Mr. BLANTON. I will say to the gentleman from Pennsylvania without any hesitancy at all that if this bill was a proposal to send this case to the Court of Claims I would vote for it without any hesitation and let the court decide, but for us to decide it here under unanimous consent and let it be passed by a simple reading of its title and thereby take $152,278 out of the Public Treasury is out of all reason.

Mr. EDMONDS. And yet you would pay $52,000 more on account of the demurrage and the court cost. I think this is the easiest way to settle it.

Mr. BLANTON. If that is the law, they ought to have it.

Mr. UNDERHILL. It is not the law.

Mr. BLANTON. If they are entitled to it, they ought to have it, and they ought to have a day in court.

Mr. EDMONDS. The gentleman misunderstands. After discussing this matter with the parties in interest, they have agreed to accept this $152,000 and waive the claim of $52,000, but not in writing, and if we go to court they will also claim that.

Mr. BLANTON. Has the Secretary of the Navy proposed to pay this amount?

Mr. EDMONDS. Yes; that is right there in the report.

Mr. BLANTON. They have proposed to pay this?

Mr. EDMONDS. They have recommended the payment of it.

Mr. FISH. They state they are fully responsible for the whole thing.

Mr. BLANTON. Under the statement of four of my colleagues in whom I have confidence, I am not going to put my judgment up against the four, and therefore I withdraw my objection.

Mr. EDMONDS. I am glad the gentleman has come to that conclusion, because it will save the Government $52,000.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152,278.28 to the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., in full settlement to reimburse said owner of drill boat *No. 3* for loss sustained as a result of total destruction of said drill boat *No. 3* through collision with the U. S. S. *Lykens*, in Hell Gate, off Hallets Point, New York Harbor, on September 1, 1921.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

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

TRANSFER OF CERTAIN LANDS AT CAMP JACKSON, S. C.

The next business on the private calendar was the bill (H. R. 490) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, and I think I shall have to object, this is a bill that proposes to donate 2,000 acres of land immediately adjacent——

Mr. FULMER. Will the gentleman yield? The acreage is 1,192.

Mr. CRAMTON. Yes; 1,192 acres immediately adjacent to a military post which we intend to continue, and adjacent on the other side to a military reservation which is to be developed as a forest. This military post has developed railroad facilities, paved roads, and so forth.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Not just now, because I do not want to take up too much time. I want to say a word in outline of my position before I get into an argument at all. This bill proposes to turn this land over to a board of trustees. I do not know what kind of an entity that board of trustees will become. They have the right of perpetual succession. They, in effect, become a corporation, and by the bill they are authorized to administer this tract of land, which certainly has industrial possibilities, and administer it for agricultural or industrial or educational purposes, and so forth.

My objections are two: First, I question whether we want to be so quick in giving away this land when we have spent large sums of money in developing the land we own adjacent, and without any real indorsement from the department. The statement you have from the department is a most perfunctory one; and if we do this, I do not think it should be turned over to the sort of a halfway corporation created by this bill.

Mr. BEGG. Will the gentleman yield now?

Mr. CRAMTON. Yes.

Mr. BEGG. I will say to the gentleman that I agree with every word he has said and I believe I objected to the bill the other time and suggested to the gentlemen interested that they put in an amendment confining it to agricultural, experimental, charitable and educational purposes. That would make it wholly a philanthropic proposition. If the Government is going to turn over this 1,100 acres to the city for that kind of a purpose I should have no objection on that score. What the gentleman from Michigan says in regard to the board of directors I will say that I agree with him again. I would suggest that if possible it be turned over to the board of directors of the Chamber of Commerce.

Mr. CRAMTON. That is very often a temporary institution.

Mr. BEGG. If the gentleman from South Carolina will accept the other amendment I will not object.

Mr. FULMER. I will be glad to accept that amendment because they want to use that land especially for charitable and educational purposes.

Mr. CRAMTON. If this bill proposed to turn over something to the orphanage, that is one thing; but the bill is so drawn that it can be used for industrial and agricultural purposes; the element of profit enters into it. I think the bill had better go over and see if it can not be redrafted.

Mr. FULMER. I will accept the proposition of the gentleman from Ohio. If the gentleman from Michigan will look over the letter written by the Secretary of War——

Mr. CRAMTON. There must be a clear showing as to the propriety of the Government giving away this land. This tract of land we have adjacent to that which it is proposed to give away has been improved with paved highways and street railways.

Mr FULMER. The citizens of Columbia gave the tract of land and now they want this piece of land at one side. The Secretary of War says that they will not have any further use for it. It was all in a large tract of 23,000 acres, and the heart of the camp originally I think they retained.

Mr. CRAMTON. Eleven hundred acres was given to the Government as an inducement to locate the camp. We have developed it; we have put in paved highways and a street railway, and now the camp is to be continued there, and because you can not give back that same land you want to give them some other.

Mr. FULMER. The railway connected with this camp, unless it can be developed, will be taken up. They are holding over on account of the passage of this bill. In the meantime the piece of land is not worth one-tenth of the original tract of land.

Mr. CRAMTON. I want to say in justice to other bills on the calendar that I think that we ought not to take undue time on this bill, and I am forced to object.

Mr. FULMER. Will the gentleman yield for a minute? Last session this bill was introduced in the Senate and passed. It has a unanimous report from the Military Committee. It got caught in the jam of the Sixty-seventh Congress, and now it is reported this time. They are waiting to-day at the orphanage with 200 boys, waiting for this to be settled.

Mr. CRAMTON. Well, let us have something definite about that; before this Government gives away land adjacent and connected with the military reservation there ought to be a clear-cut indorsement from the War Department that the land will not be needed hereafter in connection with the Government reservation.

Mr. FULMER. Here is a letter from Secretary of War Weeks.

Mr. CRAMTON. That is only a perfunctory statement.

The SPEAKER pro tempore. The gentleman from Michigan objects, and the Clerk will report the next bill.

WILLIAM H. NELSON

The next business on the Private Calendar was the bill (H. R. 6972) for the relief of William H. Nelson.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. This bill, Mr. Speaker, should be explained, and I reserve the right to object.

Mr. REECE. Mr. Speaker, this man will receive no additional pay or benefits under the provisions of this bill. He is a retired Army officer now, having the status of captain. He also served a time as private during the Civil War and as captain in another regiment than the one shown in the records of the War Department. Out of pride he wants this bill passed to show this additional service.

Mr. BLANTON. He gets a status that will bring him a pension.

Mr. REECE. He does not draw any pension.

Mr. BLANTON. It will give him a larger retired pay than he would get if it did not pass.

Mr. REECE. He has been given the status of a captain during the Civil War, and this bill would only extend his record to include his service as private and captain in particular regiments.

Mr. BLANTON. If we pass this bill it gives him a higher retired pay hereafter than he would have if it did not pass.

Mr. REECE. No; I think not.

Mr. BEGG. Will the gentleman permit a question?

Mr. BLANTON. Yes.

Mr. BEGG. The gentleman knows that there are 8 or 10 similar bills in the list to-night. I think there ought to be some sort of an understanding as to what we are going to do with all of them. I think there is as much merit in one as in another.

Mr. BLANTON. That is what I had in mind in asking the gentleman to explain, so that we could determine what we are to do with them.

As a matter of fact, we must not be blind to the situation. If we pass this bill, we give this officer a higher standing than he would have if we did not pass it.

Mr. REECE. Mr. Speaker, I do not think the gentleman is correct in that assumption.

Mr. BLANTON. What is the purpose of the bill?

Mr. REECE. Out of pride of service, he merely wants this additional service to show on the records, and if the gentleman will notice, in the letter from The Adjutant General in the report, the third paragraph states that upon evidence furnished by him he was given the rank of captain in Company H of the said regiment in 1865, so that it does not give him any additional rank, but shows the service in these particular regiments in addition to the service with which he is credited in the War Department. I think I am perfectly safe in saying that he has no additional pay status under this bill.

Mr. BLANTON. If the disposition of the House is to pass all of these bills, to treat them all alike, I shall not object to any of them, but if we are to make flesh of some and fowl of others, I shall object.

Mr. REECE. May I add that this is not a desertion case. Captain Nelson has a brilliant record. There is not a blemish on it. He was an exemplar soldier and is now a beloved and valuable citizen. He merely wants to extend the record of his service to include his services in particular regiments, and I hope there may be no objection made to the consideration of the bill.

Mr. BLANTON. I shall not object.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William H. Nelson shall hereafter be held and considered to have been a captain in the First Regiment Middle Tennessee Volunteer Infantry, also known as the Tenth Regiment Tennessee Volunteer Infantry, from the 8th day of June, 1862, to the 25th day of July, 1862, and to have been discharged honorably as such on the latter date, and shall be held and considered to have been a private in Company H, Fifth Regiment Tennessee Volunteer Cavalry, from the 25th day of July, 1862, to the 6th day of August, 1963, and to have been discharged honorably as such on the latter date by reason of promotion to lieutenant in said regiment.

With the following committee amendment:

Page 2, line 4, after the word "regiment" insert a colon and the following: "*Provided*, That no pension, pay, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

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

ALBERT J. CAPRON

The next business on the Private Calendar was the bill H. R. 3030, to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The Comptroller General has already allowed this officer a credit of $125.17 on his account, and the Comptroller General, Mr. McCarl, makes this recommendation:

That Captain Capron should promptly remit to the United States the balance of $84.52 due the United States.

That is the recommendation of your Comptroller General, whom this Congress created and made independent of every department in Washington, responsible only to the Congress itself. This is a small amount, and ordinarily I would not object to a bill of this kind, except upon the principle of backing up the Comptroller General. He ought to be backed up. He is doing splendid work down there, and if all of our colleagues will check up all of the work that he has done there since he has been in office every man will gladly back him up.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. I agree with the gentleman in what he said; but the thing that changed my mind—and I first marked this bill with a blue pencil—was that this man, Captain Capron, is a disabled war veteran and poor. I certainly do not want to make him pay back money that he never got himself.

Mr. BLANTON. We are going to have numerous bills introduced here during the next two or three years seeking to set aside the authority of the Comptroller General. I am going to object to every one of them coming up under unanimous consent. If this officer, who is disabled and who is trying to get credit for $84, can get his accounts past the gentleman from Ohio [Mr. BEGG], I shall not object to this one, and I withdraw my reservation.

Mr. BEGG. I desire to say just one thing more. The difference between Comptroller General McCarl and the Congress is that Mr. McCarl must go according to the law while Congress can show a little humanity.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow and credit in the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by settlement No. M-76559, dated June 12, 1923, office of the Comptroller General of the United States, and now standing against him on the books of the General Accounting Office.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

WILLIAM D. MULLEN CO.

The next business on the Private Calendar was the bill (S. 129) for the relief of the William D. Mullen Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill where an officers' mess bought goods and refused to pay for them. I objected to this bill once, but I am not going to do so now. The United States was not responsible for it, and in view of the fact that this merchant was misled, in view of the fact that he thought he had a right to sell goods to soldiers of the United States, it would be very unwise, I think, not to pay the bill now.

Mr. BOYCE. He thought he was selling to an agent of the Government.

Mr. BEGG. Mr. Speaker, reserving the right to object, I desire to ask the gentleman from Delaware a question. I have told him that I would not object, but I find on my bill here a proposed amendment and I ask him now if he will accept it?

The amendment is at the end of the sentence and consists of these words:

And the Navy Department is directed to withdraw the honorable discharge from Lieut. Benjamin A. Buxton, of the United States Naval Reserve Force, if same has been issued.

Here is a man who unquestionably, according to all of the evidence, was dishonest, and yet in the face of his dishonesty, from all the information that is available, he has been granted an honorable discharge.

Then we are asked to come in here and make his dishonesty good. I am willing——

Mr. BOYLAN. I shall not oppose it.

Mr. BEGG. Provided the Navy is directed to withdraw that dishonorable discharge?

Mr. ROACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. CONNALLY of Texas. I would like to say to the gentleman——

Mr. ROACH. I insist on my right to the floor. This bill was up for consideration during the last time we had up the Unanimous Consent Calendar and objection was made. The parliamentary inquiry I wish to propose to the Chair is whether or not it requires more than one objection?

The SPEAKER pro tempore. No; it is not on the Unanimous Consent Calendar at all; it is on the Private Calendar. Is there objection?

Mr. BEGG. If I understand the gentleman from Delaware, he will accept that amendment.

Mr. BOYLAN. Yes.

Mr. ROACH. I reported this.

Mr. BOYLAN. I stated I would not oppose the amendment.

Mr. BEGG. That does not satisfy me.

The SPEAKER pro tempore. Is there objection?

Mr. FISH. Mr. Speaker, I do not think we should be too hasty in this matter, and I would like to reserve the right to object. In the first place, I think the point of order could be made against this amendment as not being germane, and in the second place I am not prepared to say what the department should do in taking away an honorable discharge without considering the question. I hope the gentleman will not press this.

Mr. BLANTON. Mr. Speaker, the amendment, if passed, would not affect the man. After his discharge was issued the department has no control over him at all.

Mr. SPEAKS. But it puts a mark against the man without any justification at all.

Mr. BLANTON. The Navy Department has no control over him now.

Mr. ROACH. Will the gentleman from Ohio yield?

Mr. BEGG. I yield; yes.

Mr. ROACH. In the first place, I want to suggest to the gentleman from Ohio such an amendment as he proposes would be subject to the point of order, and, in the second place, I want to suggest to the gentleman we would be trying to convict this officer without giving him an opportunity to be heard. This officer has never been called upon for a statement in regard to this matter other than to state that the papers in support of this claim which were in his possession had been lost in transit. Now, it would hardly be fair to this officer to try to convict him without giving him his day in court and giving him an opportunity to explain his responsbility or lack of responsbility.

Mr. BEGG. Will the gentleman yield?

Mr. ROACH. I do.

Mr. BEGG. The gentleman makes the statement this officer had never been called upon to pay or show cause——

Mr. ROACH. The gentleman is in error.

Mr. BEGG. What did the gentleman say?

Mr. ROACH. I said that the only explanation he has thus far given were that the papers relative to this claim in his possession were lost in transit, and that for that reason he is unable to satisfy or properly explain or submit his case——

Mr. BEGG. Is not the proper course to pursue to indict the man if he has done some wrong?

Mr. ROACH. Oh, no. The thing to do would be to give him an opportunity to defend his position in the matter.

Mr. SPEAKS. Mr. Speaker, I think I can put it in a light so anybody can understand it in this way: Suppose next November the gentleman from Ohio, my distinguished colleague, would be defeated——

Mr. BEGG. That is not improbable.

Mr. SPEAKS. It might happen but it is not probable. Suppose after the new Congress assembles some man gets up and moves that a committee be appointed to look into the record of this distinguished Ohioan and see if he can not find something and bring him back before the committee——

Mr. BEGG. Now, will the gentleman keep his analogy somewhere near accurate. This man is a self-confessed defrauder in that he did not pay with the money he had on hand.

Mr. SPEAKS. Wait a minute.

Mr. ROACH. Let me call your attention to the report.

Mr. SPEAKS. Let me finish my illustration.

Mr. ROACH. If forced to it, I will object to it. I think if the gentleman from Ohio understands this matter he will withdraw his objection.

A MEMBER. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

Mr. BEGG. I would like to make one statement, and the statement I want to make is that I am not going to object, not because I believe we ought to pass the bill without some kind of an action or attempt to recover, but the reason I am not going to object is because I gave my promise that I would not, and it would be punishing the wrong party if I were to object to this bill. But I certainly think that when an officer of the Army collected funds for the payment of the mess and then does not pay the mess and refuses to acknowledge the department's letters he is not entitled to an honorable discharge.

The SPEAKER pro tempore. Is there objection?

Mr. ROACH. Reserving the right to object, Mr. Speaker, does the gentleman from Ohio make a qualified objection?

Mr. BEGG. No.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. For the purpose of asking the gentleman from Ohio a question.

Mr. STEPHENS. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the William D. Mullen Co., of Wilmington, Del., out of any money in the Treasury not otherwise appropriated, the sum of $85.75, said sum being due the William D. Mullen Co. for merchandise furnished to the Reedy Island naval station mess during the months of October, November, and December, 1918.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN H. BARRETT AND ADA H. BARRETT

The next business on the Private Calendar was the bill (H. R. 912) for the relief of John H. Barrett and wife.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill is of course appealing, as would be any bill that meant the payment of money to any of our former service men. But the War Department makes this statement in the report on the bill:

Regardless of the character of the claim involved, it does not appear that the United States should be required or expected to reim-

burse the heirs or legal representatives of deceased members of the military forces for private property that is not required or necessary in the military service which is voluntarily carried into the field and lost without the fault of any officer, agent, or employee of the Government. If members of the military forces choose to carry valuables or keepsakes with them in the field, reimbursement for the loss thereof hardly seems to be a proper public burden.

For us to pass this bill in the face of that recommendation of the department that statement would overturn that position. I do not think we should create that precedent, and therefore I feel constrained to object.

Mr. STRONG of Kansas. Has the gentleman read the second statement of the Secretary of War?

Mr. CRAMTON. It is pretty safe to assume that I have.

Mr. STRONG of Kansas. If so, you will see that he withdraws the statement, because the articles that the soldier had were articles that he was supposed to have, and they were taken possession of, inventoried, and placed in the hands of this captain and by him sent back under guard for the purpose of being forwarded.

Mr. CRAMTON. The department closes that letter with this statement:

You are advised that the War Department has never held that any financial responsibility rested in the Government in cases of this character.

I shall have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

Mr. BLANTON rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. I ask unanimous consent to proceed for a minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I hope the gentleman from Michigan [Mr. CRAMTON] will withdraw his objection to the consideration of this bill. Several bills of this kind have been passed. This is a bill for less than $250 and for personal property lost in France, belonging to a service man, to be paid to the mother or father. I do not know anything about the parties, but it is the principle of the thing in which I feel concerned. We have passed a number of such bills. I hope the gentleman from Michigan will not insist on his objection.

Mr. CRAMTON. I will say to the gentleman that if he can show me a number of bills like it, I will withdraw my objection.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. I rise to ask that when objection is made to bills, the objection shall be confined to one minute, and three minutes only shall be allowed for an explanation of a bill.

The SPEAKER pro tempore. The gentleman can control that by objecting at the end of a minute. The Clerk will report the next bill.

GEORGE T. TOBIN & SON

The next business on the Private Calendar was the bill (S. 130) for the relief of George T. Tobin & Son.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George T. Tobin & Son, of New Castle, Del., out of any money in the Treasury not otherwise appropriated, the sum of $248.98, said sum being due George T. Tobin & Son for merchandise furnished to the Reedy Island naval station mess during the year 1918.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

THE MARYLAND CASUALTY CO., ET AL.

The next business on the Private Calendar was the bill (H. R. 6383) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem after the 1st day of July, A. D. 1924, 6 per cent unregistered Treasury certificate of indebtedness No. 8249, in the denomination of $10,000, series TD-1921, dated December 15, 1920, and maturing December 15, 1921, with interest at the rate of 6 per cent per annum from December 15, 1920, to December 15, 1921, in favor of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co., without presentation of the said certificate, the certificate of indebtedness having been lost, stolen, or destroyed: *Provided*, That the said certificate of indebtedness shall not have been previously presented for payment and that no payment shall be made hereunder for any coupons which shall have been previously presented and paid: *And provided further*, That the said Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co. shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said certificate of indebtedness of the Treasury Department of the United States of America in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificate of indebtedness herein described.

With committee amendments, as follows:

Page 1, line 4, after the word "redeem," strike out the words "after the 1st day of July, anno Domini 1924, 6 per cent unregistered" and insert "one United States."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. WINGO. Mr. Speaker, I have read the report of the committee. It does not show what is the interest of the Maryland Casualty Co. in the United States Fidelity & Guaranty Co. of Baltimore.

Mr. EDMONDS. Does the gentleman mean the interest on the money?

Mr. WINGO. No. What is their interest?

Mr. EDMONDS. They own the bond.

Mr. WINGO. The record discloses that no proof has been offered that they have ever paid the bond to the owner. I presume the owner is the Central Trust Co.?

Mr. EDMONDS. Yes.

Mr. WINGO. Did the committee ascertain that they had paid the bond?

Mr. EDMONDS. My understanding was that they paid the bond; yes. They phoned to me and told me they had paid the bond. I thought the gentleman was going to ask about the 6 per cent interest.

Mr. WINGO. No. I was intent on reading the report when objection might have been made. I notice that the Secretary of the Treasury raises the question that there is nothing to show that they have paid this bond.

Mr. EDMONDS. My understanding is from their officials here in Washington and Philadelphia that this bond has been paid; in other words, it was insured and paid for and this reimbursement would go direct to them.

Mr. WINGO. Was the bond lost?

Mr. EDMONDS. It was lost or destroyed. It is presumed to have been lost.

Mr. WINGO. The committee was satisfied it was either lost or destroyed?

Mr. EDMONDS. The committee was satisfied it was either lost or destroyed.

Mr. WINGO. In the mail or while being transported?

Mr. EDMONDS. I think it was in transportation. It was insured, and, of course, we get a bond in double the amount.

Mr. WINGO. But it occurred to me that as to a bill of this kind—with numerous bills of the same character coming on—the record ought to show that the parties in whose behalf the bill is to be passed are the real parties in interest, and the record ought to show that the bond was either lost or destroyed. A hurried reading of the record does not disclose whether the bond was lost or destroyed and just what interest the beneficiaries have in this matter. I assume, though, the committee evidently looked into that, but through an oversight the record did not disclose that fact.

Mr. EDMONDS. Yes; there were some disclosures that something happened to the bond; at any rate, it was destroyed.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 4, after the word "certificate," strike out the words "the certificate of indebtedness having" and insert the words "or the coupons therefrom, which have."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 15, after the word "said," insert the word "Treasury," and after the word "indebtedness" strike out the words "of the Treasury Department of the United States of America" and insert "and the interest payable thereon."

The SPEAKER pro tempore. Without objection, the committee amendment will be considered as agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RECONVEYING TO ELIZABETH MOORE THE CAMP SITE OF CAMP ROBERT E. L. MICHIE

The next business on the Private Calendar was the bill (H. R. 7805) reconveying to Elizabeth Moore the camp site of Camp Robert E. L. Michie.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this is a bill which the committee says has the approval of the Secretary of War, and so forth, but there is no presentation of that fact.

Mr. HUDSPETH. I will state to the gentleman from Michigan that I have here a letter from the Secretary of War.

Mr. CRAMTON. That will be interesting, and I will be glad if the gentleman will put it in the RECORD. But this is another case where we propose to give away some of the Government's property.

Mr. HUDSPETH. If the gentleman will permit, I think I can explain the matter to his satisfaction.

Mr. CRAMTON. I will yield, although I am frank to say I shall have to object.

Mr. HUDSPETH. Let me state to the gentleman that during the war the citizens of Del Rio donated $8,000 for the purchase of this camp site from Mrs. Moore. It was the understanding, I will state to the gentleman, and the Secretary of War so states in this letter, that when this camp was abandoned the property should be returned to the donor. The camp has been abandoned, the property was sold last October, and the Government has no further use for the land. There is no expectation of ever reestablishing a camp site there, and the understanding at the time the citizens of Del Rio donated this money was that when the camp was abandoned it was to be returned to the donors. Mrs. Moore is willing to return the money, and I have the deed here.

Mr. CRAMTON. I think it is very unfortunate that when a bill is reported by a committee the report should not contain the papers that are vital to its consideration. This comes from the Military Affairs Committee, and my experience with them is that they are very thorough and very considerate. They voted some time ago to report out a bill of mine, but it has not yet appeared on the floor of the House, so I think they take ample time to have their reports contain the vital matter. In this case the paper most vital is not here. I shall have to object.

Mr. HUDSPETH. I trust the gentleman will not object to-night. My colleague from Texas [Mr. WURZBACH] made the report on the bill. He is thoroughly conversant with the facts as I have stated them; he is a member of the Military Affairs Committee, and he knows that the Government has no further use for this site. These people, I will state to my friend, happen to be in a section of the country where the drop in the price of livestock has put them in thorough distress regarding financial matters, and they need the money.

Mr. CRAMTON. The letter which the gentleman has handed to me, and which I am going to ask permission to extend in my remarks and have it in the RECORD in full, is a very perfunctory report.

This is not the kind of report that Congress ought to have before we give away a military reservation. We want an explicit statement by the War Department that they do not think they will ever want it again and that it should be disposed of. This letter simply says that inasmuch as an understanding in regard to a refund of the purchase price to the subscribers when the property was resold seems to have been made, and so forth. "I do not feel that the War Department should make any recommendation as to such disposition." That is between the contributors, and there is no express recommendation by the department in this letter indorsing the bill.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. CHINDBLOM. Is there anything to show the character or the nature of the agreement under which the reconveyance is to be made?

Mr. CRAMTON. There is nothing to show that there was any agreement that there should be a reconveyance so far as the letter goes; and there is nothing to show what improvements, if any, we have made upon the property, and there is nothing to show whether it is again likely to be needed for military purposes.

Mr. HUDSPETH. I will state to the gentleman that the buildings and everything the Government owned on the property were sold at public auction last October.

Mr. CRAMTON. Suppose the gentleman gets a recommendation that will hold the military department of the Government responsible.

Mr. HUDSPETH. I want to say to the gentleman that if this was a matter originating in his district and the gentleman was personally cognizant of all the facts, I would certainly take the statement of the gentleman from Michigan.

Mr. CRAMTON. I, of course, take any statement the gentleman from Texas makes, but I take the position that these bills should come here with the information a matter of record in the report to bind not the Congressman from that district, but to bind the department that is interested.

Mr. HUDSPETH. Let me state to the gentleman that this very bill was drawn by the Quartermaster General of the Army. It was approved by General Hines, and I will state to the gentleman that I presented the matter in person to Secretary of War Weeks and it has his approval.

Mr. CRAMTON. No doubt the gentleman can get that express indorsement.

Mr. HUDSPETH. But I can not get it in time for the bill to be passed at this session.

Mr. CRAMTON. Oh, yes; we are going to have another night session very soon.

Mr. HUDSPETH. I do not think so.

Mr. CRAMTON. I shall have to object, Mr. Speaker.

Mr. WURZBACH. If the gentleman will yield, I just want to state that the gentleman from Texas [Mr. HUDSPETH] made this same statement to the committee, stating that the War Department had no further use for this property, and it seemed to us under that state of facts it was only right that the property should be returned, because the understanding, as stated by the gentleman from Texas, at the time of the deeding of the property was that when there was no further use for the property it would be returned.

The SPEAKER. The gentleman from Michigan objects.

Mr. HUDSPETH. Mr. Speaker, I trust I may have one more minute to explain this matter to the gentleman. I want to state that this property did not cost the Government one cent. The people there donated the money and the Government has not a dollar's worth of improvement on that property to-day. This bill was passed upon by the Judge Advocate General of the Army and was drawn in the office of the Quartermaster General after full investigation concerning the matter. I hope the gentleman will not object.

Mr. CRAMTON. For the reasons I have stated, I shall have to object, Mr. Speaker.

LIEUT. HENRY N. FALLON, RETIRED

The next business on the Private Calendar was the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHINDBLOM. Mr. Speaker, I reserve the right to object, and I may say that I think that objection ought to be

made. The last time this bill was up a request was made for information, and I understand the gentleman from Ohio is expecting to get that.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. I have objected to this bill on three different occasions, but since then I have talked with our colleague, the gentleman from North Carolina [Mr. BULWINKLE], who is on the Committee on Claims, and the gentleman asssures me that he has given this bill careful consideration and assures us that it is absolutely a worthy bill.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. Is the gentleman trying to emulate the transition from Saul to Paul by becoming an advocate to-night for everything he has previously objected to?

Mr. BLANTON. No; but I want to say to the gentleman from Michigan that every objection I make here is a conscientious objection upon good grounds.

Mr. CRAMTON. The gentleman knows that men have gone to jail for that.

Mr. BLANTON. And whenever I make an objection, it is one that I believe is good and worthy, and I am not going to stand up here and object to a bill unless I can show it is unworthy. That is my position, and I have accepted my colleague's statement because I am not prepared to show him that he is mistaken.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Yes; I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. BUTLER. The gentleman objects. This is a one-man Congress. There are 434 other men elected, but one man seems able, without listening to the statements, to decide these matters. A parliamentary inquiry, Mr. Speaker. I ask permission to speak here for a minute.

Mr. CHINDBLOM. Mr. Speaker, let me say to the gentleman from Pennsylvania that the rule under which we are here to-night is for the consideration of private bills unobjected to.

Mr. BUTLER. That is all right, but I will not go home until this bill is passed.

Mr. BULWINKLE. Will the gentleman from Illinois state why he objects?

Mr. CHINDBLOM. Here is a patient who escaped from Washington, went to California, and is gone about two weeks. The family put him into a hospital and put in a claim for $2,078.93. The Senate committee recommends $1,500, and says that "while it is difficult to determine just what part of this expense should be refunded your committee is of the opinion that the sum of $1,500 will fully reimburse the family for all expenses."

No doubt $1,500 will fully reimburse the family, but what is there to show that they are entitled to the $1,500?

Mr. BULWINKLE. This man was mentally afflicted. He was in the insane asylum, and the Secretary of the Interior says:

> I am frank to say that it would appear to me that the entire matter as presented, even by resting upon the hospital superintendent's reports alone, evinces extreme carelessness and an entire lack of interest in the case.

Here is a man, a patient, an officer in the war, who escapes and the hospital authorities make no effort to search or hunt for him, and this girl and her mother have to mortgage their property to go out and hunt for him.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Reserving the right to object, the gentleman from Ohio [Mr. BEGG] is seeking for information in this matter. I think it is proper that the House should know of the attempts being made to get information on which the House may act. All that we have is the Senate committee saying that $1,500 is enough to fully reimburse the family.

Mr. BUTLER. The bill is itemized, and here in the report, I will say to my friend, are affidavits for the information of the committee.

Mr. ROACH. The information which the gentleman from Ohio seeks would be purely speculative on the part of the Government out of the very necessities of the case. It is a claim that it is difficult to determine just what amount of expense would have been necessary to have apprehended this Lieutenant Fallon, because neither the Government nor anyone else knew where he was. The Government would have been in exactly the position the family was; it would have sought information from any source, and the expense of that information is purely speculative. Two committees have carefully gone over the items in this matter. The Committee on War Claims, of which I am the chairman of the subcommittee, devoted the greater part of a day to analyzing the testimony in this case and going over the details of the expense, and every dollar that was charged for we believed that the Government, in all honesty, would have charged for if it had paid the expenses.

Mr. BEGG. What does the gentleman have to say to this:

> On the 5th of January Lieutenant Fallon, having conducted himself all right in every respect, so far as his parole privileges were concerned, was brought up again before the staff conference to consider granting him a 30-day leave, with indefinite extension, in the care of his brother. This leave was granted.

We are attempting to get information from the department as to what they thought the Government would have been called upon to expend. In this case they send a high-class man out at so much per day to California to bring the man back, and when he gets there he would not bring him back alone, but brought another man with him.

Mr. ROACH. Because he was discovered on the street running wild, and a menace to society.

Mr. CRAMTON. And is it not a fact that most of the expenditure was incurred after they found the man?

Mr. ROACH. The physician's treatment was incurred after they found him.

Mr. BUTLER. Will the gentleman withhold his objection and give me a minute?

Mr. BEGG. I will withhold it.

Mr. BUTLER. Mr. Speaker, I would like to explain to my colleagues that this money is owing by our Government. This is one of the most distinguished men that ever sailed the great deep sea in an armed American ship. He is himself responsible for the sinking of two submarines. He lost his reason, I believe, in the undertaking. He served 14 months upon the submarine destroyer *O'Brien* on the coast of France He escaped from St. Elizabeth Asylum. He was not paroled and never had the liberty extended to him. It is in evidence in the department that recommends the payment of this bill, that the superintendent directed his keeper not to let him out of his cell.

That information never was communicated, and after this officer had his dinner the cell door was open——

Mr. BEGG. Mr. Speaker, will the gentleman yield for a moment?

Mr. BUTLER. Just wait. I want to put myself right, because I know these people and they live my near neighbors. I desire to say that I am not putting anything in the RECORD here that I do not believe is right. The family of this great sailor can not afford to pay these bills, and they should not be asked to pay them from their own private purse. They are now sustaining this sailor man in an asylum. The man was made mad from military service. After his escape from St. Elizabeths he was found in California. The department did not go in the search to find him. If anybody will read the report he will see that the authorities took no part in the search, but put the responsibility upon the family. They searched for him in New York and Pennsylvania and New Jersey, and finally located him in California, wandering around, half clad, half starved, and they are now maintaining him at private expense in a private hospital. These bills are all right. I have not anything further to say at this time. [Applause.] Let the objection be made. I ask that a majority of this House shall pass upon a claim of this kind. The people of the United States can not afford to treat their soldiers as this man has been treated. This family has paid, and the Government was paying at the time to safely keep him in an asylum. He was permitted to escape, and the Government should have made the search. He was in an asylum where he was supposed to be safe, and was allowed to escape through negligence of his keeper, and for one month wandered unfed and unclothed until found by his family in California. Of course his family sent for him, as I would have done for my son. I would have sent the best man I could. I would have beggared myself to save him. He was worth it. He rendered his country service that few other men have rendered.

Mr. O'CONNELL of New York. And they sold their home to do it.

Mr. BUTLER. I have heard so. It is said they have disposed of property to keep their beloved son, a brilliant young man who had come from Annapolis with honors and served his country until he had reached the grade of lieutenant, and then as I have said, lost his mind in the service of his country. His family should have these expenses paid at once. He is the same to his kin as though he were sane, and their affection for him is even greater because of his infirmity. I protest against Congress declining to pay the bills incurred honestly

in the search for and the recovery of this man. Furthermore, as an evidence of the character of his service he has been decorated by the British Government with its highest medal, as he has been decorated by this country with one of its highest medals for valorous and heroic service in the presence of its armed enemy.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Certainly.

Mr. BEGG. I want to say to the gentleman from Pennsylvania that I would have to be pretty stony hearted to withstand the appeal that he has just made. [Applause.]

Mr. BUTLER. In my 28 years of service, I believe, this is the third or fourth bill of the kind that I have introduced. I know these people well, as I have said; they are my neighbors, honorable and honest. Of all men who did masterful service in the Great War, from my congressional district, no one whom I know of outdid Fallon, who as I have said steered his boat alongside two submarines and assisted his crew in sinking them.

Mr. BEGG. Mr. Speaker, reserving the right to object—and I am not going to object—I simply want to say that I think there is nothing that Uncle Tom, as everybody calls the gentleman from Pennsylvania, really wants that will be denied him.

Mr. BUTLER. I do want it, Jim, very badly. [Laughter.]

Mr. BEGG. And I want to add one further statement now, for the sake of the future. This is not a pleasant task that I have been asked to perform and I do not want this to be considered a precedent. So far as my humble effort goes, I think I was entirely fair when I said that I was willing to allow whatever the department said it would have cost the Government, but I am not going to even stand on that after the fine speech of the gentleman from Pennsylvania.

Mr. BUTLER. I am grateful to my friend.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the family of Lieut. Henry N. Fallon, United States Navy, retired, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 in full satisfaction of all claims for expenses incurred by them or under their direction in the locating and caring for Lieut. Henry N. Fallon after his escape from St. Elizabeths Hospital, District of Columbia.

With the following committee amendments:

Page 1, line 4, strike out the words "the family" and insert "Amy L. Fallon, mother"; and on page 1, line 8, strike out the word "them" and insert the word "her"; and in the same line strike out the word "their" and insert the word "her."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

Mr. CRAMTON. Mr. Speaker, there is just one statement that I want to make in connection with this bill.

Mr. KNUTSON. Let the gentleman extend his remarks.

Mr. CRAMTON. No; I will not. I have carefully read the report of Doctor White, the superintendent of St. Elizabeths, whom I know very well and for whom I have a very great admiration. I have also read the report of Secretary Fall, which indulges in very severe criticism of Doctor White. I do not need to discuss Secretary Fall; but I want to say that my action in withholding an objection to this bill is not to be taken in any way as an indorsement of the criticisms of Doctor White by Secretary Fall, because I consider they are absolutely unjustified.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended to read as follows: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

PETER C. KEEGAN

The next business on the Private Calendar was the bill (S. 210) for the relief of Peter C. Keegan and others.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The report says that the Government has already paid Commissioner Keegan $5,000; Commissioner Murchie, $5,000; Commissioner Maddigan, $3,876.86; and Counsel Fellows, $6,411.73. They had exceeded the appropriation. The department so notified them. They went ahead, nevertheless, and now they claim this sum. I do not think it is a wise policy to allow a commission to exceed an appropriation without any authority whatever. We have not been paying these claims. We have so many commissions that if we once established a policy, all of them are going to exceed their appropriations. I think there should be some explanation outside of this report that will warrant the payment of this claim. I withhold my objection.

Mr. THOMAS of Oklahoma. Mr. Speaker, this report is based on a letter from the Secretary of State. Congress passed a law creating this commission. The commission served in conjunction with a commission appointed by Great Britain.

The only information that the committee has is what is contained in the records submitted by the department, and it occurs to me that if we can not take the recommendations made by the Secretary of State on matters that he has under his control, we would not know where to go to get the information. The facts are that this commission served for many days after the appropriation had expired. This commission submitted claims on the basis of $50 per day. The Secretary of State thought that was too high and cut their per diem to $20 per day, and this bill embodies a compromise and an agreement between the Department of State and these gentlemen. It occurs to me, Mr. Speaker, that this compromise should be approved.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Do I understand that these parties have agreed, in accordance with the suggestion made by Secretary Hughes, to accept this in full settlement, and this is the exact amount in the bill to which Secretary Hughes agreed?

Mr. THOMAS of Oklahoma. Yes.

Mr. BLANTON. I withdraw the reservation.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Peter C. Keegan, the sum of $1,700; to the estate of John B. Madigan, the sum of $348.14; to the estate of Oscar F. Fellows, the sum of $2,950.77, said sums representing additional compensation for services rendered on the St. John River Commission.

The bill was ordered to be read the third time; was read the third time, and passed.

JAMES MORAN

The next business on the Private Calendar was the bill (S. 589) for the relief of James Moran.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, James Moran, late corporal in the One hundred and ninth Company, United States Coast Artillery Corps, shall be held and considered to have been honorably discharged from the military service of the United States as a member of Company A, Ninth Regiment United States Infantry: *Provided*, That no back pay, bounty, or other emoluments shall accrue prior to the passage of this act.

Mr. BLANTON. Mr. Speaker, what about this amendment that the Adjutant General recommends that ought to be incorporated? The Adjutant General in his recommendation says that if the bill is to be enacted into law it should be amended according to a suggestion that he had made. I took it for granted that the committee, of course, was going so to amend it, and I hope they will amend it. What does the chairman of the Committee on Claims say about it?

Mr. EDMONDS. This is a bill from the Committee on Military Affairs.

Mr. BLANTON. Who represents that committee?

Mr. BULWINKLE. Mr. McSWAIN reported this bill.

Mr. BLANTON. Notwithstanding that it has passed the objection stage here The Adjutant General recommends an amendment to the committee. I have not had time to look up the exact wording of the amendment. It is too late, but I ask unanimous consent——

Mr. KING. I object.

Mr. BLANTON. That the bill be passed over——

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the bill be passed over——

Mr. BOYLAN. I would like to make a statement, Mr. Speaker. In the absence of Mr. McSWAIN, I will say the Committee on Military Affairs considered this bill and whatever

recommendations were made by The Adjutant General were included in the bill, and I am pretty sure the bill is in the form now which he desires.

Mr. O'CONNELL of Rhode Island. Mr. Speaker, I can say to the gentleman from Texas that the change has been made in the first part of the bill which referred to the United States Coast Artillery Corps. That change has been made in the Senate bill and is in the correct form at present.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word for the purpose of calling attention to the recommendation from The Adjutant General. Of course, it is a small matter, but the House ought to know this fact. The Adjutant General suggests this:

The War Department has not authority to amend this record so as to show that this soldier was honorably discharged as a member of Company A, Ninth United States Infantry, as of August 25, 1899, or any other date, he having been, in fact, dishonorably discharged as a member of that organization on that date.

And he suggests that it be amended accordingly. Now, the bill, in the face of that suggestion, says that this man was honorably discharged, which is not in accord with the suggestion made by The Adjutant General; but unless the Committee on Military Affairs sees fit to protect the matter, I am not going to do so.

Mr. WINGO. I think the gentleman overlooked this fact. The object of this bill is to give a pensionable status.

Mr. BLANTON. Yes.

Mr. WINGO. The Adjutant General always objects to correcting the records down there, where often it is contended there is an error, and I think that is the contention possibly in this case; but the War Department takes the position that they do not object to the language used in this bill that in the administration of the pension laws he shall be considered as honorably discharged. I think the form now meets the objection of the War Department. This will not correct the military record but provides that in the administration of the pension laws he shall have the same status as if honorably discharged.

The bill was ordered to be read the third time, was read the third time, and passed.

WILLIAM BROWN

The next business on the Private Calendar was the bill (H. R. 2313) authorizing the issuance of a patent to William Brown.

The Clerk read the title of the bill.

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

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to cause a patent to issue to William Brown, a native or Indian, of Ketchikan, Alaska, to a tract or parcel of land situated in the District of Alaska, to be described in said patent as follows, to wit: Beginning at the point near the high-water line on the north shore of Tongass Narrows, now marked by a half-inch copper bolt cemented into a solid rock, said point being 1,708.5 feet south 51 degrees, 34 minutes, and nine-hundredths of a second east, true, from the United States Coast and Geodetic Survey triangulation station "Red," and 3,245.6 feet south, 79 degrees, 45 minutes, and 25 seconds east, true, from the United States Coast and Geodetic Survey triangulation station "Hick," on Pennock Island; thence north 46 degrees and six-hundredths of a minute east, true, 400 feet; thence south 43 degrees and 54 minutes east, true, 250 feet; thence south 46 degrees and six-hundredths of a minute west, true, 400 feet, more or less, to the high-water line; thence northwesterly, following the meanderings of the high water of the shore line, to the point of beginning, containing 2 acres, more or less, upon his payment therefor at the rate of $2.50 per acre: *Provided, however,* That said patent shall contain an expressed reservation to the United States of a permanent right of way over said land 60 feet in width for a road which has been or may be located and constructed thereon by, or under the supervision of, the Bureau of Public Roads.

The committee amendments were read, as follows:

Page 1, line 5, strike out the words "or Indian."

Page 2, line 1, strike out the words "hundredths of a second" and insert in lieu thereof "seconds."

Page 2, line 7, strike out "hundredths of a minute" and insert the word "minutes."

Page 2, line 11, strike out the words "hundredths of a minute" and insert "minutes."

Page 2, line 21, insert a colon and "*Provided further,* That said William Brown shall apply to the surveyor general for the survey of said tract, at his own proper expense, within six months from and after the passage of this act, and that the patent, when issued, be in accordance with the terms of such survey."

Mr. WINGO. Mr. Speaker, I intended to get some information on this bill before consent was given, but my attention was diverted so I will get that information now.

Did the Committee on Public Lands adopt this policy represented by this bill?

Mr. SUTHERLAND. This is a case where the United States Government took up a certain section of land for a lighthouse depot, where they constructed a wharf to keep material for the lighthouse. They found in that section this little plat occupied by this Indian. Now, the Department of Commerce relinquishes it, and the Department of the Interior favors giving the patent to this 2 acres of land.

Mr. WINGO. I am acquainted with the record. I understand an Indian squatted on the land with absolutely no title. He then leased it to a tenant. Then he quit-claimed it to his tenant. His tenant quitclaimed it to a Jap. The Jap, I think, quitclaimed it to this man. Is that the chain of title?

Mr. SUTHERLAND. Yes; but this was land that the Indians occupied at the mouth of this little brook from time immemorial.

Mr. WINGO. Yes. I want to know if the Committee on Public Lands has adopted the policy of granting title or patent to land where the patentee traces his title back to a quitclaim from a squatter? Is that the policy?

Mr. RAKER. Mr. Speaker, will the gentleman yield there?

Mr. WINGO. Yes.

Mr. RAKER. That is not involved in this case at all.

Mr. WINGO. Is the report correct about the chain of title?

Mr. RAKER. Well, there is no chain of title.

Mr. WINGO. Well, is that the policy of the Committee on Public Lands to authorize the issuance of patent to a man who has no chain of title at all?

Mr. RAKER. That is not the case at all.

Mr. WINGO. I know what the case is. The gentleman says that in this case there is no chain of title. He is in error. Is not that true?

Mr. RAKER. There is no legal chain of title.

Mr. WINGO. I notice that the Interior Department recommends it. But I am interested to know why they are willing to grant a patent in a case like this, yet refuse it in other cases. When lands are set aside under proper acts of Congress and selections are made, and the records are filed with the local land office for 59 years, and they show that title deeds passed from the Federal Government, and some thirty-odd years before the land was sold for State taxes, forfeited to the State, and the State issued a deed to citizens, and those citizens, numbers of them, lived on the land and conveyed it; some day the department finds out that its local records show that this land was not alienated by the Government away back yonder, whereas the records at Washington show that the entries were canceled, then they say, "We will not authorize patent to go to the people who have rested on that title all these years. No; you have got to go and buy up scrip," some of which costs $15 an acre. I would like to know about the policy.

Mr. RAKER. As to the very character of case that the gentleman has suggested, I will guarantee that within this and preceding Congresses there have been 25 similar cases which the department has reported favorably from the Southern States, and patents have been issued to the parties in identically like cases.

Mr. WINGO. Well, they will do it for some Members of Congress, but they will not do it for others.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF THE ESTATE OF CHARLES L. FREER, DECEASED

The next business on the Private Calendar was the bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased

Whereas Charles L. Freer, deceased, late of Detroit, Mich., presented to the Nation, through the Smithsonian Institution, art collections

valued at several million dollars and provided over a million dollars for the erection by the institution of a building to house this collection; and

Whereas the said Smithsonian Institution, in addition to certain specific bequests, was named as the residuary legatee by the will of the said Charles L. Freer; and

Whereas all taxes and other charges found due against the estate of the said Charles L. Freer, having been paid by the executors, the said estate was closed, the residue paid over to the Smithsonian Institution, and the executors discharged on December 27, 1922; and

Whereas since the date of said settlement of the estate the Treasury Department in a reexamination of the income-tax returns have assessed additional taxes amounting to $74,889.56 against said estate; and

Whereas the estate having been closed and the residue of the estate having already been paid into the hands of the Government, the payment of these additional taxes by the Smithsonian Institution, the residuary legatee, would in effect be a serious curtailment of Mr. Freer's munificent bequest to the Nation: Therefore

Be it enacted, etc., That additional taxes amounting to $74,889.56, together with all penalties and charges thereon assessed by the Treasury Department under date of February 1, 1923, and March 6, 1923, against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may thereafter be found due from the said estate.

With a committee amendment, as follows:

On page 2, line 14, after the word "from," insert the words "the said residue."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. JOHNSON of Washington. Mr. Speaker, I think we might do well to strike out the preamble. The preamble has a magnificent sound, but the exact facts are stated in the bill.

The SPEAKER pro tempore. That comes later. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

The SPEAKER pro tempore. Does the gentleman from Washington move to strike out the preamble?

Mr. JOHNSON of Washington. Yes.

Mr. CHINDBLOM rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois rise?

Mr. CHINDBLOM. To ask unanimous consent to make just one brief statement about the preamble. I will say that the preamble is not a necessary part of a bill or resolution. The preamble was no doubt put in for the purpose of showing the intent of the bill; but for good form, of course, the preamble is not necessary.

The SPEAKER pro tempore. The question is on agreeing to the motion to strike out the preamble.

The question was taken; and on a division (called for by Mr. KING) there were—ayes 27, noes 17.

So the motion was agreed to.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the bill was passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

DENNIS SHEVLIN

The next business on the Private Calendar was the bill (H. R. 1332) for the relief of Dennis Shevlin.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, Dennis Shevlin, also known as Daniel Shevlin, shall hereafter be held and considered to be honorably discharged from the military service of the United States as a private in Company G, Seventy-fifth Regiment Illinois Volunteer Infantry, on December 10, 1862: *Provided*, That no pension shall accrue prior to the passage of this act.

With a committee amendment, as follows:

Page 1, line 10, after the word "pension," insert the words "pay or allowance"; strike out the word "accrue," after the word "shall," and insert the words "to be held to have accrued."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

COMMANDER DORR F. TOZIER

The next business on the Private Calendar was the bill (S. 1698) granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KING. I object, Mr. Speaker.

Mr. COLE of Iowa. I trust the gentleman from Illinois will withhold his objection.

Mr. KING. I withhold the objection.

Mr. COLE of Iowa. I hope the gentleman from Illinois will not push his objection. The recipient of this gift is a man who entered the United States Cutter Service in 1865. In 1902 he performed a service for the British Government. A vessel was destroyed on Vancouver Island and he was sent to make a search for the remains. He discovered one quarter boat, which was in the possession of an Indian on the island, and the Indian refused to give up this boat except upon the gift of this man's sword.

Mr. BOYLAN. Will the gentleman yield?

Mr. COLE of Iowa. Yes.

Mr. BOYLAN. Would the gentleman mind accepting an amendment to his bill providing also that the King give a gift of the release of that distinguished Irish patriot, Eamon de Valera? [Laughter.]

Mr. COLE of Iowa. I think the gentleman had better introduce that as a separate bill.

Mr. KING. I was waiting until the gentleman had finished his brilliant speech in order to withdraw my objection.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman to give us one precedent for this.

Mr. COLE of Iowa. Oh, there are many precedents.

Mr. BLANTON. Will the gentleman recite one? We have an inhibition of law against it.

Mr. COLE of Iowa. Not against gifts of this kind, but we have a constitutional inhibition.

Mr. BLANTON. What is the precedent?

Mr. COLE of Iowa. We have a long line of precedents.

Mr. CRAMTON. If the gentleman from Iowa will yield, I will say that during the World War—if the gentleman from Texas wants information—Congress passed a general act——

Mr. BLANTON. About the only things of value——

Mr. CRAMTON. Mr. Speaker, I am trying to say to the gentleman from Texas that during the World War Congress passed a general act permitting men in the military service to accept decorations, and so forth. Whether it went as far as to include gifts I do not know, but this is about in the same status as decorations.

Mr. COLE of Iowa. I will say to the gentleman from Texas that we passed at least two bills of the same kind in the last Congress.

Mr. BLANTON. If this gift were anything other than a sword I would object.

Mr. KING. What is the King going to give him?

Mr. WINGO. Yes; I want to find out what the King is going to give him.

Mr. COLE of Iowa. This man gave up his sword and the King of England is going to give it back to him.

Mr. KING. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The objection is withdrawn, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That Commander Dorr F. Tozier, United States Coast Guard, retired, be, and he is hereby, authorized to accept a sword tendered to him by the King of Great Britain through the Department of State of the United States.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

EXCHANGE OF LAND FORMERLY USED AS A SITE FOR THE POINT OF WOODS RANGE LIGHTS, MICHIGAN, FOR OTHER LANDS IN THE VICINITY

The next business on the Private Calendar was the bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WINGO. Mr. Speaker, I should like to ask the gentleman from Michigan what is the necessity for this?

Mr. WILLIAMS of Michigan. This involves the transfer of something like four or five acres; it involves giving up the old site used for a range light for a new site, which is badly needed for the same purpose.

Mr. WINGO. It is a question of exchange?

Mr. WILLIAMS of Michigan. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to Robert P. Hudson, of Sault Ste. Marie, Mich., all of that certain lot or piece of land acquired by the United States through condemnation proceedings by an order dated January 18, 1909, of the Circuit Court of the United States for the Western District of Michigan, northern division, described as follows:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point marked by a stone monument bearing south 40 degrees, 42 minutes, 50.07 feet distant from the center of the front range light mast, and running north 46 degrees, 47 minutes, 22.13 seconds west, 408.77 feet; thence north 43 degrees, 12 minutes, 37.87 seconds east, 100 feet; thence south 46 degrees, 47 minutes, 22.13 seconds east, 453 feet, more or less, to the shore of the St. Marys River; thence along said shore in a southwesterly direction to the point of intersection of said shore with a line bearing south 46 degrees, 47 minutes, 22.13 seconds east from the point of beginning; thence along said last line north 46 degrees, 47 minutes, 22.13 seconds west, 54 feet, more or less, to the point of beginning; for and in consideration of the said Robert P. Hudson granting and conveying to the United States in fee simple, free and clear of all mortgages, liens, encumbrances, taxes, or claims of any kind whatsoever, the following-described premises:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point 20 feet south 44° 16' west from the center of the cast-iron mast supporting the Point of Woods Range Front Light, center of said mast being 206 feet north 38° 50' east from the location of the old front light of the Point of Woods Range; thence north 45° 44' west 350 feet; thence north 44° 16' east 60 feet, more or less, to the St. Marys River; thence southeasterly along the shore of the St. Marys River to its intersection with a line through the point of beginning, and bearing south 45° 44' east; thence north 45° 44' west along the above line 100 feet, more or less, to the point of beginning, all bearings given being from the true north:

Provided, That the Attorney General shall first examine the title of the said Robert P. Hudson to premises to be conveyed to the United States as aforesaid and shall furnish his written opinion in favor of the validity thereof: *Provided further*, That the said Robert P. Hudson, within such reasonable time after the passage of this bill as may be determined by the Secretary of Commerce, shall deed to the United States the premises herein described to be conveyed by him: *And provided further*, That the said Robert P. Hudson shall furnish, free of expense to the United States, requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary; and that any expense necessary to be incurred by the United States in affecting this exchange shall be payable from the appropriation "General expenses, Lighthouse Service," for the fiscal years in which such expenses are incurred.

With the following committee amendment:

Page 4, line 5, strike out the word "affecting" and insert in lieu thereof the word "effecting."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF FORREST J. KRAMER

The next business on the Private Calendar was the bill (H. R. 7249) for the relief of Forrest J. Kramer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I object to that bill unless——

Mr. HASTINGS. If the gentleman will withhold his objection, I think I can explain it.

Mr. BEGG. I will state my objection; and then if the gentleman thinks he can explain it, all right. I can see no difference between this and if I were to buy a piece of property from some other man, and if I were not careful and were careless in my purchase and paid the man in full for the property and then he could not deliver a clear title, I certainly think the Government would not owe me for the amount of money I lost; hence I am going to object.

Mr. HASTINGS. If the gentleman will withhold his objection for one minute, I think I can explain it so that the gentleman will not object. Let me say that the purchase of this land was not from this woman Mary Marshall, but the purchase of this land was through the Indian officials. This party Kramer had no dealings whatever with the woman Mary Marshall, who owned this land. The way this is done is this: The supposed owner of this land was a restricted Creek Indian. Under the law and under the rules of the department she could apply, through the Superintendent of the Five Civilized Tribes, a Federal official in Oklahoma, for the removal of her restrictions; she did so apply; that was forwarded, through the Superintendent of the Five Civilized Tribes, to the Secretary of the Interior for approval, and the Secretary of the Interior approved it. Now, under the rules and regulations this land was offered for sale by Federal officials and not by this woman, the supposed owner of the land. This man paid not only the appraised value, which was $2,400, for the 80 acres of land, but he gave $2,520, and at the time he did it he deposited 10 per cent, under the rules, with the Federal officials, not with the woman. He had no dealings whatever with this woman. Then when the deed was delivered to him through the Federal officials he paid the remainder of the purchase price, making $2,520. The deed was delivered to him by the Indian officials, and when he goes to get possession of the land he finds that this person who had made application to have her restrictions removed, and who had made this deed, was not the owner of the land at all. The Indian officials in the meantime had paid out $104.90 of the money of this innocent purchaser, who had no dealings except with the Federal officials, and then it was discovered that this woman who had made an application for the removal of her restrictions and who made this deed, which was fraudulent, was not the party to whom the land was allotted. It was no fault on earth of the alleged purchaser.

Mr. BEGG. The gentleman is making a very plausible statement.

Mr. HASTINGS. That is exactly what this report shows.

Mr. BEGG. Now, the report does not show that to me, as I understand the report.

Mr. HASTINGS. I knew the gentleman did not understand it.

Mr. BEGG. I would like to ask the gentleman one other question. Why is not the purchaser in the same position to protect himself from fraud in this kind of a sale as he would be if he buys from another individual outright?

Mr. HASTINGS. He did not deal with this woman at all.

Mr. BEGG. That does not make any difference. Why did he pay over the money?

Mr. HASTINGS. He did not pay it to her. He paid it to the officials of the Government and they delivered him the deed.

Mr. BEGG. That does not change the situation to my mind. Would you pay money to the Government for the purchase of a piece of land before you were in a position to know that the Government could deliver a clear title?

Mr. HASTINGS. Let me say to the gentleman from Ohio that in the case of the thousands and thousands of restricted Indians in Oklahoma that is exactly what is done in every single, solitary case where the Indian is restricted or is under the supervision of the Government. You have got to apply through the superintendent of the Five Civilized Tribes for the right to sell; in other words, for the removal of the restrictions—and every paper goes through that Federal official's office, and this was forwarded here to the Secretary of the

Interior, and the Secretary of the Interior approved it. This man had no dealings whatever directly with this party.

Mr. BEGG. The gentleman is not answering my question. I understand that all right. The gentleman is simply going over the same thing he has stated twice. If the gentleman can convince me that the purchaser was in no position to protect himself by his own alertness then I will not object, but the gentleman has not given me any reason why that can not be done.

Mr. HASTINGS. This man had to rely upon the Federal officials in believing that they themselves had dealt with the proper party. This purchaser, Kramer, had nothing to do with that.

Mr. BEGG. Did the Federal officials make an error?

Mr. HASTINGS. They took an application from a party that did not own the land, and when he paid over this money—$2,520—to the Federal officials, he did not pay it to this woman, but paid it to the Federal officials, and they paid her out of that money, erroneously, $104.90.

Mr. BEGG. Then the error is an error on the department officials and not the result of the man's own carelessness.

Mr. HASTINGS. There was no carelessness on the part of the man at all. It was found that through error the Federal officials had paid this money to an old darky woman who did not have a penny of money.

Mr. BEGG. Is there anything in the report which shows that the Government officials acknowledge the error?

Mr. HASTINGS. Here is the report of the Secretary.

Mr. BEGG. What is there in the report that says that the Indian Bureau made an error?

Mr. HASTINGS. If the gentleman from Ohio will permit me, this is the report from the Secretary of the Interior, and every one of these Government officials is under the Secretary of the Interior, and the Secretary has reported the facts just as I have stated them to the House. The report itself shows they made an error and it was through no fault of this man himself.

Mr. BEGG. I did not get that from the report. The report states that six months after the man completed the contract he discovered this.

Mr. HASTINGS. Oh, he had nothing to do with this woman, Mary Marshall. He dealt with the Government officials.

Mr. BEGG. Will the gentleman agree to pass this over?

Mr. HASTINGS. There is only $104.90 involved, and the report is plain and states every fact I have stated here to-night. There can not be any possible doubt about it. The report says that Mary Marshall, now Carter, who executed the application for removal of restrictions, is reported to be a negro 80 years of age, absolutely destitute. So it would be absolutely impossible to recover from her the money paid to her from the proceeds of sale.

Mr. BEGG. Mr. Chairman, I withdraw my objection.

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

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Forrest J. Kramer, out of any money in the Treasury not otherwise appropriated, the sum of $104.90, being the amount due him on account of the cancellation of sale to him of land allotted to Mary Marshall, Creek Indian, roll number 3774.

With the following committee amendment:

In line 4 strike out the words "and directed."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

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

JEREMIAH O'CONNOR

The next business on the Private Calendar was the bill (H. R. 5517) authorizing the sale of certain Government property in the District of Columbia to Jeremiah O'Connor.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the bill?

Mr. WINGO. Let us see about this.

Mr. KELLER. Let me say to the gentleman that this is a small part of a lot, about 20 feet by 30, in the District of Columbia. The person named in the bill owns the lot next to it, but can make no use of this because it is owned by the Government. It faces an alley.

Mr. WINGO. How did the Government happen to own this part of the lot?

Mr. KELLER. I do not know how it came to be owned by the Government.

Mr. WINGO. Does the gentleman mean that there are regular-sized lots, and in this particular block the Government owns this one piece?

Mr. KELLER. The Government owns this one piece, 20 by 30 feet. This man wants to put a building on it but can not, because it is owned by the Government.

Mr. WINGO. What is the reason for giving this man priority?

Mr. KELLER. The bill has been amended by striking out the person's name, so it leaves the Secretary of Agriculture authority to sell it to the man who pays the most.

Mr. WINGO. If there is any peculiar reason why this man should be given priority, we ought to protect him. How did the Government get title to it? How did it own this isolated part of a lot?

Mr. KELLER. I do not know.

Mr. CRAMTON. I would like to know all that the gentleman has asked and some other things. The Secretary of Agriculture is authorized to sell this land, but there is no statement here as to the interest that the Department of Agriculture has in it. I think we should have a report, and while the name of Jeremiah O'Connor is stricken out the bill provides that the sale shall be for cash under such rules and regulations as the Secretary may prescribe. There is no requirement that it shall be sold at public sale or to the highest bidder. I notice from the report that the property is assessed at $4,500.

Mr. KELLER. That is for the entire lot.

Mr. CRAMTON. I suggest that we ought to have an explanation of what interest the Department of Agriculture has in it, and what other facts there are. I think for the present I will have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

JAMES A. HUGHES

The next business on the Private Calendar was the bill (H. R. 6737) for the relief of James A. Hughes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. Reserving the right to object, I would like to ask a question of the gentleman in charge of the bill.

Mr. BOYLAN. I shall be glad to answer any questions.

Mr. BEGG. Why was not this man honorably discharged?

Mr. BOYLAN. The man originally enlisted for a period of three years, and at the expiration he reenlisted for three years more. During the new enlistment he developed a species of insanity.

Mr. BEGG. The gentleman need not go any further; I remember about the case, and I do not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, James A. Hughes, One hundred and sixty-seventh Company, Coast Artillery Corps, shall hereafter be held and considered to have been honorably discharged from the military service of said company.

The following committee amendment was read:

Add at the end of the bill the following: "*Provided*, That no pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

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

LOUIS LEAVITT

The next business on the Private Calendar was the bill (S. 88) for the relief of Louis Leavitt.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. KING. Mr. Speaker, I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. KING. I will withhold it, but I am prepared to make a speech against the bill. The hour is late and there are so many Members waiting for their bills to come up that I feel that in the economy of time I should object. This is the notorious bacon bill, which has been hanging around here for six years.

Mr. EDMONDS. Does the gentleman know how the committee has arranged the matter in the bill?

Mr. KING. Yes; I have read it, and it is absolutely throwing away all rights of the Government.

Mr. EDMONDS. No, indeed; that claim is well protected.

Mr. KING. I have been laying for this bill too long, and I can not withdraw the objection at this time.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill.

Mr. LINDSAY. Mr. Speaker, my constituents objected to this bill and I object to it now.

Mr. BULWINKLE. Mr. Speaker, will the gentleman withhold his objection for a few minutes?

Mr. LINDSAY. Yes; temporarily.

Mr. BULWINKLE. Mr. Speaker, this claim is one of the claims growing out of war contracts. It is a case in which the Federal Government on one hand said to one of its citizens, "We have a surplus of bacon that we want to sell you," and then another branch of the Federal Government sends up the man who buys the bacon and says, "You can not have that property, you are hoarding it, and we therefore libel the property and indict you."

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. CRAMTON. I did not intend to object to the bill because its form is changed so that it may be sent to the Court of Claims, but I do not want to let statements go unchallenged in the RECORD.

Mr. BLANTON. Mr. Speaker, I rise to a point of order. The gentleman from New York [Mr. LINDSAY] objected, as I understand it, and he is going to object in any event. He may as well object now.

The SPEAKER pro tempore. Does the gentleman intend to object?

Mr. LINDSAY. Yes. I object.

ARTHUR FROST

The next business on the Private Calendar was the bill (S. 105) for the relief of Arthur Frost.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur Frost the sum of $960 in full for damages suffered by reason of being negligently shot and seriously injured by a regularly enlisted soldier of the United States while in pursuit of a deserter and in the legal discharge of his duty as a military policeman.

The SPEAKER pro tempore. The question is on the third reading of the bill.

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

ELLEN B. WALKER

The next business on the Private Calendar was the bill (S. 365) for the relief of Ellen B. Walker.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, and I do so for the purpose of asking a question, this is a bill for the relief of the widow of a man who was killed. It originally provided for $5,000, and the committee has cut that to $1,560.

Mr. EDMONDS. One year's compensation under the act of 1908.

Mr. BEGG. And nearly every other bill comes in for a good deal more. There is a bill in here to-night for just injuries which carries an amount of over $7,000. Perhaps that is not too high, but certainly I think the widow of a man killed in the service is entitled to more than $1,560 if a man who has a leg cut off is entitled to two or three thousand dollars. I am certainly in favor of raising the committee's recommendation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. I shall not object, Mr. Speaker.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Ellen B. Walker, of Albuquerque, N. Mex., as full compensation for the death of her husband, Thomas A. Walker, who, while in the employ of the United States Government, in the Bureau of Indian Affairs, lost his life by the collapse of a water-tower structure at Paquate, N. Mex., on July 17, 1915.

With the following committee amendment:

Line 5, strike out the figures "$5,000" and insert in lieu thereof the figures "$1,560."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. BEGG. Mr. Speaker, I rise in opposition to the committee amendment, and I do it as a pure matter of equity. I call the attention of the House to one thing. On a plea made by Uncle TOM BUTLER a little while ago we allowed $1,500 expenses as a matter of sympathy alone. The actual facts of that bill warranted probably $500, and yet, because one man comes and makes a plea, we allow $1,500. Here is a case of a widow whose husband has been taken away through accident in the discharge of his duties, and because there is nobody here to plead her case we have cut it down to $1,500.

Mr. SEARS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. SEARS of Florida. Perhaps my good friend from Pennsylvania will make another appeal.

Mr. BEGG. Mr. Speaker, I am not at all frivolous in my statement, nor am I trying to be unusually generous. I think there ought to be a semblance of equity in allowances of this kind. The fact that this man was killed while an old law was in effect does not have any weight when the widow is getting the benefit at this hour, when, if a man in the Government service to-day is killed, perhaps his beneficiary would get five or ten thousand dollars.

Mr. JOHNSON of Washington. Oh, no. I have a half dozen claims for people killed within a year or two in the Forest Service and in other services, and the claims are for no such amount as that.

Mr. BEGG. In the Forest Service there is a bill here to allow, I think, over $7,000 to a man who is alive because his wife had her leg broken and was otherwise badly injured, and if there is any justification in this committee allowing a man who is able to work $7,000 because his automobile was damaged and his wife crippled for life, then I think there is none in their allowing a widow only $1,560 because her husband was killed and her earning power gone. I can not see it, and I shall not vote that way.

Mr. TINCHER. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. TINCHER. As I understand it, the gentleman makes an investigation of these things?

Mr. BEGG. As best I can.

Mr. TINCHER. And the attitude he takes on this matter is based purely on his investigation?

Mr. BEGG. Purely on equity.

Mr. TINCHER. The gentleman does not know anything about the parties?

Mr. BEGG. I never heard of the woman.

Mr. TINCHER. I think it commendable if the gentleman thinks the amount ought to be raised.

Mr. BEGG. I never heard of this woman, and it is just a matter of equity to me. If a man's wife wounded is worth $7,000, then a husband dead ought to be worth more than $1,560.

Mr. EDMONDS. I would like to rise in favor of the committee amendment. I have to oppose, not that I like to do it, the proposition of the gentleman from Ohio. In 1908 the Congress of the United States passed a bill giving one year's compensation to any employee of the Government who was killed while in the performance of his proper duties. From 1908 until the passage of the employees' compensation act your committee has paid one year's pay under the law passed by you to those people. There have been thousands of cases where we have settled with those people on the basis of one year's pay. This accident came in 1915, one year before the employees' compensation act was passed. We paid a number of people in 1912, 1913, 1914, all along through different years one year's compensation under the law passed by you, the only law we had to act under; yet you turn around and say, "Let us drop that law," and pay any sum of money contrary to the law what you have passed and which you yourself ordered paid.

Mr. CRAMTON. Will the gentleman yield for a question?

Mr. EDMONDS. I will.

Mr. CRAMTON. Do I understand that the law or that the committee in its regulations applies one rule in case of death

of a person in Government employment and another rule in case of a person killed who is outside of Government employment?

Mr. EDMONDS. The case the gentleman from Ohio speaks of——

Mr. CRAMTON. I am not referring to any particular case; I am asking whether the rule is different?

Mr. EDMONDS. This is not the case of a man employed by the Government. This is the case, I think, the gentleman is talking about——

Mr. CRAMTON. Yes; but he was injured before——

Mr. EDMONDS. The passage of the compensation act.

Mr. CRAMTON. Now, the reason for my question is this: I agree with the gentleman from Ohio that the various bills reported from the committee do not seem to be consistent. There is this bill, in which a fellow was killed who was an employee of the Bureau of Indian Affairs, and his widow gets the sum of $1,560. In another case the man was a roadmaster, at $140 a month, was not an employee of the Government, but he was killed by an act of a Government employee, and the committee recommended $5,000 in his case.

Mr. EDMONDS. Is that a recent case?

Mr. CRAMTON. It is No. 131 on this calendar.

Mr. EDMONDS. When we treat people outside the limit of damages for which they draw pay is $5,000.

Mr. CRAMTON. That is just what I asked the gentleman, whether in treating people outside you have a different rule?

Mr. EDMONDS. We have a different rule for those outside.

Mr. CRAMTON. I want to make this observation: I do not know of any reason why the Government should treat more liberally a person not in the employ of the Government who is killed by reason of the action of some person in the service than one in the service.

Mr. EDMONDS. The reason is very plain. You pass a law, an act of Congress, which says a man shall receive one year's pay. That is the reason, not because we do not want to pay any more, but because the law says we shall pay that.

Mr. CHINDBLOM. The only reason this bill is here is this was merely a temporary employee of the Government. If he had been a regular employee, it would have been different, and in addition it has been held that the Indian Service does not come under the act. Is not that it?

Mr. EDMONDS. I am not sure, but I want the gentleman to understand distinctly that when we act there is a law on the statute books and we are trying to follow the law, and if you do not like the law, change it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MORROW. Mr. Chairman, I offer to amend the committee amendment by inserting $5,000, and I desire to be heard on that.

Mr. JOHNSON of Washington. If the gentleman presses that, I shall be compelled to make a point of no quorum.

Mr. UNDERHILL. That is not necessary for the reason——

The SPEAKER pro tempore. For what purpose does the gentleman from New Mexico rise?

Mr. MORROW. I rise to be heard on this claim. I represent this claim, and introduced a similar bill in the House. This is a Senate bill, and I would like to explain this bill if I may be permitted.

Mr. UNDERHILL. I want to be heard in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from New Mexico is asking recognition, and under the rule he can proceed for five minutes.

Mr. BLANTON. His amendment should be reported at the desk.

The SPEAKER pro tempore. If he has an amendment.

Mr. BLANTON. He has offered an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

Mr. MORROW. Mr. Speaker and gentlemen, this is perhaps one of the most worthy bills ever presented to you. It is a worthy claim. Now, it is stated here this man was only a temporary employee. That may be true to a certain extent, but he was in the Indian Service. He was a plumber employed to do certain work upon a Government tank. He had done certain work upon this Government tank in January, 1915. Going back the next day to complete his work, having ascended the tank and taking out a wrench to do something to the tank, the tank collapsed and he lost his life. His widow is a tubercular patient at this time, and was at that time. This bill has passed the Senate four times, and is now reported by this Committee on Claims. It has never been reported by this Committee on Claims until now.

It is true that there was a law in 1908 which provided in certain occupations for claims by employees of the Government. It strictly states what occupations are included. The Indian Department is not mentioned in that law of May 30, 1908. This widow is without means.

I want to say to you that the grand jury sitting indicted the engineers who constructed that tank. They were never convicted, because the question of the jurisdiction of the State courts was raised, it being a Federal matter. The woman had no money to follow up the suit. The suit was dismissed. In 1915 this injury occurred. This woman has been from that time to this time without any compensation for the loss of her husband.

I have evidence here which I do not think was ever presented to the committee, because this Claims Committee is one of the most impossible committees to get before I ever met. It is almost impossible to present your case to it. I am not criticizing the committee. One member, the gentleman from Tennessee [Mr. McREYNOLDS], did permit me to present certain evidence. But I want to present this to you, that the construction of the tank was defective. The timber that went into the tank was defective. As soon as it was filled with water and this man went up there to complete his work, it collapsed and he lost his life. The United States Government is a just Government, and each one of you is a portion of the Government.

The husband of this poor woman was her sole support. He was a man about 45 years of age. She is to-day a woman beyond the age of 50, tubercular, a patient now in the hospital at Los Angeles, Calif. I think it is a proper claim and should be allowed, with interest from 1915 up to the present time.

The SPEAKER pro tempore. The time of the gentleman from New Mexico has expired.

Mr. UNDERHILL. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for five minutes.

Mr. UNDERHILL. Mr. Speaker, we might as well have it out on this bill as upon others that may follow. This committee may be a hard-boiled committee and it may be hard to get before; but it is as hard-worked a committee as there is in Congress. We can report out only so many bills. Our capacity is limited.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield there?

Mr. UNDERHILL. Yes.

Mr HUDSPETH The gentleman spoke about this being a hard committee to get before. It is a great deal easier to get before this committee than it is to get the committee to report a bill out.

Mr. UNDERHILL. The committee tried at this session and at the last session to get something scientific on which it could base its findings, and I think it has succeeded thus far, partially at least.

This particular bill, as the chairman has explained, deals with a case where the death occurred in 1915, one year before the workmen's compensation act was passed. But there was a workmen's compensation act passed by Congress in 1908 which covered certain employees of the Government engaged in certain lines of business. If they were killed their widows or heirs could draw one year's salary, or one year's pay, or an amount equivalent to one year's pay. Thousands of cases have been settled upon that basis. If you are going to open this case and deviate one particle from the policy laid down by this committee and established in Congress by law, you are going to open up thousands of cases, including practically all of the Panama Canal cases.

Furthermore, just referring for a moment to this one case, this man was not a regular employee. He had worked only eight days and the job was about completed when this accident happened.

Mr. CRAMTON. If he had not been an employee at all and was a stranger, he would have gotten $5,000.

Mr. UNDERHILL. No. The gentleman is absolutely unfair in that. As a rule, the gentleman is pretty fair. I will withdraw those words, and say the gentleman is mistaken. The proposition is that had this man been a stranger and had been hurt last year or any year subsequent, we will say, to 1916, the committee would have considered the case and given him what the committee thought was right under the table of rates prepared by the Compensation Commission and in force to-day.

Mr. CRAMTON. But in this case the roadmaster on a railroad gets $140 a month, but for his death the committee has recommended $5,000. That does not come in under your table of rates.

Mr. UNDERHILL. It certainly does come under our table of rates. I can not yield further.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. No. If the gentleman will get me more time, I will yield.

But here is the proposition: The workmen's compensation law differs in various States, but practically every State allows $5,000 for a death, and the United States Government allows that. Consequently, when a citizen of the country, without fault of his own, is killed by some employee of the Government, this committee has deemed it wise to set that price on a life, of $5,000. I do not believe the committee has deviated $1 from that standard, except in cases where a claim is brought in for a smaller sum, and the committee did not feel justified in raising the sum; that is, in the case of a wage earner.

The committee has tried to get, and I believe has got, a scientific plan for settling these claims. I do not blame the Members of the House for questioning the committee at times; but I can see where it is going to result in a good deal of confusion, at least, and immense injustice if Members of the House who are unfamiliar with the situation, unfamiliar with the law, unfamiliar with the proceedings in the committee, are going to come here and try to raise the amount recommended by the committee.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. CHINDBLOM. Mr. Speaker, I rise in opposition to the pro forma amendment. In 1916 Congress passed the compensation act now in force. Prior to 1916, under the act passed in 1908, one year's pay was paid to an employee of the Government who had been killed in the service. Since 1916 such compensation has been paid upon a different basis, as has been explained by the gentleman from Massachusetts [Mr. UNDERHILL]. This death occurred before 1916. If this case were pending in a court of justice, the rule applicable at the time of death would apply. The rule applicable at the time of death in this House in 1915 was the law of 1908, giving one year's compensation. I do not see how this House can avoid being consistent and giving the same compensation in this case as it has given in the thousands of cases which occurred prior to 1916.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The question was taken and the Chair announced that the ayes seemed to have it.

Mr. JOHNSON of Washington. Mr. Speaker, I object to the vote and make the point of order that there is no quorum present. I understand this is a committee amendment and I withdraw my point of no quorum.

Mr. BEGG. Mr. Speaker, I ask for a division.

The question was taken; and on a division (demanded by Mr. BEGG) there were—ayes 22, noes 21.

So the amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF WILLIAM J. M'GEE

The next business on the Private Calendar was the bill (H. R. 2005) for the relief of William J. McGee.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SEARS of Florida. Mr. Speaker, reserving the right to object, I notice that this bill was introduced on April 12, or was it reported on April 12?

Mr. EDMONDS. It was reported on April 12.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I was on my feet, and was trying to ascertain what bill this is. We can not hear what the Clerk reads.

The SPEAKER pro tempore. The bill under consideration is H. R. 2005. Is there objection to its consideration?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the committee amendment in lieu of the original bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury and the Comptroller General of the United States be, and they are hereby, authorized and directed to credit in the accounts of the Treasurer of the United States the sum of $514.95, now carried in the accounts of the office of the Assistant Treasurer of the United States at San Francisco, Calif., and representing a balance due the United States from William J. McGee, former Assistant Treasurer of the United States, when the subtreasury at San Francisco was discontinued December 20, 1920, due to a loss in current and uncurrent silver dollars amounting to $454.95, and a further loss of $60, due to the payment of a disbursing officer's check on a forged indorsement, these losses having occurred through no fault or negligence on the part of the said Assistant Treasurer; and for this purpose the sum of $514.95 is hereby appropriated out of any money in the Treasury not otherwise appropriated.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF CLARA T. BLACK

The next business on the Private Calendar was the bill (H. R. 1326) for the relief of Clara T. Black.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment in lieu of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Clara T. Black, formerly acting postmaster at Taylorsville, Ky., in the sum of $10,578.28, due the United States on account of postal stamps, war-savings certificate stamps, United States Government thrift stamps, and war-tax revenue stamps which were lost as the result of bank burglary on January 13, 1920.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF ROBERT J. KIRK

The next businesss on the Private Calendar was the bill (H. R. 3009) for the relief of Robert J. Kirk.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Robert J. Kirk, of Florence, S. C., the sum of $332.50 for service as United States commissioner for the eastern district of South Carolina for the period beginning July 1, 1919, to November 15, 1919.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The SPEAKER pro tempore. The Clerk will report the next bill.

RELEIF OF GESTON P. HUNT

The next business on the Private Calendar was the bill (H. R. 7052) for the relief of Geston P. Hunt.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to ask a question. I want to know whether it is not a fact that there was a former adverse report by the Post Office Department on this bill?

Mr. EDMONDS. Not that I know of.

Mr. BLANTON. Was not the first report on this bill unfavorable?

Mr. ELLIOTT. There are no unfavorable reports on it that I ever heard of.

Mr. BLANTON. I mean back in 1922.

Mr. ELLIOTT. I think not.

Mr. BLANTON. If that is the case, I shall not object; but my impression was the department held that the regulations had not been complied with in regard to this burglary.

Mr. BEGG. If the gentleman will yield, I think the gentleman has in mind another bill.

Mr. BLANTON. If that is the case, I shall not object.

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

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Geston P. Hunt, formerly postmaster at Rushville, Ind., in the sum of $10,026.64, due to the United States on account of postage stamps and war-tax revenue stamps which were lost as the result of burglary on March 9, 1921.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. Within the last five minutes, Mr. Speaker, this will be the second bill we will have passed crediting postmasters with $10,000 losses in burglaries.

Mr. UNDERHILL. Over $10,000.

Mr. BLANTON. Over $10,000 in each case.

Mr. UNDERHILL. Yes.

Mr. BLANTON. If you gentlemen will examine the records, you will find that there is not a single special-bill day but what we have numerous similar bills. They are having too many losses over the United States in postal funds.

Mr. UNDERHILL. Will the gentleman yield right there?

Mr. BLANTON. I yield.

Mr. UNDERHILL. The Post Office Department can settle up to $10,000 in case of burglary.

Mr. BLANTON. I know; but you will find lots of them under $5,000 that the Post Office could not have settled and which the Post Office Department has not settled because the regulations have not been complied with.

Mr. UNDERHILL. You do not find many of those.

Mr. BLANTON. I only want to take up one minute of time to say that our postmasters are getting entirely too careless over the United States with Government funds. They ought to protect them, just like they protect their own property, and then we would not have so many of these losses.

Mr. KING. What has the gentleman to suggest—any difference in the method of appointment?

Mr. BLANTON. The Post Office Department ought to call their attention to it and have stricter regulations and rules.

The SPEAKER pro tempore. Without objection, the pro forma amendment will be withdrawn, and the question is on the engrossment and third reading of the bill.

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

FREDERIC K. LONG

The next business on the Private Calendar was the bill (H. R. 8259) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The Clerk read the title of the bill.

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill which passed the Senate last night and is now at the desk.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to substitute a similar Senate bill. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object to the whole proceeding, is the Senate bill identical in terms?

Mr. WAINWRIGHT. Identical. I will be very glad to explain the bill.

Mr. CRAMTON. I understand the bill perfectly, and I was going to suggest that it seems to me the bill would be just as well if it did not put in any directions from Congress as to what sort of evidence should be considered. It is simply a case where the department was considering the matter and promised to hear the gentleman from New York——

Mr. WAINWRIGHT. It is simply to overcome the breach of a promise made to me personally.

Mr. CRAMTON. And having failed to keep faith, the gentleman wants a rehearing. Why would it not be enough if we ordered a rehearing without telling them what kind of evidence they should consider?

Mr. WAINWRIGHT. I do not quite understand the gentleman.

Mr. CRAMTON. I suggest striking out in lines 8 to 10 the following:

In connection with the record of service of said Frederic K. Long, including his service during the World War—

and just send it back with authority to reconsider, and they will consider such evidence as they want to. I do not think we ought to direct them as to the kind of evidence they should consider.

Mr. WAINWRIGHT. I will accept the amendment, but I say frankly to my friend from Michigan that I do not want to delay it.

The SPEAKER pro tempore. Is there objection to the substitution of the Senate bill? [After a pause.] The Chair hears none, and the Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to reconsider the record of trial of Frederic K. Long, who on March 19, 1924, while a captain of Infantry in the Regular Army, was dismissed the service of the United States pursuant to a sentence adjudged by general court-martial; and if, upon reconsideration of said record of trial in connection with the record of service of said Frederic K. Long, including his service during the World War, the President shall determine that the ends of justice and discipline, and the public interest, would be served better by loss of a certain number of files in military rank and in position on the promotion list than by permanent separation from the military service, the President is hereby authorized, by and with the advice and consent of the Senate, to reappoint said Frederic K. Long a captain of Infantry in the Regular Army, to fill the next or any subsequent vacancy in the grade of captain, with such date of rank not earlier than his former date of rank and such place upon the promotion list not above his former place upon that list as to the President may seem just and advisable.

Mr. CRAMTON. Mr. Speaker, I move to amend on page 1, by striking out, in lines 8 to 10, the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 8, of the Senate bill, strike out the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

Mr. HOWARD of Nebraska. Mr. Speaker, I would like to have some information as to what that is for.

Mr. CRAMTON. Mr. Speaker, the amendment is to avoid giving direction to the Secretary of War as to what evidence he shall consider. It simply gives him authority to consider the case, and he will consider such evidence as he thinks advisable.

Mr. HOWARD of Nebraska. I suggest that if we had been giving orders to the Cabinet officers heretofore it would have been better. [Laughter.] However, let it go.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the House bill will lie on the table.

There was no objection.

FRED E. JONES DREDGING CO.

The next business on the Private Calendar was the bill (H. R. 1078) for the relief of the Fred E. Jones Dredging Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the bill?

There was no objection.

The SPEAKER pro tempore. Without objection the substitute amendment will be read.

There was no objection.

The Clerk read the substitute amendment to the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $13,457.64, in full settlement against the Government, to the Fred E. Jones Dredging Co., of Norfolk, Va., for damages arising from the sinking of its dredge *No. 5* by the United States Army transport *Northern Pacific*, in the Elizabeth River, Norfolk, Va., on the 25th day of September, 1919.

The amendment was agreed to.

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

REUBEN R. HUNTER

The next business on the Private Calendar was the bill (S. 353) for the relief of Reuben R. Hunter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON and Mr. UNDERHILL objected.

HEIRS OF AGNES INGELS

The next business on the Private Calendar was the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Agnes Ingels, deceased, late of Lexington, Ky., the sum of $5,000 for injuries occasioned to the said Agnes Ingels while a visitor at Hot Springs, Ark., by the negligent operation of United States Government motor truck No. 25967, while said truck was in the care and custody of and being driven by an enlisted man of the United States Army under the orders of his superior officer, and while the use of such truck was dangerous because of its defective condition, such condition being known to the officer responsible for the maintenance of said truck in operation, the injuries occasioned as aforesaid resulting in the death of said Agnes Ingels.

The following committee amendments were read:

In line 7, page 1, strike out the figures "$5,000" and insert in lieu thereof "$1,000" and the following words, "in full settlement against the Government."

In line 13, page 1, strike out the last six words, and on page 2 strike out lines 1, 2, 3, 4, and 5.

The committee amendments were agreed to.

The Senate bill as amended was ordered to be read the third time, was read the third time, and passed.

EMIL L. FLATEN

The next business on the Private Calendar was the bill H. R. 2806, for the relief of Emil L. Flaten.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I hate to object to the bill of the gentleman from Minnesota [Mr. WEFALD], but this carries an appropriation of $16,000. I think there ought to be some explanation of it.

Mr. EDMONDS. I would like to call the attention of the gentleman from Texas to the report.

Mr. BLANTON. I want to hear from the gentleman who introduced the bill.

Mr. WEFALD. Mr. Speaker, I can see no other reason for my getting up and explaining this bill, except that it is the first bill I have introduced which comes up for action.

Mr. BLANTON. If that is the case, Mr. Speaker, I withdraw the objection. [Laughter.]

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Emil L. Flaten, postmaster at Moorhead, Minn., in the sum of $16,391.99, due to the United States on account of postage stamps, key-deposit funds, war savings and thrift stamp funds, and war-tax revenue stamp funds which were lost as the result of burglary on October 11, 1920.

The following committee amendment was read:

In line 9 strike out the figure "11" and insert "27."

The committee amendment was agreed to.

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

TITLE TO CERTAIN LANDS IN HAWAII

The next business on the Private Calendar was the bill (H. R. 6303) to authorize the governor and commissioner of public lands of the Territory of Hawaii to issue patents to certain persons who purchased government lots in the district of Waiakea, island of Hawaii, in accordance with act 33, session laws of 1915, Legislature of Hawaii.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, this bill is too important to act upon without any report from the department, and I object.

The SPEAKER pro tempore. Objection is heard.

J. B. PORTER

The next business on the Private Calendar was the bill (H. R. 3477) for the relief of J. B. Porter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will read the amended bill.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152.73, in full settlement against the Government, to James B. Porter, of Kansas City, Mo., for damage to his property by a United States mail truck."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

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

The title was amended to read as follows: "A bill for the relief of James B. Porter."

CHARLES SWANSON

The next business on the Private Calendar was the bill (H. R. 1442) authorizing the issuance of a patent to Charles Swanson.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Charles Swanson, of Gig Harbor, Wash., patent to lots 3 and 4, section 5, township 20 north, range 2 east, Willamette meridian, the same comprising 9.57 acres, and being part of Gig Harbor abandoned military reservation, No. 23 and 24, in the State of Washington, upon presentation by the said Charles Swanson of proof that he has resided upon the land for a period of eight years, and upon payment by him of a sum of money equal to the appraised value thereof as fixed under authority of the act entitled "An act providing for the sale of certain lands in the State of Washington, and for other purposes," approved July 3, 1916 (39 Stat. L. p. 342), but not less than $10 per acre.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

H. E. KUCA AND V. J. KOUPAL

The next business on the Private Calendar was the bill (H. R. 2977) for the relief of H. E. Kuca and V. J. Koupal.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,960 to H. E. Kuca and V. J. Koupal, in settlement of their claim against the Government for land on the Yankton Indian Reservation, S. Dak., purchased by them through the Secretary of the Interior, title to which land now being declared by judicial decree to be in a previous purchaser: *Provided*, That the Secretary of the Interior shall reimburse the Government, in whole or in part, out of any Indian trust property now or hereafter owned by Amos Henry and Mary Sky Necklace, the grantors, or either of them, the amount appropriated by this act, being the sum received by the said Amos Henry and Mary Sky Necklace, paid by said H. E. Kuca and V. J. Koupal as consideration for the land.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

ADJOURNMENT

Mr. BLANTON. Mr. Speaker, it is now 11 o'clock p. m., and the time has arrived for adjournment.

Mr. EDMONDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock p. m.) the House adjourned until to-morrow, Saturday, May 17, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

481. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor for the fiscal year ending June 30,

1925, to carry into effect the provisions of an act relative to the promotion of the welfare and hygiene of maternity and infancy in Hawaii, $12,079.96 (H. Doc. No. 283); to the Committee on Appropriations and ordered to be printed.

482. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Board for Vocational Education for the fiscal year ending June 30, 1925, to carry out provisions of an act providing for cooperative vocational education in agriculture, trades, and industries in Hawaii (H. Doc. No. 284); to the Committee on Appropriations and ordered to be printed.

483. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1923 and prior years, $79,218.47, and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $144,225, for the Department of Justice, amounting in all to the sum of $223,443.47 (H. Doc. No. 285); to the Committee on Appropriations and ordered to be printed.

484. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the War Department amounting to $35,000, to remain available until June 30, 1925, for the compensation of owners for land taken and for damages suffered incident to the construction and maintenance of the new Dixie Highway and the electric transmission line in the vicinity of Camp Knox, Ky. (H. Doc. No. 286); to the Committee on Appropriations and ordered to be printed.

485. A communication from the President of the United States, transmitting a draft of proposed legislation to make the appropriation for the fiscal year ending June 30, 1924, for the expenses of the American Battle Monument Commission available for the maintenance of War Department automobiles used by the commission abroad (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

486. A letter from the Acting Secretary of Commerce, transmitting report on the disposition of useless papers authorized under House Report No. 306, Sixty-eighth Congress, showing 42,658 pounds had been sold and the revenue derived therefrom was $439.79; to the Committee on Disposition of Useless Executive Papers.

487. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Shipyard River, S. C. (H. Doc. No. 288); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

488. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Black Rock Channel and Tonawanda Harbor, N. Y. (H. Doc. No. 289); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

489. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for scrapping of naval vessels, $3,000,000 (H. Doc. No. 290); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WAINWRIGHT: Committee on Military Affairs. S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line; without amendment (Rept. No. 767). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 8090. A bill authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; with amendments (Rept. No. 768). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 9177. A bill granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.; with amendments (Rept. No. 769). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 315. A resolution providing for the consideration of H. R. 7996, a bill to regulate wages of employees of the Government Printing Office; without amendment (Rept. No. 773). Referred to the House Calendar.

Mr. REECE: Committee on Military Affairs. H. R. 5417. A bill authorizing and directing the Secretary of War to investigate the feasibility and to ascertain and report the cost of establishing a national military park in and about Kansas City, Mo., commemorative of the Battle of Westport, October 23, 1864; without amendment (Rept. No. 774). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 1023. A bill for the relief of John A. Douglas; with an amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 1569. A bill for the relief of Andrew A. Gieriet; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. H. R. 4610. A bill for the relief of the estate of Filer McCloud; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAWES: A bill (H. R. 9266) extending the time for awarding medals of honor, distinguished-service crosses, and distinguished-service medals, and for other purposes; to the Committee on Military Affairs.

By Mr. McKENZIE: A bill (H. R. 9267) for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

By Mr. WAINWRIGHT: A bill (H. R. 9268) to authorize appropriate commissions to enlisted men recommended for appointment to a commissioned grade and who shall have been unable to accept by reason of death in line of duty; to the Committee on Military Affairs.

By Mr. DAVIS of Minnesota: A bill (H. R. 9269) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of St. Paul Foundry Co., St. Paul, Minn.; of American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9270) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers and widows, and certain maimed soldiers, and for other purposes; to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 9271) to amend subsections (1), (2), and (3) of section 302 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. MOORE of Virginia: A bill (H. R. 9272) to repeal a part of section 12, chapter 353, Thirty-first United States Statutes at Large, as heretofore amended; to the Committee on the District of Columbia.

By Mr. BUTLER: Resolution (H. Res. 314) for the immediate consideration of H. R. 2688, a bill providing for sundry matters affecting the naval service, and for other purposes; to the Committee on Rules.

By Mr. O'CONNOR of New York: Memorial of the Legislature of the State of New York urging Congress to make appropriations to carry out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 9273) granting a pension to Emma Alexander; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 9274) granting a pension to Henry F. C. Toedt; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 9275) granting a pension to Walter P. Meade; to the Committee on Pensions.

Also, a bill (H. R. 9276) to award a medal of honor to John Leventis; to the Committee on Military Affairs.

Also, a bill (H. R. 9277) granting a pension to Benjamin Garland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9278) for the relief of Thomas W. Doherty; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9279) granting an increase of pension to Frances C. Evans; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 9280) granting a pension to John Cash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9281) granting an increase of pension to Julia A. McCabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9282) granting a pension to Minnie Wolfe; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 9283) granting a pension to Bridget Mathews; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 9284) granting an increase of pension to Delia A. Castle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9285) granting a pension to Ellen W. Gregory; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 9286) for the relief of E. L. F. Auffurth and others; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 9287) granting an increase of pension to James Lane; to the Committee on Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 9288) granting a pension to Roena J. Vance; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9289) for the relief of Tom Hunter; to the Committee on Claims.

By Mr. TREADWAY: A bill (H. R. 9290) granting an increase of pension to Alice Fern; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9291) granting a pension to Emily Ray; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2774. By the SPEAKER (by request): Petition of Arizona Baptist Convention, favoring the construction of the San Carlos dam project for the benefit of the Pima Indians; to the Committee on Indian Affairs.

2775. By Mr. CORNING: Petition of New York State Legislature, requesting Congress make liberal appropriations for the carrying out of the spirit of the national defense act; to the Committee on Appropriations.

2776. By Mr. BURTNESS: Petition of Trondenes Ladies' Aid Society, of Sharon, N. Dak.; Woman's Christian Temperance Union, of Northwood, N. Dak.; Young People's Branch of Woman's Christian Temperance Union, Fargo, N. Dak.; Lutheran Church, Hunter, N. Dak.; members of Literary Club, Fairmount, N. Dak.; Women's Home Missionary Society, Cando, N. Dak.; Woman's Christian Temperance Union, Hope, N. Dak.; the Women's Club, Hope, N. Dak.; Woman's Christian Temperance Union, Cando, N. Dak.; and Woman's Christian Temperance Union, Amidon, N. Dak., protesting against the modification of the eighteenth amendment and the Volstead act; to the Committee on the Judiciary.

2777. By Mr. GALLIVAN: Petition of Pettingell-Andrews Co., Boston, protesting against House bill 4528; to the Committee on Patents.

2778. Also, petition of Frederick H. Nash, Boston, Mass., recommending early and favorable consideration of Senate bill 2835, which proposes to amend the law authorizing insurance companies to interplead in the Federal courts; to the Committee on the Judiciary.

2779. By Mr. GARBER: Petition of Cherryvale Grange, No. 221, protesting against proposed increases in parcel post rates; to the Committee on the Post Office and Post Roads.

2780. By Mr. KAHN: Petition of United Veterans' Council of San Francisco, Calif., urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2781. Also, petition of Corporal Harold W. Roberts Post, No. 466, Veterans of Foreign Wars of the United States, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2782. Also, petition of Frederick Funston Camp, No. 61, Department of California, United Spanish War Veterans, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2783. By Mr. KIESS: Petition of Association of Shop Employees, Eastern Region, Pennsylvania Railroad system, containing approximately 1,000 names, protesting against the passage of House bill 7858, known as the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2784. By Mr. KINDRED: Petition of William Eisermann, New York City, N. Y., favoring the game refuge bill; to the Committee on Agriculture.

2785. Also, petition of Hon. John F. Hylan, mayor of the city of New York, opposing House bill 7014; to the Committee on Military Affairs.

2786. By Mr. MORROW: Petition of Dona Ana County Farm Bureau, Las Cruces, N. Mex., favoring the Purnell bill (H. R. 2243, Sixty-seventh Congress); to the Committee on Agriculture.

2787. By Mr. RAKER: Five letters from residents of Tacoma, Wash., relative to changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2788. Also, petition of Miss Louise E. Schutz, secretary Association of Governmental Labor Officials of the United States and Canada, submitting resolution urging constitutional amendments on child labor; to the Committee on the Judiciary.

2789. Also, petition of William E. Colby, secretary Sierra Club, 402 Mills Building, San Francisco, opposing any change in the name of Mount Tacoma; to the Committee on the Public Lands.

2790. Also, petitions of Coast Banker Publishing Co., San Francisco, Calif., protesting against additional increase in second class matter, and Messrs. Cooper, Tambs, and Jesperson, railway mail clerks in Tuolumne and Stockton, Calif., railway post office, urging support of H. R. 9035; to the Committee on the Post Office and Post Roards.

2791. Also, petition of Rev. William F. McDowell, 2107 Wyoming Avenue, Washington, D. C., indorsing Capper-Hull bill providing for adequate number of chaplains for the Army and Navy; to the Committee on Military Affairs.

2792. Also, petitions of Retailers' Credit Association of San Francisco, Calif.; B. P. Oliver, 100 Montgomery Street, San Francisco, Calif.; and James S. Wyatt, 315 Montgomery Street, San Francisco, Calif., in favor of San Carlos Dam bill (S. 966); to the Committee on Indian Affairs.

2793. By Mr. SITES: Petition of 206 employees of the Pennsylvania Railroad system, who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Barkley bill (H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2794. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth congressional district of Pennsylvania, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2795. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2796. Also, petition of Pride Lodge, No. 60, Ladies Society of the Brotherhood of Locomotive Firemen and Enginemen, Harrisburg, Pa., indorsing the Howell-Barkley bill (S. 2646, H. R. 7358) and praying for its early enactment into law; to the Committee on Interstate and Foreign Commerce.

2797. By Mr. WINTER: Petition of citizens of Green River, Wyo., expressing sentiments on war excise taxes; to the Committee on Ways and Means.

SENATE

SATURDAY, *May 17, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills of the Senate:

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and