476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2580. Also, petition of Virgil H. Doss and several other citizens of Kaufman County, Tex., requesting the passage by the Seventy-first Congress of Senate bill 476 and House bill 2562, providing for the increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2581. By Mr. SCHNEIDER: Petition urging the speedy consideration and passage of Senate bill 476 and House bill 2562, providing increased rates of pension for Spanish War veterans, signed by citizens of Oconto, Wis.; to the Committee on Pensions.

2582. By Mr. SHORT of Missouri: Petition of citizens of Christian County, Mo., urging increased pensions for soldiers of the Civil War and widows of soldiers; to the Committee on Invalid Pensions.

2583. Also, petition of citizens of Mississippi County, Mo., urging increased pensions for soldiers of the Spanish War; to the Committee on Pensions.

2584. Also, petition of citizens of Stoddard County, Mo., urging increased pensions for Spanish War veterans; to the Committee on Pensions.

2585. By Mr. SNOW: Petition of F. C. Soule, of Smyrna Mills, Me., and many others, urging the passage of Senate bill 108, to prevent unfair practices in the marketing of perishable farm products; to the Committee on Agriculture.

2586. Also, petition of Edward Johnson, of Monson, Me., and many others, urging the speedy passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2587. By Mr. SPROUL of Illinois: Petition of 100 citizens of Chicago, Ill., not members of the United Spanish War Veterans, or of any of its allied organizations, urging speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pensions to the men who served in the armed forces of the United States during the Spanish-American War period; to the Committee on Pensions.

2588. Also, petition of 80 citizens of Chicago, Ill., not members of the United Spanish War Veterans, or any of its allied organizations, urging speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pensions to the men who served in the armed forces of the United States during the Spanish-American War period; to the Committee on Pensions.

2589. Also, petition by 80 citizens of Chicago, Ill., not members of the United Spanish War Veterans, or any of its allied organizations, urging speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pensions to the men who served in the armed forces of the United States during the Spanish-American War period; to the Committee on Pensions.

2590. By Mr. SUMMERS of Washington: Petition signed by Frank Reed, D. D. Rugg, S. L. Smith, and other citizens of Ellensburg, Kittitas County, Wash., in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2591. Also, petition signed by M. C. Garner, M. W. Davies, Levi Harley, and other citizens of Cle Elum, Kittitas County, Wash., in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2592. Also, petition signed by Thomas Deane, Ed. Steinhilb, D. G. Dillon, and other citizens of Yakima County, Wash., in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2593. Also, petition signed by T. H. Dingle, Ed Davis, Ira Gray, and other citizens of Dayton, Columbia County, Wash., in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2594. Also, petition signed by W. LaVine, W. H. Lee, A. E. Glidden, and other citizens of the fourth congressional district of Washington, in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2595. Also, petition signed by C. E. Culp, Fred T. Hofmann, Willis Hall, and other citizens of Ellensburg, Kittitas County, Wash., in support of legislation in behalf of Spanish War veterans and widows of veterans; to the Committee on Pensions.

2596. By Mr. UNDERWOOD: Petition of James L. Nelson and other residents of Kingston, Ross County, Ohio, asking for legislation to increase the pension of Spanish-American War veterans; to the Committee on Pensions.

2597. Also, petition of James Straley and other residents of Lancaster, Fairfield County, Ohio, asking for legislation to increase the pension of Spanish-American War veterans; to the Committee on Pensions.

2598. By Mr. WINGO: Petition of citizens of Sebastian County, Ark., in behalf of increased pensions to veterans of the Spanish-American War; to the Committee on Pensions.

SENATE

WEDNESDAY, *January 8, 1930*

(Legislative day of Monday, January 6, 1930)

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

CHARLES F. BOND, RECEIVER, *v.* THE UNITED STATES (S. DOC. NO. 66)

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting, pursuant to law, a certified copy of the memorandum filed by the court June 10, 1929, in the cause of Charles F. Bond, as receiver of the partnership of Thorp & Bond, against the United States, Congressional No. 17635, which was referred to the Committee on Claims and ordered to be printed.

ENROLLED BILL SIGNED

The VICE PRESIDENT announced his signature to the enrolled bill (S. 1764) to grant the consent of Congress to the Highway Department of the State of Tennessee to maintain a bridge across the French Broad River on the Newport-Asheville (N. C.) Road near the town of Del Rio, in Cocke County, Tenn., which had previously been signed by the Speaker of the House of Representatives.

LOAD-LINE LEGISLATION (S. DOC. NO. 65)

Mr. JONES. Mr. President, a day or two ago a report was submitted by the Department of Commerce, pursuant to Senate Resolution 345 of the Seventieth Congress, second session, relating to load-line legislation, which was referred to the Committee on Commerce, but it was not ordered to be printed. It is an important report relating to a very important matter. I ask, therefore, that the report may be printed.

The VICE PRESIDENT. Without objection, the report will be printed as a document.

PETITIONS

Mr. JOHNSON presented a petition of sundry citizens of West Los Angeles, Calif., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was referred to the Committee on Pensions.

Mr. KEAN presented petitions of sundry citizens of Asbury Park, Ocean Grove, Bayonne, Carteret, Mantua, Hudson, and Bergen Counties, and other citizens, all in the State of New Jersey, praying for the passage of legislation granting increased pensions to Spanish War veterans, which were referred to the Committee on Pensions.

Mr. SHEPPARD presented petitions of sundry citizens of Whitewright, Grayson County, and of Bowie County, Tex., praying for the passage of legislation granting increased pensions to Spanish-American War veterans, which were referred to the Committee on Pensions.

He also presented a resolution adopted by the board of directors of the Young Women's Christian Association of Houston, Tex., favoring ratification of the proposed protocol for United States membership in the World Court, which was referred to the Committee on Foreign Relations.

Mr. JONES presented a resolution adopted by Local No. 359, Journeymen Barbers' Union, of Centralia, Wash., favoring the passage of legislation granting increased pensions to Spanish War veterans, which was referred to the Committee on Pensions.

He also presented petitions of sundry citizens of Vancouver and Clark County, in the State of Washington, praying for the passage of legislation granting increased pensions to Spanish War veterans, which were referred to the Committee on Pensions.

He also presented the petition of Mrs. M. H. Reynolds and sundry other citizens of the State of Washington, praying for the passage of legislation granting increased pensions to Civil War veterans and the widows of veterans, which was referred to the Committee on Pensions.

REPORT OF POSTAL NOMINATIONS

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were ordered to be placed on the Executive Calendar.

ENROLLED BILL PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on to-day, January 8, 1930, that committee presented to the

President of the United States the enrolled bill (S. 1764) to grant the consent of Congress to the Highway Department of the State of Tennessee to maintain a bridge across the French Broad River on the Newport-Asheville (N. C.) Road near the town of Del Rio, in Cocke County, Tenn.

BILLS INTRODUCED

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

By Mr. JONES:

A bill (S. 3012) for the erection of a Federal building at Colville, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. SHEPPARD:

A bill (S. 3013) for the payment of the expenses of the Federal Farm Loan Board by the United States; to the Committee on Banking and Currency.

A bill (S. 3014) for the relief of W. G. McGee; and

A bill (S. 3015) for the relief of W. G. McGee; to the Committee on Claims.

By Mr. McMASTER:

A bill (S. 3016) to authorize an appropriation for the purchase of land in South Dakota for use as camp sites or rifle ranges for the National Guard of said State; to the Committee on Military Affairs.

A bill (S. 3017) to amend the World War veterans' act, 1924, as amended; to the Committee on Finance.

A bill (S. 3018) authorizing an appropriation for the erection of a monument at Sturgis, S. Dak., in honor of Charles Nolin; to the Committee on the Library.

A bill (S. 3019) granting an increase of pension to Margaret A. Ridgway; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 3020) granting an increase of pension to Lizzie J. Gilman (with accompanying papers); and

A bill (S. 3021) granting an increase of pension to Joseph A. Libby (with accompanying papers); to the Committee on Pensions.

By Mr. SACKETT:

A bill (S. 3022) granting a pension to Mary E. Bretney (with accompanying papers);

A bill (S. 3023) granting an increase of pension to Mary F. Durham (with accompanying papers); and

A bill (S. 3024) granting an increase of pension to Armedie Wise (with accompanying papers); to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 3025) granting an increase of pension to Nancy Parks (with an accompanying paper); to the Committee on Pensions.

A bill (S. 3026) authorizing the General Accounting Office to make certain credits in the accounts of Horace Lee Washington and Arthur B. Cooke, United States Consular Service; to the Committee on Foreign Relations.

By Mr. NORRIS:

A bill (S. 3027) granting a pension to Dwight W. Cotton; to the Committee on Pensions.

A bill (S. 3028) authorizing the President of the United States to present in the name of Congress a congressional medal of honor to James C. Shaw; to the Committee on Military Affairs.

By Mr. ROBINSON of Indiana:

A bill (S. 3029) granting an increase of pension to John G. Hawkins; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 3030) to amend an act entitled "An act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts,' approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture," approved May 22, 1928; to the Committee on Agriculture and Forestry.

By Mr. WAGNER:

A bill (S. 3031) for the relief of James Scott; to the Committee on Military Affairs.

A bill (S. 3032) for the relief of Commander Francis James Cleary, United States Navy; to the Committee on Naval Affairs.

(By request.) A bill (S. 3033) relating to sales and contracts to sell in interstate and foreign commerce; to the Committee on Interstate Commerce.

By Mr. WHEELER:

A bill (S. 3034) for the relief of W. H. Presleigh; to the Committee on Claims.

A bill (S. 3035) for the relief of Benjamin F. Johnson; to the Committee on Finance.

A bill (S. 3036) granting a pension to William A. Carl; to the Committee on Pensions.

A bill (S. 3037) to authorize the disposal of public land classified as temporarily or permanently unproductive on Federal irrigation projects; to the Committee on Irrigation and Reclamation.

By Mr. COPELAND:

A bill (S. 3038) for the relief of the National Surety Co.;

A bill (S. 3039) for the relief of the estate of George B. Spearin, deceased; and

A bill (S. 3040) for the relief of Capt. Chester G. Mayo, Supply Corps, United States Navy; to the Committee on Claims.

By Mr. BLAINE:

A bill (S. 3041) to amend the act entitled "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," approved May 20, 1924, as amended; to the Committee on the Judiciary.

By Mr. SMOOT:

A bill (S. 3042) to amend the interstate commerce act, as amended, to permit common carriers to give free carriage or reduced rates to State commissions exercising jurisdiction over common carriers; to the Committee on Interstate Commerce.

By Mr. RANSDELL:

A bill (S. 3043) authorizing the establishment of a national hydraulic laboratory in the Bureau of Standards of the Department of Commerce and the construction of a building therefor; to the Committee on Commerce.

By Mr. PHIPPS:

A bill (S. 3044) to amend section 39 of title 39 of the United States Code; to the Committee on Post Offices and Post Roads.

CARE AND OPERATION OF SENATE OFFICE BUILDING

Mr. MOSES submitted the following resolution (S. Res. 195), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Rules is hereby authorized to expend from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1928, $5,000 for maintenance, miscellaneous items, supplies, equipment, and labor for the care and operation of the Senate Office Building.

Mr. DENEEN subsequently, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the foregoing resolution, reported it without amendment, and it was considered by unanimous consent and agreed to.

PROPOSED INVESTIGATION OF ESPIONAGE IN INDUSTRY

Mr. WHEELER submitted the following resolution (S. Res. 196), which was referred to the Committee on Education and Labor:

Whereas various court proceedings and published investigations have tended to show that a large number of private detective agencies are obtaining large sums of money from business concerns and organizations by falsely representing movements among their employees by joining labor organizations and advocating revolutionary methods for the purpose of discrediting said labor organizations, and by manufacturing scares concerning radical propaganda and alleged plans for the use of violence in industrial conflict; and

Whereas these agencies, and other interests connected with them, are detrimental to peaceful relationship between employers and employees, setting up a system of espionage in industry, thriving on the unrest and fear they create, and spreading false rumors and scares and often bringing about strikes in order to maintain their alleged services: Therefore be it

Resolved, That the Committee on Education and Labor be, and hereby is, empowered to conduct an inquiry into the extent of this system of industrial espionage in all its ramifications, and to report to the Senate what legislation, in the committee's judgment, is desirable to correct such practices as they may find inimical to the public welfare.

SENATE MISSISSIPPI ENGINEERING ADVISORY BOARD

Mr. FRAZIER submitted the following resolution (S. Res. 197), which was referred to the Committee on Commerce:

Resolved, That there be hereby established a board to be designated as the Senate Mississippi engineering advisory board, composed of nine members to be named by the President of the Senate. One member shall be an expert economist, chosen from names submitted by the Secretary of Commerce. Two shall be members of the Corps of Engineers, United States Army, selected from names submitted by the Chief of Engineers, United States Army, and the remaining six members shall be distinguished civilian engineers of great attainment, each of whom preferably shall be an expert, civil, mechanical, hydraulic, dredging, marine construction, lock and dam, structural steel, or foundation engineer, and shall be selected from names to be submitted by the American Engineering Council.

SEC. 2. It shall be the duty of the Senate Mississippi engineering advisory board (1) to investigate the feasibility of the adopted project of the flood control act of 1928 (Jadwin project) and the Riker overland seaway project, both projects as to their feasibility, their merits, and their demerits, including estimates of their first cost, their revenues, benefits to inland navigation, flood control, and drainage of the valley, and such other projects or plans as the board shall deem advisable, and (2) report their conclusions and recommendations to the Commerce Committee of the Senate at the earliest possible date during the present session of Congress, which shall embody a comprehensive plan for carrying out their recommendations, together with an approximate estimate of its cost and the time required to place it in effective operation; also about how much land will be required, together with their recommendation as to how it should be financed and under whose direction it should be constructed.

SEC. 3. The Vice President is hereby authorized to present some suitable token to the members of this board to express and commemorate the appreciation of the Senate for their services so rendered without compensation, the cost of which, together with the necessary expenditures of the board and the traveling expenses of the same, shall be paid out of the contingent fund of the Senate, not to exceed $———.

RADIO BROADCASTING LICENSES (S. DOC. NO. 64)

Mr. DILL. Mr. President, on December 11 a report was received by the Senate from the Radio Commission in response to a resolution submitted by the Senator from Kentucky [Mr. SACKETT] as to the manner in which the commission had carried out the so-called Davis amendment. That report has never been printed. The Interstate Commerce Committee is about to hold hearings in which the Radio Commission will be questioned about this matter. I desire to ask that the report to which I refer may be printed as a public document, so that we may have it before us.

The VICE PRESIDENT. Without objection, it is so ordered.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. WALSH of Massachusetts. Mr. President, may I first ask that Miss Ruth Peterson, special expert on rayon from the Tariff Commission, be granted admission to the Chamber in order that she may sit at my side and that I may avail myself of her services during further consideration of the rayon schedule? There seems to be some question whether a woman has the right to be admitted to the floor. I ask unanimous consent that she may be admitted for the purpose stated.

Mr. NORRIS. Mr. President, not that I have any objection, but the Senator made the remark that the tariff expert is a woman.

Mr. WALSH of Massachusetts. Yes; and she has had some difficulty in obtaining entrance to the Senate Chamber.

Mr. NORRIS. Why should she have? If the tariff experts can be admitted here, why should there be any exclusion on account of sex?

Mr. WALSH of Massachusetts. I know of no reason.

Mr. NORRIS. That is the only objection I have to the unanimous-consent request applying to this person. I think the general rule ought to be applied. If a tariff expert is entitled to be here, then he or she is entitled to be here regardless of sex, it seems to me. If I am wrong I should like to be corrected, but the request of the Senator from Massachusetts admits that there is a difference for that reason.

The VICE PRESIDENT. The Chair would like to state that if the Senator from Massachusetts had requested the Chair to permit the expert to come into the Chamber because he needs her assistance permission would have been granted to admit her to the privileges of the floor.

Mr. NORRIS. Then the formal request now made is unnecessary?

The VICE PRESIDENT. It is unnecessary.

Mr. NORRIS. I hope the Senator will withdraw the request.

Mr. WALSH of Massachusetts. There has been some difficulty at the door about her admission.

The VICE PRESIDENT. The Chair understands that there is no objection, and the expert will be admitted.

Mr. HEFLIN. Mr. President, I trust that information will be conveyed to the doorkeeper, so that the lady may have no trouble about entering the Chamber.

The VICE PRESIDENT. The Chair will state that there will be no trouble about it.

Mr. HARRISON. Mr. President, I make the point of no quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested. The clerk will call the roll.

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

Allen	Frazier	Kean	Schall
Ashurst	George	Kendrick	Sheppard
Baird	Gillett	Keyes	Shortridge
Bingham	Glass	King	Simmons
Black	Glenn	La Follette	Smoot
Blaine	Goff	McCulloch	Steiwer
Blease	Gould	McKellar	Sullivan
Borah	Greene	McMaster	Swanson
Bratton	Grundy	McNary	Thomas, Idaho
Brock	Hale	Moses	Thomas, Okla.
Brookhart	Harris	Norbeck	Townsend
Broussard	Harrison	Norris	Trammell
Capper	Hastings	Nye	Tydings
Caraway	Hatfield	Oddie	Vandenberg
Copeland	Hawes	Overman	Wagner
Couzens	Hayden	Patterson	Walcott
Dale	Hebert	Phipps	Walsh, Mass.
Deneen	Heflin	Pittman	Walsh, Mont.
Dill	Howell	Ransdell	Waterman
Fess	Johnson	Robinson, Ind.	Watson
Fletcher	Jones	Sackett	Wheeler

Mr. TYDINGS. Mr. President, I regret to announce the unavoidable absence of my colleague the junior Senator from Maryland [Mr. GOLDSBOROUGH] on account of the death of his wife.

Mr. HEBERT. The senior Senator from Rhode Island [Mr. METCALF] is necessarily absent on account of illness. I ask that the announcement may stand for the day.

Mr. SHEPPARD. I wish to announce that the Senator from South Carolina [Mr. SMITH] is necessarily detained from the Senate by illness in his family.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. SMOOT. Mr. President, I ask that the clerk may be directed to report the pending amendment.

The VICE PRESIDENT. The clerk will state the pending amendment.

The CHIEF CLERK. On page 184, line 7, the committee proposes to strike out "rayon filaments" and to insert "filaments of rayon or other synthetic textile, not exceeding 30 inches in length," so as to read:

Filaments of rayon or other synthetic textile, not exceeding 30 inches in length, other than waste, further known as cut fiber, staple fiber, or by any other name, 20 per cent ad valorem.

Mr. WALSH of Massachusetts. Mr. President, probably this amendment and the following amendment should be treated together. They are both included in one clause. They deal with the levying of a tariff duty upon filaments of rayon or other synthetic textiles not exceeding 30 inches in length. To the definition I have no objection. It is the change in rate which is proposed in the second part of the paragraph which I wish to discuss.

Mr. SMOOT. That is the following amendment.

Mr. WALSH of Massachusetts. Yes. Therefore I perhaps should agree to have this amendment acted upon at the present time and deal then with the question of the change in rate which is proposed. I have no objection to the definition being acted on at this time.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment will be stated.

The CHIEF CLERK. On page 184, line 10, the committee proposes to strike out "per cent ad valorem" and insert "cents per pound," so as to read:

Filaments of rayon or other synthetic textile, not exceeding 30 inches in length, other than waste, whether known as cut fiber, staple fiber, or by any other name, 20 cents per pound.

Mr. SMOOT. Mr. President, I want to say to the Senator from Massachusetts that yesterday I stated I would take up this question with the Tariff Commission and find out whether we would be safe in making the rate 20 cents per pound. I think we all agree that it ought to be a specific rate instead of an ad valorem rate.

Mr. WALSH of Massachusetts. I do not think I have reached that conclusion yet. I certainly consider the specific rate of 20 cents per pound excessive.

Mr. SMOOT. I will say to the Senator that I have no doubt, on account of the changes in values, that the rate could be safely reduced. The value of that yarn or filament to-day is a little over 40 cents, or about 41 or 41½ cents.

Mr. WALSH of Massachusetts. My information is that it is 51 cents a pound.

Mr. SMOOT. Not to-day. It sometimes goes as high as 60 cents a pound, and therefore I thought it ought to be a specific duty. After a discussion as to the real value, and taking into consideration the fact that there are sudden changes in the

value of the article, I had come to the conclusion that 15 cents a pound instead of 20 cents a pound would be really the proper rate.

Mr. WALSH of Massachusetts. I am, of course, opposed to the suggestion made by the Senator from Utah, because I think the present rate should not be increased.

Mr. WHEELER. Mr. President, may I ask the Senator what is the specific rate with which we are dealing now?

Mr. WALSH of Massachusetts. We are dealing now with paragraph 1302, which I will explain, and I shall call attention to the difference between this paragraph and paragraph 1301, in which I know the Senator from Montana is interested.

Mr. President, the present law provides a duty of 20 per cent ad valorem upon filaments of rayon not exceeding 30 inches in length known as cut fiber or staple fiber. This fiber was until recently admitted into the country under a duty of 10 per cent ad valorem, being treated as rayon waste, which is provided for in the first clause of paragraph 1302 and which carries a duty of 10 per cent ad valorem. Upon a ruling by the customs court, staple fiber was transferred from the clause which levied a duty of 10 per cent on what was called rayon waste, and it was decreed to fall within the basket clause which provides for a duty of 20 per cent ad valorem. So at the present time the duty is 20 per cent ad valorem.

The House bill fixed the duty at 20 per cent ad valorem, while the Senate Finance Committee recommends a duty of 20 cents per pound, the equivalent ad valorem of which is about 49 per cent. In other words, it is proposed to increase the ad valorem duty upon this staple fiber from 20 per cent to 49 per cent. The modification of the original Senate Finance Committee amendment to 15 cents a pound makes the equivalent ad valorem about 30 per cent. Am I correct?

Mr. SMOOT. Yes; it would make it about a little less than 30 per cent according to the price; on to-day's price it would be about that.

Mr. WALSH of Massachusetts. We ought, first of all, in considering this important subject—for it is of supreme importance—to remember that we are dealing with the duty upon a raw material which enters into a great variety of fabrics used by our people. It is the product from which rayon yarns are made, and rayon yarns, as all Senators know, are being used to-day in a great variety of fabrics, in the manufacture of hosiery, underwear, crêpes, dress goods of various kinds, velvets, and upholstery.

A distinction should be made between paragraph 1301 and paragraph 1302. Paragraph 1301 covers filaments of rayon which are called deniers—that word being a term that relates to the weight of the filament—and are chiefly used in the making of a certain class of rayon yarns. Ninety-five per cent of rayon yarns finally used in the finished fabric falls under paragraph 1301; only 5 per cent of the rayon fabrics made from rayon yarns fall under paragraph 1302; but the use of filaments of rayon covered by paragraph 1302 is growing rapidly, and the rayon fabrics that have been produced from the staple fiber in paragraph 1302 is expanding very extensively as a result of the processes that have been developed in making yarns of rayon waste and from filaments of rayon not exceeding 30 inches in length.

In order that the Senate may know the difference between the filaments of rayon falling under paragraph 1301, I have brought some samples here. This sample which I hold in my hand [exhibiting] is composed of rayon filaments in length greater than 30 inches, which can at nominal cost be twisted into rayon yarn of any desirable twist. It is the filament of rayon referred to in the first clause in paragraph 1301, and carries a duty of 45 per cent ad valorem.

This second sample that I hold in my hand [exhibiting] is rayon yarn in the singles, having four turns to the inch. It comes under clause 2 in paragraph 1301, and bears a duty of 45 per cent, with a minimum specific duty of 45 cents per pound.

Filaments of rayon not exceeding 30 inches in length constitute the staple fiber, which is the material I now hold in my hand [exhibiting]. At present they bear a duty of 20 per cent ad valorem, but the Finance Committee recommends that the duty be increased to 20 cents a pound, the equivalent ad valorem being 49 per cent based upon the prices of imports in the recent months.

Upon the mere examination of the two filaments of rayon it is apparent that this [exhibiting] is very much superior; and it is cheaper to convert it into yarn than the other filament which I hold in my hand, and which represents the filament referred to in paragraph 1302.

The sample which I now hold in my hand [exhibiting] is rayon waste, which is covered by the first clause of paragraph 1302, and upon which there is now a duty of 10 per cent ad valorem, which duty is not proposed to be changed in the pending bill. This [exhibiting] is the filament of rayon not exceeding 30 inches in length, known as staple fiber, which now bears a duty of 20 per cent ad valorem, on which the committee first recommended a duty of 20 cents a pound, the equivalent ad valorem being about 49 per cent, but which the committee now recommends to be made dutiable at 15 cents a pound, the equivalent ad valorem of that rate being in excess of 30 per cent.

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

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

Mr. WALSH of Massachusetts. I yield.

Mr. McKELLAR. As I understand, rayon can be manufactured from very short-fiber cotton. Is not that correct?

Mr. WALSH of Massachusetts. No, sir. Cotton is used in manufacturing processes in connection with rayon; but the staple fiber has little cotton in it; the raw product, the fiber from which rayon yarn comes, has little cotton in it. It is produced by a chemical process.

Mr. McKELLAR. I understand that.

Mr. WALSH of Massachusets. It is made largely from wood pulp.

Mr. McKELLAR. And from cotton, too.

Mr. SMOOT. Mr. President, I will say that large quantities of cotton linters, which are short-fiber cotton——

Mr. McKELLAR. Very short-fiber cotton.

Mr. SMOOT. Go into the production of rayon.

Mr. WALSH of Massachusetts. Cotton linters are used to some extent, but the chief raw product of this staple fiber, as I understand, is wood. Am I not correct in that?

Mr. McKELLAR. No; I think the Senator is not correct about that. I think the chief component material is short-fiber cotton, known commonly in my section of the country as linters. Such short-fiber cotton is produced in many places throughout the world, and so the foreign short-fiber cotton peculiarly comes into competition with American short-fiber cotton or linters. It seems to me for that reason there ought to be a distinction made in fixing the tariff rate as between a highly competitive product of this kind and other products when it comes to putting a tariff on raw cotton.

Mr. WALSH of Massachusetts. Let me read at this point a definition of rayon:

> Rayon is a synthetic fiber produced by technical processes from some form of plant cellulose, usually wood pulp, but also cotton linters.

Mr. SMOOT. Mr. President, I have samples here and I can show the Senator exactly what the difference is. This [exhibiting] is a sample made from wood pulp or from spruce. It represents the first step in the manufacture of rayon. Here [exhibiting] is a sample made from linters, which is just as good, just as strong, and I was going to say it has a somewhat evener surface, but that does not make any difference at all when it comes to making the fiber.

Mr. McKELLAR. I know that cotton linters are now very largely used in the manufacture of rayon.

Mr. SIMMONS. Mr. President——

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

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

Mr. SIMMONS. I think in the first instance the rayon was manufactured altogether from wood fiber.

Mr. WALSH of Massachusetts. Yes; that is my impression.

Mr. SIMMONS. Recently, however, those engaged in the production of rayon have begun to use cotton linters.

Mr. WALSH of Massachusetts. Yes, sir.

Mr. SIMMONS. But linters are not used to the same degree and extent now as is wood pulp.

Mr. WALSH of Massachusetts. That is what I had supposed.

Mr. SIMMONS. But the use of cotton is progressing, and the cotton producers of the South feel that in the course of time the short-staple cotton, known as lint, will largely supplant the use of wood pulp in the manufacture of rayon.

Mr. WALSH of Massachusetts. I think that is quite possible. Continuing the definition of rayon, I read as follows:

> These vegetable fibers are treated chemically until dissolved into a viscous solution resembling the glandular secretions of the silk worm. This viscous solution is then forced through minute capillary tubes, corresponding to the spinnerets of the silkworm, in what is known in this trade as the "nozzle." The long continuous filaments as they emerge from the tiny apertures of this "nozzle" are solidified either by a process of evaporation or by being plunged into a fixing bath.

Rayon yarn is also used extensively with cotton in making cloth that is called rayon cloth, but that is largely composed of cotton. The sample which I hold in my hand is a piece of so-called rayon used for draperies. There is very little rayon

yarn in it. It is almost entirely cotton; but the little rayon that is used gives it a finish and appearance and a luster that has made it a very popular product, and it has done much to uphold and increase the cotton-yarn business of the country. The discovery and the use of rayon has done very much to help the development of the declining cotton industry.

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

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. I do.

Mr. McKELLAR. The particular matter that I wish to call to the attention of the Senator and the Senate is that enormous quantities of short-fibered cotton, commonly called linters in the South—at any rate, in the part of the South that I come from—are being used in the manufacture of rayon. That short-fibered cotton is raised all over the world; and while it is possible that a tariff on the very long-staple cotton might have some effect, from the practical standpoint a tariff can be made effective only on this very short-fibered cotton; and it seems to me that a competitive rate would be a proper rate to be placed on this particular kind of material.

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

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

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

Mr. SIMMONS. I think the Senator from Tennessee [Mr. McKELLAR] is a little bit confused as to the use of cotton in the manufacture of rayon and as to the use of linters of cotton in the manufacture of the raw material out of which rayon is manufactured.

Mr. McKELLAR. If the Senator will pardon me just a minute, I will explain all I know about it.

Mr. SIMMONS. Let me finish, please, and then I shall be glad to have the Senator do so.

The piece of cloth which the Senator from Massachusetts exhibited a while ago contains probably one-half cotton.

Mr. WALSH of Massachusetts. More than that.

Mr. SIMMONS. More than that, probably. That is the short-staple cotton that we grow in the South very largely. The Senator is not talking about that now, as I understand.

Mr. WALSH of Massachusetts. Not at all.

Mr. SIMMONS. The Senator is talking about the materials that enter into the manufacture of the material out of which rayon yarns are made, and in the manufacture of that material only the linter cotton is used. So that cotton is used twice—first, the linter is used in providing the raw material; secondly, the short-staple cotton is used and mixed with the rayon in the manufacture of the product itself.

Mr. SMOOT. No; the Senator is wrong about that.

Mr. McKELLAR. Mr. President, if the Senator will yield just a minute——

Mr. WALSH of Massachusetts. I yield for a moment to the Senator from Tennessee.

Mr. McKELLAR. I should like to have the attention of the Senator from North Carolina also. All I know about it is this:

Some time ago I went to one of these marvelous mills in my own State, and they showed me about the mill. They make a liquid out of this cotton. It is the most remarkable thing in the world. They reduce it to a liquid, and then squirt it through machines that they say are so patterned that it comes out a liquid fiber somewhat after the manner of the cocoon; and then that becomes a fiber again, after being reduced to a liquid form, and the rayon is produced in that way.

That is what they explained to me. Whether I am right or wrong about it I will leave to them.

Mr. WALSH of Massachusetts. Mr. President, the Senator from Tennessee is talking about paragraph 1301. The subject matter now before us in paragraph 1302 is made only in one plant in this country, and that is a plant at Buffalo, owned, I believe, by the Du Pont Co. The Senator is talking about paragraph 1301, which covers 95 per cent of the filaments of rayon used in the rayon business.

Let me give the Senator those figures.

In 1929 there was produced in this country about 125,000,000 pounds of denier rayon yarn more than 30 inches in length, which is the yarn specified in paragraph 1301. There was imported something over 12,000,000 pounds, making a total of about 137,000,000 pounds of denier rayon yarn used in this country.

The domestic production of spun rayon yarn, which is made from the staple fiber mentioned in paragraph 1302, which we are dealing with now, is something over 1,000,000 pounds only, as against 125,000,000 pounds of the filaments of rayon referred to in paragraph 1301.

Of the 1,000,000 pounds of staple fiber in paragraph 1302, 800,000 pounds is imported into this country and only 400,000 pounds is produced in this country by the one company to which I refer.

So we must keep in mind the distinction between the two filaments of rayon. As I said in the beginning, we are dealing only with 5 per cent of the rayon yarn that is produced in this country. Ninety-five per cent falls under paragraph 1301, and that is why the Senator from Georgia yesterday was solicitous about the change in the rate in that paragraph, because he appreciated that it was the raw material for the larger part of the rayon-manufacturing business.

Mr. McKELLAR. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from Massachusetts further yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. Yes; I will; but I suggest that the Senator let me proceed after this question is asked, and it will save a good many of these interruptions.

Mr. McKELLAR. Certainly; after this I will not interrupt the Senator any more. I just want to make a statement. It is not a question.

The rayon business is substantially only in its infancy in this country. It will greatly increase and enlarge. There is no doubt in the world about that. It is just beginning. The rayon business affords a better market for raw cotton. It will necessarily add to the uses of raw cotton. It is certain to make the demand for raw cotton greater; and as we have all pledged ourselves to do something for the farmer, I think the cotton farmer ought to be included, and there is not a much better way to help the cotton farmer than this.

Mr. WHEELER. Mr. President, will the Senator from Massachusetts yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Montana?

Mr. WALSH of Massachusetts. Yes; but after the question is asked I hope I may be permitted to proceed. As these questions come, Senators leave the floor and do not have a chance to have a constructive, detailed presentation of the case under the pending amendment made here. I yield to the Senator; but I hope I may be permitted to proceed then to outline this matter in detail. It will obviate a good many of these questions; and then I will answer later as to any matter that may have been overlooked. I have not started yet to make my argument.

Mr. WHEELER. I was just going to suggest to the Senator from Massachusetts that I thought it was rather far-fetched to say that the tariff upon rayon is helping the American farmer very much, in view of the profits that have been made by the Viscose Co. and the Du Ponts in the last few years; and to say that it is an infant industry also seems ridiculous.

Mr. WALSH of Massachusetts. Mr. President, the staple fiber in this amendment we are dealing with is produced by one domestic company only, and that is the Du Pont Co. It is a small part of their business. They are producing only between 400,000 and 500,000 pounds. This class of filament of rayon came into existence less than four years ago; yet the general rayon business and the filaments of rayon referred to in paragraph 1301 have been in process of development since 1909.

We are dealing with a new staple fiber in the rayon business that is of comparatively insignificant proportions to the larger rayon business; but it is important because it is growing and developing, and because it is cheaper than the filaments of rayon referred to in paragraph 1301, and is giving the American public, at a much lower price, rayon fabrics of all classes and of all kinds, many of them not being produced from the filaments of rayon included in paragraph 1301.

There is no dispute about these facts. The domestic production of staple fibers that we are considering under paragraph 1302 is produced by one company in America, with a plant at Buffalo; and they produce about half a million pounds. It was discovered that there was being produced in Germany a rayon staple fiber that was superior to the domestic staple fiber; and a company in this country proceeded to purchase this staple fiber from the German producers. They found it to be superior in fineness, in luster, in textile strength, and in smoothness to the domestic product. The result of their venture in the importation from Germany of this staple fiber was that the business of making yarn from this fiber grew in three years from 100,000 pounds to 800,000 pounds; so that the raw material—if I may use that expression—with which we are dealing in this paragraph is now imported into this country in double the volume that the domestic company produces. Why? Because it was finer, because it is superior to the domestically produced staple fiber.

It is only fair to say that the domestically produced staple fiber has improved; that it is not as coarse as it was three years ago; that the competition from Germany of a fiber which is so superior has apparently spurred on the domestic industry

to improve steadily and constantly the nature of its staple fiber; but the fact still remains that the importations are about double the amount of staple fiber produced here by the domestic fiber manufacturer.

The manufacturing company producing the domestic-staple fiber has some competition from Italy in the class of fiber it produces. There are some imports from Italy which compete with the staple fiber produced domestically, but they are inconsequential.

The manufacturing concern which uses the imported staple fiber and converts it into yarn says it is not in competition with the domestic, that its fiber is of a different grade, is superior, and has qualities which the domestic fiber does not contain. These concerns present as the evidence in proof of this the fact that their importations have grown by leaps and bounds to 800,000 pounds, and they predict that within a year or two the imports of this fiber will amount to 2,000,000 pounds.

I inquire, why can we not produce in the United States a staple fiber the equal of the German? The answer is that the Germans possess a secret process, a patented process, which is not known or used in this country by the domestic producer. It is possible that the improvement which the domestic manufacturer has already made will continue, and a time may come when an American industry may be able to put upon the market a staple fiber the equal of the German.

Mark this point, these two domestic industries, the one using the imported staple fiber and converting it into the yarn, the other making the staple fiber in its plant here, are said not to be in competition; it is said that one produces a coarser yarn when the staple fiber is converted into yarn, and that the other produces a finer. In fact, the evidence before me is that the domestic staple fiber is chiefly used for rugs, that it can not yet be used successfully for hosiery, for crêpes, for velvets, or for underwear comparably to that made from the imported. If that is true, if we are not dealing with a staple fiber imported into this country that competes with the domestic, and if we proceed, by raising the tariff duty, to increase the duty so as to keep out of this country, by a rate that amounts to an embargo, the imported German fiber, what will be the result? First of all, the manufacturing plants in this country which use the yarn made from the 800,000 pounds of imported rayon staple fiber must go out of business, because the domestic production is only half that now. They can not obtain their needed supply. Secondly, our American people will be deprived of the use of hosiery, underwear, and other fabrics of the finer grades, which, it is claimed, the domestic fiber does not permit to be developed to a commercial extent.

The price of this imported staple fiber is now about 51 cents a pound. The duty of 20 per cent is about 10 cents, so that the cost of the imported fiber is about 60 cents. The domestic fiber is, I am informed, somewhat cheaper than that, so that there is not competition from the standpoint of price. Because of the superior quality of the yarn that comes from the secret process which the Germans maintain in the making of their staple fiber, the manufacturing rayon fabric industries are willing to pay the additional price.

If this duty as proposed by the committee is levied, the American plant using the imported staple fiber competing with the domestic plant will immediately have charged against it $80,000 upon the imports of this year. With the importations 800,000 pounds, a 10 per cent per pound increase in the tariff would mean $80,000. If the business increases as it is rapidly increasing, so that within a year or two the importations amount to 2,000,000 pounds, the domestic company importing staple and making yarn from it will have an additional burden of $200,000. It is estimated that if this tax is levied, the increase in the price of hosiery, of underwear, of crêpe, of dress goods made from the yarns of the imported fiber will be as high as 20 to 25 per cent.

Thus far I have been talking about the staple fiber and about two concerns, one the domestic concern manufacturing a staple fiber, and an American concern importing staple fiber and making the yarn, and they, in turn, selling it to American industries that use this yarn in manufacturing numerous rayon fabrics.

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

Mr. WALSH of Massachusetts. In just a moment. The American concern using the imported staple fiber has called its yarn by the trade name of "sase." That yarn is being sold in this country to 1,500 manufacturing establishments which make all kinds of rayon fabrics. Therefore, if this increased duty is levied, it will first mean an increased cost to the domestic concern converting the imported staple fiber into yarn, and that cost will be passed all along the line to the 1,500 other manufacturing concerns, and will finally be paid by the consumers. I yield now to the Senator from Delaware.

Mr. HASTINGS. Will the Senator tell us the name of the importer and the location of his manufacturing plant?

Mr. WALSH of Massachusetts. The name of the importer is the Fitchburg Yarn Co.

Mr. HASTINGS. Located where?

Mr. WALSH of Massachusetts. Located in Massachusetts. I will state, because I judge the Senator wants to draw some inference from that which is not justified, that there has been established in New Bedford, Mass.—and some pressure has been brought to bear upon me to favor this increased rate—a plant which intends to produce a staple fiber equal to the imported staple fiber. I think that plant has just commenced to operate, and it is very enthusiastic about the possibility of developing a staple fiber equally as good as the imported.

Mr. HASTINGS. Mr. President——

Mr. WALSH of Massachusetts. I want to repeat that I have considered in this connection the prospect of the development of the staple fiber industry in my own State, at New Bedford, Mass. I yield to the Senator.

Mr. HASTINGS. I did not intend to infer anything by asking the question, but the Senator has constantly referred to there being but one concern in this country that was interested in making an article that could be in any way considered in competition with the other, naming the Du Ponts all the time, and I thought it was but fair that we might know the name of the other corporation that was interested in this tariff as well as the Du Ponts.

I might add this, at the same time. The Senator has referred to the great pressure brought to bear on him with reference to this matter, and I want to suggest to him that neither my colleague, the junior Senator from Delaware [Mr. TOWNSEND], nor myself have ever been approached upon this subject. This is the first time that either of us knew that the Du Pont Co. had a rayon plant there, or that they were in any way to be considered interested in this matter.

Mr. WALSH of Massachusetts. Mr. President, I will add to what the Senator has said that there is no official record anywhere of any opposition by the one domestic plant producing this staple fiber, no official opposition, but I can not understand, if the one domestic plant producing staple fiber is not opposed, or is satisfied with the present law, what actuated the Finance Committee to recommend an increase that would be of benefit if to anybody, to the one domestic manufacturer of the staple fiber.

Mr. HASTINGS. Mr. President, will the Senator yield for a further observation?

Mr. WALSH of Massachusetts. I yield.

Mr. HASTINGS. I assume that it is upon the general principle that when the manufacture of an article in Germany or some other country is increasing so rapidly as the Senator's statement shows the manufacture of this article is increasing, the Senate Finance Committee felt the necessity of doing something to protect the domestic industry. That, I say, is probably the reason.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Virginia?

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

Mr. GLASS. I had never supposed before that we extended these extraordinary privileges, if this be an extraordinary privilege, upon the individuality of the manufacturer.

Mr. HASTINGS. Neither had I.

Mr. GLASS. The mention of the Du Ponts does not frighten me, and should not frighten the consumer of its products. What does the consumer care as to who gets the usufruct of our legislation here, whether it be Du Pont or a manufacturer of some other name? I do not think the problem should be prejudiced by dragging in the Du Ponts.

Mr. HASTINGS. I hope it will not be.

Mr. WALSH of Massachusetts. I agree with the Senator that it is not a question of what particular company is importing or what particular company is manufacturing this staple fiber, but certainly the company that will benefit by this increased duty will be the present domestic manufacturer, which happens to be the Du Pont Co. The consumers' rights should be also considered, and from the standpoint of the consumer this duty should not be increased without good reason.

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

Mr. WALSH of Massachusetts. I yield.

Mr. NORRIS. I agree with the suggestion made that the particular beneficiary may be immaterial, but I would like to suggest that while we are talking about the beneficiaries, this individual corporation or that individual corporation, we should

not forget the fellow who pays the bill. I hope the Senator will not forget him.

Mr. GLASS. We always forget him.

Mr. NORRIS. The consumer, who is to put up the money, and who is not represented, as a rule, in the hearings before the various congressional committees.

Mr. WALSH of Massachusetts. Mr. President, the interruptions suggest very properly that we should consider more the consequences of the increased tariff duties to the consumers than to the companies which are interested in the first instance, one being the domestic producer of staple fiber and the other being the importer. That is why I called attention to the fact that there are 1,500 manufacturing plants in this country producing finished rayon in hosiery, underwear, and fabrics of various kinds, all of which have the yarn which they use increased in price to them if this duty is levied upon the imported staple fiber, and that the manufactured rayon fabrics of these concerns will be increased in price to the consumer.

Mr. KING. Mr. President——

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

Mr. WALSH of Massachusetts. I yield.

Mr. KING. It is not perhaps quite pertinent to the matter being discussed, but based upon statements which I have heard from Senators on the floor, I wish to inquire whether it is a fact that a large proportion of the rayon business in the United States is owned by foreign capital and whether the German process to which the Senator has referred is not now being employed in the United States by the foreigners who are interested in the production of rayon products in the United States.

Mr. WALSH of Massachusetts. The staple fiber to which I have referred is not produced in this country. The domestic company which imports it claims to have tried to use a domestic fiber but has not been successful. I will read to the Senator a statement from the Fitchburg Yarn Co. with respect to their opinion of the domestically made staple fiber:

> During the years 1926 and 1927 we were using a raw product manufactured by an American producer. The results, after much experimenting, were negative due entirely to the inferior quality of the raw material which is still very much inferior to the vistra product, the imported product. The product made by the American producer could only be purchased on a small scale, approximately 100 to 500 pounds a week.

In other words, the importing company and the yarn users making the various fabrics can not get this staple fiber in this country anyway. The production here is only 500,000 pounds. The importation is 800,000 pounds. If we put an embargo tomorrow upon the imports, then overnight the domestic man, assuming the staple fiber were equal to the imported, would have to expand tremendously to increase his output so as to take care of the manufacturing establishments now using the yarns made from the imported staple fiber.

The Fitchburg Co. say further:

> Another American source of supply offered a raw product, about six months ago, and the Fitchburg Yarn Co. was willing to cooperate to the fullest extent to improve the quality of this staple. Up to the present time the Fitchburg Yarn Co. has been unable to purchase even 1 pound from this producer.
>
> A product under the name of celstra, manufactured in Italy, was submitted but shows inferior qualities as compared to vistra.
>
> Another raw material known as spinnstro, manufactured in Germany, was also submitted, but was lacking in quality.

That is another German product manufactured in Germany, but is inferior to the imported fiber made by the secret process heretofore referred to.

> Vistra material produced in Germany by the I. G. Farbenindustrie is of an entirely different quality as far as luster, softness, strength, and physical structure for spinning are concerned. Vistra is a specially manufactured product under a different manufacturing process, the patents for which have been applied for in the United States.

The Fitchburg Yarn Co. anticipate that in 1930 the sase production will be 1,500,000 or 2,000,000 pounds. Where are they going to get it? They are going to be driven to the material embraced in paragraph 1301, which is more expensive and which means that the manufactured rayon fabrics will be increased materially in cost to the American public.

> The Fitchburg Yarn Co. anticipates that in 1930 the sase production will be 1,500,000 or 2,000,000 pounds and this will place them in a position to sell approximately $3,000,000 worth of sase yarn. This will enable the Fitchburg Yarn Co. to operate in a profitable way and to continue business in the future, whereas for the past six or seven years it has been operating at nothing but losses, and this would eventually mean liquidation.

They say further:

> Cotton, rayon, silk, and wool are used in conjunction with sase on the basis of 1 to 2, or, in other words, 1 pound of sase to 2 pounds of other textile products.

That answers the suggestion made by the Senator from North Carolina [Mr. SIMMONS] about the amount of cotton that is mixed with the rayon yarn. It is about 2 pounds of cotton or woolen yarn to 1 pound of the rayon. This would mean that with a production of 2,000,000 pounds of sase about 4,000,000 pounds of other textile products would be used.

All of the fabrics manufactured from sase and other textiles have created an entirely new line without displacing other textile fabrics.

Due to the sase production of the Fitchburg Yarn Co., dyers, weavers, finishers, jobbers, and general sales organizations have been kept busy. Several mills, especially those making heavy upholstery and plushes, have had extremely poor business in the past six or seven years, and to-day these concerns have put up to 50 per cent of their production on sase. In some cases these mills have sase in practically all their lines. For the production of 2,000,000 pounds of sase the result would mean a pay roll of $3,750,000 annually.

The company says further:

> Until such time that some of the American producers can furnish a raw material similar to the vistra product, the Fitchburg Yarn Co. is entirely dependent on the producers abroad. Therefore it is requested that vistra be regarded as an entirely different product from the other staple fibers, and the logical position of vistra in the bill would be on the free list.

I wish to repeat that we are only incidentally dealing in the first instance with two companies, the domestic manufacturer of the staple fiber and the importer of the staple fiber, but the imported staple fiber converted into yarn is sold to the manufacturer of various textiles. To show the extent of interest in the imported staple fiber called vistra I am going to submit the number of manufacturing establishments in the country who buy the yarn made from vistra—and who do it, why? Why do they buy yarn made from imported staple fiber rather than domestic, which is cheaper? What is the reason? Is what they claim true, that the imported fiber is superior; that it has a finer luster; that it has created a demand for rayon products which the domestic product has not created? Are our people to go back to the use of the domestic staple fiber which when converted into yarn is said to be chiefly used for the making of rugs? Are they to be denied the right to have the benefit of a secret process for making a staple fiber that permits the manufacture at a cheap price of excellent garments and other clothing worn by our people?

This increased duty concerns every user of hosiery, underwear, crêpe, window draperies, upholstery, velvet, dry goods, and rugs; indeed, the domestic staple fiber is chiefly used for rugs. It not only concerns every consumer but it concerns 1,500 manufacturers who are using the yarn waste from vistra—why? Because of the public demand for that yarn, because it is a superior textile.

Let us see who these concerns are. I shall not take the time to read them, but I shall ask that the list may be printed in the RECORD at this point.

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

The list is as follows:

WASHINGTON, D. C.

Hoover Bros. (Inc.), Washington.

VERMONT

Bottum & Torrance Knitting Co., Bennington; Charles Cooper Co., Bennington; Allen, A., Co., Bennington; Holden-Leonard Co., Bennington.

MAINE

W. S. Libbey Co., Lewiston; Cabot Manufacturing Co., Brunswick; Haskell Silk Mills, Westbrook; Bates Manufacturing Co., Lewiston; Goodall Worsted Co., Sanford; Sanford Mills, Sanford.

RHODE ISLAND

Abbeka Webbing Co., Pawtucket; Ballou Thread Co., Providence; Joseph Benn & Sons, Greystone; Clyde Mill (Inc.), Westerly; Cooper-Kenworthy (Inc.), Warren; Rodolphe A. Deslauriers, Woonsocket; Esmond Mills, Esmond; Franklin Rayon Corporation, Providence; French Worsted Co., Woonsocket; J. C. Hegeman, Pawtucket; Hemphill Co., Pawtucket; Leomar Processing Co., Providence; Lorraine Manufacturing Co., Pawtucket; Mannville-Jenks Co., Pawtucket; R. D. Mason Co., Pawtucket; Nyanza Mills, Woonsocket; Ankor Peterson, Pawtucket; Rhode Island Plush Mills, Woonsocket; Rhode Island Textile Co., Pawtucket; Robinson Rayon Co., Pawtucket; Rochambeau

Worsted Co., Providence; Royal Weaving Co., Pawtucket; Shannock Narrow Fabrics Co., Shannock; Edward Alanson Thayer Co., Pawtucket; Tindall Fabrics Corporation, Pawtucket; the Viscose Co., Providence; Warren Manufacturing Co., Warren; Warwick Mills, Centreville; Woodlawn Finishing Co., Pawtucket; Ervma Weaving Co., Pawtucket; Hamilton Wet Co., Hamilton; Carl Schoen Silk Corporation, Penikees Mill; Solway Dyeing & Textile Co., Pawtucket; American Textile Co. (Inc.), Pawtucket; Anchor Webbing Co., Pawtucket; Bengal Silk Mills, Central Falls; Broadloom Fabrics (Inc.), Central Falls; J. & P. Coates (Inc.) of Rhode Island, Pawtucket; Columbia Narrow Fabric Co., Shannock; Concord Textile Co., Pawtucket; Concordia Manufacturing Co., Valley Falls; Conrad Manufacturing Co., Pawtucket; Coventry Co., Providence; Darlington Textile Co., Pawtucket; Davis-Jones Insulated Wire Co., Pawtucket; the Desurmont Worsted Co., Woonsocket; East Providence Mills (Inc.), Providence; Greenhalgh Mills, Pawtucket; Hamilton Web Co., Hamilton; H. & H. Manufacturing Co., Riverpoint; Hill & Lacrosse Co., Providence; B. B. & R. Knight, Providence; Leader Weaving Co., Pawtucket; Lebanon Mill Co., Pawtucket; Lonsdale Co., Providence; Lumb Knitting Co., Pawtucket; Lyon Silk Works, Central Falls; Masurel Worsted Mill, Woonsocket; Mil-Mar Silk Mills, Central Falls; George C. Moore Co., Westerly; Oakland Worsted Co., Oakland; Paulis Silk Co., Central Falls; Pawtucket Hosiery Co., Pawtucket; Pettaconsett Manufacturing Co., Thornton; Rathbun Knitting Co., Woonsocket; United Lace & Braid Co., Providence; United States Knitting Co., Pawtucket; Vesta Underwear Co., Providence.

CONNECTICUT

Aldrich Bros. Co., Moosup; The Birge Co., Bristol; Sidney Blumenthal Co., Shelton; Bridgeport Coach Lace Co., Bridgeport; Cheney Bros., South Manchester; Corticelli Silk Co., New London; DeMarco Bros., Shelton; The Lawton Mills Corporation, Plainfield; The Montgomery Co., Windsor Locks; National Cotton Co., Jewett City; The Naugatuck Mills (Inc.), Naugatuck; Thames Textile Co., Norwich; J. B. Martin Co., Norwich; W. S. Mills Co., Bridgeport; The American Fabrics Co., Bridgeport; American Hosiery Co., New Britain; American Velvet Co., Stonington; Ansonia O. & C. Co., Ansonia; Ashland Cotton Mills, Jewett City; Connecticut Lace Works, Norwich; Walter Draycott, Rockville; Glastenburg Knitting Co., Glastenburg; The Gardiner Hall, Jr., Co., South Wilmington; Norwalk Braid Co., Norwalk; Powdrell & Alexander Co., Danielson; Ponemah Mills, Taftville; Pearl Silk Co., Norwalk; Rossie Velvet Co., Mystic; Russell Manufacturing Co., Middletown; The Salt's Textile Manufacturing Co., Bridgeport; The Severin Manufacturing Co., Torrington; H. E. Verran Co., Stamford; Tweedy Silk Mills, Danbury; Velvet Textile Corporation, West Haven; Windham Silk Co., Willimantic; Winsted Hosiery Co., Winsted.

NEW HAMPSHIRE

Crane Manufacturing Co., Lakeport; Leighton Machine Co., Manchester; New Hampshire Spinning Mills, Penacook; Suncook Mills, Suncook; Sulloway Mills, Franklin; Acme Knitting Machine & Needle Co., Franklin; Amoskeag Manufacturing Co., Manchester; Barmer Narrow Fabric Co., Gossville; Belknap Stocking Co., Laconia; Belmont Hosiery Co., Belmont; Wm. Clow & Son Co., Laconia; Everett Norfolk Co., Lebanon; Faulkner Colony Manufacturing Co., Keene; Jackson Mills, Nashua; Pitman Manufacturing Co., Laconia; Sulloway Mills, Franklin; Webster Hosiery Co., Franklin; H. & H. Wood Co., Laconia.

MASSACHUSETTS

Aetna Mills, Watertown; American Woolen Co., Boston; Arnold-Hoffman Co., Boston; Barnard & Co., Boston; Beacon Manufacturing Co., New Bedford; Booth Manufacturing Co., New Bedford; Boott Manufacturing Co., Lowell; Borne Scrymser Co., Boston; Boston Manufacturing Co., Waltham; Bourne Mills, Fall River; Brown Co., Boston; Clinton Towel Co., Clinton; Colonial Rug Co., Waltham; Draper Bros., Canton; Durfee Mills, Fall River; Dwight Manufacturing Co., Chicopee; French & Ward, West Stoughton; Feculose Co. of America, Boston; Fisher Manufacturing Co., Fisherville; F. W. Gorse Co. (Inc.), Needham Heights; Griswoldville Manufacturing Co., Griswoldville; Hoosac Cotton Mills, North Adams; Indian Orchard Co., Indian Orchard; Jersey Cloth Mills, Brookline; The Kendall Co., Walpole; Kilburn Mills, New Bedford; Lancaster Mills, Clinton; Leno Elastic Web Co., Fall River; Lincoln Manufacturing Co., Fall River; H. E. Locke Co., Boston; Lowell Silk Mills, Lowell; Lund Textile Co. (Inc.), Fisherville; Massachusetts Mohair Plush Co., Lowell; Nashua Manufacturing Co., Lowell; N. E. Spun Silk Corporation, Brighton; N. E. Yarn Singeing Co., New Bedford; N. E. Waste Co., Revere; J. N. O'Brien Co., Boston; Sherwin Sheppard Co., Boston; Skinner Sherman & Esselen (Inc.), Boston; Small Bros. Manufacturing Co., Fall River; Sterling Textile Co., Springfield; Superba Towel Co., Fall River; Taber Mill, New Bedford; Uxbridge Worsted Co., Uxbridge; Paul Whitin Manufacturing Co., Northbridge; Williams Knitting Mills, Malden; R. Wolfenden, Attleboro; Brown Hosiery Co., Lowell; William Carter Co., Needham Heights; Thomas Dalby, Watertown; Earnshaw Knitting Co., Newton; Franklin Rayon Corporation, Boston; Hayward Hosiery Co., Ipswich; Lawrence Manufacturing Co., Lowell; Merrimack Manufacturing Co., Lowell; Monomack Mills, Lawrence; New Bedford Silk Mills, New Bedford; Pacific Mills, Boston; Saco-Lowell Shops, Boston; Shaw Stocking Co., Lowell; Carl Stohn (Inc.), Hyde Park, Boston; Wamsutta Mills, New Bedford; Winthrop Cotton Yarn Co., Taunton; Abbott Worsted Co., Graniteville; Acushnet Mill Corporation, New Bedford; American Braiding Co., Holyoke; Amherst Manufacturing Co., Amherst; Ampole Knitting Mills, Malden; Appleton Co., Lowell; Arlington Mills, Boston; Attleboro Braiding Co., Attleboro; Atwater Knitting Co., Westfield; Barnard Manufacturing Co., Fall River; Bay State Thread Works, Springfield; Belding Heminway Co., Northampton; Bell Co., Worcester; Berkshire Cotton Manufacturing Co., Adams; Bliss Fabyan Co. (Inc.), Boston; Boston Knitting Co., Somerville; Boyd Textile Corporation, Williamstown; Butler Mill, New Bedford; Churchill Manufacturing Co., Lowell; City Manufacturing Corporation, Taunton; Conant Houghton Co., Littleton; Dartmouth Manufacturing Corporation, New Bedford; Wm. Gorse Co., Needham Heights; Gosnold Mills Co., New Bedford; Hamilton Woolen Co., Southbridge; Hathaway Manufacturing Co., New Bedford; Hingham Knitting Mills, Cambridge; Holbrook Mills, Millbury; Hopeville Manufacturing Co., Worcester; Hub Hosiery Co., Boston; Ipswich Mills, Ipswich; Knit Goods Specialty Co., Chicopee Falls; Wm. Lapworth & Sons Co., Milford; Leominster Worsted Co., Leominster; Lyseth Thread Co., Worcester; J. S. Mason & Sons, Westboro; Massachusetts Knitting Co., Boston; Multiple Winding Co., Malden; Musgrove Knitting Co., Pittsfield; McCallum Hosiery Co., Northampton; Nashawena Mills, New Bedford; Neild Manufacturing Corporation, New Bedford; Newmarket Manufacturing Co., Boston; Old Colony Manufacturing Co., Taunton; Old Kolony Narrow Fabric Co., South Harwich; Otis Co., Boston; Pepperell Braiding Co., East Pepperell; Pepperell Manufacturing Co., Lowell; Pierce Manufacturing Co., New Bedford; Potter Stores Co., Springfield; Renfrew Manufacturing Co., Adams; Rockland Webbing Co., Rockland; Roxbury Carpet Co., Saxonville; Seaman & Cobb Co., Hopkinton; Security Mills (Inc.), Newton; Shawmut Woolen Co., Stoughton; Shaw Stocking Co., Lowell; S. Slater & Sons (Inc.), Webster; Soule Mill, New Bedford; Star Worsted Co., Fitchburg; Stirling Mills, Lowell; Chas. Stretton & Sons Co., Stoughton; Suffolk Knitting Mills, Lowell; Tatnuck Mills, Worcester; Taunton Weaving Co., Taunton; Taylor-Bramley Co., Chicopee Falls; Thomas Taylor & Sons, Hudson; Thorndike Co., West Warren; Ware Valley Manufacturing Co., Ware; Westboro Weaving Co., Westboro; West Boylston Manufacturing Co., Easthampton; Williams Knitting Co., Malden; Winship, Boit & Co., Wakefield; J. W. Wood Elastic Web Co., Stoughton; Worcester Bleach & Dye Works, Worcester; Worcester Braiding Co., Worcester; Worcester Knitting Co., Worcester; Worcester Textile Co., Worcester; Tom Wye (Inc.), Winchendon; York Manufacturing Co., Boston; Farr Co., Boston.

ALABAMA

W. B. Davis & Sons, Fort Payne; Lowe Manufacturing Co., Huntsville; Scottsboro Hosiery Mills, Scottsboro; Glorie Underwear Mill, Eufaula; Avalon Knitwear Co., Anniston; Acme Weaving Mills, Anniston; Tallassee Mill, Tallassee; West Point Manufacturing Co., Fairfax.

VIRGINIA

Altavista Cotton Mills (Inc.), Altavista; Consolidated Textile Co., Lynchburg; Danville Knitting Mills, Danville; Lynchburg Hosiery Mills, Lynchburg; Twentieth Century Rayon Textile, Petersburg.

WEST VIRGINIA

Interwoven Mills (Inc.), Martinsburg.

KENTUCKY

The L. & R. Co., Louisville; Louisville Textile Co., Louisville.

LOUISIANA

Alden Mills, New Orleans; National Hosiery Mills, New Orleans.

MARYLAND

Cumberland Hosiery Mills, Cumberland; R. & A. Knitting Co., Hagerstown; Elk Mills Fabric Co., Elk Mills, Cecil County; J. C. Roulette & Sons, Hagerstown; Frederic J. Williams, Cumberland.

GEORGIA

Cartersville Mills, Cartersville; Climax Hosiery Mill, Athens; Georgia Knitting Mills, Barnesville; Griffin Hosiery Mills, Griffin; Hightower Manufacturing Co., Jonesboro; Jonesboro Manufacturing Co., Jonesboro; Lawler Hosiery Mills, Carrollton; Newnan Hosiery Mills, Newnan; Peerless Woolen Mills, Rossville; Perkins Hosiery Mills, Columbus; Spalding Knitting Mills, Griffin; Stone Mountain Hosiery Mills, Marietta; Thomaston Cotton Mills, Thomaston; Twisted Novelty Yarn Co., Jordan City, Columbus; Unique Knitting Co., Acworth; James White Cotton Mills, Athens; Westcott Hosiery Mills, Dalton; the Georgian Knitting Mills, Barnesville; Richmond Hosiery Mills, Rossville; Arnall Mills, Sargent; Arnco Mills, Newnan; Pepperton Cotton Mills, Jackson; Hillsside Cofton Mills, Lagrange; Manchester Cotton Mills, Manchester; Princeton Manufacturing Co., Athens; Swift Manufacturing Co., Columbus; Valway Rug Mills, Lagrange.

SOUTH CAROLINA

Excelsior Mills, Union; Judson Mills, Greenville; Wilson Thread Co., Greenville; the Aiken Mills, Bath; Anderson Hosiery Mills, Anderson;

Crescent Manufacturing Co., Spartanburg; Kenneth Cotton Mills, Walhalla; Piedmont Plush Mills, Greenville; Republic Cotton Mills, Great Falls; Southern Franklin Process Co., Greenville; Victor-Monagahn Mills, Greenville; Southern Pile Fabric Co., Greenville.

MISSISSIPPI

Alfred K. Laudau, McComb; Berthadale Mills, McComb.

NORTH CAROLINA

Chipman-Burrowes Hosiery Mills Co., East Flat Rock; Carolina Cotton & Woolen Mills, Spray; Highland Park Manufacturing Co., Charlotte; Shoaf-Sink Hosiery Mills, Lexington; Stonecutter Mills Co., Spindale; Wear Knitting Co., Tryon; Sophie L. Hart, Goldsboro; Vance Knitting Mills, Kernersville; Alexander Manufacturing Co., Forest City; Amazon Cotton Mills, Thomasville; May Hosiery Mills (Inc.), Burlington; Mooresville Cotton Mills, Mooresville; Burlington Mills (Inc.), Burlington; Carolina Dyeing & Winding Co., Mount Holly; Cascade Mills, Mooresville; Cliffside Mills, Cliffside; Cramerton Mills (Inc.), Cramerton; Drexel Knitting Mills Co., Drexel; Hillcrest Silk Mills, High Point; Scotland Neck Cotton Mills, Scotland Neck; Hickory Weavers (Inc.), Hickory; E. M. Holt Plaid Mills (Inc.), Burlington; Standard Manufacturing Co., Elizabeth City; Mayfair Mills, Stevens Manufacturing Co., Burlington; C. F. Harry Minnette Mills, Grover; Mount Holly Textile Mills, Mount Holly; National Weaving Co., Lowell; North Carolina Silk Mills, Burlington; Neisler Mills (Inc.), Kings Mountain; Piedmont Weavers (Inc.), Burlington; Pilot Hosiery Mills, Lexington; Ritca Hosiery Mills (Inc.), Statesville; Shelby Cotton Mills, Shelby; Spencer Mountain Mills, Gastonia; Stevens Manufacturing Co., Burlington; Theis Dyeing Co., Belmont; Vann-Moore Mills Co., Franklinton; Victory Manufacturing Co., Fayetteville; Warlick Manufacturing Co., Newton; Whitehead Hosiery Co., Burlington; Cleveland Cloth Mills, Shelby; Dilling Cotton Mills, Kings Mountain; Klumac Cotton Mills, Salisburg; Royle & Pilkington Co. (Inc.), Hazelwood; Savona Manufacturing Co., Charlotte.

TENNESSEE

Appalachian Knitting Mills, Knoxville; Ashe Hosiery Mills, Knoxville; Athens Hosiery Mill, Athens; Aycock Hosiery Mills, South Pittsburgh; C. H. Bacon Co., Lenoir City; Belle Meade Hosiery Mills, Nashville; Champion Knitting Co., East Chattanooga; Carter Bros., Chattanooga; Central Franklin Process Co., Chattanooga; Chilhowee Mills, Athens; Davenport Silk Mills, Chattanooga; Dayton Hosiery Mills, Dayton; Englewood Manufacturing Co., Englewood; Fisher Beck Hosiery Mills, Kingsport; Gloria Textile Mills, Johnson City; Harriman Hosiery Mills, Harriman; Holston Manufacturing Co., Knoxville; Ideal Hosiery Mills, Maryville; Johnson City Mills, Johnson City; Knox Hosiery Mills, Cleveland; Knoxville Knitting Mills Co., Knoxville; Lyerly Hosiery Mills, Chattanooga; May Hosiery Co., Nashville; Morristown Knitting Mills, Morristown; Nick-a-Jack Hosiery Mills, Chattanooga; Philadelphia Hosiery Mills, Philadelphia; Read Hosiery Mills, McMinnville; Rextex Hosiery Mills, Kingsport; Richmond Hosiery Mills, Chattanooga; Sunshine Hosiery Mills, Murfreesboro; Sweetwater Woolen Mills, Sweetwater; Tennessee Silk Mills, Johnson City; United Hosiery Mills, Chattanooga; Debonair Hosiery Mills, Chattanooga; Hartford Hosiery Mills, Nashville; Kingsport Hosiery Mills, Kingsport; Rockwood Mills, Rockwood; Magnet Knitting Mills, Clinton; Miller-Smith Hosiery Mills, Chattanooga; Cherokee Spinning Co., Knoxville.

NEW JERSEY

L. Bamberger Co., Newark; the Cravenette Co., of United States of America, Hoboken; Louis Hirsch (Inc.), Weehawken; Keddedy Manufacturing Co., New Brunswick; Kem Products Co. (Inc.), Newark; Breslin Bros. Carpet Co., Gloucester City; Bridgeton Textiles (Inc.), Bridgeton; Kennard Rayon, Penns Grove; Standard Silk Co., Phillipsburg; Henry Taubell & Sons, Riverside; Botany Worsted Mills, Passaic; Georgian Textile Co., East Rutherford; Hudson Plush Co. (Inc.), West New York; G. Katterman (Inc.), Passaic; A. Meadow & Son, Paterson; J. A. Migel (Inc.), North Bergen; Monmouth Rug Mills, Englishtown; National Pile Fabric Co., Paterson; Peerless Plush Manufacturing Co., Paterson; Penn. Textile Mills (Inc.), Clifton; Silk Textile Corp., Union City; American Silk Mills, Long Branch; Arcola Silk Co., Paterson; John Battersby, Paterson; George A. Bond & Co., New Brunswick; the Clark Thread Co., Newark; Columbia Ribbon Co., Paterson; Henry Hoherty Silk Co., Clifton; George H. Gallant, Paterson; Gilt Edge Silk Mills of New Jersey, Paterson; Goldy Ribbon Co., Paterson; Gotham Silk Hosiery Co. (Inc.), Dover; Graef Hat Band Manufacturing Co., Paterson; Henbert Silk Co., Paterson; Hillcrest Silk Mills, West New York; Hightstown Rug Co., Hightstown; Hudson Knitting Mills (Inc.), West Hoboken; Jean Ribbon Co., Paterson; Jersey Silk Mills, Plainfield; Kaltenbach & Stephens (Inc.), Newark; Katterman-Mitchell Co., Paterson; Maryland Silk Mills, Paterson; Mazuy Silk Co., Newton; A. Meadows & Son, Paterson; Pelgram & Meyer, Paterson; Artistic Weaving Co., Pompton Lakes; Rockledge Mills (Inc.), Paterson; Scotlane Mills (Inc.), Weehawken; R. & H. Simon, Union City; Stave Bros. (Inc.), Paterson; Stohn Bros. (Inc.), West New York; Swiss Knitting Co., Dover; Universal Knitting Mills, Robbinsville; U. S. Rubber Co., Orange; Van Vlaanderen Machine Co., Paterson; Walser Manufacturing Co., Clifton; William Wishnack, Paterson.

NEW YORK

Robert Ablett & Co., Whitesboro; Allgemeine Elektricitates-Gesell., Schenectady; Augusta Knitting Co., Utica; Bennett Textile Co., Cohoes; Capital Knitting Co., Waterford; Cayuga Linen & Cotton Mills (Inc.), Auburn; Chenango Textile Corp., Binghamton; Columbia Knitting Mills, Rome; the Crawshaw Carpet Co., Newburgh; Duofold Health Underwear Co., Utica; Electric Knitting Co., Cohoes; Elmira Knitting Co., Elmira; Firth Carpet Co., Firthcliff; Ford Manufacturing Co., Waterford; Fort Plain Knitting Co., Fort Plain; Fort Schuyler Knitting Co., Utica; Frisbie Stansfield Co., Utica; Fuld & Hatch Knitting Co., Albany; Firching Knitting Mills (Inc.), Utica; Fulton County Silk Mills, Gloversville; General Electric Co., Schenectady; Gilbert Knitting Co., Little Falls; Hancock Silk Mills (Inc.), Hancock; Harmony Mills, Cohoes; the Hind & Harrison Plush Co., Clark Mills; Jamestown Worsted Mills, Jamestown; the Korrect Kor Line Co., Luzerne; Laughlin Textile Mills, Waterford; the Little Falls Manufacturing Co., Little Falls; the Linen Underwear Co., Greenwich; McLoughlin Textile Co., Utica; Norwich Knitting Co., Norwich; Oneita Knitting Mills, Utica; O'Day Textile Mills, Fort Plain; Patrician Silk Co. (Inc.), Syracuse; Pearl Waist Co., Cohoes; Putnam Knitting Co., Cohoes; Queen City Knitting Mills (Inc.), Elmira; Root Manufacturing Co., Cohoes; Sauquoit Knitting Co. (Inc.), Sauquoit; Shaughnessy Knitting Co., Watertown; Superior Silk Mills, Gloversville; Superior Manufacturing Co., Hoosick Falls; Union Mills (Inc.), St. Johnsville; Utica Knitting Co., Utica; Valley Textile Co., St. Johnsville; E. Z. Waist Co., Hoosick Falls; Walnott Knitting Co., Utica; Waterville Textile Mills (Inc.), Waterville; Wyckoff Knitting Co., Perry; Weeper Manufacturing Co. (Inc.), Fultonville; West Knitting Corporation, Syracuse; Wynantskill Manufacturing Co., Troy; Dickson & Valentine, New York City; Deering, Milliken & Co., New York City; the Roesler & Hasslacher Chemical Co., New York City; Tubize Artificial Silk Co. of New York, New York City; Turner-Halsey Co., New York City; Uchitelle, Gansberg Co., New York City; Bernard Ulman, New York City; Universal Industrial Corporation, New York City; George A. Urlant, New York City; Victory Mills, New York City; Weimer & Co., New York City; Clarence Whitman & Sons (Inc.), New York City; American Rayon Products Co., Brooklyn; George L. Taubel, New York City; Carver-Beaver Yarn Co. (Inc.), New York City; James Chittick, New York City; Frederic Conde, Oswego; Crex Carpet Co., New York City; Devonshire Mills (Inc.), New York City; Elias, Reiss & Co., New York City; Sigmund Freisinger, New York City; Irving Horowitz, New York City; Joseph F. Hegeman, New York City; Max Lowenthal & Sons, Rochester; The Malina Co., New York City; Manhattan Rayon Products Co., Brooklyn; Munitex Co., New York City; The McCampbell Co., New York City; Nathan & Cohen (Inc.), New York City; New Market Manufacturing Co., New York City; New York Mills Corporation, New York Mills; Pyramid Silk Co., New York City; the Schlegel Manufacturing Co., Rochester; Schumer & Friedman, New York City; Scott & Williams, New York City; Sea Island Thread Co., Whitestone; Stafford & Holt, Little Falls; John N. Stearns Co., New York City; Susquehanna Silk Mills, New York City; Syracuse Rug Works, Syracuse; Salvator Bonan, New York City; Joseph Brandt & Bro., New York City; Duplan Silk Corporation, New York City; Wayne Knitting Mills, New York City; Lang & Lewin (Inc.), Long Island City; Levi & Rottenberg, New York City; Meyer & Marks Co., New York City; Andrew McLean Co., New York City; Parker-Wylie Carpet Co., New York City; Phoenix Silk Manufacturing Co., New York City; Rek-Caw Manufacturing Co., New York City; Munsingwear Corporation, New York City; Acorn Silk Co., Long Island City; Adamson Bros., New York City; Amalgamated Silk Corporation, New York City; Argus Knitting Mills, Brooklyn; Astoria Silk Works, New York City; Atlantic City Knitting Co. (Inc.), New York City; Anderson, Meyer & Co., New York City; Belding-Heminway Co., New York City; Bendix & Weinberg, New York City; Joseph Berlinger Co., New York City; Morris Bernhard Co., New York City; Bernstein Knitting Mills (Inc.), Brooklyn; Bethlehem Knitting Co., Brooklyn; Bliss Fabyan Co., New York City; William Bloom & Co., New York City; Bordow Silk Co., New York City; Brilliant Silk Co., New York City; Calwood Corporation, New York City; Carbondale Mills, New York City; Cayuga Textile Co., New York City; Chayes, Unger & Chayes, New York City; Chenango Textile Corporation, New York City; Chenille Co., New York City; Clifton Knitting Mills, Brooklyn; Cohn, Hall Marx Co., New York City; Bertram L. Crane, New York City; The Daly Rayon Service, New York City; B. Edmund David, New York City; Diana Underwear Mills, Brooklyn; Meyer Dorfman, Brooklyn; George Elbogen & Co., New York City; Elgin Knitting Mills (Inc.), Brooklyn; Elkind Knitting Mills, College Point, Long Island; Empire Silk Co., New York City; Favorite Embroidery Works, New York City; Feist Fabrics (Inc.), New York City; Jacob Fiacre, New York City; J. H. Frederick Silk Mill, New York City; Gleason Knitting Mills, New York City; Goldin Bros., New York City; Grosvenordale Co., New York City; Hagen's Knitting Mills (Inc.), New York City; Hahlo & Soloman (Inc.), New York City; Thomas H. Hall Corporation, New York City; A. H. Haight & Co., New York City; Hess Goldsmith & Co. (Inc.), New York City; Hetzel & Gordon, New York City; L. J. Hyams & Co., New York City; Interstate Knitting Mills, New York City; Iselin-Jefferson Co., New York City;

James G. Johnson, New York City; Julius Kayser & Co., New York City; Kemper Silk Co., New York City; Kent & Strauss Co., New York City; Knitwear Manufacturing Co., Brooklyn; Kobee Hosiery Co., New York City; M. & E. Konner, New York City; J. Kridel Sons & Co., New York City; Lambert Silk Co., New York City; Lang & Lewin, Astoria; Lawrence Textile Corporation, New York City; A. Letterman (Inc.), New York City; Levers Lace Manufacturing Co., Mount Vernon; Levi & Rottenberg, New York City; Levi & Seligman (Inc.), Brooklyn; Levor Phillips, New York City; Levy & Anspach, New York City; Liberty Lace & Netting Works, New York City; Lombardi Knitcraft, Brooklyn; Los Fabricantes Unides (Inc.), New York City; W. Lowenthal Co. (Inc.), Cohoes; H. R. Mallinson & Co. (Inc.), New York City; Mazuy Mills, New York City; Mercer Rayon Co., New York City; Meyer & Marks, New York City; J. A. Migel, New York City; Edward Moskowitz (Inc.), Brooklyn; Neyman Knitting Mills, Brooklyn; D. Nusbaum & Co., Union Course; Nye & Wait Kilmarnock Corporation, New York City; New York Tube & Spool Cotton Co., New York City; Peerless Sweater Mills, New York City; Albert J. Pfeiffer, New York City; Phillips, Churchill & Thomas, New York City; Phoenix Silk Manufacturing Co., New York City; Max Pollock & Co., New York City; Portland Silk Co., New York City; Progressive Knitting Co., Brooklyn; Ravenswood Fur Fabrics (Inc.), Long Island City; Read & Lovatt Manufacturing Co., New York City; Albert Reiner, New York City; L. D. Robins & Co. (Inc.), New York City; L. Robison & Co., New York City; Henry Rosenzweig & Co. (Inc.), New York City; A. Rusch, Jr., Silk Mills, New York City; Sachs Knitting Mills, Brooklyn; Salta Knitting Co., New York City; Salembier & Clay (Inc.), New York City; Salembier & Villate, New York City; Saltman & Knight, New York City; Schepp & Rosenthal, New York City; Harry Schwartz, Brooklyn; Schwarzenbach, Huber & Co., New York City; Seekenep Silk Co., New York City; Stourhode Knitted Rayon Corporation, Brooklyn; John N. Stearns & Co., New York City; Stehli Silk Corporation, New York City; Stein Hall & Co., New York City; D. I. & C. H. Stern, New York City; Stern & Stern Textile Importers, New York City; Thomas D. Toy & Co., New York City; Trabulsi Knit Fabric Co., New York City; Underwear Corporation of America, Brooklyn; Vanetta Silks, New York City; A. V. Victorious & Co., New York City; Morris Wenderman, Brooklyn; Charles Wimpfheimer & Co., New York City; Wolfsie Knitting Mills, New York City; Wilson & Bradbury Co., New York City; W. D. Wright, New York City.

PENNSYLVANIA

The Acorn Hosiery Mills (Inc.), Reading; Berkshire Hosiery Mills, Reading; Bethlehem Textile Co., Bethlehem; the Busy Bee Hosiery Co. (Inc.), Reading; Century Beverly Corporation, Pottstown; D. S. W. Hosiery Co., Reading; Halcyon Knitting Mills, Bethlehem; Hanna Manufacturing Co., Reading; Iris Hosiery Co. (Inc.), Reading; the Jacquard Knitting Machine Co., Philadelphia; F. Y. Kitzmiller Hosiery Co., Reading; R. K. Laros Silk Co., Bethlehem; Lindsay Hyde & Co., Philadelphia; Aberfoyle Manufacturing Co., Chester; Adelphia Textile Co., Philadelphia; American Pile Fabric Co., Philadelphia; American Silver Truss Corporation, Coudersport; Archbald Silk Co., Archbald; Argo Fabrics Corporation, Philadelphia; Arotex Rug Mills, Philadelphia; Artloom Corporation, Philadelphia; Atlas Manufacturing Co., Philadelphia; J. F. Bast & Son, Schuylkillhaven; Baxter, Kelly & Faust, Philadelphia; Belgrade Knitting Mills, New Cumberland; Monroe Silk Mills, Stroudsburg; Berkshire Knitting Co., Reading; Bestok Underwear Co., Tower City; J. H. Blaetz, Philadelphia; John Blood & Co., Philadelphia; Bloomsburg Silk Mills, Bloomsburg; F. A. Bochman & Co., Philadelphia; Breslin Textile Mills, Philadelphia; H. Brinton Co., Philadelphia; Brooks Bros. & Co., Philadelphia; Francis A. Bruner (Inc.), Philadelphia; Burkey Underwear Mill, Hamburg; Burlington Hosiery Mills, Philadelphia; Old Forge Silk Co., Old Forge; Carney & Reige, Philadelphia; Cacoosing Knitting Co., Sinking Spring; Cadet Knitting Co., Philadelphia; Geo. B. Pfingst (Inc.), Philadelphia; T. J. Porter & Sons, Philadelphia; Cheltenham Knitting Co., Philadelphia; Robert Cleeland's Sons, Philadelphia; Clifton Yarn Mills (Inc.), Clifton Heights; Coldren Knitting Mills, Schuylkillhaven; Collins & Aikman Co., Philadelphia; Concordia Silk Mills, Philadelphia; Craftex Mills, Philadelphia; Crown Knitting Mills (Inc.), Mooresville; John Culbertson & Sons, Philadelphia; Durable Knitting Mills, Philadelphia; Edgecliff Textile Mill, Manayunk, Philadelphia; Reading Dye Works, Reading; Erben-Harding Co., Philadelphia; Ewing Thomas Converting Co., Chester; Fairy Silk Mills, Shillington; W. F. Fancourt, jr., Philadelphia; Fidelity Machine Co., Philadelphia; Fine Art Lace Co., Philadelphia; Franklin Hosiery Co., Philadelphia; Friedberger-Aaron Manufacturing Co., Philadelphia; the Globe Mill (Inc.), Leesport; Globe Underwear Co., Shoemakersville; George B. Guenther & Son, Reading; Hamburg Knitting Mills, Hamburg; Hardwick & Magee Co., Philadelphia; Louis Henderson, Frankford, Philadelphia; Henry Holme's & Sons Co., Philadelphia; Hensel Silk Manufacturing Co., Philadelphia; Wm. H. Horstmann Co., Philadelphia; Ionic Mills, Philadelphia; Stylo Silk Manufacturing Co., Lebanon; Kaufman Plush Manufacturing Co., Manayunk, Philadelphia; Jas. R. Kendricks Co., Philadelphia; Kimberly-Mills Co., Philadelphia; K. W. Knitting Mills, Mohnton; Knitted Fabric Co., Philadelphia; Louis Kraemer & Co., Reading; Krout & Fite Manufacturing Co., Philadelphia; John Kuestner Manufacturing Co., Philadelphia; Lackawanna Mills, Scranton; LaFrance Textile Industries, Frankford, Philadelphia; W. G. Leinenger Knitting Mills, Mohnton; Robert Lewis Co., Philadelphia; Horace Linton & Bro., Philadelphia; Long Valley Rug Mills, Mertztown; E. G. Lorimer, Philadelphia; Magee Carpet Co., Bloomsburg; Manayunk Plush Manufacturing Co., Manayunk, Philadelphia; E. L. Mansure Co., Philadelphia; W. H. & A. E. Margerison & Co., Philadelphia; Marian Silk Mills (Inc.), Wind Gap; Marshall Field Mills Corporation, Philadelphia; C. H. Masland & Sons (Inc.), Carlisle; Master Knitters (Inc.), Shamokin; Charles M. McCloud & Co., Philadelphia; Malcolm Mills, Frankford, Philadelphia; Meck & Co., Schuylkillhaven; Meigs Bassett & Slaughter (Inc.), Philadelphia; Merit Underwear Co., Shoemakersville; Clarence L. Meyers (Inc.), Philadelphia; Miller & Sons Co., Philadelphia; Millville Manufacturing Co., Philadelphia; Moorehead Knitting Co., Harrisburg; Moss Rose Manufacturing Co., Philadelphia; Ferdinand W. Mostertz, Philadelphia; Isaac Mossop & Co., Wisconisco; Morrell Mills, Philadelphia; National Tapestry Co., Philadelphia; National Knitting Co., Royersford; Nazareth Waist Co., Nazareth; Newport Hosiery Mills, Newport; Nolde & Horst Co., Reading; North American Lace Co., Philadelphia; Northern Silk Dye Works (Inc.), Philadelphia; Northwood Hosiery Co., Philadelphia; Chas. A. Wanner Hosiery Mills, Fleetwood; Womelsdorf Hosiery Co., Womelsdorf; Woodhouse & Bopp Co., West Pittsburgh; Baldwin Manufacturing Co., Philadelphia; the Butterworth Co., Philadelphia; James A. O'Connell Co. (Inc.), Philadelphia; Oliver Knitting Co., Philadelphia; Orinoka Mills, Philadelphia; Penn Worsted Co., Philadelphia; Philadelphia Rug Mills, Philadelphia; Philadelphia Sweater Mills, Philadelphia; Philadelphia Tapestry Mills, Philadelphia; Pine Tree Silk Mills, Philadelphia; Pollock-Huston Co., Philadelphia; T. J. Porter & Sons, Philadelphia; Pottsville Knitting Mills, Pottsville; Quaker Lace Co., Philadelphia; Quality Knitting Co., Stowe; Quaker Plush Co., Philadelphia; Randolph Yarn Co., Philadelphia; Henry Rath, jr., Philadelphia; John E. Hanifen Co., Philadelphia; William F. Read & Sons, Philadelphia; Reading Underwear Co., Reading; Ritter Hosiery Mill, Fleetwood; Robinhold & Co., Port Clinton; Louis Roessell & Co. (Inc.), Hazleton; Roher Knitting Mills, Orwigsburg; Richmond Silk Mills, Quakertown; Rosenau Harris & Co., Philadelphia; W. C. Rowland (Inc.), Philadelphia; George Royle & Co. (Inc.), Philadelphia; Sontag Silk Corporation, Allentown; the Schuylkill Hosiery Mills (Inc.), Reading; Schuylkillhaven Knitting Mills, Schuylkillhaven; John M. Schem's Sons, Germantown, Philadelphia; Scranton Lace Co., Scranton; D. Seidman's Sons, Philadelphia; Oko Plush Co., Manayunk, Philadelphia; Pennsylvania Plush Weavers, Easton; Rugcrafter Publishing Co., Clearfield; Seltman & Knight, Pottstown; John Sidebotham (Inc.), Frankford, Philadelphia; W. T. Smith & Son, Philadelphia; Spring City Knitting Co., Spring City; Standard American Hosiery, Mohnton; Stratford Knitting Mills, Philadelphia; Sylva Knitting Mill, Reading; Star & Crescent Co., Philadelphia; Superior Appliance & Pattern Co., Clearfield; Taylor Bros., Philadelphia; John Watt's Sons Co., Philadelphia; Wissahickon Plush Mills, Wissahickon (Manayunk); John Zimmerman & Sons, Philadelphia; S. Thomas Knitting Mills, Schuylkillhaven; Textile Silk Dye Works, Philadelphia; Tioga Textile Co., Philadelphia; Tremont Silk Mills, Emaus; Union Knitting Mills (Inc.), Schuylkillhaven; United Tapestry Co., Philadelphia; Unique Knitting Co., Philadelphia; United States Pile Fabric Corporation, Frankford, Philadelphia; Vanity Fair Silk Mills, Reading; Wahnetah Silk Co., Catasauqua; Walther Manufacturing Co., Philadelphia; Ward-Davidson Co., Philadelphia; Wear Best Knitting Co., Philadelphia; West Point Knitwear Co., Philadelphia; Whiteley & Collier, Philadelphia; Wildman Manufacturing Co., Norristown; John Williams Manufacturing Co., Philadelphia; Winona Silk Co., Allentown; James Wilson & Sons, Philadelphia; Welton Hygienic Knitting Co., Philadelphia; Windsor Knitting Mills, Hamburg; Thomas Wolstenholme & Sons (Inc.), Philadelphia; Wool "O" Co., Philadelphia; Wyoming Tapestry Mills, Philadelphia; Yorkshire Hosiery Co., Reading; Zimmerman Rug Mills, Philadelphia; Bally Silk Ribbon Co., Bally; Brawer Bros. Silk Co., Scranton; Crane Bros. (Inc.), Kingsport; R. J. Hoffman (Inc.), Allentown; Industrial Hosiery Mills, Mohnton; Lecha Silk Co., Allentown; Narrow Fabric Co., Wyomissing, Reading; Penn State Silk Mills, Allentown; Harry Underwood, Bangor; John C. Welwood, Hawley.

MISSOURI

The Alox Manufacturing Co., St. Louis; Chester Knitting Co., St. Louis; Weil Kalter Manufacturing Co., St. Louis.

MICHIGAN

Michigan Textile Mills, Detroit; Republic Knitting Mills, Detroit; Globe Knitting Works, Grand Rapids; Grand Rapids Textile Machine Co., Grand Rapids; Amazon Knitting Co., Muskegon; American Textile (Inc.), Bay City.

INDIANA

Indiana Cotton Mills, Cannelton; Atlas Underwear Co., Richmond; Mishawaka Rubber & Woolen Manufacturing Co., Mishawaka; Real Silk Hosiery Mills (Inc.), Indianapolis.

ILLINOIS

Fibre Dyeing Co., Chicago; Forster Textile Mills, Chicago Heights; Independent Thread Mills, Chicago; Phoenix Trimming Co., Chicago;

Sewing Thread Corporation of America, Chicago; Waterman, Currier & Co. (Inc.), Chicago; Aurora Cotton Mills, Aurora; Bear Brand Hosiery Co., Chicago; Burson Knitting Co., Rockford; B. Z. B. Knitting Co., Rockford; Schlacke Dye Works, Chicago; Vassar Swiss Underwear Co., Chicago; H. F. Walliser Co., Chicago; Wilson Bros., Chicago; O. J. Caron, Chicago; Collingbourne Mills (Inc.), Elgin; The Rockford Mitten & Hose Co., Rockford; Marshall Field & Co., Chicago.

OREGON

Columbia Knitting Mills, Portland.

IOWA

Rollins Hosiery Co., Des Moines.

CALIFORNIA

J. B. Cooper Co., San Francisco; C. H. Fish, Pacific Textile Corporation, Los Angeles; Gantner & Pattern Co., San Francisco; Maypole Dye Works, San Francisco; Snyder Bros. Knitting Mills, San Francisco; Thistle Towel Co., Orange; West Coast Knitting Mills, Los Angeles.

OHIO

The Bamburger Reinthal Co., Cleveland; I. Fleischer & Sons, Cincinnati; F. Feigenbaum, Cleveland; F. & R. Lazarus & Co., Columbus; Miami Valley Knitting Mills Co., Hamilton; The Rike-Kumler Co., Dayton; Piqua Hosiery Co., Piqua; Superior Underwear Co., Piqua; American Lace Manufacturing Co., Elyria; Radiant Mills Co., Elyria; Standard Knitting Co., Cleveland; Atlas Knitting Co., Piqua; Dormer Bros., New Richmond; Federal Knitting Co., Cleveland; Keller Knitting Co., Cleveland.

WISCONSIN

Deltox Rug Co., Oshkosh; Holeproof Hosiery Co., Milwaukee; Martz Knitting Co., Manitowoc; Waite Carpet Co., Oshkosh; Phoenix Hosiery Co., Milwaukee; Blue Star Knitting Co., Milwaukee; Kimlark Rug Corporation, Neenah; La Crosse Knitting Co., La Crosse; Lewis Knitting Co., Jamesville; Milwaukee Hosiery Co., Milwaukee; Portage Underwear Manufacturing Co., Portage; Shorewood Mills, Milwaukee; Van Dyke Knitting Co., Milwaukee; Luxite Silk Products Co., Milwaukee; Racine Feet Knitting Co., Beloit; the Unity Hosiery Mills, Milwaukee; Allen, A., Co., Kenosha; Everwear Hosiery Co., Milwaukee.

MINNESOTA

Jiffiseat Garment Manufacturing Co., Minneapolis; Powers Mercantile Co., Minneapolis; Cooper Underwear Co., Kenosha; Crex Carpet Co., St. Paul; Minneapolis Knitting Co., Minneapolis; Nelson Knitting Mills Co., Duluth; Strutwear Knitting Co., Minneapolis.

Mr. WALSH of Massachusetts. Many of these mills are mills that have been given new life following the cotton-textile depression, because with the use of cotton and rayon, they have been able to put upon the market a finished rayon product that competes with the higher-price silk. This imported fiber has done more to increase the cotton-textile business than anything else that has happened in 10 years.

What does it mean to those 1,500 mills to increase the duty upon their raw products? The increase as originally proposed was more than 100 per cent, from 20 per cent to 49 per cent, but it is now proposed to increase it from 20 per cent to 30 per cent, or 50 per cent over the present duty.

These fifteen hundred mills are manufacturing the finished rayon goods that our people buy in the retail stores of the country, comprising, as I have said, a great variety of commodities, including hosiery, underwear, dress goods, rugs, velvets, upholstery, and draperies of all kinds.

Mr. COPELAND. Mr. President, I have here some samples of these goods, if the Senator desires to see them.

Mr. WALSH of Massachusetts. The Senator from New York says he has some samples of these goods, and I should like to see them.

The proposition here is, in the hope and expectation and in the probability, that the domestic producer of staple fiber will be able to read the German mind and obtain the secret German process or will be able to discover some other process by which a staple fiber may be produced which will yield yarn of this fine texture, to increase the duty, thereby adding to the burden of 1,500 manufacturers, and increasing the price of the finished rayon product for every consumer of rayon in this country.

The Senator from New York hands me a large number of samples which show the uses to which rayon yarn has been put when mixed with cotton. The Senator has asked me to show this sample [exhibiting], which he refers to as the draperies of the poor.

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

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Delaware?

Mr. WALSH of Massachusetts. I yield.

Mr. HASTINGS. Am I to understand that all of the mills engaged in the manufacture to which the Senator has referred were compelled to purchase from either one or the other of the two corporations about which he has been talking?

Mr. WALSH of Massachusetts. I believe that many of these mills use rayon made from both the staple fiber referred to in paragraph 1301 and the staple fiber referred to in paragraph 1302. I presume, in view of the fact that 95 per cent of the rayon made in this country comes from the filaments of rayon embraced in paragraph 1301, these mills did a larger business with yarns made from the filaments coming under paragraph 1301 than with yarns made from filaments covered by paragraph 1302. Some of these mills use only a small amount of this yarn called "sase"; others use large amounts.

Mr. HASTINGS. That is what I am trying to find out.

Mr. WALSH of Massachusetts. I do not think there is any doubt about that; but I do say that the yarns made from filaments embraced in paragraph 1302 are increasing in demand, because they are cheaper than are the filaments embraced in paragraph 1301 and because the domestic staple fiber has not yet been able to produce a yarn which is comparable to the yarn made from the imported staple fiber.

Mr. President, I do not care to debate this question further. I do, however, wish to put into the RECORD a rather long and able statement upon the rayon schedule in general, furnished by the Women's Non-Partisan Fair Tariff Committee, of New York City. This statement has been prepared by Gertrude M. Duncan, Ph. D., of New York City. I do not know all its contents, but I am sure it will be a contribution to the information upon this subject.

I will say that the rayon schedule is the one in which the women of the country have been most interested, and to it many women's organizations have given a great deal of study. The very fact that they should take the trouble and time to prepare a brief, which presents a very exhaustive study of the subject, indicates that many of them are very much interested in the question.

I also offer for the RECORD a resolution adopted by the American Alliance of Civil Service Women, of New York, upon the subject of rayon and other aspects of the tariff question. I ask that these two documents may be inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KING and Mr. BLACK addressed the Chair.

The VICE PRESIDENT. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH of Massachusetts. I shall yield in just a moment. Let me first emphasize the fact that we are now dealing with a raw material. Whatever increased duty we levy in this instance will run like a thread through every manufactured article bearing the name of rayon. This increase in the duty means an enhanced price to every woman who wears or uses rayon in any form; it means a substantial increase in price, estimated to be from 20 to 25 per cent, when this duty is transmitted all the way through to the finished product. How can we justify that? How can we not only justify an increased duty, but how can we justify an act which will tend to burden in part—not entirely, but in part—1,500 mills which will not be able to get vistra elsewhere. The domestic manufacturer of the staple fiber is producing only one-third of the total consumption of the country; but, in the expectation and in the faint hope of the possibility that the domestic industry may discover in the future—a month, perhaps, or three years or five years—something comparable to the fine yarn that is made from the imported staple fiber, we are asked to increase the duty, to penalize the American consumer, to increase the cost of production of 1,500 manufacturers. That is the situation, and it is an appalling one. If there were some hope, some prospect that in the early future we would have upon the market a staple fiber that would produce this fine class of goods, we could well advocate the taking away from the foreign manufacturers some of their market in this country so that staple fiber might be produced by manufacturers in this country.

Mark you, Mr. President, the first importing company only employs 500 hands. The work of making rayon yarn is largely done by machinery. Only one group of employees is affected if we take away the imported staple fiber from those 500 hands; but that is the first step in the making of the yarn that goes into 1,500 mills that manufacture the finished fabrics.

Mr. SMOOT. Mr. President——

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

Mr. SMOOT. I thought the Senator was through.

Mr. WALSH of Massachusetts. No.

Mr. SMOOT. I merely wanted to make a statement.

Mr. WALSH of Massachusetts. The junior Senator from Utah [Mr. KING] asked me to yield to him, and I now do so.

Mr. KING. Mr. President, I wish to ask the Senator from Massachusetts a question. He is familiar with the subject and I am not. I ask him whether or not the rayon industry in the

United States has not been prosperous since its organization during the past few years?

Mr. WALSH of Massachusetts. I am told that the many industries affected by paragraph 1301 has been exceedingly prosperous. The industries affected by paragraph 1302 are in the experimental stage, this staple fiber being only four years on the market.

Mr. KING. I should like to ask also whether or not any person has asked for the proposed increase in the duty upon the particular product to which the Senator has referred?

Mr. WALSH of Massachusetts. I think the request officially has been made by an industry in my own State, the New Bedford Co., to which I have referred.

Mr. SMOOT. That is not the only one.

Mr. WALSH of Massachusetts. That is the company which the Fitchburg Yarn Co. said they asked if they could supply them any yarn and they were unable to get it at the present time.

Mr. KING. As I understood the Senator, the Du Pont Co., aside from the company in his own State, is the only domestic company engaged in the manufacture of this particular product?

Mr. WALSH of Massachusetts. There is no question about that.

Mr. KING. If it has not asked for a duty, I should like to inquire of the Senator, as a member of the Finance Committee, what company has done so?

Mr. WALSH of Massachusetts. I know of no company that has done so except the New Bedford Co., which has promised in the future to develop the industry. I know of no other company.

Mr. KING. Then, why should we increase this duty when the consequence of it will be as serious as if not more serious than that indicated by the Senator from Massachusetts?

Mr. WALSH of Massachusetts. The Senator from Utah and the Senator from Delaware in attempting to justify this increase in the duty said that it was to create a domestic industry, to help encourage the making of staple fiber here at home and prevent our dependence—I suppose that is what was meant—upon staple fiber made abroad.

Mr. KING. I should like further to inquire of the Senator, are there any indications that the Du Pont Co. is about to close down or that they are dissatisfied with the existing situation or that they are dissatisfied with the existing duty? I ask the Senator again, has not the Du Pont Co. established this industry in the face of the present tariff and in the face of the introduction into the United States of the products from abroad, and if, in view of those facts, the Du Pont Co. has continued the development of the industry, why should we now increase the duty?

Mr. WALSH of Massachusetts. I see no reason for it. I may say to the Senator that this part of the Du Pont Co.'s business is most insignificant. As I have already said, paragraph 1301 covers 95 per cent of the rayon product of this country. We are now considering a proposal which deals with only 5 per cent. We are dealing with a very insignificant part of the Du Pont business or any other part of the rayon business.

Now let me refer again to the company that is importing. The Fitchburg Yarn Co. has not paid a dividend for many years. In 1921—and this is a fair story of the severe period through which the yarn business has passed—in 1921 or 1922 the Fitchburg Yarn Co. had a surplus of about a million dollars, but they have struck off from their books large sums every year to meet their losses until to-day they have practically no surplus. This business, however, has brought about a great revival, because it has helped to give to the American consumer a substitute for silk that is appealing to the consuming public in appearance, in luster, and which is cheaper than silk; and, as the Senator from New York said, it has become the garment of the poor in competition with the high-priced silk garments of the well-to-do.

Let me read a statement which the Fitchburg Yarn Co. made to me:

> The Fitchburg Yarn Co. imported 800,000 pounds of staple fiber, and it will be subject to an increased cost of $80,000 a year.
>
> In other words, if the duty proposed by the Finance Committee had been upon the statute books last year it would have cost them $80,000 more.
>
> This will mean an increased price of at least 10 cents per pound upon every pound of yarn used by the various manufacturers of fabrics using this yarn; and this, of course, will be passed on to the ultimate consumer, resulting when completed, in a possible increase of 20 per cent or 25 per cent in the cost of underwear, hosiery, dresses, rugs, and fabrics of various kinds for which this yarn is being used.

That is their statement. They are manufacturers. To be sure, they are interested; but they could have said 5 per cent just as well, and we would have been impressed with that. They could have said 10 per cent; but they say that when completed it will result in a possible increase of 20 to 25 per cent in the cost of underwear, hosiery, dresses, rugs, and fabrics of various kinds for which this yarn is being used.

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Delaware?

Mr. WALSH of Massachusetts. Yes; I yield.

Mr. HASTINGS. I gather from the Senator's argument that he first argues that the company in Massachusetts would lose $80,000, and then that these various mills over the country would lose $80,000, and that ultimately the consumer would pay it all. Now, not all of those arguments can be accurate. There can be but one loss of $80,000, as I understand.

Mr. WALSH of Massachusetts. Has the Senator ever heard of pyramiding prices?

Mr. HASTINGS. Yes.

Mr. WALSH of Massachusetts. Is the Senator attempting to say that there is not such a thing as pyramiding prices?

Mr. HASTINGS. I am stating that if there is only one $80,000 loss, it can not be divided among three groups and still leave each group to lose $80,000. That is all I am pointing out to the Senator.

Mr. WALSH of Massachusetts. Is it true that the increased duty to the one concern in Massachusetts that is importing this product would be $80,000?

Mr. HASTINGS. That is what I understood the Senator to say.

Mr. WALSH of Massachusetts. That is a fact; is it not?

Mr. HASTINGS. That is what I understood the Senator to say.

Mr. WALSH of Massachusetts. Is it not a fact that the yarn that they make from that staple fiber would have to bear that duty and be increased in price?

Mr. HASTINGS. I assume so.

Mr. WALSH of Massachusetts. And is it not a fact that an increased cost in the raw product is reflected in an increased cost to the purchaser of the manufactured product, step by step?

Mr. HASTINGS. Does the Senator seriously contend——

Mr. WALSH of Massachusetts. Is that so, or not?

Mr. HASTINGS. I do not know. I can not answer the question; but I want to find out whether——

Mr. WALSH of Massachusetts. So, then, it would make no difference if that were $500,000 or $1,000,000; the ultimate cost to the consumer, the Senator argues, would be only $1,000,000 if that were the only increased duty paid at the original source.

Mr. HASTINGS. That is my theory; yes.

Mr. WALSH of Massachusetts. That is the Senator's theory?

Mr. HASTINGS. Yes; that is my theory.

Mr. WALSH of Massachusetts. The Senator is the first one ever to expound that theory. In every single tariff debate we have had here we have had the question of pyramiding costs; and the Tariff Commission have given us the information in every instance—they gave it to us in woolen suits; they gave it to us when we were discussing virgin wool and woolen rags. There is always an increase upon the original cost, step by step, as the various processes of manufacturing follows.

Mr. HASTINGS. Then will the Senator tell me what he estimates the $80,000 increase would ultimately cost the consumer?

Mr. WALSH of Massachusetts. I personally can not tell the Senator that. I should have to know how much of this product went into hosiery, and how much went into various fabrics of various kinds. I should be unable to do it; but I do know that the original duty increase would be pyramided, step by step.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Virginia?

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

Mr. GLASS. Right there, may I inquire how both the manufacturer and the consumer would sustain a loss?

Mr. HASTINGS. That is what I am trying to find out.

Mr. GLASS. If the manufacturer's overhead is increased $80,000, and he passes that on to the consumer, the manufacturer does not lose a cent.

Mr. WALSH of Massachusetts. No; I agree with the Senator. The consumer pays it. The Senator is absolutely right; but the first charge——

Mr. GLASS. But both do not pay it. The mill does not lose if it charges it up against the consumer.

Mr. WALSH of Massachusetts. But the Senator from Delaware is arguing that the consumer will only have to repay that $80,000 to the original manufacturer.

Mr. GLASS. That is all he ought to be required to pay.

Mr. WALSH of Massachusetts. I agree but the result is that he has to pay a good deal more because the interest on the investment continues to increase.

Mr. HASTINGS. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts further yield to the Senator from Delaware?

Mr. WALSH of Massachusetts. I do.

Mr. HASTINGS. I understood the Senator to contend that the manufacturer in Massachusetts would lose $80,000, and then he was arguing that all these mills that are interested would lose $80,000——

Mr. WALSH of Massachusetts. Oh, no!

Mr. HASTINGS. And that the consumer would lose at least $80,000. It seems to me that if we divide $80,000 three ways we can not still have $80,000.

Mr. WALSH of Massachusetts. I was arguing that the first payment would be made by the importer, and if he did not increase the price of his yarn he would bear an additional burden of $80,000 a year. I said that he would pass it on, as they all do, to the manufacturer of the finished fabric, and that the manufacturer would pass it on to the retailer, and he would pass it to the consumer, and that as this original $80,000 was passed on the consumer would have to pay very greatly in excess of $80,000.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts further yield to the Senator from Virginia?

Mr. WALSH of Massachusetts. I do.

Mr. GLASS. If the importer, being an honest man, simply wants to recoup himself for the $80,000 additional that he has to pay, and if the manufacturer simply wants to recoup himself to the extent of his increased cost, why will the consumer have to meet a pyramided charge?

Mr. WALSH of Massachusetts. It is the practice. It always happens. It is due to the increased cost to him, which he must be recuperated for. It is a matter of interest on increased investment in the industry.

Mr. GLASS. Oh, it is the practice. I am talking about the theory of the thing.

Mr. WALSH of Massachusetts. It is the practice. I agree with the Senator in theory that the original payer of the duty ought not to pass on anything except the amount that he actually pays; but it is an additional item in his cost of production and in his investment, upon which he would have to pay interest, and therefore he adds an increase to the price which he pays for the original imported product, plus the duty.

Mr. GLASS. If he increases the charge over and above the actual impost at the customhouse, he is simply assuming the right to levy tariff duties himself.

Mr. WALSH of Massachusetts. I have made as yet no reference, Mr. President, to the effect that this duty will have upon the domestic staple fiber. Of course, the purpose of arguing for this increased duty is to permit the domestic manufacturer of domestic fiber to increase his price so as to be on a parity with the imported staple fiber; and of course the result will be, and the end sought here is, to give the domestic producer the market. That means that he will have an opportunity, by increasing prices, to undersell the importer and to have the whole domestic market to himself, and therefore increase the prices of rayon yarns in the entire domestic market. It is impossible to conceive the extent of the burden to the consumers of rayon fabrics that this increased duty will exact.

I yield the floor.

The VICE PRESIDENT. Without objection, the request of the Senator from Massachusetts to print certain documents in the RECORD is agreed to.

The matter referred to is as follows:

[From the Women's Non-Partisan Fair Tariff Committee, Hotel Shelton, New York City]

WOMEN AND THE TARIFF—No. 1. THE RAYON SCHEDULE

By Gertrude M. Duncan, Ph. D.

This committee has made an intensive economic study of the rayon industry in relation to the women of America and has come to the conclusion that the present rates as established by the Fordney-McCumber law are too high and that all increases proposed by the pending Hawley-Smoot bill are therefore excessive and unjust to the housewives and business and professional women, who are the principal consumers and ultimate purchasers of rayon products.

We recommend that the present basic rate on rayon yarns of 45 cents a pound be eliminated, leaving the basic ad valorem rate of 45 per cent, which we believe to be more than ample protection.

It is our contention that in such a product as rayon, made up of so many different grades and kinds and sizes, a minimum and specific rate is bound to be inflexible and unjust, in that it is applied regardless of quality or cost of production.

In the case of rayon we have demonstrated by actual test that this is so to a startling degree. Upon the size and quality most in use for women's underwear and hosiery and for such fabrics as transparent velvet, which we find is 150 deniers yarn, a minimum specific rate of 45 cents a pound is actually equal to an ad valorem rate of 75 per cent to 80 per cent, while on the size most used for bedspreads and household fabrics, namely, 300 deniers, this same specific rate means ad valorem duty of 105 per cent to 110 per cent, which is prohibitory.

Besides this minimum specific rate bears more heavily upon the women of the poorer classes than upon their well-to-do sisters, for it levies the same tax upon the cheapest qualities as upon the best.

SUMMARY

Almost everything the modern middle-class woman wears to-day, except her shoes and kid gloves, is wholly or partly composed of rayon. Combined with silk or wool or cotton or linen it enters into most household fabrics in the modern middle-class home. It is one of the most important raw materials in the textile industry. After extensive investigation we find that the rayon industry, although new, is one of the most prosperous, having had a phenomenal and spectacular growth in the past seven years. It is making enormous profits, increasing its production by leaps and bounds, but with the demand always keeping ahead of the supply, as new uses for rayon are discovered almost daily and new territories for sales developed.

We find that imports are only about 9 or 10 per cent of domestic production and are therefore merely supplementary.

We find that only the finer and more expensive yarns can be profitably imported under the present rates, which are therefore an embargo for the poorer housewives especially.

No scientific and fair tariff can be established except upon comparison of foreign and domestic costs of production. The so-called American producers of rayon, most of whom are Europeans, have consistently avoided disclosure of their production costs. No such study has been made by the Tariff Commission.

Our committee urges that an inspection of the income-tax returns of the American Viscose Co. and the Du Pont Rayon Co., together with those of some of the smaller companies, be made by the Senate Finance Committee. From reports in the New York Times we understand that these returns have been made available by the Treasury Department.

It is our belief that, because of far-reaching changes in the rayon industry since the present rates were established in 1922, at the scale of prices then prevalent and at the then prevalent volume of production, the Fordney-McCumber rates are no longer justified, even if they were once, which is doubtful.

Prices are now less than half of what they were then and are now little higher here than abroad, when the cost of transportation is taken into account. Domestic production has increased 900 per cent, and as a result unit production costs must certainly have been lowered materially.

The present tariff policy with respect to rayon, if continued, will tend to exclude all imports and give a monopoly to the Du Ponts and other members of the vast International Rayon Cartel, which produces more than 90 per cent of the world's rayon and even now controls prices.

It should be borne in mind that the rayon industry in America is 75 per cent foreign owned, practically the only American capital invested in it coming from the Du Ponts. But the Du Ponts are also tied up with the International Cartel through an exchange of 40 per cent of stock with the French Comptoir.

So we have this astounding condition which puts rayon in a class by itself—the American rayon plants and the European plants are all owned by the same people but continue to seek high-tariff protection.

In other words, we have a quota on immigrant labor, we have a quota on immigrant commodities, but we have no quota on immigrant corporations. These immigrant corporations pay only a 12 per cent tax on the profits made in their American plants, while the American consumer has to pay for their products a price only under that of their European parent companies plus the equivalent of ad valorem duties of from 75 to 120 per cent.

The tariff on rayon is so excessive that it shuts out large revenues. In seven years our Government has collected only a little more than $42,000,000 in tariff taxes. But in one year, it is estimated, one company alone, the American Viscose Co., sends $20,000,000 of profits abroad.

The best interests of the women of America demand that all proposed increases be eliminated, and the present rates lowered by the exclusion of the unfair, unjust, and unscientific minimum specific rate.

WHAT IS RAYON?

Rayon is a synthetic fiber produced by technical processes from some form of plant cellulose, usually wood pulp but also cotton linters.

These vegetable fibers are treated chemically until dissolved into a viscous solution resembling the glandular secretions of the silkworm.

This viscous solution is then forced through minute capillary tubes, corresponding to the spinnerets of the silkworm, in what is known in the trade as the "nozzle."

The long continuous filaments as they emerge from the tiny apertures of this "nozzle" are solidified either by a process of evaporation or by being plunged into a fixing bath.

After this the coagulated filaments are twisted together or "spun" into the rayon yarn of commerce.

Four distinct processes are used in the manufacture of rayon, known as the viscose, the nitro-cellulose, the cellulose acetate, and the cuprammonium processes. The viscose method is most common in America.

Rayon is made in many different sizes or "deniers." We find that the sizes most in use for women's undergarments, hosiery, broad silks, velvets, linings, window curtains, is known as 150 deniers, while yarn of 300 deniers is used for innumerable household fabrics in middle-class homes, such as draperies, bedspreads, upholsteries. Coarser yarns, say of 450 deniers, are utilized in embroideries, carpets, sweaters.

Rayon yarns in each size are made in four or more qualities, known as grade A, grade B, grade C, and grade Inferior.

With the present minimum specific rate operative, little yarn above 150 deniers can profitably be imported, and only grade A at that.

For the most part, therefore, competitive prices do not exist, especially as the domestic producers are all obviously interrelated.

RAYON PRODUCTS AND BY-PRODUCTS

For the most part, the chief product of the rayon plant is the silky, lustrous rayon yarn of continuous filaments.

But "cut fibers" or "staple fibers" are also products, not by-products, in that they are designed, not accidental. As the filaments emerge from the tiny apertures of the nozzle and are coagulated they are cut before they are twisted. These short, untwisted lengths are sold chiefly to makers of "spun rayon yarns" or "union" yarns.

Rayon waste is made at every stage of the manufacture of rayon, and even in the textile mills, we find. In this point the statement in the Tariff Information Service is inaccurate.

Naturally, every rayon plant and every textile mill tries to make as little waste as possible. Much more of it is made at some times than at others, for various reasons.

Because the demand for rayon waste is steady, and the domestic supply irregular, with the tariff prohibitory at most price levels, the prices for rayon waste in America fluctuate violently.

From the Daily News Record and other trade quotations we find that the price has varied from 16 cents to 46 cents within a few weeks' time.

Raw materials of industry should be on the free list. Rayon waste is an important raw material in the textile industry after it has been salvaged, and is the principal raw material in the growing "spun-yarn" industry, which performs the salvaging.

Why should there be a duty on rayon waste any more than silk waste or cotton waste, both of which come in free?

"Sliver," "roving," and "tops" represent salvaged waste in an intermediate form from waste to the "spun" yarn of commerce.

But "noils" are a waste of waste, and nothing could be more absurd than to place a higher duty on "noils" than on the original waste of which it is a residue.

When the original waste is put through the garnetting machine the iron teeth in the rollers pull apart the hard lumps in the waste, reducing it to a soft, fluffy mass, which is then combed into "tops," all the fibers lying the same way. But this process of garnetting and combing leaves a residue or waste called "noils."

Americans are supposed to have a sense of humor. But it was lacking, it would seem, among the members of the majority of the Finance Committee who wrote the rates in paragraph 1302.

They put a duty of 10 per cent on waste and 25 per cent on waste of waste or noils. They put a duty of 25 per cent on garnetted or carded waste, ready to be combed into "tops," "sliver," or "roving," which is the same as for the poor noils, which must be still further treated before they can come into the class of "garnetted" waste.

The "spun-rayon yarns" referred to in paragraph 1303 differ from the ordinary silky-looking, lustrous yarns of continuous filaments in that they lack luster and have a certain fuzzy appearance, due to the short fibers of which they are spun.

Spun yarns are used in worsted and woolen type clothing for both men and women. They decrease the cost of these garments and add to the appearance of the cheaper wools and worsteds, which are dull and lifeless by themselves. Fancy effects are obtained by dyeing these cloths in the same dye, which colors the wool but not the rayon fibers. The popular "Bolivia" cloth is made in this way. There is a considerable and fast-growing spun-yarn industry in America, which imports rayon waste and cut fibers.

Members of this committee residing in Fitchburg, Mass., report a very large plant there which imports a special type of cut fiber treated by a secret process and known as sase.

This plant turns out 800,000 pounds a year of a high quality of spun yarn that is much sought after by the textile mills.

The Du Ponts, who have a plant at Buffalo, have tried in vain to compete with this Fitchburg spun yarn, and therefore are said to have made special efforts to get high duties on cut fibers and waste to put the Fitchburg plant out of commission.

In paragraph 1305 of the Hawley-Smoot bill, reference is made to "rayon in bands or strips," which is also a product, not a by-product. These strips differ from the other continuous filaments because the apertures in the nozzle are of different shape, being wide slits of extreme thinness. These bands or strips, of various widths, are not twisted, and are used chiefly in millinery and Christmas-tree decorations.

TARIFF HISTORY OF RAYON

The tariff history of rayon is all very recent indeed. For in 1913, when the Underwood tariff was framed, there was only one small rayon plant in America, then known as the Viscose Co., which had been incorporated in 1909 with a capital of $25,000.

This Viscose Co. changed its name to "American Viscose Co." when it decided to ask for a tariff in 1921, also increasing its capitalization to $10,000,000 at that time.

Of course, putting "American" before its name does not change the fact that it is a subsidiary of the great Courtauld's (Ltd.), of England, which is a controlling factor in the Rayon International Cartel.

It is said that the Du Ponts own 5 per cent of the stock of the American Viscose Co. and the French Comptoir des Textiles Artificiels also 10 per cent, all the rest being British owned.

In 1920 two other companies were started in America, one affiliated with a French syndicate, the other with an Italian syndicate.

By the time the Ways and Means Committee began to hold hearings on the Fordney tariff bill in the late fall of 1921, three other companies, all foreign owned, had sprung up. It is doubtful whether these last three were actually in production, but they joined the first three in demanding a tariff on their products.

So these six foreign companies, only one of which was really an established and going concern, the patents under which they operated as well as their stockholders being European, demanded an American protective tariff. And they got what they asked for. No one opposed them. In fact, no one in America at that time knew much about "artificial silk," as rayon was then called.

Of course, this is all astounding to a student of American politics. It is one of those comic interludes in the history of the American protective tariff.

But it must be remembered that it was a time of economic and political confusion, amid the deflation and reconstruction that followed the Great War. The Tariff Commission was in the throes of reorganization. In the handing out of tariff plums there were no standards to go by.

At the hearings before the Senate Finance Committee in 1922, the chairman of the board of one of these companies stated frankly that they had no figures available as to the costs of domestic production. (See Senate Finance Committee hearings, 67th Cong., 1st sess., p. 6863.)

This statement at the time seems to have created no surprise, although the entire theory of the American protective tariff revolves around that very point.

The briefs filed by these six rayon companies in 1922, in support of their plea for a specific duty to equalize costs of production here and abroad, set forth that "the selling price per pound at the time in the United States" was $2.50, while the selling price per pound in Europe was $1.42, so that a specific rate of duty was necessary, they claimed, to equalize the respective selling prices (p. 6865).

The briefs also add that "the price of labor in the United States is four or five times that of labor in Europe," and that "raw materials are 10 per cent cheaper in Europe." Neither of these statements was backed up by figures, but they apparently convinced the committee, unsupported as they were.

Finally, the rayon companies stated that the total capacity for rayon production in the United States was 19,000,000 or 20,000,000 pounds. (They themselves produced 24,000,000 that same year.)

On such flimsy and unsupported representations as these Congress voted these European companies a specific rate of 45 cents a pound, with correspondingly high rates on secondary products.

DRASTIC CHANGES IN THE RAYON INDUSTRY SINCE 1922

It may have been an "infant industry" in 1922, but in the intervening seven years the domestic rayon industry has increased its production by 900 per cent, reaching the stupendous output of 132,000,000 pounds in the present year, which is more than a third of the total world production.

There are now 19 companies in production, with a half dozen others incorporated, all of them either closely affiliated with each other or with the European cartel.

America is now the largest producer and the largest consumer of rayon. With new fields constantly opening up, there is no visible limit to the probable future demand, which is always ahead of the supply.

In the intervening years many, many millions of hard-earned dollars have been taken from the pockets of American women in the guise of "protection for American industry."

More than seven years have elapsed since the rayon companies admitted to the makers of the Fordney-McCumber bill that they did not

know what their costs of production were. Not even yet have they ventured to disclose them.

Meantime, however, the United States Government has gathered some figures that throw much light on the matter.

The Census of Manufactures reports that in 1927 the labor cost was $32,643,388 in a production of $109,888,336 in value.

The cost of labor and salaries, therefore, amounted to 30 per cent of the value of rayon produced in 1927.

The amount of tariff levied was $6,972,739 on 15,044,849 pounds of yarns, which is equivalent to 53.77 per cent ad valorem.

This makes it apparent that a specific rate can not be justified as necessary to protect labor.

Other interesting data on the same sheet relate further to production costs:

Cost of materials, supplies, containers was	$22,649,441
Cost of fuel and rented power was	3,003,937
Wages and salaries	32,643,388
Total	58,296,766

Subtracting this amount from the production of $109,888,336 leaves the enormous amount of $51,591,570 for taxes, insurance, repairs, depreciation, and profits.

We do not know the equivalent European costs, but the United States Tariff Commission published in 1925 a report of its survey of the rayon industry. Raw materials, says the report, are not 10 per cent cheaper in Europe, as was claimed to be the case in 1922. On the contrary, in this matter of materials, America has a distinct advantage. We are nearer to the Canadian supply of wood pulp.

The Tariff Commission report goes on:

"Under present conditions of free trade in wood pulp, the American manufacturer is at no disadvantage in obtaining the Scandinavian product. The margin between the prices paid by the domestic manufacturer at or near tidewater and his English or continental competitors is no greater than the difference in marine charges and insurance. In the case of cotton linters the American has the advantage of proximity to a large domestic supply."

And as to chemicals, the Tariff Commission report goes on:

"There are practically no tariff considerations affecting the availability of any of these chemicals, the domestic supply being ample."

The advantage of cheaper labor in foreign countries, which was undoubtedly the case in 1922, has long since very materially decreased. Concerning this, the Tariff Commission says:

"With the introduction of the 8-hour day in several European countries, part of this advantage has been temporarily lost. The increase in labor force as a result of the decrease in hours has somewhat reduced the trained supply and increased the cost of the labor item in the expense of production."

But a still more important change has been the tendency to replace labor with machines in America.

The 1928 Census of Manufactures points out that during the stupendous increase in production from 1925 to 1927, from 52,209,225 pounds to 78,522,000 in 1927, or about 54 per cent increase in production, the number of wage earners increased only from 19,128 to 26,341, or about 37.7 per cent, and the amount paid in wages increased only about 24 per cent.

But in the meantime the horsepower increased from 66,966 in 1925 to 122,406 in 1927, an increase of 82.8 per cent.

THE TEST OF PRICES

Another important change that has occurred in the rayon industry lies in the realm of prices.

When the representatives of the domestic rayon manufacturers appeared at the hearings of the Senate Finance Committee in 1922, they pointed out that the selling price in America was $2.50, while in Europe it was less than half—$1.42 per pound for 150 deniers grade A yarn.

They demanded the specific rate to equalize the respective selling prices.

To-day the price of the same size and grade of yarn is $1.15 per pound, very little higher than the European price when costs of transportation and other importing costs are taken into consideration.

One can not refer rayon prices to the commodity index of prices to compare them with prices of other commodities. For in 1913, the year taken as the index, rayon manufacture can hardly be said to have been established in this country.

We find, however, that in January, 1914, the list price was $1.85, and in April of that year it had gone to $2.

In any case, whether the present tariff rates were ever needed to equalize prices or not, they are certainly not now needed.

COMPARISON OF PRESENT WITH PROPOSED TARIFF RATES

In the existing tariff only a single paragraph is given to rayon in the silk schedule. The new bill proposes an entire new schedule of 12 paragraphs. This is symbolical of the growth of the industry.

The changes in phrasing, in definitions, and in allocations of the rayon products and by-products make comparison between the two laws difficult. But there are numerous increases, all unnecessary, especially in spun yarns and cut fibers.

Although the Senate Finance Committee made only small changes in the rates as finally adopted by the House, our committee desires to call attention to the fact that the Ways and Means Committee reversed itself in a most unusual manner on the floor of the House after the bill was reported out.

A comparison between House Document No. 15, which contains the bill as finally adopted and reported to the House, and House Document No. 23, which gives the bill as adopted by the House, shows that the Ways and Means Committee as a result of their hearings and after considering all the facts came to the same conclusions as this committee has, namely, that present rates are too high.

When the Ways and Means Committee reported out the bill all the rates had been placed on an ad valorem basis.

All the rates were lower than in the present bill now before the Senate on the various products and by-products and on waste, including noils.

There can be no question, it seems to us, that this was done after mature consideration of all the facts.

Then Representative CHINDBLOM, of Illinois, himself a member of the Ways and Means Committee, made a motion to amend the schedule by restoring the former minimum specific rates.

One is surprised to find that the Ways and Means Committee then and there accepted this amendment, a course of procedure that has caused widespread comment by trade papers, by journals of commerce, and by Wall Street generally.

This committee believes that the rates first proposed by the House were fair and just for the most part.

THE PLACE OF RAYON IN THE TEXTILE INDUSTRY

The cost of clothing, which has been high relatively since the World War, promises to go still higher with increases in the wool schedule.

All the more reason, we think, that the cost of other raw materials such as rayon should be kept down.

The textile industry has been in a depressed condition for several years. In the cotton mills, however, rayon has been a sort of fairy godmother, serving to render many cotton fabrics attractive which had been dull and unsalable before. Rayon is also mixed with cheaper grades of wool in many fabrics now in demand, so that the woolen and worsted mills also find it an important raw material.

The committee believes that reasonable tariff rates will lower the cost of textiles generally to the women consumers and will help to restore prosperity to the vast textile industry, which employs more than a million workers, as against 26,000 employed in the rayon plants.

MOST RAYON PLANTS ARE FOREIGN OWNED AND DOMINATED BY THE INTERNATIONAL RAYON CARTEL

Attached hereto is a chart of the ramifications of the vast cartel which controls production and prices of rayon the world over. This chart was published some months ago by the Daily News Record, and its correctness has not been challenged.

To the minds of this committee, this chart of the interrelations of the rayon cartel is a vivid, graphic argument against high tariffs on rayon.

The American Viscose Co., which produces 54 per cent of the entire American output, has been making vast profits for its British stockholders at the expense of American consumers.

Although this company is now capitalized at $92,000,000, and is said to be worth $100,000,000, this huge amount has been built up from profits. Only $837,000 of it represents original investment. The balance consists of accumulated profits. The company is reported to have annual net earnings of $20,000,000.

The stock of the American Viscose Co. is reported to be owned as follows:

Courtauld's (Ltd.), the British syndicate, owns 85 per cent; the Du Pont interests own from 5 to 10 per cent; the French Comptoir owns from 5 to 10 per cent.

The exact division of stock ownership is unknown as between the Du Ponts and the French Comptoir, but as these two are very closely associated it does not greatly matter.

According to Standard Corporation Records for 1920, the Du Pont Rayon Co. is the second largest producer of rayon in the United States.

According to this authority, its $25,000,000 of stock is now entirely owned by the E. I. du Pont de Nemours Co. But Fairchilds Semiannual Review of Rayon states that it is interrelated with both the Comptoir des Textiles Artificiels of France and the Vereingte Glantzstoff-Fabriken of Germany.

Wall Street reports have it that at first the Du Pont Rayon Co. and the French Comptoir exchanged 40 per cent of their capital stock.

Later this was changed, the stock returned, and an exchange of the stock of the French Comptoir and E. I. du Pont de Nemours was effected.

According to the Census of Manufactures of 1927, the total capital of the Du Pont Rayon Co., including increases from profits, was estimated at $28,500,000 at that time.

The Du Pont interests were among the most persistent in seeking tariff increases during the recent hearings on the pending bill. In fact,

it is said that they succeeded in getting the Ways and Means Committee to change its rates, working through Ungerleider, one of the Du Pont brokers in New York, who has connections with Representative CHINDBLOM.

The Tubize Artificial Silk Co. is a subsidiary of the Fabrique de Soie Artificielles de Tubize in France. Its American stock is said to be owned entirely by the Du Ponts.

The Census of Manufactures for 1927 says its total capitalization, including increase from profits, was then $13,500,000.

The Wall Street Journal credits it with a $5,000,000 profit for the year 1928.

The New York Journal of Commerce for November 16, 1929, says:

"An official of the Tubize Artificial Silk Co. when asked regarding the present status of his company and the continuance of the present dividend, said:

"'There is no thought of reducing the dividend, as the earnings of the company justify the present rate of payment. The company has no debt; its net current and cash positions are very strong and we see no reason why any stockholder should voluntarily dispose of his holdings at this time.'"

The same Journal of Commerce on the same day quotes an interview with Hiram Rivitz, president of the Industrial Rayon Co.:

"In a statement to stockholders issued yesterday Hiram S. Rivitz, president of the Industrial Rayon Corporation, expressed belief that the net earnings for his company in 1930 would be double those of 1929. Mr. Rivitz said:

"'We show a net profit for the month of October, with estimated Federal income taxes deducted, of $176,000, the highest earnings in our history for one month, and a total net profit for 10 months of this year of $1,239,000 * * *.

"'Orders ahead assure of steady distribution of our products for many months. The demand for our merchandise has kept pace with our production, and the outlook for a continuance of this demand is good * * *.

"'Based on present market prices, which we have every reason to believe will continue for an indefinite period, and with full capacity of 11,000,000 pounds for both plants for the year 1930, I feel safe in saying that our net earnings for 1930 will be double those of 1929.

"'Rayon is a necessity, not a luxury, and is used through all seasons of the year in a hundred varieties of textiles, so whether the times be good or bad the demand for this economic fiber, which meets the needs of all classes, should be steadily on the increase for many years to come.'"

Thus spake Mr. Rivitz, head of the Rayon Institute. Does this sound like a good argument for high tariffs at the expense of the American consumer?

Other exceedingly successful foreign-owned rayon companies making vast profits at the expense of the women of America, under high tariff protection, are: The American Glanzstoff Corporation, the American Bemberg Corporation, the American Celanese Corporation, the American Enka Corporation, and the Skenandoa Co.

The American Glanzstoff, a leading concern, is a branch of the German Vereingte Glanzstoff-Fabriken, and is also closely affiliated with Courtauld's (Ltd.). The company declared a dividend of 20 per cent for 1928.

The American Bemberg, another German-owned company, has a capital of $8,000,000, largely built up from profits.

American Celanese is a branch of British Celanese (Ltd.).

The successful Skenandoa Corporation of Utica, N. Y., which was visited by members of our committee, is affiliated with Courtauld's (Ltd.).

It was said that the Du Ponts brought about a reduction in the price of rayon when the American Enka, a branch of the Dutch Enka, was established in America, in the hope of starving out the newcomer. If this was the plan, it failed.

Of the dozen or more smaller companies which have sprung up, some of which are not yet in production, it is reliably reported that all have foreign affiliations, and that the Du Ponts have a large or even a controlling interest in most. Basic patents are all held in Europe.

IMMIGRANT FACTORIES

There is no quota on immigrant factories. There is a quota that restricts immigration of foreign-born labor. There are tariffs that restrict the importation of foreign-made goods. But foreign capital with foreign management is free to enter America and do as it pleases, making its enormous profits at expense of American housewives, and sending them abroad. Meantime they pay only a 12 per cent corporation tax to our Government.

CONCLUSION

For all the reasons herein set down, and for others, the Women's Nonpartisan Fair Tariff Committee, national in scope, made up of representatives of housewives, business and professional women, educators, and social-service workers, and university women trained in economic research, asks that the rate as first proposed by the Ways and Means Committee of the House be substituted for those proposed by the Senate Finance Committee. All rates should be ad valorem, not specific, except on waste, which should be on the free list. No increases should be allowed.

AMERICAN ALLIANCE OF CIVIL SERVICE WOMEN.

At a regular meeting of the American Alliance of Civil Service Women held on October 11, 1929, the following resolutions were unanimously adopted:

"Whereas many of the proposed new tariff schedules in the Hawley-Smoot tariff bill, now before Congress, are excessive and burdensome to women, and will greatly increase the cost of women's clothing and articles of household use, particularly such schedules as wool, sugar, shoes, gloves, millinery, embroidered linens, cutlery, and aluminum; and

"Whereas the rayon schedule especially bears heavily on the great masses of women, since through the operation of a minimum specific rate of 45 cents per pound it conceals actual ad valorem rates of from 75 per cent to 105 per cent, which are excessive and unnecessary, and since rayon is an important raw material throughout the entire textile industry and enters into almost every article of women's clothing and most fabrics in use for home furnishings: Be it

"*Resolved*, That the American Alliance of Civil Service Women is opposed to any tariff increase on the above-named articles; and be it further

"*Resolved*, That a copy of this resolution be sent to the Women's Nonpartisan Tariff Committee, room 839, Hotel Shelton, New York City, care of Dr. Gertrude M. Duncan."

ANNA W. HOCHFELDER, *President*.

PROPOSED NULLIFICATION OF PACKERS' CONSENT DECREE

Mr. BLACK. Mr. President, I desire to take five minutes of the Senate's time to call attention to a matter which is of extreme importance at this juncture.

It is my understanding that the Attorney General of the United States has been requested to consent to a nullification of a decree rendered against the giant packers' association by consent in 1922. I desire to call the attention of the Senate to this matter in order that the individual Members may, if they see fit, express themselves to the Attorney General in connection with this important matter.

The giant meat-packing industry of America has appeared in our Federal courts seeking action the natural tendency of which would be a further concentrated and monopolistic control of the food supply of the Nation. They have asked the Attorney General of the United States to agree to an annulment of a consent decree which now stands as a barrier between the packers and such control. These packers can not now open a general chain-grocery system, operate railroads and railroad terminals, nor operate newspapers in furtherance of their plan. If this decree is annulled, they will be at liberty to open chain stores of all kinds in every city, village, and hamlet in America for the sale of everything eaten and everything used; to operate railroads, railroad terminals, and newspapers. If this court decree should be canceled and set aside by governmental consent, a giant food trust would not only be permitted but encouraged to rear its stupendous and ominous form over North, South, East, and West alike. Such governmental action will tacitly invite a monopoly of such size and power that with one stroke of a pen in some large financial center of the Nation this trust could lift the price of bread and meat from Maine to California.

In the petition for annulment the packers predict that within a few years the entire food supply of the Nation will be dominated by four or five great corporate chain-store systems.

Already—

The packers say—

six companies have more than half the chain-grocery outlets. * * * Smaller chains are being absorbed by larger groups.

The packers ask legal sanction to enter into the present wild scramble for concentrated control of the Nation's business, already menacing the peace, comfort, and security of our people. The people must have food to live. Monopolistic control of this necessity of life must sooner or later bring hunger and despair, producing drastic action for relief.

This decree should stand. Monopoly should be discouraged, not encouraged and approved by governmental authorities. Chain groceries, chain dry-goods stores, chain drug stores, chain clothing stores, here to-day and merged to-morrow, grow in size and power. Railroad mergers, giant power monopolies, bank mergers, steel mergers, all kinds of mergers, concentrate more and more power and wealth in the hands of a few. In the name of "efficiency," monopoly is the order of the day. The giant business enterprises spread over our Nation, extend their tentacles into our schools, politics, and business. We are rapidly becoming a Nation of a few business masters and many clerks and servants. The local business man and merchant is passing, and

his community loses his contribution to local affairs as an independent thinker and executive. A few of these useful citizens, thus supplanted, become clerks of the great chain machines, at inadequate salaries, while many enter the growing ranks of the unemployed. A wild craze for efficiency in production, sale, and distribution has swept over the land, increasing the number of unemployed, building up a caste system, dangerous to any government.

If this packers' decree is modified, the Sherman antitrust law is in reality dead. It will behoove the representatives of the people to find some other method of protecting the people from the rapacious greed of monopoly. If huge mergers and stupendous monopolies are to be granted the privilege of supplying the necessities of the people, it can not but lead to an extended governmental supervision of business and general regulation and restriction of profits. Business profits must be controlled either by the method of enforcing competition or by strict governmental regulation of profits, which few desire. This would mean new bureaus, and would release swarms of Federal and State agents to hamper the ordinary processes of business. We are to-day at the crossroads, and the Attorney General's action may send us definitely along a path of competition or strict business regulation of profits.

I call the attention of Senators here present, and of the entire body, to this fact, in connection with the statement previously made, that the Attorney General, according to my information, is now considering whether or not he will consent to an annulment and a modification of this decree.

Mr. KENDRICK. Mr. President, I want to ask the Senator from Alabama if he has definite information that the Attorney General has concluded to annul this decree?

Mr. BLACK. I have no information that he has decided one way or the other. It is my understanding that he has not decided either way.

Mr. KENDRICK. I have information from what I consider to be a reliable source, and which reached me about three or four days ago, that the Attorney General had declined to take any action whatsoever in connection with that decree, contending that it was a matter for the courts to determine, and for the courts alone.

Mr. BLACK. I have not received that information, but I will say that if that is true, it would certainly be up to the authorities of the Government—the Attorney General's office and the law-enforcement office—to protect the people's rights when the contest comes up between the people and a prospective monopoly in foodstuffs, and I expect the Attorney General to do that, in line with the speech he made at the meeting of the American Bar Association, in which he promised enforcement of the antitrust laws.

Mr. KENDRICK. I think there could be no mistake in the information that has reached me; that is, that the Attorney General has definitely decided that he will not take action in the case.

Mr. President, I want to say, with the Senator's permission, that perhaps he does not know this to be true, but in connection with this consent decree nearly every farm organization in the country, and nearly every livestock organization in the country, has petitioned the Attorney General to abate or nullify that decree, and they do so on the principle that it is inequitable to permit chain stores to peddle meats with groceries, and to deny the right to packers to peddle groceries with meats. They insist, in other words, that this livestock commodity, meat, as well as other food products, should be allowed to move from the producer to the consumer in an entirely unrestricted way, and on that basis they have asked for some modification of the decree, not an entire annulment.

As I understand it, they are against having set aside that part of the decree providing that the packers shall dispose of their ownership in stockyards. These associations which have petitioned the Attorney General ask that that part of the decree be permitted to stand, but they ask, at the same time, that the packers be released from that restriction which denies them the right to sell unrelated products in the same car with meat food products.

Mr. BLACK. I will state to the Senator that I am familiar with the fact that some of the farm leaders or farm organizations have filed petitions of that kind, but, as I recall it, some of the very farm leaders who filed those petitions have been before the committees of this body backing a high tariff which would give a monopoly to various lines of business endeavor.

I do not believe that in their requests to bring about a cancellation of this decree they represent the sentiments of the farmers of the United States. I do not believe that the farmers of this Nation want the packers, with all their huge aggregation of money and of power, to have the possibility of getting control of the food supply of this Nation. I do not believe that if the farmers knew that the packers themselves, in their very petition, stated that the time is only a few years off when less than five companies will control the entire trade in bread and other food supplies of this Nation, they would favor the Attorney General or any other officer of this Government removing any barrier which might block such a stupendous monopoly from coming into existence.

It is my judgment that the farmers of the United States would not approve the action of the few farm leaders, or so-called farm leaders, who got together in this matter in an effort to bring about a release of the packers which would turn them loose to go over this country like devouring wolves monopolizing the food supplies of this Nation.

It is sometimes easy enough to get some farm leader with palatial offices in Washington to favor granting something to a giant power trust. It is easy enough to get some so-called farm leader who lives in a palatial home, while farmers all over this Nation live without a proper food supply, to come up here and back a movement to permit the giant Packers' Trust to institute chain stores, creating a condition of slavery and serfdom all over this Nation, but when the farmers back home learn what their leaders have done, it is my judgment that their leaders will be repudiated.

Think of a picture like this. The packers come into the court and say, "We state that we are needed to compete with the chain stores." Why? They say, "In four or five years there will be less than five chain companies absolutely monopolizing the entire food supplies of the Nation, and we are needed to compete with them." They then added, after that, the statement that the larger companies are absorbing the smaller companies. Taking their own logic, it necessarily follows that this Packers' Trust will soon absorb the four or five smaller companies, and the price of the bread that every man buys from Maine to California, from Canada to the Gulf, will be fixed by one packer's chain-store trust and monopoly.

It will be backed by its newspapers, circulating propaganda, which is one of the things they are prohibited from doing in this decree. Now they ask permission not only to get control of the food supply, to place themselves in position where they can fix the price of the steak the mechanic in Alabama buys, or the farmer in Wyoming buys, but to get control of the railroad terminals and the railroads which carry and transport the food, and to control the newspapers which carry propaganda over this Nation.

It is my judgment that when the farmers of this country wake up to a realization of the fact that some of their so-called leaders have publicly expressed themselves in favor of the building up of the most pernicious trust the world can know, the one that fixes the price of the food we eat, those so-called leaders will be repudiated.

Mr. KENDRICK. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield further to the Senator from Wyoming?

Mr. BLACK. I yield.

Mr. KENDRICK. I want to say to the Senator that the farm leaders, of whom he speaks, also the livestock associations who have asked for a modification of this decree, were among the very strongest advocates of the packer control legislation that was passed several years ago, and even during the time that legislation was under consideration the same organizations were strongly in favor of the packers going into the retail meat business as a means of increasing the economies of delivery of their product to the consumer.

At the time that legislation was under consideration here, this consent decree was entered into by the packers. Those of us who were making the best fight we could for the legislation at that time were not at all concerned about the decree, because we did not think it would serve any useful purpose, but thought it would prevent the packers, by their own consent, from going into the retail meat trade.

The people who produce this product would like to have it go straight to the consumer without obstruction of any kind, and one of the purposes of the legislation was to eliminate such artificial and unnecessary obstruction.

Another primary purpose of the bill was to increase the number of packing houses in the country and beyond a shadow of doubt this is one of the direct results of the legislation. There are many more packing houses now in operation than there were at the time the packers control act was passed. They have been initiated and developed into going concerns in every State in the Union. Though I have no definite information, it is my opinion that the three or four large firms involved in this decree are handling a smaller proportion of the meat-food products to-day than they have handled at any time during the last 40 years' time.

It is possible that the packers do handle a somewhat larger proportion of the meat-food products purchased and prepared in the central markets, but throughout the country as a whole, due to the increase in the number of packing houses already referred to, and to the volume of business handled by them, I think the statement as made will prove entirely correct. All of which means that the business is now divided among a larger number of firms than it has been at any time during the past few years.

Without holding any brief for the packers, we insist that a packer should be allowed to deliver this product without interruption and without restriction, so that he can practice such economies as will bring it to the consumer in a way to increase, if you please, the price to the man who produced it.

This principle is illustrated strikingly by the great meat packers of Great Britain who, as I am informed, retail meat-food products all over the Empire. We think that ought to be done by the packers of this country and that is the reason why we believe they should be allowed to proceed in their own way. We believe such a plan would bring about economies in the handling of our product in this country. We do not consider it any more dangerous to the public welfare for a packer to sell canned groceries with meats than it is for a chain store to sell meats with canned groceries.

Mr. BLACK. I agree with the Senator's viewpoint on the packers' control law, but here is the picture. The packers ask for the right to-day to establish a chain-store system in every section of the United States, which they have the money and the power to do, not for the sale of meats alone, but for the sale of groceries of all kinds, for the sale of building material, for the sale of hardware, for the sale of practically everything in the world that can be bought or used. Then they ask to be relieved from this decree so they can operate a railroad, so they can operate terminals, so they can operate newspapers.

I agree with the Senator that at first blush it might be a good argument to say that the chain-store systems are operating. But the chain-store systems are entering into every hamlet and town and village in the United States. They are destroying business initiative of the individuals who built up those communities. The banking system is attempting now to establish a huge chain that will control the credit of the Nation from the great cities of the country. They want the remote control of credit. With the remote control of credit, the remote control of the prices of groceries, the remote control of the price of everything we buy and use, what will be the situation? The power companies have reared their stupendous trust until to-day it stands across the Nation from one ocean to the other. Prices are fixed. Monopoly is there. The people pay the bill.

Now, we have the argument to consolidate all the railroads, all of it in the name of "efficiency"; and when we get the most efficient government the world has ever had we are going to have a government where practically all of the money and the power is in the hands of a very few men, and where the rest of the people who formerly operated retail grocery stores and stores of all kinds are the clerks and servants of the ruling class. I take the position that that is what is happening. The packers prove it in their petition. They admit that the time is only three or four years off when all of the food supply of every man, woman, and child in the Nation will be furnished by less than five companies. They then admit not only that, but that the big ones are absorbing the little ones. We know the packers will have enough money behind them so they will be the big ones and it will be a very short time after the packers start into this movement until prices are fixed from their head offices for a dozen eggs in Laramie, Wyo., for a piece of steak in Birmingham, Ala., for power bought in Los Angeles, Calif., for the food that goes to supply the workmen in the city of New York. Everywhere the price will be fixed by the mere stroke of a pen in some central office.

Here is what I am getting at: It means that the people will not tolerate any such thing. They will not stand for it. There are one or two or three remedies that can be worked out. One is a remedy which I do not want to see applied. It is the fixing by the United States Government of a limitation on profits of the general business of the Nation; but if this system of concentration of wealth and power continues, the concentration of the sale of food, of clothing, of everything we eat and use, of everything we drink and wear, just as certainly as we live the time is coming when the people will not stand for it and the Congress of the country will be compelled to limit profits in business. It will mean that millions of Government employees will be going around to hamper the legitimate exercise of business. We will have gotten away from competition.

President Roosevelt said:

> Give us competition and we will control the price of food, of clothes, of everything else.

But to-day they say, "Give us efficiency, give us a lot of production, give us mass production, give us mass sale of groceries. Take the man who was formerly a little merchant in his town and a leader in the community and make him a clerk at $100 or $80 a month." If we take away his independence we make him a slave to the credit system of the country, a slave to the system of concentration of wealth and power that is going on.

This movement of the packers will aid in that concentration, which I oppose. I opposed the other proposition. This is the first chance we have had to express ourselves. It has not been a national question, but it will be. Therefore, I say, do not allow the packers with their wealth and their power and their tremendous possibilities to get into this movement, because sooner or later they will be big enough to buy all the rest, and when they do the consumer will pay the bill.

Mr. KENDRICK. The Senator will agree that the packers ought to be released from this restriction or that the chain stores ought to be placed under the same restriction.

Mr. BLACK. I admit that something has got to be done, but I do not know what, in order to retard the destruction of business independence and business initiative among the smaller merchants who have constituted heretofore the backbone of our business civilization in the country. I mean that the little chains are being absorbed by the bigger ones. One springs up in my home town of Birmingham to-day. To-morrow it is merged into a larger one. The next day it is merged into a still larger one, and they continue the merging and are gradually getting into one center. The banks are attempting to do the same thing. If the trend continues as it is to-day the independent banker in the Nation who has supplied the credit to the individuals in his local community will soon be a clerk, an automaton, yielding merely to the instructions of a man far away, and it will be exactly the system that Andrew Jackson came into the Presidency to curtail and curb. I am not so sure, I will say, that it is not about time for some man of that kind again to curb the tendency toward control in the hands of a few which we find existing in the country to-day.

Mr. KENDRICK. I want to call the Senator's attention to the fact that I have no more patience with monopolies and no more sympathy with monopoly of any kind than he has.

Mr. BLACK. I realize that fact.

Mr. KENDRICK. This attitude was demonstrated without any expression from me in the 3-year fight we had on the floor of the Senate to secure the packers' control act as a law. Furthermore, the very picture the Senator draws as to the limitation or reduction in the number of retail stores over the country is exactly the reverse of what is going on now in the small packing houses, as I believe, largely because of the packers' control act.

Mr. BLACK. May I say to the Senator that I am sure I realize fully what the Senator has said. There is no Senator on this floor who exercises any more independence of thought in his votes than does the Senator from Wyoming. But when we have these problems before us we may see the same complication, we may know something has to be done, but we may reach a different conclusion, both honestly and fairly, as to the remedy. I must confess there is considerable argument in line with the Senator's suggestion and as presented by the packers, that if somebody else can do this they should be permitted to do so, too.

But the position I take is that here is a chance for the Government to say that it is opposed to monopoly, especially in foodstuffs, and that the Attorney General ought to exert himself, as I feel he will, as vigorously as his ingenuity and ability will permit him to do it, to fight another modification of the decree.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Alabama yield to the Senator from New York?

Mr. BLACK. Certainly.

Mr. COPELAND. I did not have the privilege of hearing the early part of the Senator's remarks, but what he has said about the effect of mergers and chain stores upon the communities of the country I believe to be beyond question.

Our country was built up by the small merchants and the small manufacturers, the small tradespeople. In any small community the substantial people are what are known there as the business people. Every time a chain store of the type mentioned by the Senator opens in the community it means that 10 other stores are put out of business. Then when the men who have been the shopkeepers and business men are made clerks or managers of the local stores, it is only a matter of their reaching the age of 40 or 45 years when they are dismissed and put out of business. Instead of their having a business to transmit

to their sons or their families, there is nothing to transmit except a broken heart.

I think the Senator is to be commended for calling the attention of the country to the dangers involved in these constant mergers and the encroachment of this scheme upon the welfare of our country.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. WHEELER. Mr. President, I should like to inquire of the Chair whether we are going to vote on paragraph 1301 or paragraph 1302?

The PRESIDING OFFICER. The question is on the amendment in paragraph 1302.

Mr. WHEELER. I desire to speak on paragraph 1301, but I shall not do so until after we have disposed of paragraph 1302.

Mr. SMOOT. Mr. President, I desire to move that the committee amendment on page 184, in line 10, be amended by striking out in that line the numerals "20" and inserting the numerals "15," so it will read:

Filaments of rayon or other synthetic textile, not exceeding 30 inches in length, other than waste, whether known as cut fiber, staple fiber, or by any other name, 15 cents per pound.

Mr. WALSH of Massachusetts. Mr. President, I had thought of offering an amendment to the committee amendment making the rate lower per pound, but after conferring with the Senator from Georgia [Mr. GEORGE] I am of the opinion, as he is, that the issue here should be between the specific duty recommended by the Finance Committee of 15 cents per pound and the present law. Therefore I shall oppose the amendment of the Senator from Utah, and hope that the Senate will retain the present rate of 20 per cent ad valorem.

Mr. SMOOT. I am quite sure that 10 cents a pound would be better even than the ad valorem rate.

Not only that, but I want to call the Senate's attention to the fact that the price has gradually been going down. If we are ever going to manufacture this material—and I feel sure that we are going to do so—the price then will probably be less than 50 cents, what it is to-day. Twenty per cent of 50 cents is only 10 cents. I know the Senator does not want to destroy the industry. Therefore I think it would be very much better to have a specific duty, no matter at what figure the rate may be fixed, so that the industry will know exactly what it has in the way of a duty.

Mr. WALSH of Massachusetts. The bill does not levy a specific duty on rayon waste.

Mr. SMOOT. No; because there are so many kinds and grades of such waste. That is the reason why there is not a specific duty levied in that instance.

Mr. WALSH of Massachusetts. As the price is at present there is very little difference; but 10 cents a pound, as the Senator has suggested, would, in the opinion of those who take the position that I take, increase the price. The price of the raw product being 50 cents, a 20 per cent ad valorem rate, which is the rate of the present law, would amount to 10 cents.

Mr. SMOOT. Yes; and therefore I should prefer, if the Senator will do so, to have him offer an amendment to my amendment making it 10 cents instead of 15 cents a pound.

Mr. WALSH of Massachusetts. I will confer further with the Senator from Georgia as to that.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the committee amendment.

Mr. WHEELER. Mr. President, I want to see if I understand the situation correctly. Yesterday, I understand, the Senate passed over paragraph 1301. I was detained in the Interstate Commerce Committee, but I understood that I would have an opportunity to make a motion to strike out the specific rate of 45 cents a pound.

Mr. SMOOT. I presume the Senator refers to the clause reading, "That none of the foregoing shall be subject to a less duty than 45 cents a pound." Is that the clause to which the Senator refers?

Mr. WHEELER. Yes. I desire to strike out the specific duty of 45 cents a pound.

Mr. SMOOT. The amendment was agreed to with the understanding that if any Senator should request a reconsideration of the amendment referred to by the Senator the request would be granted. As the Senator desires to have that done, as soon as the pending amendment shall have been acted upon I shall ask for a reconsideration of the vote by which the amendment in paragraph 1301 was agreed to.

Mr. WHEELER. That is what I desired to understand.

Mr. GEORGE. Mr. President, I should like to inquire of the Senator from Utah what his exact motion is now?

Mr. SMOOT. On page 184, in line 10, I have moved to strike out "20" and insert "15," so as to read "15 cents per pound" instead of "20 cents per pound."

Mr. GEORGE. Mr. President, I shall have to oppose that. I think even the rate proposed by the Senator from Utah is too high. I think a decidedly better plan would be to insert a proper ad valorem rate. I should have no objection, I will say to the Senator, to fixing an ad valorem rate of 25 per cent instead of 20 per cent; but I do not think a specific rate of 15 cents a pound ought to be inserted.

Mr. SMOOT. Then the Senator would have the amendment read as follows?—

Cut fiber, staple fiber, or by any other name, 25 per cent ad valorem.

Mr. GEORGE. Yes. That, of course, would be a 5 per cent increase over the rate provided by existing law. While personally I believe the rate under existing law affords adequate protection, I know the ground upon which this particular increase was urged, and there is some little justification for the request. I think that a 25 per cent ad valorem duty in this instance in lieu of a specific duty of 20 cents a pound would afford such additional protection as is justified, if any is justified.

Mr. SMOOT. The reason why I wanted a specific duty is that, as the Senator knows, the price of this commodity has fluctuated; sometimes the fluctuations have been very material; and I thought it would be better to impose a specific duty. However, if the Senator desires that we accept a rate of 25 per cent ad valorem, I will be glad to do that. I do not want anything that is unreasonable; and I do not propose to support anything which I think is unreasonable. It may be that such a rate will afford sufficient protection ordinarily. The price of staple fiber now is forty-odd cents a pound.

Mr. GEORGE. That is the average price.

Mr. SMOOT. Yes, that is the average, so a rate of 25 per cent would be only about 10 cents a pound. The price may even go lower, in which event, of course, the duty would be still less, but I am willing to accept a rate of 25 per cent ad valorem.

Mr. GEORGE. So far as I am concerned, I have no objection to that. I think that will afford a slight additional protection, and I believe it will be ample.

The PRESIDING OFFICER. Does the Senator from Utah withdraw his amendment to the amendment of the committee?

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator from Georgia to repeat his suggestion?

Mr. GEORGE. I suggested, in lieu of 20 cents per pound, the specific rate as proposed by the Senate committee, that 25 per cent ad valorem be inserted, thus carrying the duty back to an ad valorem basis and getting rid of the specific rate.

Mr. SMOOT. A rate of 25 per cent ad valorem on a price of 40 cents is 10 cents a pound.

Mr. WALSH of Massachusetts. That would be an increase of the present law.

Mr. SMOOT. It would be an increase of 5 per cent.

Mr. WALSH of Massachusetts. It would be an increase of 5 per cent.

Mr. GEORGE. It would be an ad valorem rate instead of a specific rate.

Mr. SMOOT. It would be an ad valorem and not a specific rate.

Mr. GEORGE. It would amount to a slight increase, but perhaps there is some justification for the contention made by the manufacturers for a slight increase in the duty on this particular product, namely, staple fiber.

Mr. SMOOT. I think there can be no doubt about that.

The PRESIDING OFFICER. Does the Senator from Utah withdraw his amendment to the amendment in line 10?

Mr. SMOOT. I will withdraw the amendment and let the Senator from Georgia offer his amendment.

The PRESIDING OFFICER. The Chair suggests that the committee amendment should first be voted down, and then the Senator from Georgia can offer his amendment.

Mr. SMOOT. That, perhaps, would be the best procedure.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee in line 10 on page 184.

The amendment was rejected.

Mr. GEORGE. Now, Mr. President, I move in lieu of 20 per cent ad valorem that "25 per cent ad valorem" be inserted.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Georgia.

Mr. WALSH of Massachusetts. Mr. President, I appreciate that any objection to the amendment now proposed would be futile, in view of the fact that some of the minority members of

the Finance Committee favor it, but I still think the rate proposed is too high.

Mr. NORRIS. Mr. President, while I can clearly see that the amendment proposing a rate of 25 per cent is going to be agreed to, and I do not want to delay the Senate by discussing it or calling for the yeas and nays, yet I do want to be on record as being opposed to the increase. It seems to me that the rate in the existing law is plenty high enough and that those who are engaged in the business ought to be well satisfied to retain that rate if it really should not be reduced.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia. [Putting the question.] By the sound the ayes have it, and the amendment is agreed to.

Mr. WHEELER and Mr. GEORGE addressed the Chair.

Mr. SMOOT. Mr. President, will not the Senator from Montana let us complete the amendments in paragraph 1302?

Mr. GEORGE. They involve changes in phraseology merely.

Mr. SMOOT. The amendments are merely to clarify the phraseology of the bill.

The PRESIDING OFFICER. The next amendment will be stated.

The CHIEF CLERK. On page 184, line 11, paragraph 1302, it is proposed to strike out "rayon noils" and insert "noils of rayon or other synthetic textile," so as to read:

Noils of rayon or other synthetic textile, 25 per cent ad valorem.

Mr. GEORGE. Mr. President, that merely makes the language of the paragraph conform to the definition of rayon heretofore provided by the bill.

Mr. SMOOT. This merely follows the amendments which have already been agreed to, and is a clarification of the text.

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

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 184, line 12, after the word "rayon," to insert "or other synthetic textile," so as to read:

Garnetted or carded rayon or other synthetic textile, 10 cents per pound and 25 per cent ad valorem.

The amendment was agreed to.

The next amendment was, on page 184, line 14, after the words "ad valorem," to strike out "sliver or tops" and insert "sliver, tops, and roving of rayon or other synthetic textile," so as to read:

Sliver, tops, and roving of rayon or other synthetic textile, 10 cents per pound and 30 per cent ad valorem.

Mr. SMOOT. Now, Mr. President, recurring to paragraph 1301, the junior Senator from Montana [Mr. WHEELER], as I understand, desires to offer an amendment to that paragraph, and I ask unanimous consent that the vote whereby the amendment to that paragraph was agreed to may be reconsidered.

The PRESIDING OFFICER. Without objection, the vote whereby the amendment in paragraph 1301 was agreed to will be reconsidered.

Mr. WHEELER. Mr. President, I have not at this time prepared the amendment which I desire to offer, but I will present it later. I desire to say to the Senator from Utah, however, that what I wish to do is to strike out the specific rate of 45 cents a pound on rayon.

Mr. GEORGE. If the Senator will permit me, what he wishes to do is to strike out the language on page 183, beginning in line 24, and reading:

Provided, That none of the foregoing shall be subject to a less duty than 45 cents per pound.

Mr. SMOOT. That is the amendment which I understood the Senator from Montana desired to offer.

Mr. GEORGE. That involves the same question, as the Senator will recall, which was raised by me on yesterday.

Mr. WHEELER. Mr. President, do I understand the Senator from Utah is opposed to such an amendment, or is he willing to agree to it?

Mr. SMOOT. I should like to have the Senator make his statement.

Mr. WHEELER addressed the Senate. After having spoken for several minutes, he yielded to Mr. COPELAND.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Allen	Frazier	Kean	Schall
Ashurst	George	Kendrick	Sheppard
Baird	Gillett	Keyes	Shortridge
Bingham	Glass	King	Simmons
Black	Glenn	La Follette	Smoot
Blaine	Goff	McCulloch	Steiwer
Blease	Gould	McKellar	Sullivan
Borah	Greene	McMaster	Swanson
Bratton	Grundy	McNary	Thomas, Idaho
Brock	Hale	Moses	Thomas, Okla.
Brookhart	Harris	Norbeck	Townsend
Broussard	Harrison	Norris	Trammell
Capper	Hastings	Nye	Tydings
Caraway	Hatfield	Oddie	Vandenberg
Copeland	Hawes	Overman	Wagner
Couzens	Hayden	Patterson	Walcott
Dale	Hebert	Phipps	Walsh, Mass.
Deneen	Heflin	Pittman	Walsh, Mont.
Dill	Howell	Ransdell	Waterman
Fess	Johnson	Robinson, Ind.	Watson
Fletcher	Jones	Sackett	Wheeler

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

Mr. WHEELER. Mr. President, I might say how I happened to become interested in this matter. It was due to the fact that it was one of the subjects assigned to me by some of the group that met together early in the consideration of the tariff bill. I have before me some figures which were presented to me by Mr. David J. Lewis, a former member of the United States Tariff Commission, who prepared the figures for myself and for some other Senators.

(At this point Mr. WHEELER yielded to Mr. COPELAND, who suggested the absence of a quorum, and the roll was called.)

Mr. WHEELER. Mr. President, I want again to call attention to this bill and the provision in it which says that it is for the purpose of protecting American labor. I think, before I am through the discussion of the rayon schedule, I can convince any fair-minded person that this 45 per cent specific duty is not for the protection of American labor; that, as a matter of fact, the only thing that this 45 per cent specific duty is doing to the American people is taking it out of the pockets of all of the people who wear rayon clothes and putting most of it into the pockets of the Viscose Co., which is a foreign concern, made up of foreign capital, operating in the United States, making huge profits in the United States, and sending the money back to England and to other foreign countries.

In other words, this specific duty of 45 cents upon rayon, and this high tariff, is not for the protection of American labor. It is not for the protection of Americans engaged in industry; but, as a matter of fact, it is for the benefit of foreigners who have put their money into the rayon business in the United States to a very large extent.

In the first place, I can not read the reports which have been furnished to me by Mr. Lewis and come to any other conclusion than that the ad valorem tariff which has been in the bill, and which is there yet, is entirely too high. Instead of a tariff of 45 per cent and 50 per cent ad valorem, as a matter of fact it should not be over about 20 per cent. But if we maintain this 45 cents specific duty, as is proposed in the bill, then it means not an ad valorem duty of 45 and 50 per cent but that we are putting a duty upon a majority of the articles that are imported into this country of all the way from 60 to 112 and 115 per cent; and, as I said a moment ago, it is coming out of the pockets of the poorer classes of the people of this country who are using rayon as a substitute for silk.

In addition to that, the duty is upon rayon yarn; and while we are giving a little employment in the manufacture of rayon yarn to some American workingmen, yet if we raise this duty and keep this specific duty on at 45 cents per pound we are absolutely going to destroy the manufacturers who use these yarns, and who, I am told, employ about 200,000 men in their factories in manufacturing the yarns into manufactured articles.

Mr. President, some of the reasons for the changes which have been called to my attention are as follows:

First. That a specific duty has no place in the rayon schedule. A specific rate can not justly cover the wide range of prices of rayon yarns of different sizes and qualities or the steadily decreasing price level.

Second. The 45 cents per pound specific duty is merely a screen to conceal exorbitant ad valorem rates. This specific duty nullifies the ad valorem rate of 45 per cent, as is proven by the fact that 95 per cent of the imports in 1927—the latest year for which we have details available—paid duty at 45 cents per pound. This rate actually means 60 to 112 per cent ad valorem.

Third. The American rayon manufacturers do not need protection of 45 cents per pound. Of the factors in production of rayon, labor alone needs protection. The labor cost in the United States of 150-denier rayon is not over 32 cents per

pound, as against 21½ cents per pound in Holland. If European manufacturers could have their rayon made without any labor cost whatsoever, the specific duty of 45 cents per pound would still give the American manufacturer 15 to 20 per cent overprotection.

Mr. NORRIS. Mr. President——

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

Mr. WHEELER. Yes.

Mr. NORRIS. I dislike to ask the Senator to do so, but I wish he would repeat the statement just before the last one. There was some confusion in the Chamber, and I could not get the full purport of it.

Mr. WHEELER. The figures given to me and substantiated by Mr. Lewis are that the American rayon manufacturers do not need protection of 45 cents per pound. Of the factors in the production of rayon labor alone needs protection. The labor cost in the United States of 150-denier rayon is not over 32 cents per pound, as against 21½ cents per pound in Holland. If the European manufacturers could have their rayon made without any labor cost whatsoever, the specific duty of 45 cents per pound would still give the American manufacturer 15 to 20 per cent overprotection.

Fourth, 150-denier rayon constitutes about 70 per cent of the country's total consumption and was selling for $2.75 per pound when the minimum specific duty of 45 cents per pound was imposed in 1922. In other words, this specific duty that was placed on rayon in 1922 was when this rayon was selling at $2.75 per pound. To-day the price of 150 denier is $1.10 to $1.15. This means that the price has been reduced 60 per cent, with the result that the specific duty of 45 cents per pound is increased 150 per cent when figured on the ad valorem basis. In the face of this change what justification can be given for continuing the rate of 45 cents per pound as a specific duty?

Mr. President, I am sure that no attempt will be made on the floor of the Senate to justify a 45-cent specific duty on rayon in the face of the figures which have been given to me.

The fifth reason is that as far as the printed record shows, no domestic manufacturer of rayon has substantiated their tariff requests or justified the continuance of a specific duty of 45 cents per pound.

I am informed that the American Viscose Co., which is the largest producer of rayon, and which would receive the greatest benefit from this duty, was capitalized for $10,000,000 in 1922, and that the American Viscose Co. earned for the foreign stockholders in the years 1921 to 1928, inclusive, in the neighborhood of $196,000,000, while during that same period our Government received in duties on rayon only $42,700,000.

Continuing the minimum duty of 45 cents per pound in the face of recent price reductions will show a falling off in the Government revenues estimated at not less than $1,000,000 per month. At the same time we will be carefully protecting the interest of foreign stockholders in our American rayon plants.

Mr. President, sixth, though the difference in the labor cost is the only excuse for rayon yarn not being on the free list, the great profits made by rayon manufacturers have not been passed on to labor. The Senate will remember that down in the rayon factories in Tennessee there was a strike going on, and the head of the Glanzstoff Co., which is a German concern, came before the Committee on Manufactures and told us what wages were paid there. Let me call attention to the fact that when the Republicans talk about imposing this tariff duty for the protection of American labor that that company furnishes an instance where a company in the industry has been piling up and piling up and piling up millions on millions of dollars. The Viscose Co., the Du Pont Co., the Glanzstoff Co., and practically every concern that has been interested in the manufacture of rayon has been making millions of dollars, and they have been paying the laborers of their companies a most meager pittance, scarcely a living wage. Yet those on the other side of the Chamber stand here asking the American people to go on and on and on filling the pockets of a few manufacturers of this country, and *they do it, they say,* in the name of labor, when the facts can not justify that claim, because in this industry—I was going to say more prosperous than any other industry, but I must say as prosperous as any industry in the United States—they are paying as low wages, I believe, as in any other industry in this country.

Seventh. The 45 cents per pound specific duty causes inequalities in other parts of the tariff bill, as follows:

First. Twisted yarns are given exorbitant protection in paragraph 1301, which would shut out importations, because, as stated in the Finance Committee tariff report on page 40, paragraph 1301, "bringing the minimum specific proviso into operation, rayon crêpe yarn would be on a duty parity with rayon yarn of ordinary twist," which means that the specific duty of 45 cents per pound removes protection from yarns which require additional labor expense.

In paragraphs 1306 through 1311, 45 cents per pound specific duty has been inserted in addition to the ad valorem rates, in an attempt to compensate the manufacturers of the products covered by those paragraphs for the cost of their rayon yarns. Elimination of the specific duty of 45 cents per pound on rayon yarns would make unnecessary the rate of 45 cents per pound in these paragraphs.

Mr. President, I listened the other night to a statement over the radio by a well-known broadcaster and propagandist, in which he went on to say that the so-called coalition up in the Senate of the United States was carrying out the views of the President of the United States. He said it should be remembered that the coalition up here was only carrying out what the President asked for, and also what the Speaker of the House had proposed. Knowing that this gentleman is close to the President, I have no doubt in the world that he was inspired by the President of the United States. Believing that he was speaking with full authority from the President of the United States when he said the coalition was carrying out the President's viewpoint, I can not conceive how the Republicans, on the other side, who want to be loyal to their administration, can for one moment be in favor of this specific duty, because, as this speaker over the radio said, the President only wanted to help those industries, and to see the tariff raised on those industries which were actually depressed.

Let us see whether or not the rayon industry is depressed, and I am not going to take much of the time of the Senate on this. I took these figures from the reports that were sent to us from the Treasury. This is an analysis of the net profit determined by the income-tax statements of the American Viscose Co., and remember, this is not an American concern, it is a British concern.

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

Mr. WHEELER. I am glad to yield.

Mr. ASHURST. I wish to inquire, for better identification, are the data which the Senator is about to furnish us in regard to the profits in response to Senate Resolution 108?

Mr. WHEELER. That is correct.

Mr. ASHURST. I just wanted the RECORD to show the fact.

Mr. WHEELER. This is from the record of the American Viscose Co. and reported in the statement of the Bureau of Internal Revenue, in response to Senate Resolution 108, relative to furnishing the Committee on Finance with statements of profits and losses of certain taxpayers affected by the pending tariff bill.

In the year 1926 their gross sales were $49,000,000. Their officers' salaries were $217,000. Their total expense was $7,843,275. They deducted as depreciation $2,382,901. Their profits, net, after deducting taxes and depreciation and all other deductions, were $27,609,050. The percentage of profit on gross sales was 55 per cent.

This same foreign company, with foreign capital, doing business in the United States, getting the benefit of this 45 cents specific duty, making the American people pay them—and they have taken a good deal of money back to their foreign country to establish factories over there—in 1927 their gross sales amounted to $66,788,069. Their officers' salaries were $258,145. Their total expense was $8,333,240. They deducted on account of depreciation $3,027,192, and after deducting taxes, depreciation, and all other deductions, their profits were $29,051,180. Their profit was 43 per cent of their gross sales.

Mr. NORRIS. Mr. President, will not the Senator give us the capitalization of the company?

Mr. FLETCHER. And the name of the company.

Mr. WHEELER. It is the American Viscose Co.

Mr. NORRIS. Has the Senator the figures as to their invested capital?

Mr. WHEELER. My recollection is that I read the statement a moment ago to the effect that it was $10,000,000.

Mr. NORRIS. In giving the percentage of profits, what did the Senator say.

Mr. WHEELER. That was on their gross sales.

Mr. NORRIS. If the Senator has it, I would like to have the figure as to the profits based on their investment.

Mr. WHEELER. I think I have those figures here, and I will give them.

In 1928 the gross sales amounted to $67,873,201. Their officers' salaries amounted to $277,747. Their total expense was $14,106,337. Their depreciation, included in total expense, was $3,377,232. Their profits, net, after deducting taxes, depreciation, and all other deductions, were $31,645,901, or 46 per cent of their gross sales.

The totals of the gross sales for the three years from 1926 to 1928, inclusive, were $184,166,291. The officers' salaries

amounted to $753,138. The total expense was $30,282,852. Their total deductions were $8,787,315, and their total profits were $88,360,131, or a total net profit, based upon their gross sales, of 48 per cent.

Mr. FLETCHER. Mr. President, I would like to ask the Senator whether their plants are in the United States and whether or not the parent company is in England.

Mr. WHEELER. The parent company is in England. They have factories in the United States, but the parent company, as I understand, is in Great Britain.

The Senator from Nebraska asked me a short time ago as to what the paid-in capital was. My understanding is, although I have not anything very definite on it, that $10,000,000 was their original paid-in capital.

The foregoing statement indicates that the average net profit was 48 per cent upon their gross sales. That profit is determined after deductions of every kind and character, including taxes and depreciation, which deductions amounted, in all, to over $8,700,000.

The company's own figures of production, as shown in the income-tax return of the net profits, show the following profits per pound for every pound of rayon produced by the American Viscose Co. for the years 1926, 1927, and 1928. I do not know how much these people paid into the coffers of the Republican Party. I do not know how much money they paid into the Republican campaign fund. But surely it is true that if the tariff goes through as it is proposed they will get back every cent that they ever paid into the Republican coffers and much more besides.

As I said, the company's own figures of production, as shown in the income-tax returns, disclose the following profits per pound for every pound of rayon produced by the American Viscose Co. for the years 1926, 1927, and 1928:

Produced in 1926, 37,000,000 pounds; net profits, $27,609,050; profit per pound, 74 cents. That is what the American public is paying, 74 cents per pound profit to the American Viscose Co., a foreign concern, by reason of the tariff which has been placed upon the product by the Congress of the United States.

In 1927 the number of pounds produced was 40,960,000; net profits, $29,051,000; profits per pound, 70 cents.

In 1928 the number of pounds produced was 54,000,000; net profits, $31,645,000; profits per pound, 58 cents. The average profits for the three years were 67 cents per pound.

It must be evident to anybody who views these figures that, as a matter of fact, it is not necessary for the American Viscose Co. to have the proposed tariff of 45 per cent ad valorem, to say nothing of having a specific duty of 45 cents. I was talking the other day with a party who told me that the manufacturers in this country who use this rayon yarn, as a matter of fact, are afraid to protest because of the fact that they feel that the rayon industry is so closely held by the American Viscose Co. and the trust which controls the rayon industry that they do not even dare to protest against these exorbitant rates because if they do they will be cut off and will not be able to get the product.

Such, I am told, is the intimidation by the Rayon Trust that the manufacturers who use the yarns in many instances do not even dare to protest for fear of not being able to get the product. Where are the manufacturers' organizations representing these people? Why are they not here asking for a reduction in the rate of tariff so as to protect the manufacturers with reference to the matter? Is it because of the fact that the Rayon Trust is so large that they do not dare to do it for fear of offending the manufacturers of rayon, or is it because of the fact that they can not come in here and ask for a tariff upon one thing and ask for free trade upon another thing, all in the same breath?

Mr. FLETCHER. Mr. President, may I inquire of the Senator if he has the figures for 1929?

Mr. WHEELER. No; I do not have those figures.

Mr. FLETCHER. I have a statement showing that the production was 66,000,000 pounds. I do not know whether that refers to 1929 or not. The Senator gave 1928 at 54,000,000 pounds, but since then it has greatly increased, I think.

Mr. WHEELER. I understand so. I have here a tabulation showing the production by the various companies, which I ask may be placed in the RECORD because of the fact that it shows that the American Viscose Co. is controlled by Courtauld's (Ltd.), of England, the parent company. It shows that the Du Pont Co. is tied up with the Comptoir des Textile Co. of France. It shows the various tie-ups between the different companies. It likewise shows the independent concerns and how little they produce compared with the production of these foreign companies controlled by or affiliated with foreign capital. I ask that this tabulation be placed in the RECORD as a part of my remarks.

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

The tabulation is as follows:

American rayon production controlled by or affiliated with foreign companies

American Viscose Corporation, 66 million pounds; Skenandoa Rayon Corporation, 1¼ million pounds. Courtauld's (Ltd.), England (parent company).

Du Pont Rayon Co., 23 million pounds. Comptoir des Tex. Art., France.

American Enka Corporation, 1 million pounds. N. V. Ned. K. Fab. Enka., Holland (parent company).

Tubize Art. Silk Co., 9 million pounds. Fab. de S. Art. Tubize, Belgium (parent company).

American Glanzstoff Corporation, 5 million pounds; American Bemberg Corporation, 4 million pounds. Ver. Glanzstoff Fab. J. P. Bemberg, A. G., Germany (parent company).

Celanese Corporation, 6 million pounds. British Celanese (Ltd.), England (parent company).

American Chatillon Corporation, 1½ million pounds. La Soie de Chatillon, Italy (parent company).

American production foreign controlled or affiliated

ESTIMATED PRODUCTION, 1929

	Pounds
American Viscose Corporation	66,000,000
Skenandoa Rayon Corporation	1,250,000
Du Pont Rayon Co	23,000,000
American Enka Corporation	1,000,000
Tubize Art. Silk Co	9,000,000
American Glanzstoff Corporation	5,000,000
American Bemberg Corporation	4,000,000
Celanese Corporation of America	6,000,000
American Chatillon Corporation	1,500,000
Total	116,750,000

Independent American production

ESTIMATED PRODUCTION, 1929

	Pounds
Acme Rayon Co	1,000,000
Delaware Rayon Co	2,000,000
Industrial Rayon Co	6,500,000
New Bedford Rayon Co	2,000,000
Belamose Corporation	1,750,000
All others (less than)	2,000,000
Total	15,250,000

Sources of information: Figures in the above chart are based on either the company's own figures or estimates of the Daily News Record, New York. Relations of groups are based on information Fairchilds List of Rayon Producers (September, 1929) and from Department of Commerce, report No. 81, on Representative International Cartels, Combines, and Trusts.

Mr. VANDENBERG. Mr. President, may I ask the Senator if he knows the total production in the country? Does the chart show that?

Mr. WHEELER. The estimated production of the American controlled or affiliated companies for 1929 was 116,750,000 pounds, and that of the independent companies in the United States was 15,250,000, showing that practically the entire industry which we are protecting here is either controlled by or affiliated with the foreign companies.

I have here also an analysis which was made of Courtauld's (Ltd.), of England, showing their income from their subsidiary, American Viscose Corporation, taken from another source, showing the production in pounds, and so forth, which I ask may be placed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

Analysis of Courtauld's (Ltd.), of England, income from their subsidiary American Viscose Corporation

	Production in pounds	Estimated net earnings	Estimated Courtauld's (Ltd.) participation in net earnings	American Viscose Corporation stock increases out of profits	Estimated benefit to Courtauld's (Ltd.) from American Viscose stock dividends
1922		$20,000,000	$17,000,000	$90,000,000	$76,500,000
1923		20,000,000	17,000,000		
1924	28,000,000	20,000,000	17,000,000		
1925	35,000,000	20,000,000	17,000,000		
1926	37,000,000	20,000,000	17,000,000		(1)
1927	41,000,000	20,000,000	17,000,000		(1)
1928	54,000,000	30,000,000	25,500,000		
1929 (estate)	66,000,000				
Total		150,000,000	127,500,000		

[1] 1926–27 American Viscose redemption of preferred stock held by Courtauld's (Ltd.) $37,784,400 cash.

Appreciation of stock holdings in American Viscose Co., usable for increased capitalization of Courtauld's (Ltd.), of England	$76,500,000
Income of Courtauld's (Ltd.) estimated above, from net earnings of American Viscose Corporation, 1922–1928	127,500,000
Total estimated income Courtauld's (Ltd.) from American subsidiary 1922–1928	204,000,000

At the end of 1928 Courtauld's (Ltd.) balance sheet showed total assets of their English properties, when figured in American dollars at $4.85 to the pound, $38,800,000.

The same source gave holdings in outside companies $126,100,000, of which the Rotterdamsche Bankvereeniging of Holland, Monthly Review No. 10, October, 1928, showed Courtauld's (Ltd.) valuation of Courtauld's holdings in the American Viscose Corporation as $90,000,000.

(This is over two and one-fourth times the total value of Courtauld's English properties.)

In the years 1920–1927, Courtauld's (Ltd.) paid their stockholders in cash and stock dividends the equivalent of $149,000,000; 1928 cash dividend figures not available, but a stock dividend of $58,000,000 was paid. That makes a known total in nine years, paid by Courtauld's (Ltd.) to their stockholders, of $207,000,000.

In the seven years, 1922–1928, Courtauld's (Ltd.) participation in American Viscose Corporation's cash and dividends, as estimated above, were $204,000,000.

Courtauld's (Ltd.) are the dominating influence in the world rayon field.

The American tariff of 45 cents per pound has made possible building up this tremendous structure.

The American people have paid.

Rayon production (pounds)

	World	United States	Imports into United States from all sources
1922	70,000,000	24,000,000	2,000,000
1928	350,000,000	98,000,000	12,000,000

Price of 150 denier $2.75 in 1922; $1.50 first 3 months; $1.15 since June, 1929. With prices 60 per cent off and profits tremendous, tariff increases are sought.

1922–1928

Total duty paid to the United States Treasury on all imports of rayon yarns and products of cellulose	$42,700,000
Estimated dividends to Courtauld's (Ltd.) from American Viscose Corporation	204,000,000

Ratio of benefits: American people, 1; foreign stockholders, 4¾.

SOURCES OF INFORMATION

"List of Artificial Silk Companies Shares Dealt in on Stock Exchange," page 55. H. Morison & Co., London, England.

Rotterdamsche Bankvereeniging, Holland, "Monthly Review," No. 10, October, 1928.

Briefs of rayon-yarn importers.

Report of directors and balance sheet to December 31, 1928, of Courtauld's (Ltd.), published in London, England, under date of February 14, 1929.

Department of Commerce, report No. 81, on Representative International Cartels, Combines, and Trusts.

Mr. WHEELER. Mr. President, we produce in this country twice as much rayon as is produced in any other country. However, about 70 per cent of our output is foreign controlled. As I said a moment ago, the American Viscose Corporation produces over 50 per cent of all the rayon made in this country. They are in turn owned by Courtauld's (Ltd.) of England, who dominate the world's rayon industry.

The price level is relatively much higher here than in the other world markets. The tariff is responsible for this fact. The difference in the cost of making rayon abroad and in this country, according to the best figures obtainable, showed 150 denier, at 60 cents per pound in this country, as against about 52 cents abroad. This difference would be covered by a duty of 20 per cent ad valorem, but the actual duty amounts to 60 to 112 per cent ad valorem. When the difference in the cost of production at home and abroad is 8 cents a pound, according to the figures which I have before me, we are giving a tariff of from 60 to 112 per cent ad valorem.

To have a clear picture of some of the facts in the case we must realize that rayon is as nearly a world monopoly as exists in any industry to-day. Four-fifths of the world's supply is controlled by a combination of leading viscose-producing concerns, mostly foreign. For years vast profits have been drawn from the United States under the cover of our tariff. The control of the industry presents a sinister picture when clearly seen. It is a type of picture that is abhorrent to our American sense of justice and fair play. The influences are insidious and subtle. They are so compact that great influence can be exerted without any seeming effort. It is worthy of our study to determine the extent of responsibility of this monopolistic power which caused the Ways and Means Committee of the House sharply to advance the rates which they established after a study of the subject, only to disregard their findings.

Domestic rayon prices consistently have been higher than prices in other markets. World prices have been reduced through great economies in production and competition. The American market hesitatingly has followed to an extent, but still keeps higher than the world level by an amount greatly in excess of the actual difference in producing costs here and abroad. Rayon prices in the United States to-day are only 40 per cent of the level at the time the present tariff law was written; that is, the main item, 150 denier, sold for $2.75 per pound in 1922, when our present tariff law was enacted, and to-day sells for $1.05 to $1.15 per pound. That has not been caused by any importations into this country, but it has been caused and is entirely due to the improved conditions in the manufacture of rayon throughout the world. As the price goes down and as economies are worked out by the manufacturers in the production of rayon we increase the tariff to them. If they put in machinery to take the place of men, as they have done in this industry far more than in almost any other industry in the same period of time, they will be given the benefit of a higher ad valorem rate with the adoption of the 45 cents a pound specific duty.

Mr. President, it seems to me such action is entirely without justification. I do not believe that anybody will stand on the floor of the Senate and try to justify it. The best illustration of why it is not justifiable is given by an analysis of the benefits to the American rayon plant and the capital increases from profits of the American Viscose Corporation and of the parent company, Courtauld's (Ltd.), of England.

Glanzstoff and Enka, both with American factories, are united in Europe under the name of Associated Rayon Corporation. Their importations are reported to contain large quantities of deniers in which those importers who are trying to build up markets can not compete. Their import activities are more as domestic producers, yet their activities react on the entire import situation.

Mr. President, I now want to move that paragraph 1301 be amended, as follows:

On page 183, line 24, after the words "ad valorem," to strike out "*Provided*, That none of the foregoing shall be subject to a less duty than 45 cents per pound"; and also on page 184, line 1, after the word "having," to strike out "more than 20 turns twist per inch shall be subject to an additional cumulative duty of 50 cents per pound," and in lieu thereof to insert "in the singles, 11 turns twist per inch, but not more than 32 turns twist per inch, shall be assessed at the rate of 45 per cent ad valorem; twisted more than 32 turns per inch, 50 per cent ad valorem."

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

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. WHEELER. I yield.

Mr. KING. Will the Senator again state his amendment?

The VICE PRESIDENT. The Chair will state that the Senator is proposing separate amendments, and the vote on them will have to be taken separately. Does the Senator desire a vote now on the first amendment, or does he desire first to discuss both amendments?

Mr. WHEELER. I offer both amendments at this time.

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

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. WHEELER. Yes.

Mr. SMOOT. I do not know whether or not the Senator from Montana was in the Chamber on Monday last when this question arose. The amendment in paragraph 1301 was agreed to with the understanding that any Senator could call the matter up at any time and ask for a reconsideration of the vote by which the amendment was agreed to. I stated at that time that I would ask the Tariff Commission to send a man to New York and get the latest information as to the cost of the imported articles. There is some question as to the report which we now have being up to date. I wish to say to the Senator that I very much prefer to have this amendment go over until I shall have received the report to which I refer. It will be but a short time until the information asked for shall be furnished, and then we will know what we ought to do without having to guess about it.

Mr. WHEELER. I do not know whether or not I distinctly heard the statement of the Senator from Utah. Do I under-

stand the Senator to say that he has sent to New York for some figures?

Mr. SMOOT. The Tariff Commission will send a man to New York to get the latest figures as to the prices of the articles imported falling within this paragraph. Those figures should have a bearing upon the two amendments the Senator from Montana has just proposed. All of the remainder of the schedule has been agreed to, with the exception of one or two amendments which are to follow, but when the amendment in paragraph 1301 was agreed to the other day, it was done with the distinct understanding that if any Senator desired a reconsideration of the vote whereby the amendment was agreed to, the request would be granted. I now should like to have the amendment go over until we shall have received from the Tariff Commission the report to which I refer; then we shall know just exactly what the figures are to-day and the different grades of fineness of the yarns, and there will not be any guessing about it.

Mr. WHEELER. Of course, that can not very much affect the specific duty.

Mr. SMOOT. Yes; that is just exactly what it would affect. It would affect it in this way: If there is not a difference of 45 cents there will be no need of the proviso going in, and if there is such a difference, then the Senate must decide as to whether or not it wants to take any chances as to the future. I should like to have the matter settled, but I know the Senator from Montana would not want, any more than I would, to have the question of the rate decided in such a way as to interfere with the industry and perhaps cause it to suffer. I am sure I do not desire any higher duty than is necessary. So I think what I suggest is the proper course to pursue.

Mr. WHEELER. Mr. President, I myself have not any objection to having the amendment go over if before final action the Senator from Utah wants the Tariff Commission to secure the figures to which he refers, but if the information which has been given me by Mr. Lewis, and the information which has been given to me by others, is correct, then there certainly is not any reason why the specific duty should be higher; as a matter of fact, there is not any reason which I can see, in face of the figures that have been given to me with reference to the difference in the cost of production at home and abroad, why the tariff upon this article should be any more than 20 per cent. However, I am willing to concede even more than 20 per cent, but I shall sincerely oppose the specific duty of 45 cents, because I think, speaking frankly, that it is little less than scandalous to have a duty of from 60 to 112 per cent on rayon—and that is what it means.

Mr. SMOOT. Mr. President, I merely wish to say that if we take the latest figures which have been furnished by the Tariff Commission there is a difference of 43.5 cents a pound. Before I definitely decide the question I want to know what the difference is at this time, and that is exactly what the Tariff Commission is going to ascertain.

Mr. WHEELER. When the Senator receives the figures from the Tariff Commission, before he submits them to the Senate, will he submit them to me so that I, as well as he, may have the benefit of them?

Mr. SMOOT. Certainly. I will be glad to have them printed in the RECORD, or I will be glad to give a copy to the Senator directly as soon as the figures shall be received.

Mr. WHEELER. I should like to check them over with Mr. Lewis, who was formerly a member of the Tariff Commission and who has given me the information to which I have referred.

Mr. SMOOT. The figures in the monthly reports are all we have now. They cover the statistics for Boston, New York, Chicago, St. Louis, and San Francisco, and taking those figures there is a difference of 43.5 cents a pound. I do not want to vote upon this rate, as I said the other day, and I am sure the Senator from Georgia does not want to act upon this rate, until we know positively what the price of the commodity is to-day delivered in New York, and we will get the prices directly from the invoices.

Mr. COPELAND. I assume that what the Senator from Utah has in mind is merely that the paragraph shall go over until the figures to which he has referred shall have been received.

Mr. SMOOT. That is all.

Mr. COPELAND. And it will be understood that it will then be open to debate and discussion?

Mr. SMOOT. Certainly.

Mr. COPELAND. Just the same as if the question were to be settled now?

Mr. SMOOT. Certainly.

Mr. COPELAND. So that every Senator who has anything to say on the subject will then have his opportunity.

Mr. SMOOT. That is correct.

Mr. COPELAND. I have no objection, then, to the course suggested.

The VICE PRESIDENT. Is there objection to passing over the amendment?

Mr. GEORGE. Mr. President, I have no objection to the paragraph going over, in fact, I think it might be well to have it go over, but let me suggest to the Senator from Montana that he propose his amendment so that it may be pending and so that he may take it up at the proper time.

At present, Mr. President, I wish to delay the Senate merely to put into the RECORD some figures which ought to be put in, as I think, on this very question.

I wish first to offer a table showing the imports for consumption and warehouse at port of New York in 1927, 1928, and the first nine months of 1929 classified by principal yarn counts. I call the attention of the Senate to the fact that the imports of 75 deniers in 1927 amounted to 35,386 pounds; of 100 deniers to 67,868 pounds; of 120 deniers to 132,973 pounds; of 150 deniers—and we are now getting into the coarser goods—to 12,126,462 pounds; of 300 deniers—still coarser goods—to 2,008,470 pounds; and of 450 deniers to 115,826 pounds.

While the table which I am proposing to insert in the RECORD will show the figures for 1928, I wish to call attention to the changes indicated by the imports for the first nine months of 1929. Of 75 deniers, the imports increased from 30,000 pounds, in round numbers, to 268,000 pounds, in round numbers; but the 150-denier yarn still accounted for 9,184,373 pounds of our imports.

Mr. SMOOT. In the nine months.

Mr. GEORGE. In the nine months.

Mr. President, the second table which I wish to put in the RECORD gives the ratio to total quantity both in pounds and value. I wish to call attention to the fact that 75 deniers—that is a fine yarn—amounted to 0.241 of the total imports—that 100 deniers, which is still a fine yarn, amounted to 0.463 of the total imports; that the 120 deniers amounted to 0.906 per cent. Bear in mind that the ad valorem would apply on those yarns, but when we get to the 150 deniers, the 45 per cent minimum to which the Senator from Montana has objected would apply, and not the ad valorem rate.

Mr. WHEELER. Exactly.

Mr. GEORGE. Yarn of 150 deniers accounts for 82.654 per cent of the total imports, or approximately 82½ per cent of the total imports. Still a coarser yarn, 300 deniers, accounts for 13.690 per cent of the total imports, and 450 deniers accounts for 0.789 per cent. So that the coarse yarns, 150s and 300s, amount to roughly 96 per cent of the imports, on which not the 45 per cent ad valorem would apply, but the 45 cents specific per pound, as the Senator from Montana has pointed out. I ask to have this table printed in the RECORD.

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

The table is as follows:

Rayon: Imports for consumption and warehouse at port of New York in 1927, 1928, and 1929 (9 months) classified by principal yarn counts

Deniers	1927			1928			1929 (9 months [1])		
	Pounds	Value	Value per pound	Pounds	Value	Value per pound	Pounds	Value	Value per pound
75	35,386	$54,038.00	$1.527	136,310	$200,587.00	$1.472	268,550	$292,379.00	$1.089
100	67,868	86,671.00	1.277	831,555	880,908.00	1.059	1,041,034	1,131,729.00	1.087
120	132,973	183,393.00	1.379	184,124	214,772.00	1.166	240,438	254,186.00	1.057
150	12,126,462	10,281,624.00	.851	9,337,525	7,615,012.00	.816	9,184,373	6,326,733.00	.689
300	2,008,470	1,407,923.00	.701	916,959	652,738.00	.712	283,615	143,029.00	.504
450	115,826	78,717.00	.680	27,086	18,494.00	.683	2,690	1,510.00	.564
Total all deniers and qualities	[2] 14,671,409	12,318,751.00	.840	[2] 11,962,555	10,166,620.00	.850	11,632,655	8,819,890.00	.758

[1] January–September, inclusive.

[2] For which sizes and quantities were shown on invoice.

Deniers	Ratio to total quantity			Ratio to total value		
	1927	1928	1929 [1]	1927	1928	1929 [1]
	Per cent	*Per cent*	*Per cent*	*Per cent*	*Per cent*	*Per cent*
75	0.241	1.139	2.309	0.439	1.973	3.315
100	.463	6.951	8.949	.704	8.665	12.832
120	.906	1.539	2.067	1.489	2.113	2.882
150	82.654	78.056	78.953	83.463	74.902	71.733
300	13.690	7.665	2.438	11.429	6.420	1.622
450	.789	.226	.023	.639	.182	.017
Total, all deniers	100.00	100.00	100.00	100.00	100.00	100.00

[1] January–September, inclusive.

Imports for consumption and warehouse at port of New York of rayon-yarn singles, 1929, classified by principal yarn counts

	75 deniers	100 deniers	120 deniers	150 deniers	300 deniers	450 deniers	Total including other deniers	Total yarns not numbered
	Pounds	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Pounds*
January	9,456	93,547	32,936	1,397,309	16,523	.....	1,628,371	38,058
February	20,467	97,897	46,860	926,509	44,375	.....	1,210,500	1,765
March	18,749	132,786	24,315	1,136,893	16,973	40	1,417,387	4,699
April	49,558	157,862	32,723	1,087,304	72,457	2,640	1,562,761	28,917
May	21,578	176,803	26,318	1,144,508	61,232	.....	1,520,992	4,774
June	20,842	133,199	12,555	1,250,210	48,677	.....	1,513,492	23,526
July	13,887	89,217	18,305	633,943	17,174	.....	800,283	.....
August	28,157	51,476	22,618	851,513	4,884	.....	982,275	292
September	85,856	108,247	23,808	756,184	1,320	.....	996,594	2,153
	Value	*Value*	*Value*	*Value*	*Value*	*Value*	*Value*	*Value*
January	$8,915	$99,492	$33,891	$987,228	$8,719	.....	$1,223,842	$21,367
February	21,272	111,119	49,708	658,034	25,240	.....	941,210	3,243
March	20,886	170,333	25,504	764,485	8,744	$20	1,094,084	3,832
April	66,222	184,050	30,881	724,765	35,426	1,490	1,215,840	19,542
May	24,359	187,047	27,704	798,690	30,184	.....	1,151,168	7,365
June	22,123	141,709	12,339	867,294	23,837	.....	1,127,026	15,353
July	16,473	85,522	19,640	434,021	7,941	.....	600,521	.....
August	23,730	47,179	26,047	577,130	2,484	.....	699,031	458
September	88,390	105,278	28,472	515,086	454	.....	767,168	1,884

Mr. GEORGE. Mr. President, there is just one other table that I wish to have incorporated in the RECORD, and that is a table showing the effect of these rates upon the imports of rayon yarn—singles—based on the average invoice price per pound during the first nine months of 1929.

The equivalent ad valorem on the 75s would, of course, be 50 per cent, because the ad valorem rates apply.

On 100s, the 50 per cent ad valorem would apply.

On 120s, the 50 per cent ad valorem would apply.

These are the fine goods, the luxury goods.

On the 150s, the average value per pound of all imports coming into the country during the first nine months of 1929 was 68 and a fraction cents a pound—let us say 70 cents per pound—so that the 45 per cent ad valorem does not apply, but the minimum of 45 cents per pound does apply, and we have an equivalent ad valorem of effective duty or 65.31 on 82½ per cent of the imports of rayon yarn into this country.

Now, take the 300 denier. The average value per pound of all imports during the first nine months of 1929 was 50.4 cents per pound, so that the ad valorem does not apply, but the specific does apply; and we have the equivalent ad valorem effective duty of 89.29, or nearly 90 per cent, upon 13½ per cent plus of all imports of rayon into the country.

Mr. President, the Senator from Montana [Mr. WHEELER] is precisely right in the objection which he has raised to these duties. Not only is he right but this schedule presents a complete reversal of the entire tariff policy in existence to-day, in that in the coarser rayon yarns less labor is required, while the duty is higher, but a lower duty is placed on the finer yarns, in which a much greater percentage of labor is actually employed.

The result, when it is reduced down to plain American facts, is that we are putting a high tax upon 96 per cent of the raw product of the rayon industry in the United States—that is, of all rayon spinners. We are putting a higher duty on the great bulk of imports that go into sweaters; that go into tapestries, especially the coarser tapestries; that go into the homes and on the backs of the average American family. We are putting a duty there that will run up to approximately 90 per cent, whereas under this scheme the strict luxury goods are permitted to come in at a rate of 50 per cent ad valorem.

Mr. President, I ask that the table to which I have just referred be inserted in the RECORD, and that an additional table, showing the imports of rayon-yard singles, based on average invoice price per pound in 1928, be likewise inserted in the RECORD.

I ask also that a rough tabulation of rayon yarn singles imports for consumption from January to September, 1929, based on quality, be inserted in the RECORD. It must be understood that this table does not come from the Tariff Commission, but I believe it to be correct. This shows the importation according to grades—that is, grades A, B, C, and D, or grades A, B, C, and inferior—rayon yarns being classified not only according to the deniers but according to the quality.

The VICE PRESIDENT. Without objection, it is so ordered.

The tables referred to are as follows:

Effect of rates in H. R. 2667 upon imports of rayon yarn (singles), based on average invoice price per pound in 1928

Singles yarn count	Value per pound [1]	Rate of duty	Equivalent specific rate per pound	Equivalent ad valorem
				Per cent
75 denier	$1.472	50 per cent ad valorem [2]	$0.736	50.00
100 denier	1.059	do.[2]	.530	50.00
120 denier	1.166	do.[2]	.583	50.00
150 denier	.816	45 per cent ad valorem [2]	[2].367	55.10
300 denier	.712	do	[2].320	63.20
450 denier	.683	do	[2].307	65.90

[1] Average price for total inports during year, including all grades in each size range.
[2] Minimum, 45 cents per pound.

Effect of rates in H. R. 2667 upon imports of rayon yarn (singles), based on average invoice price per pound during first nine months of 1929

Deniers	Value per pound	Rate of duty	Equivalent specific rate per pound	Equivalent ad valorem of effective duty
				Per cent
75	$1.089	50 per cent ad valorem [1]	$0.544	50.00
100	1.087	do.[1]	.544	50.00
120	1.057	do.[1]	.528	50.00
150	.689	45 per cent ad valorem [1]	[1].310	65.31
300	.504	do.[1]	[1].227	89.29
450	.564	do.[1]	[1].254	79.79

[1] Minimum, 45 cents per pound.

NOTE.—On single yarns of 150 denier and coarser, the rates in H. R. 2667 are identical with the rates in the present law, although named in reverse order. In present act the duty is 45 cents per pound on singles with a minimum of 45 per cent ad valorem. On single yarns finer than 150 denier, there is in effect an increase.

Rayon-yarn singles, imports for consumption, January–September, 1929—Quality distribution

Grade	Pounds	Ratio to total quantity	Value	Ratio to total value
		Per cent		*Per cent*
Grade A	5,558,743	49.58	$4,731,482	56.21
Grade B	3,935,214	35.10	2,685,967	31.91
Grade C	1,588,208	14.16	915,219	10.87
Grade D	130,285	1.16	85,184	1.01
Total, all grades shown	11,212,450	100.00	8,417,852	100.00

Mr. WHEELER. Mr. President, I desire to call the attention of the Senator from Utah to these figures which I have.

In 1928 the total rayon production in the United States was 97,000,000 pounds. The American viscose production in the same period of time was 54,000,000 pounds, or 55 per cent. In 1928, the same year, the American viscose cost of goods sold, as shown by their income-tax return, was $25,832,344. Their cost per pound of goods sold was 47 cents. The minimum duty was 45 cents per pound.

I should like to ask the Senator if anyone claims that rayon can be produced in Europe for 2 cents per pound.

Mr. KING. Mr. President, if the Senator from Georgia will permit me to do so, I should like to make a very brief statement; and then, if he cares to answer some of the questions implied, I shall be very glad to have him do so. First, I should like to observe that I have been necessarily absent for some time, and I am not familiar with this schedule.

As I understand the facts elicited in the debate, the rayon industry has grown up during the past few years under existing tariff schedules. It has grown so rapidly that the domestic production for 1929 was 125,000,000 pounds. The imports were 12,000,000 pounds. So that under existing rates a new industry has been developed, and has reached such magnitude that the imports are less than 10 per cent of the domestic production. As I understand the statement made by the Senator from Montana, the profits made by the domestic manufacturers have been not only great but stupendous.

I was wondering, Mr. President—and I address this question to the Senator from Georgia, if he cares to answer it—what justification there is for any tariff upon rayon. If there is a justification, would it be fair to increase existing rates? If an infant industry has been developed under present rates, and has assumed the large proportions which the rayon industry has reached, I am at a loss to understand upon what theory of protection we would be justified in increasing any of the rates. It would seem to me that there ought to be a reduction.

Moreover, as I understand the facts presented in the debate, most of the manufacturers are integrated or connected in some way with foreign corporations and foreign corporations are interested here. A very large part of the capital invested in the rayon industry is of foreign origin and foreign ownership. It would seem, therefore, that the foreign producers of rayon and the domestic producers of rayon form a combination which is invulnerable to any attack; and they can send in rayon if they choose or not send it in. They can produce it here as cheaply as they desire, or so cheaply as not to warrant any importations. In other words, there is a trust in which foreigners and domestic manufacturers are united, and they control the domestic market if they do not entirely control the foreign market.

As one who desires to give legitimate protection to an infant industry, and to this industry if it is needed, for the life of me I am unable to see any justification for increasing the rates; but, upon the contrary, there would seem to be very persuasive arguments for material reductions.

Any discussion that will elucidate these points will be greatly welcomed by myself.

Mr. COPELAND. Mr. President, will the Senator yield for a moment?

Mr. KING. I yield.

Mr. COPELAND. It is a very interesting thing that the Senator has touched upon—a thing that actually does exist—that these local concerns, perhaps branches of foreign concerns, are the chief importers.

If I am correctly advised as to the importations through the port of New York for the six months from June 1 to December 1, 61 per cent of the total importations were received by the New York Rayon Importing Co., who are agents for a French company; the American Glanzstoff Corporation, a Dutch concern; and the Luster Fibres, a branch of the English concern. Then one American concern received a small amount of 478 cases as against 19,000 cases. So 61 per cent of the total importations in that period, as the Senator has suggested, have been through local concerns coming from foreign concerns.

The VICE PRESIDENT. It is understood that paragraph 1301 is passed over without objection, as stated awhile ago. The clerk will state the next amendment.

The next amendment was, on page 184, line 17, after the word "Spun," to strike out "rayon yarn, 10" and insert "yarn of rayon or other synthetic textile, 20," so as to make the paragraph read:

PAR. 1303. Spun yarn of rayon or other synthetic textile, 20 cents per pound, and, in addition, if singles, 45 per cent ad valorem, if plied, 50 per cent ad valorem.

Mr. GEORGE. Mr. President, in view of the amendment made in line 10, there should be a reduction here, of course.

Mr. SMOOT. Yes; I have just called the Senator's attention to that.

The VICE PRESIDENT. Will the Senator offer his amendment?

Mr. GEORGE. I think the Senate should reject the Senate committee amendment, except that of course no objection is raised to the change of phraseology which conforms to the definition. Perhaps the situation might be reached by proposing to strike out "20" and insert "10," which would carry the rate back to the rate in existing law.

The VICE PRESIDENT. The Chair suggests that that would be the proper course.

Mr. SMOOT. Yes; that would be the proper course, but that would hardly be in conformity with the action of the Senate on line 10, where we have increased the rate 5 per cent.

Mr. GEORGE. It would not be in exact conformity, but, if the Senator will note, then we would have in paragraph 1303—

Spun yarn of rayon or other synthetic textile, 10 cents per pound, and, in addition, if singles, 45 per cent ad valorem, if plied, 50 per cent ad valorem.

And the 10 cents per pound, reduced to an ad valorem equivalent, would give a very high ad valorem rate in this paragraph.

Mr. SMOOT. The trouble is, Mr. President, that if we leave that 10 cents a pound there, more than likely they will come in in that form.

Mr. GEORGE. Twenty-five per cent ad valorem would not be equivalent to exactly 10 cents a pound.

Mr. SMOOT. No. It would be equivalent to about 12½ cents; and if we do not make that difference, then of course it would come in under paragraph 1302 rather than ever coming in under paragraph 1303. So, if we are going to make it conform, that 20 per cent should be at least 12½ per cent, or else there would be that difference between the two.

If the Senator wanted to accomplish that result, he should move to amend the Senate amendment by striking out "20" and inserting "12½," and we could leave the wording just as it is otherwise.

Mr. GEORGE. Mr. President, I ask the privilege of withdrawing my motion, and making the motion indicated by the Senator from Utah.

The VICE PRESIDENT. The Senator modifies his amendment.

Mr. GEORGE. I think the Senator from Utah is correct in his statement, and I therefore move that, in line 18, page 184, the numerals "20" be stricken out, and that the numerals "12½" be substituted therefor.

Mr. KING. Mr. President, I would like to ask the Senator from Georgia, if that motion should prevail, what would be the ad valorem, reducing it all to ad valorem, upon the products imported under paragraph 1303? Would not that amount to approximately between 60 and 70 per cent ad valorem?

Mr. SMOOT. That would be about 11 per cent on the ordinary yarn, under the 12½-cent duty. Then, in addition, if singles, 45 per cent ad valorem, which would make it about 56 per cent. That is in conformity with some of the other duties, the 60 per cent rate on silks and finer goods. It must be balanced. I do not see how we could justify leaving loopholes in one paragraph as against another. If we do that, the articles will come in in the form which it is cheapest to bring in.

The Senate has already decided as to the filaments, and now we are on the next step in the manufacture of spun yarns. We want those to be in conformity with what we have already done in the first step.

Mr. KING. Mr. President, I appreciate the logic of my colleague. The vice of our tariff legislation and our tariff schedules oftentimes results from the improper rate imposed as a foundation. Having laid the extortionate rate as a foundation, or some branch of it, that calls for a corresponding so-called compensatory advancement with respect not only to one grade higher in the development of the art or industry but as to all grades, until finally we have a pyramid that reaches to the heavens in the multitudinous developments of the production in the particular industry.

My colleague is right in saying that we have levied a certain rate in another paragraph, and unless we raise the rate here to measure up to that standard, there will be imports under one particular paragraph which will defeat the operation of another paragraph. I concede that, but it does seem to me that if we can we ought first to lay a proper foundation, and not use an improper foundation as a basis for improper appeals for a step-ladder proceeding by which we get rates that ultimately become extortionate, and permit trusts and monopolies in restraint of trade to flourish in the United States.

Mr. SMOOT. Mr. President, I want to say to my colleague that the provision for 25 per cent ad valorem, if singles, and the 50 per cent ad valorem, if plied, is not amended by the Senate committee, and therefore is not amendable at this particular time. But we would not want to pass upon this now and leave this gap open. When the bill gets into the Senate, if the Senator wants to propose an amendment to those rates, he can offer his amendment.

Mr. KING. Yet, if that rate were adopted, it would necessitate a recurrence to this provision as to which the amendment is offered by the Senator from Georgia.

Mr. SMOOT. Certainly; that can be done, too. But the amendment suggested by the Senator from Georgia is to cut the 20 cents down to 12½ cents. That is in conformity with the action already taken on cut fiber, staple fiber, or fiber by any other name, fixing the rate at 25 per cent ad valorem.

Mr. KING. Mr. President, I am not challenging the accuracy of the position taken by my colleague as to what rate is necessary to make this paragraph conform to some other which has been acted upon, but I started out with the suggestion, first, that 12½ cents per pound, reduced to the ad valorem basis, added to the 45 and 50 per cent ad valorem with respect to the same commodities, would make, as I figured it hastily in my head, an ad valorem rate of from 60 to 70 per cent.

Mr. SMOOT. It would not be so high.

Mr. KING. I think the 50 per cent ad valorem, plus the 12½ cents a pound, reduced to ad valorem, would approximate 60 per cent ad valorem on those commodities.

Mr. SMOOT. Yes; but take the fine yarns in the other paragraphs, and the Senator will find that they are carrying about that same rate. I do not see anything wrong in this. If there is anything wrong in it, it can be remedied when the bill reaches the Senate.

Mr. WALSH of Montana. Mr. President, my understanding is that paragraph 1301 has gone over.

Mr. SMOOT. Only as to the amendment on page 183, lines 24 and 25. That went over.

Mr. WALSH of Montana. Let me remark that if I understand the matter aright, the yarns referred to in paragraph 1303 are made up not only from the cut fiber and staple fiber referred to in paragraph 1302, but, as well, of the filaments referred to in paragraph 1301.

Mr. SMOOT. No; that is not so. If the Senator will read the paragraph clear through, he will see what the fact is.

Mr. WALSH of Montana. I have read it through. It reads:

> Spun yarn of rayon or other synthetic textile, 20 cents per pound, and, in addition, if singles, 45 per cent ad valorem, if plied, 50 per cent ad valorem.

Mr. SMOOT. Yes; but this says "whether known as cut fiber, staple fiber, or by any other name."

Mr. GEORGE. Mr. President, if the Senator from Montana will permit me, the language of paragraph 1302 limits it to products covered in paragraph 1302, and not to those mentioned in paragraph 1301.

Mr. WALSH of Montana. I am not speaking about that. We are now considering paragraph 1303, and the argument of the Senator from Utah is that, having settled the rate on cut fiber, staple fiber, or fiber by any other name, we may then proceed to fix the rate in paragraph 1303. I will ask my colleague to give me his attention for a moment.

I submit that the yarns referred to in paragraph 1303 are not made up exclusively of the cut fiber and staple fiber referred to in paragraph 1302, but are made up, as well, and perhaps for the greater part, of the filaments referred to in paragraph 1301. If I am wrong about that, I want to be corrected.

Mr. SMOOT. The Senator is wrong about it.

Mr. GEORGE. Mr. President, I think the Senator is entirely wrong about it, but the Senator is right to this extent, the spun yarns mentioned in paragraph 1303 are not made up entirely of the filaments of rayon or other synthetic textile not exceeding 30 inches in length, on which the Senate placed a duty of 25 per cent ad valorem in lieu of 20 cents a pound. That is made up partly of that cut fiber, and also partly of the waste of rayon covered in the same paragraph; that is, paragraph 1302.

Mr. WALSH of Montana. Mr. President, am I to understand, then, that the filaments or other fibers referred to in paragraph 1301 do not enter at all into the rayon yarns referred to in paragraph 1303?

Mr. GEORGE. Not into spun rayon yarns referred to in paragraph 1303. That is my understanding, and if I am in error, of course I want to be corrected.

Mr. WALSH of Montana. I supposed that the filaments referred to in paragraph 1301 were the elements that entered into the production of yarn.

Mr. SMOOT. Let me explain just a moment, and then the Senator will see that they are not the same.

Mr. WALSH of Montana. It need not be explained to me that they are not the same. I realize that they are not the same.

Mr. SMOOT. What I mean is that they are not the same articles. This one is an advanced article. The Senator will notice that in paragraph 1302 reference is made to "filaments of rayon or other synthetic textile, not exceeding 30 inches in length." That is quite a different proposition from what is found in paragraph 1301.

Mr. WALSH of Montana. I appreciate that.

Mr. SMOOT. That is why the difference is made.

Mr. WALSH of Montana. I am not talking about that; I am talking about the rate in paragraph 1302. I submit that the yarns referred to in paragraph 1303 are made up not only of the waste material referred to in paragraph 1302, but of the primary material referred to in paragaph 1301. The Senator from Utah seems confused about what I am trying to get at. I appreciate that there are different rates in paragraph 1302, but what I want to know is whether the filaments referred to in paragraph 1301, as well as the waste materials referred to in paragraph 1302, do not enter into the composition of the yarns referred to in paragraph 1303; and if so, how can we fix a rate on the articles in paragraph 1303 until the rate is fixed on the articles referred to in paragraph 1301?

Mr. WHEELER. My understanding is that the rates in paragraphs 1302, 1303, 1304, 1305, 1306, and 1307 are all affected by the rate in paragraph 1301.

Mr. WALSH of Montana. Of course they are.

Mr. GEORGE. Mr. President, the Senator from Montana is entirely in error. Paragraph 1301 is not at all involved in paragraph 1303.

Mr. SMOOT. Not in the least.

Mr. GEORGE. What the senior Senator from Montana says is true when applied to the manufacture, but it is not true in regard to the tariff. That is to say, it may be true in the industry, in manufacturing, but when we consider the imports, they do not come in in the way the Senator imagines.

Mr. WALSH of Montana. Let me inquire of the Senator from Georgia, then, are we to understand that the yarns referred to in paragraph 1303 are made up exclusively of waste matters referred to in paragraph 1302?

Mr. GEORGE. Not exclusively of waste matter but of cut fiber and the waste matter.

Mr. WALSH of Montana. My understanding is that paragraph 1302 refers to what is generally referred to as waste matter. It starts out "rayon waste."

Mr. GEORGE. That is true.

Mr. WALSH of Montana. That is changed by the Senate committee to read:

> Waste of rayon or other synthetic textile, except waste wholly or in chief value of cellulose acetate, 10 per cent ad valorem; filaments of rayon or other synthetic textile, not exceeding 30 inches in length.

That is to say, the ordinary filament is more than 30 inches in length, but some of them are broken short; they are not the real standard article, so they are put in this paragraph 1302, which includes waste matter. How can we reach the conclusion that rayon yarn is all made up of waste?

Mr. SMOOT. Mr. President, I will say to the Senator again that the item named in paragraph 1301 is not spun into yarn.

Mr. WALSH of Montana. Will the Senator tell me before he passes to that point——

Mr. SMOOT. Just a moment. The spun yarns mentioned in paragraph 1303 are made entirely from the product of 1302.

Mr. WALSH of Montana. If that is the case, I need not inquire further about it. I want to ask the Senator how rayon is made up unless it is first put into yarn.

Mr. SMOOT. Of course, that is the first step after it is made from the cotton linters or wood.

Mr. WALSH of Montana. The filaments having been prepared by the chemical process, they are then spun into yarn, I suppose.

Mr. SMOOT. They are first made into a block, and then after that there is another process, and following that process the machine makes it into filaments.

Mr. WALSH of Montana. And after we have the filaments what is the next step? We do not weave the filaments certainly?

Mr. SMOOT. No; we do not.

Mr. WALSH of Montana. They are spun into yarn?

Mr. SMOOT. The filaments comprise the first step. They are not spun at all. After the waste in preparing that comes about, then that falls into paragraph 1302 and from that paragraph the product is carried into paragraph 1303.

Mr. WALSH of Montana. Of course, the Senator tells me that, but what becomes of the filaments that are referred to in paragraph 1301? Are not those filaments spun into yarn?

Mr. SMOOT. I can explain it this way. Paragraph 1301, which is the long product that comes out first, takes care of all the original material. That is the first step. That is what we are taking, the wood and the cotton linters. That is the first step and falls under paragraph 1301. Then from that there are wastes in the conversion, and also the cellulose acetate or whatever fiber it may be, that are made under paragraph 1302. That is the next step. The next step after that is taking that product and spinning it into yarn.

Mr. WALSH of Montana. The Senator again makes that statement to me, but I can not follow him at all. Let me ask the Senator what is the next step after the production of the board product?

Mr. SMOOT. It says here——

Mr. WALSH of Montana. I want the Senator to tell me what is done with those things he is holding in his hand. I do not want him to read something to me from the bill.

Mr. SMOOT. The synthetic textiles not exceeding 30 inches in length——

Mr. WALSH of Montana. That is not the question I am asking. What is the next step in the course of the manufacture of rayon?

Mr. SMOOT. Preparing it so it can be spun into yarn.

Mr. WALSH of Montana. How is that done?
Mr. SMOOT. By a machine, driving it through a machine.
Mr. WALSH of Montana. It comes out in filaments?
Mr. SMOOT. Yes.
Mr. WALSH of Montana. What is the next step?
Mr. SMOOT. The filaments are made into spun yarn.
Mr. WALSH of Montana. Exactly.
Mr. SMOOT. And they fall under paragraph 1303.
Mr. WALSH of Montana. That is what I have been contending all along.

Mr. GEORGE. Mr. President, I think the Senator from Montana is entirely correct in this, but it is a little confusing. The filaments described in paragraph 1301 are the raw materials of the products of paragraph 1302 in part, in that we twist the filaments into yarn; but the raw material of paragraph 1303 is covered in paragraph 1302 and not in paragraph 1301. Logically and viewed as a manufacturer would view it, the Senator's position is correct, but so far as tariff making is concerned the rates in paragraph 1303 would necessarily be based upon paragraph 1302.

Mr. WALSH of Montana. That I do not follow at all. Am I correct in saying that in the process eventually the viscous material is forced through orifices and comes out in the shape of filaments?

Mr. GEORGE. That is correct.

Mr. WALSH of Montana. Then those filaments are spun into yarn, and then that yarn——

Mr. GEORGE. No; those filaments are simply twisted into yarn, and then the raw material is the yarn out of which we get the subsequent product.

Mr. WALSH of Montana. Then the yarn is woven?
Mr. GEORGE. Yes.
Mr. WALSH of Montana. And that makes the cloth?
Mr. GEORGE. Yes.

Mr. WALSH of Montana. That seems perfectly plain and simple, namely, that yarn is made up of the good filaments that are ordinarily produced, and it is likewise also made up of waste material as far as that can be used that is produced in the process. In other words, as the Senator said——

Mr. GEORGE. No; the yarn is not made up of waste material. The waste material is the waste derived in the process of making the yarn.

Mr. WALSH of Montana. Yes; and it is used so far as it can be used in spinning it in the making of yarn.

Mr. GEORGE. In making spun yarn.

Mr. WALSH of Montana. Certainly; and that yarn then, made up of the good filaments and of the waste filaments, is woven into the fabric.

Mr. GEORGE. Yes.

Mr. WALSH of Montana. When we come to fix the duty on yarn how can we escape taking into consideration the duty upon the filaments that make up the yarn?

Mr. GEORGE. It is right difficult for a layman to view the matter other than as a manufacturer would view it. Looked at from that point of view there is much force in the Senator's suggestion. But the Senator must remember that in paragraph 1301 all filaments are more than 30 inches in length, while under paragraph 1302 the waste product is all under 30 inches in length, as I understand it.

Mr. WALSH of Montana. I have the same idea.

Mr. GEORGE. Looked at from the standpoint of the adjustment of the tariff to this particular product, we have the raw material of 1302 in paragraph 1301, but we have the raw material exclusively of paragraph 1303 in paragraph 1302. The rates of paragraph 1303 would either correspond or not, as they are properly adjusted or maladjusted, to the rates of paragraph 1302 and not of paragraph 1301. I do not think I have made it very clear.

Mr. WALSH of Montana. I can not distinguish at all between fixing the rate of paragraph 1303 on the basis of paragraph 1302 alone when it is agreed that as a manufacturing proposition the product referred to in paragraph 1303 comes from paragraph 1301 as well as paragraph 1302.

Mr. SMOOT. Has the Senator been in a woolen mill?

Mr. WALSH of Montana. Yes. I speak with little knowledge—in fact I may say with no knowledge—of the rayon business, but, of course, I have to speak with reference to the woolen business with which I have some slight familiarity.

Mr. SMOOT. The Senator has. The Senator knows that when the wool comes through the carding machine it is put upon the mule, and it is spun there. The product of paragraph 1303 is the same as when it is spun on the roller cotton system. When it falls in paragraph 1303 it is the same process as applies to cotton. It has gone through that roller system and has been twisted there. Under paragraph 1302 it is not twisted. It is forced through. It is the small fiber, but never twisted, and paragraph 1303 provides only for a product that has been twisted under the roller system.

Mr. WALSH of Montana. I do not want to prolong the argument, but in the woolen business—and I supposed it was the same in the cotton business—the cloth is woven from yarn, and that yarn is made up from the native wool, the long fibers that originally come, and then they work in the short fibers that drop to the ground, and they work in the rags that are properly treated, and that kind of thing. That all goes into the woolen yarn which eventually is woven into the woolen cloth. I supposed that in the same way the same method was used in the making of rayon—that the rayon cloth is woven from rayon yarn, that rayon yarn is made up from a product extracted from the raw material and made into filaments of great length, and just as much as they can they work in the filaments of short length—less than 30 inches—and the waste as far as they can, but it all goes into yarn much as it does in the case of wool.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. In paragraph 1304, page 184, line 21, the committee proposes to strike out "rayon yarn" and insert "yarn of rayon or other synthetic textile."

Mr. GEORGE. Mr. President, the amendments in paragraphs 1304, 1305, 1306, 1307, and 1308 are merely amendments that make the language of the paragraphs conform to the definition of rayon heretofore adopted. They are purely verbal changes, and I think they all should be agreed to.

The VICE PRESIDENT. Is there objection to agreeing to the amendments en bloc?

There being no objection, the amendments were agreed to en bloc, as follows:

On page 184, line 21, after "Par. 1304," to strike out "Rayon yarn" and insert "Yarn of rayon or other synthetic textile"; in line 22, after the word "and," to strike out "rayon sewing thread" and insert "sewing thread of rayon or other synthetic textile," so as to make the paragraph read:

PAR. 1304. Yarn of rayon or other synthetic textile put up for hand work, and sewing thread of rayon or other synthetic textile, 55 per cent ad valorem, but not less than 45 cents per pound.

On page 185, line 1, after the word "rayon," to insert "or other synthetic textile," so as to make the paragraph read:

PAR. 1305. Rayon or other synthetic textile in bands or strips not exceeding 1 inch in width, suitable for the manufacture of textiles, 45 per cent ad valorem, but not less than 45 cents per pound.

On page 185, line 6, after the word "rayon," to insert "or other synthetic textile," so as to make the paragraph read:

PAR. 1306. Woven fabrics in the piece, wholly or in chief value of rayon or other synthetic textile, not specially provided for, 45 cents per pound and 60 per cent ad valorem, and, in addition, if Jacquard-figured, 10 per cent ad valorem.

On page 185, line 12, after the word "rayon," to insert "or other synthetic textile," so as to make the paragraph read:

PAR. 1307. Pile fabrics (including pile ribbons), whether or not the pile covers the entire surface, wholly or in chief value of rayon or other synthetic textile, and all articles, finished or unfinished, made or cut from such pile fabrics, 45 cents per pound, and, in addition, if the pile is wholly cut or wholly uncut, 60 per cent ad valorem, if the pile is partly cut, 65 per cent ad valorem.

On page 185, line 20, after the word "of," to strike out "rayon or of rayon" and insert "rayon or other synthetic textile, or of rayon or other synthetic textile," so as to make the paragraph read:

PAR. 1308. Fabrics, with fast edges, not exceeding 12 inches in width, and articles made therefrom; tubings, garters, suspenders, braces, cords, tassels, and cords and tassels; all the foregoing wholly or in chief value of rayon or other synthetic textile, or of rayon or other synthetic textile and india rubber, and not specially provided for, 45 cents per pound and 60 per cent ad valorem, and, in addition, if Jacquard-figured, 10 per cent ad valorem.

Mr. WALSH of Montana. Mr. President, I do not desire to interfere with the rapid consideration of the bill, but I wish now to give notice that should paragraph 1301 be materially altered, particularly should the rates be materially decreased, as

suggested by my colleague, I shall ask for a reconsideration of paragraph 1303 and of the subsequent paragraphs.

Mr. SMOOT. The next amendment is on page 186, line 3.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In paragraph 1309, page 186, line 3, after the word "mittens," it is proposed to strike out "hose, half hose."

Mr. SMOOT. In conformity with the action that has already been taken, I ask that that amendment may be disagreed to.

Mr. GEORGE. That is correct. I join with the Senator from Utah in his request.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was rejected.

The next amendment was in the same paragraph, on page 186, line 6, after the word "rayon," to insert "or other synthetic textile."

Mr. SMOOT. That is merely a verbal amendment.

The VICE PRESIDENT. Without objection, the amendment is agreed to. The next committee amendment will be stated.

The next amendment was in the same paragraph, on page 186, line 7, after the word "ad," to strike out "valorem" and insert "valorem; hose and half hose wholly or in part of rayon or other synthetic textile, 45 cents per pound and 65 per cent ad valorem."

Mr. SMOOT. I ask that that amendment be disagreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. GEORGE. May I inquire if the amendment on page 186, line 2 was agreed to?

Mr. SMOOT. That amendment has been agreed to.

Mr. GEORGE. Very well.

Mr. SMOOT. The next amendment is on page 186, line 11, and should be agreed to.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In paragraph 1310, on page 186, line 11, after the word "rayon," it is proposed to insert "or other synthetic textile," so as to make the paragraph read:

PAR. 1310. Handkerchiefs and woven mufflers, wholly or in chief value of rayon or other synthetic textile, finished or unfinished, not hemmed, 45 cents per pound and 60 per cent ad valorem; if hemmed or hemstitched, 45 cents per pound and 65 per cent ad valorem.

The amendment was agreed to.

The next amendment was, in paragraph 1311, on page 186, line 17, after the word "rayon," to insert "or other synthetic textile," and in line 18, after the word "and," to strike out "70 per cent" and insert "65 per cent," so as to make the paragraph read:

PAR. 1311. Clothing and articles of wearing apparel of every description, manufactured wholly or in part, wholly or in chief value of rayon or other synthetic textile, and not specially provided for, 45 cents per pound and 65 per cent ad valorem.

Mr. GEORGE. Mr. President, that amendment, of course, is a reduction; that is to say, the Senate Finance Committee reduced the protective rate in this paragraph from 70 per cent to 65 per cent. The rate of 65 per cent, however, as I recollect, is 5 per cent above the present rate. Upon that question we would desire to be heard, certainly if there shall be a reduction made in paragraphs 1301 and 1302.

Mr. SMOOT. Had we not better agree to this amendment? Then, if we shall make a change in the other paragraphs, we can recur to it.

Mr. GEORGE. I was going to suggest that, unless some other Senator desires now to raise the question that the reduction is not great enough, the amendment might be accepted, with the understanding that if changes shall be made in paragraphs 1301 and 1302 we will revert to this.

Mr. SMOOT. That is what I ask.

Mr. WALSH of Montana. Mr. President, what is the justification for an increase in the present rate?

Mr. SMOOT. From 60 per cent.

Mr. WALSH of Montana. For the change in the present protective rate from 60 per cent to 65 per cent?

Mr. SMOOT. Because there has been an increase in one or two cases in paragraphs 1301 and 1302 over the existing law; this increase is to compensate for that.

Mr. GEORGE. That is the only justification?

Mr. SMOOT. That is the only justification, and the only reason on which the committee acted.

Mr. GEORGE. Therefore I have stated that if it is temporarily accepted it must be with the understanding that if any change should be made in the rates in paragraphs 1301 and 1302 this should also be changed.

Mr. SMOOT. Then we shall return to this paragraph.

Mr. WALSH of Montana. I do not follow that. The change in the rates in paragraphs 1301 and 1302 would, of course, affect the compensatory rate in this case; but why should the protective rate be increased? Of course, the clothing manufacturer——

Mr. GEORGE. I want to say to the Senator from Montana that I do not think there is any substantial reason why this rate should be increased. Of course, the Senate committee is not proposing to increase it, but it is proposing to decrease it.

Mr. WALSH of Montana. I understand that the Senate committee is proposing to decrease it from the House rate.

Mr. GEORGE. It is proposing to decrease it from the House rate.

Mr. WALSH of Montana. There is, however, an advance of 5 per cent over the rate in the existing law.

Mr. GEORGE. That is my recollection.

Mr. WALSH of Montana. That is what I should like to have explained. I do not think the explanation that we have increased other rates affects the question of the protective rate at all, unless we adopt the policy that because we increase the protective rate on one of these articles we must increase the protective rate on the others.

Mr. SMOOT. Paragraph 1210 reads:

Clothing and articles of wearing apparel of every description, manufactured wholly or in part, wholly or in chief value of silk not specially provided for, 65 per cent ad valorem.

In paragraph 1311, covering similar articles wholly or in chief value of rayon, the House provided an ad valorem rate of 70 per cent, which the Senate committee has changed to 65 per cent to conform with the paragraph in the silk schedule to which I have just referred. I can see no reason why there should be a difference in the rates on such articles when made of silk and made of rayon. That is the reason why we decreased the rate from 70 to 65 per cent in paragraph 1311.

As the Senator from Georgia says, if we change the rate in paragraph 1301, after securing the information from New York which has been sent for, then, of course, we will recur to the other rates in the paragraphs which may have been acted upon and make the corresponding changes, so that the rates in the entire schedule will be in conformity with the action taken in regard to the duty on yarns and wastes.

Mr. WALSH of Montana. Then, as I understand, the reason for making an increase in this rate on clothing made of rayon is because we have made an increase in the rate on clothing made of silk.

Mr. SMOOT. They are virtually the same, and whatever we do with one we ought to do in the case of the other.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The LEGISLATIVE CLERK. In paragraph 1312, on page 186, line 20, after the word "of," it is proposed to strike out "rayon"; in line 21, after the word "threads," to insert "of rayon or other synthetic textile."

Mr. SMOOT. That amendment is in conformity with the action already taken.

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

The amendment was agreed to.

The next amendment was, in line 22, after the word "of," to strike out "rayon bands or strips not exceeding 1 inch in width" and insert "bands or strips (not exceeding 1 inch in width) of rayon or other synthetic textile."

Mr. SMOOT. That is merely a change in the wording.

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

The amendment was agreed to.

The next amendment was, in line 25, after the word "rayon," to insert "or other synthetic textile," and on page 187, line 1, after the word "and," to strike out "70 per cent" and insert "65 per cent."

Mr. SMOOT. That is in conformity with the action already taken.

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

The amendment was agreed to.

The next amendment was, on page 187, line 3, after the word "the," to strike out "term 'rayon' means" and insert "terms

'rayon' and 'other synthetic textile' means," so as to make the paragraph read:

PAR. 1313. Whenever used in this act the terms "rayon" and "other synthetic textile" mean the product made by any artificial process from cellulose, a cellulose hydrate, a compound of cellulose, or a mixture containing any of the foregoing, which product is solidified into filaments, fibers, bands, strips, or sheets, whether such products are known as rayon, staple fiber, visca, or cellophane, or as artificial, imitation, or synthetic silk, wool, horsehair, or straw, or by any other name whatsoever.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I should like to ask the Senator about paragraph 1306, where a specific duty is provided. Was any consideration given by the committee to the question of the sizing materials which are added to the fabrics?

Mr. SMOOT. That never has been a material factor in the consideration of the rates of duty. In all textiles of this character, whether made of cotton or wool, silk or rayon, sizing is used to a certain extent.

The question suggested by the Senator from New York has been brought up time and time again in connection with a practice which it is claimed is sometimes indulged of manufacturers loading their goods with sizing. Such a practice, however, never pays, and the manufacturer who undertakes to indulge in it will find himself, after the goods with the sizing have been worn and washed, in an unenviable position, for the goods will not be what they ought to be. The manufacturer who engages in such a practice is very foolish and is the one who suffers from it.

Mr. COPELAND. I take it that is a question which has been up time and again.

Mr. SMOOT. It is one which has arisen as long, I presume, as the manufacturing of textiles has been a business.

Mr. COPELAND. And the committee in the past has taken the same attitude in regard to this question as that taken by the Finance Committee in this instance.

Mr. SMOOT. The same attitude exactly.

Mr. COPELAND. I thank the Senator.

The PRESIDING OFFICER. That completes the amendments in the rayon schedule.

Mr. SMOOT. Mr. President, if it is not asking too much of the Senate, I should like now to return to paragraph 1115, subsection (b) on page 178, reading as follows:

(b) Bodies, hoods, forms, and shapes, for hats, bonnets, caps, berets, and similar articles, manufactured wholly or in chief value of wool felt—

And so forth.

I inquire if the Senator from Kentucky [Mr. BARKLEY] has returned?

Mr. GEORGE. Mr. President, the Senator from Kentucky has not returned, and it was at his request that I asked that that paragraph go over.

Mr. SMOOT. I am aware of that fact.

Mr. GEORGE. I, therefore, ask that the Senator not press it this afternoon.

Mr. SMOOT. Very well.

Mr. GEORGE. Now, Mr. President, further consideration, of course, is to be given to paragraph 1301 of the rayon schedule. I wish to make a brief statement for the RECORD. Under the act of 1922 the equivalent ad valorem rate on the basis of the imports of 1928 is 54.09 per cent; under the House bill the equivalent ad valorem rate based on the imports for 1928 is 54.50 per cent; under the bill as reported to the Senate, without further amendment, the equivalent ad valorem rate on the basis of imports for 1928 is 55.11 per cent. It will, therefore, be seen that in paragraph 1301 there is not a material increase, and, if the amendment offered by the junior Senator from Montana should prevail, the net result would be a reduction in the equivalent ad valorem rates on the basis of the imports for 1928, and I assume of the other years, under the existing rate as well, of course, as under the House rate.

I merely wanted to call that to the attention of the Senate because the increase in the rate is not a material one and the probability is that if the amendment proposed by the junior Senator from Montana shall be adopted there will be a reduction under the existing rate.

Mr. SMOOT. There is no question about that.

Mr. GEORGE. And that, of course, will affect the rates throughout the schedule.

The only substantial change in paragraph 1302 is the comparatively insignificant change of an increase from 20 per cent ad valorem to 25 per cent ad valorem upon cut fiber or staple fiber, which is a negligible increase when it is applied to the imports of any one year. I think the Senator from Utah will agree to that statement.

Mr. SMOOT. The Senator from Georgia has made a very fair statement, and has covered the facts of the case.

I may say further that if the information from New York for which we have asked demonstrates that the values of the articles under paragraphs 1301 and 1302 are such that we can reduce the rates in those paragraphs, then, of course, the rates in the whole schedule will be less than those in existing law. The rates in one of the paragraphs are lower now, and, taken as a whole, I think the rates in the entire schedule are a little lower than the present rates; but if the change is made in paragraph 1301, I have no doubt that the rates in the entire schedule will then be less than those of existing law.

Mr. SIMMONS. Mr. President, does the Senator mean to indicate that he will accept the amendment offered by the Senator from Montana?

Mr. SMOOT. I certainly will accept it, if possible to do so. I think the Senator agrees with me that we do not want such a proviso as that in section 1301 unless it is absolutely necessary.

Mr. SIMMONS. Unless it is justified by the facts.

Mr. SMOOT. Yes; and before we can decide whether it is necessary or not we should have the latest information, and that is what we are going to get.

Mr. SIMMONS. Has the Senator instituted inquiries in order to secure the information?

Mr. SMOOT. I have asked the Tariff Commission not to wait to send a man to New York but to telegraph there and have the information obtained by some person on the ground who knows the value of the goods which are imported, where they go, who imports them, and what the invoice prices are. When we receive that information, we will know how to act.

Mr. HARRISON. Mr. President, the next schedule following the rayon schedule is Schedule 14, "Papers and books."

Mr. SMOOT. Yes.

Mr. HARRISON. I wonder if the Senator will not go ahead with that before he makes his motion to take up the sugar schedule?

May I say, in regard to that, that there is no desire to delay the consideration of the sugar schedule. I do not know how long it will take. I think we can get through with it within a reasonable time; but I hope we can take up this schedule first and finish it. We can agree, if we take up sugar, say, Friday morning—that is, day after to-morrow——

Mr. SMOOT. To-morrow there will be speeches on sugar all day long.

Mr. HARRISON. We can speak on sugar just the same on Friday.

Mr. SMOOT. Mr. President, I have been criticized for putting off and putting off and putting off the consideration of the sugar schedule, and I do not feel justified in putting it off any further. I hope the Senator will not ask me to put it off any more. The two Senators from Louisiana——

Mr. HARRISON. I do not see where there is much difference between us. We could take it up and go along with this other matter.

Mr. SMOOT. That has been the difference right along. I have been putting it off right along. I hope the Senator will not ask me to put it off any longer, because I have tried to comply with every request that every Senator has made in relation to this whole subject.

Mr. HARRISON. We have complied with the requests the Senator has made also with reference to these matters, and we are trying to cooperate to get the bill through. Sugar, as the Senator knows, is one of the most controversial items in the bill. It probably will take up more time than any other item in the whole bill.

Mr. SMOOT. I do not see any reason why it should.

Mr. HARRISON. If we take it up I think we can agree to vote at a time definite, may I say to the Senator.

Mr. SMOOT. To-morrow there will be speeches. The Senator from Mississippi will not have to speak to-morrow.

Mr. HARRISON. Oh, I understand that there will be speeches on it. I suppose there will be speeches on the subject for a good while.

Mr. SMOOT. Yes.

Mr. HARRISON. I think the Senator would save time by taking up the schedule on Monday, and letting us agree on a time certain to vote on it, after we have gone along for a little while.

Mr. SMOOT. On Monday the same request will be made, until we get through with everything else. I want to take up sugar, Mr. President, and I hope the Senator from Mississippi will not ask to have it put off any longer.

Mr. HARRISON. Mr. President, I move that the Senate proceed next to the consideration of Schedule 14, "Papers and books," immediately following the rayon schedule.

The PRESIDING OFFICER. Does the Senator from Utah yield for that purpose?

Mr. SMOOT. The Senator had better make that motion to-morrow morning.

Mr. HARRISON. Well, to-morrow morning; that is all right. Just let it be the pending motion.

Mr. SMOOT. We can not get a quorum to-night. I am going to leave it entirely with the Senate; but I want to say to the Senator that I have given way here time and time and time again, and it is not right to ask me to give way any further.

Mr. BORAH. Let us vote on it.

Mr. SMOOT. Before ever I decided upon this question I went to the Senator from Idaho and asked him if he was ready to go on, and he said "yes"; so that I keep the promises I make.

Mr. BORAH. I am not objecting. I rose for another purpose.

Mr. HARRISON. I ask unanimous consent that not later than 2 o'clock on Monday of next week we vote on the tariff rate on raw sugar.

Mr. BROUSSARD. I shall have to object to that, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. SMOOT. Let me understand what the Senator proposes on the sugar schedule.

Mr. HARRISON. I said that I am willing to enter into an agreement to vote on the raw-sugar rate on a day certain to show that there is going to be no delay on this matter as far as we are concerned. The Senator can not confuse the public——

Mr. SMOOT. I am not trying to confuse the public.

Mr. HARRISON. Or attempt to confuse the public with the proposition that we are trying to delay it when we are willing to take it up Friday morning. We are willing to vote on the particular proposition at a day definite; but it would seem that we could take up first this schedule of papers and books and get it out of the way, and then proceed with sugar.

Mr. SMOOT. Will the Senator restate his proposition? The Senator from Idaho tells me he wants to transact some executive business; so I will yield now until the Senator gets through.

Mr. HARRISON. I am getting ready to submit the unanimous-consent request when I find the proper paragraph. I think it is on page 121.

Mr. SMOOT. Sugar is Schedule 5.

Mr. HARRISON. It begins on page 121.

Mr. VANDENBERG. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. Yes; I yield.

PILGRIMAGE OF GOLD-STAR MOTHERS TO FRANCE

Mr. VANDENBERG. Mr. President, the War Department is now completing its plans for the pilgrimage of America's gold-star mothers to France.

In the development of these plans it has been disclosed that the legal interpretation which is put upon the act of Congress confines this pilgrimage to the mothers and wives of soldiers whose graves have a specific individual identification. The result of this interpretation is to exclude those mothers and those wives whose sons or husbands are known to have fallen in a specific sector and are known in a general way to have been buried in a specific place but who do not sleep in identified graves in identified cemeteries. I think I am justified in saying that it is the opinion of the War Department that the spirit and the purpose of Congress in doing this splendid, fine, beautiful thing was to permit the general participation of these gold-star mothers without respect to any technical delimitations. It would be both tragic and pathetic if this spirit and purpose shall not be wholly reflected in the ultimate adventure.

Therefore I desire to call attention to the fact that the Senator from Pennsylvania [Mr. REED], before leaving for Europe on his present mission, introduced Senate bill 2047, which is now pending before the Committee on Military Affairs and which will correct this situation. While it is generally agreed that the Senate program in relation to the tariff shall not be interrupted, yet in view of the necessity for prompt action if anything is to be done in time to correct this deficiency in the gold star law, I take the liberty of urging that the acting chairman of the Committee on Military Affairs call his committee to meet in the very near future and report Senate bill 2047 back to the Senate, so that we may have the opportunity to correct this lapse. Beyond shadow of a doubt the bill will pass by unanimous consent if submitted to the Senate.

Major General Cheatham, Quartermaster General, in charge of this sacred adventure, writes to me as follows:

Unfortunately there are many cases where men were known to be killed and known to be buried in a general locality, yet whose bodies have never been definitely identified. Under the legal interpretation of the act which authorizes the pilgrimage of mothers and wives to the cemeteries in Europe, this office is powerless to grant such requests except in cases of definite identification.

Mr. President, this is a cruel discrimination, wholly at odds with the spirit in which Congress authorized this beautiful enterprise—an enterprise intended to make some slight acknowledgment of the Nation's debt to those heroic women whose heart's love is upon the countryside of an Old World. I have one particular case in mind, a Detroit mother whose son was a sergeant in Company I of the Seventh Infantry. This soldier boy was killed in action on the morning of July 15, 1918, while leading his platoon. He was buried by the chaplain in the grounds of a large chateau at Fossoy, Marne Province. This is specific information furnished the mother by the American Red Cross bureau of communication. Yet because this lad does not sleep in an identified grave in a regular cemetery, his blessed mother can not join her associates in prideful sorrow as they journey to these shrines as the guests of an appreciative Government. It is an unthinkable discrimination which I am sure that Congress did not intend and which the War Department does not wish to perpetuate. Let it be noted that General Cheatham says there are "many such cases." Whether many or few, the default should be speedily corrected. There must be no avoidable blemishes upon this summer's record of hospitality to the gold-star mothers of a grateful and sympathetic Republic.

STATEMENT BY SENATOR HEFLIN—CORRECTION

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement of mine correcting an erroneous and misleading statement in a paper in my State.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The statement is as follows:

SENATOR HEFLIN ACCUSES AGE HERALD OF MISREPRESENTING HIS SPEECH AT BIRMINGHAM, JANUARY 3

The Age Herald's report of his speech said, about the point in question, "He said he had never quarreled with those who voted for Smith, but that he would not permit those who voted for Hoover to be punished for following their conscience and voting as good Democrats should vote."

The Senator says that "the words 'and voting as good Democrats should vote' are not my words. I did not say that, and no person of character and standing who heard my speech will say that I made that statement. So that statement was evidently hooked to the end of what I did say for the purpose of injuring me by offending Democrats who voted for Smith. I made no criticism of them that night, and have never done so."

EXECUTIVE SESSION

Mr. WATSON. I move that the Senate proceed to the consideration of executive business in open executive session.

The motion was agreed to.

The PRESIDING OFFICER. Reports of committees are in order.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Foreign Relations, reported sundry nominations in the Diplomatic and Foreign Service, which were ordered to be placed on the Executive Calendar.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, reported the nomination of Karl Theile, of Alaska, to be Secretary of the Territory of Alaska (reappointment), which was ordered to be placed on the Executive Calendar.

Mr. HALE, from the Committee on Naval Affairs, reported sundry nominations in the Navy, which were ordered to be placed on the Executive Calendar.

Mr. BORAH, from the Committee on Foreign Relations, reported sundry conciliation and arbitration treaties, which were ordered to be placed on the Executive Calendar.

AMBASSADOR TO POLAND

Mr. BORAH. From the Committee on Foreign Relations, I report back favorably, without amendment, Senate Joint Resolution 115, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The clerk will state the joint resolution for the information of the Senate.

The LEGISLATIVE CLERK. Joint resolution (S. J. Res. 115) authorizing the appointment of an ambassador to Poland; reported without amendment.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the President be, and he is hereby, authorized to appoint, as the representative of the United States, an ambassador to the Republic of Poland, who shall receive as compensation the sum of $17,500 per annum.

Mr. McKELLAR. Mr. President, may I ask whether there was any objection on the part of anybody to appointing an ambassador to 30,000,000 people?

Mr. BORAH. No.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The Executive Calendar is in order.

NOMINATIONS OF POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. PHIPPS. I ask that the nominations of postmasters be confirmed en bloc, and the President notified.

The PRESIDING OFFICER. Without objection, it will be so ordered, and the President will be notified.

Mr. WATSON. Mr. President, has all business on the printed Executive Calendar been completed?

The PRESIDING OFFICER. It has.

Mr. WATSON. I am a little anxious for the Senate to stay in session for five minutes longer, that a nomination may be received from the White House; but if there is nothing else to come before the Senate I suppose all we can do is to take a recess at this time.

RECESS

Mr. SMOOT. As in legislative session, I move that the Senate take a recess until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate took a recess until to-morrow, Thursday, January 9, 1930, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 8 (legislative day of January 6), 1930

POSTMASTERS

ARKANSAS

Marc A. Stice, Fayetteville.
George H. Joslyn, jr., Gould.

CALIFORNIA

Robert Robertson, Gardena.
William R. Darling, Lakeside.
Anthony F. Sonka, Lemongrove.
Hamilton G. Merrill, Paso Robles.
William Kinney, San Quentin.

CONNECTICUT

Joseph Brush, Greenwich.
Benjamin D. Parkhurst, Sterling.
Gertrude W. Tracy, Wauregan.

HAWAII

John K. Cockett, Koloa.

ILLINOIS

Clyde E. Clester, Loda.
Lela Killips, Lyons.
Edzard Johnson, Oglesby.
William C. Kelley, Simpson.

INDIANA

Harold H. Brinkley, Fountain City.
George W. Gilbert, Monticello.

IOWA

Charles F. Brobeil, Lytton.

KANSAS

Harry Shaner, Lost Springs.
Cora L. McMurry, Turon.

KENTUCKY

Howard R. Thomas, Cadiz.
Dea Whitaker, New Castle.

LOUISIANA

Lee O. Taylor, Bogalusa.
Ernest B. Miller, Denham Springs.
Sylvester J. Folse, Patterson.
Ada K. Allums, Plain Dealing.

MAINE

Fred M. Cole, Bryant Pond.
Wesley A. Stratton, East Millinocket.

MASSACHUSETTS

James B. Logan, North Wilbraham.

MICHIGAN

Frank J. Eisengruber, Bay Port.
Gordon D. Dafoe, Owendale.

MISSOURI

Bethel W. Eiserman, Branson.
Lola L. Odell, Gilliam.

NEBRASKA

Harry H. Woolard, McCook.

NEW JERSEY

Delaware D. Marvell, Woodbury Heights.

NEW YORK

Alvin J. White, Eaton.
George M. McKinney, Ellenburg Depot.
Bernie R. Bothwell, Hannibal.
Albert D. Bailey, Kiamesha.
Alexander Angyal, Monsey.
James Kilby, Nyack.
Norman L. Bedle, Spring Valley.
May A. Cupernall, Thousand Island Park.
Harry Northrup, Wurtsboro.

NORTH CAROLINA

Raymond B. Wheatly, Beaufort.

NORTH DAKOTA

Charles P. Thomson, Minto.
Henry Walz, Zeeland.

OHIO

Nelle Snediker, Fairfield.
Guy E. Matthews, Liberty Center.

OREGON

Edwin F. Muncey, Halfway.
Victor B. Greenslade, Huntington.

PENNSYLVANIA

John H. Baldwin, Atglen.
Harry E. Harsh, Bareville.
Harry U. Walter, Biglerville.
Frank E. Sharpless, Boothwyn.
Harry H. Potter, Bushkill.
Jeremiah S. Troxell, Cementon.
Frank C. Fisher, Cheltenham.
Ralph Simons, Cornwells Heights.
Katherine M. Dom, Dawson.
Helen M. Nelson, Dresher.
Margaret W. Troxell, Egypt.
Caspar A. Miller, Foxburg.
Riddile S. Rankin, Hickory.
Louise S. Cortright, Lackawaxen.
Marie Patterson, Landisburg.
Edward F. Brent, Lewistown.
Willis G. Dell, Mapleton Depot.
James C. Bovard, Marion Center.
Edwin F. Miller, Mohnton.
Esther F. Rivers, Ogontz School.
Emily M. Shinton, Paoli.
Oscar G. Darlington, Radnor.
Paul V. Leitzel, Richfield.
Richard M. Dodson, Rochester Mills.
Mary B. Daugherty, Rossiter.
Lloyd E. Johnson, Royersford.
John A. Bissell, St. Petersburg.
Samuel L. Miller, Schwenkville.
Michael Wolsky, Shenandoah.
John E. Anstine, Stewartstown.
Samuel B. Long, Sykesville.
Amos F. Fry, Thompsontown.
Mary M. Wells, Wellsville.
Charles W. Newman, Wyalusing.
Mary A. Jefferis, Wynnewood.
Clara S. Lewis, Wysox.

SOUTH DAKOTA

Robert H. Benner, Gary.
Ida V. Uhlig, Whitewood.

VIRGINIA

Lula M. Rowland, Hollins.
Frederick A. Wills, Shawsville.

WISCONSIN

Walter W. Peterson, Centuria.
George A. Slaikeu, Luck.
Elizabeth A. Forsyth, Westboro.
Gladys L. Johnson, Woodruff.

WYOMING

Oscar W. Stringer, Dubois.
George R. Bringhurst, Lovell.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *January 8, 1930*

The House was called to order by Mr. SNELL, as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our God and our Redeemer, we thank Thee for all Thy heavenly providences. In Thee there is healing for every pain, food for every human, happiness for every heart, and salvation for every soul. Thou art a pillar of cloud by day and a pillar of fire by night, and following Thy star we shall leave behind the din of strife and struggle and enter into the promised land of industry, liberty, and law. Let these sing their way into our earthly life. We thank Thee for Thy all-seeing eye and for the fathomless love that dwells in the heart of the Eternal. O let us behold the light of Thy countenance in the face of the forgiven and on the visage of the strong men whose souls are all aflame with righteous courage and intelligent conviction. We pray in the blessed name of Jesus. Amen.

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

PAPER MAKING

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, during the present week there will be on exhibition in one of the large department stores in the city of Washington a miniature paper-making plant, which will show the process of paper making.

Paper making is one of the largest and most important industries in my district. Some of the best paper mills are there, and the best box papers are put up in my section. This plant will show the process of the making of paper and the result. Anyone interested in seeing the intricacies of making very fine stationery should call at this store and examine the process. I think it will be of great interest.

SEVERAL MEMBERS. What store?

Mr. BANKHEAD. Mr. Speaker, I quite appreciate the gentleman's reluctance to advertise any particular store in the city of Washington, but there are many Members who would like to know where they are to go.

Mr. TREADWAY. I did not intend to mention the store, but if gentlemen desire to know, it is in the stationery department of Woodward & Lothrop's store, and the exhibition is in charge of a lady expert who will be glad to explain the process.

Mr. HOLADAY rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois rise?

Mr. HOLADAY. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOLADAY. Mr. Speaker, I rise to call attention of the gentleman from Massachusetts [Mr. TREADWAY] and the other Members of the House to the fact that it probably would be a very good idea for the Members to go down and witness this exhibition, because it will be only a short time before that process will pass out of existence. In future paper will be made out of cornstalks. [Laughter and applause.]

KILL DEVIL HILL, KITTY HAWK, N. C.

Mr. WARREN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a very interesting article written by Mr. Carolyn L. Reynolds, of the staff of the Raleigh (N. C.) News-Observer, on the work of the Government engineers in grassing and anchoring down Kill Devil Hill at Kitty Hawk, N. C.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD by inserting the article referred to. Is there objection?

There was no objection.

Mr. WARREN. Mr. Speaker, the War Department appropriation bill now under consideration in the House carries an appropriation which will finish the work of grassing and "anchoring" the famous Kill Devil Hill at Kitty Hawk, N. C., from which the Wright brothers made the first successful airplane flight on December 17, 1903. Under the permission granted, I take pleasure in inserting in the RECORD a very interesting article written by Mr. Carolyn L. Reynolds of the staff of the Raleigh (N. C.) News and Observer telling of the very fine work of the Quartermaster Department on this project.

The article is as follows:

[From the News and Observer, Raleigh, N. C., Sunday morning, August 18, 1929]

KILL DEVIL HILL WILL DO NO MORE WANDERING NOW THAT IT IS FIRMLY ANCHORED WITH GRASS—SHRUBS, GRASS, AND VEGETABLES NOW GROWING ON SANDY DESERT

By Carolyn L. Reynolds

Kill Devil Hill, the cradle of aviation on the north banks of the sandy wastes of North Carolina, has been anchored. No chains or cables of metal have been used but acres of grass, common garden vegetables, field crops, and native shrubs.

"Impossible! It can't be done. You are just as big a fool as we thought the Wright brothers were when they came down here with an airship to fly, if you think man can hold down these wandering sand hills. Why, sometimes one moves overnight when there's a hard blow." This is what the natives of Kitty Hawk and the Kill Devil Hill section told the Army engineer who went down to look over the possibilities of anchoring the vast mound of sand from which the famous Wright flight was made in that memorable 17th of December in 1903.

"Frankly," says Capt. John A. Gilman, of the United States Army Quartermaster Corps, in charge of the project, "I only hoped for success. I had no idea that we would have this much to show within six months of the beginning. But it was worth a try as an experiment.

"It is my first job of the kind and I feel highly gratified with what has been accomplished. We know that we can hold the hill now until the work can be completed."

To those who have never been down to Dare County and seen for themselves the wandering sand hills there is little significance in the great feat that has been done. But the celebration of the twenty-fifth anniversary of the Wright flight last December introduced the moving sand hills to about 5,000 visitors representing some 50 nations and all the notables in the history of aviation except Charles Lindbergh himself.

The folks down in that part of the country hold no grudge against the "Flying Colonel" for not coming to that celebration. For they believe he stayed away because he knew if he came "he would steal the show."

"Although we wanted him to come so very much, it's one of the biggest things he ever did, that he stayed away."

One of the notables who toiled up the sandy slope of Kill Devil that warm December day suggested that the name Kill Devil was given to it because "it would kill any devil to climb it."

The wind and sun keep a thick layer of loose sand over the surface and climbing Kill Devil Hill is no little feat, even now with 11 acres of its total 26 acres of surface, green with vegetation. To the climber, the sand seems even thicker than it is because the sharp elevation causes the loose sand to roll and fall over the feet.

The truth of the matter is, that within 3 or 4 inches of the surface is moist sand—moist enough to hold its shape when pressed in the hand. This is the secret of the success at anchoring the hill—this and the scientific knowledge applied by engineers who have undertaken the job.

Captain Gilman worked out the plans and Congress appropriated $20,000 with which to undertake the work of holding aviation's most cherished shrine somewhere near its location when the historic flight took place. The hill is now about half a mile from the spot where the Wright plane left the ground and experience has taught that before another generation, the hill may be lost in Nags Head woods or in Albemarle Sound, unless something should be done to offset the havoc of the strong steady winds which drive the sands before them.

It was these same strong, steady winds which took Orville and Wilbur Wright down to the narrow strip of sands between the Atlantic Ocean and Albemarle Sound to try out their plane more than 25 years ago.

To circumvent those winds, science and determination have laid down an effective barrier in natural vegetation which grows in the yellow sands of the region. The common garden vegetables have been planted and any day one may pick tomatoes, squash, citron, pull corn, dig sweet potatoes, or pluck a luscious watermelon from the vine on the northern slope of Kill Devil Hill, where last December was only a vast sand hill which appeared to lack the nourishment for a sprig of the hardy-wire grass.

Of the original appropriation of $20,000, some $14,000 have already been spent. Five thousand went for the actual plans and the remainder has been used in the vegetating project.

As is customary with a project of this kind, bids were asked for, and the contract was let to Herman Drinkwater, now of Virginia Beach, but a man thoroughly familiar with the nature of Dare County sand hills and vegetation habits. When the news that he had been awarded the contract was published Mr. Drinkwater was immediately accosted on all sides by supply dealers.

He relates an incident that gives some idea of the utter inability of the unknowing to comprehend what is the nature of the job undertaken.

"One night I was called to the telephone and informed that Pittsburgh was calling. Finally I got in touch with the man at the other end of the line and heard this, 'I understand that you have the contract for anchoring Kill Devil Hill. I represent the Carnegie Steel Mills and would be glad to have your order for any chains, cables, or other metal materials you may need.'

"I never explained at all, but simply told him that all my orders had been placed—most of them right here at home."

The man who is actually in charge of the field operations is an old Army man—a veteran of the Spanish-American War, the Mexican campaign, and the World War. Capt. W. H. Kindervater impresses one with his capacity for doing things, and when one sees the three engineers who have been directly responsible for the working of miracles at Kill Devil Hill, one is not surprised that they have had so large a measure of success.

In the entire reservation at Kitty Hawk are about 5,000 acres of sand hills and grass flats. This land was all donated by men, some of them northern men of wealth who have shown keen interest in the entire memorial project, who owned the property. The donors and others interested have been in favor of creating a national park about the famous hill.

Of these 5,000 acres, some 80 have been inclosed by a fence to stop the depredations of cattle and hogs which are allowed to run loose from Kitty Hawk to Oregon Inlet, a distance of 25 miles or so.

The inclosure is around Kill Devil Hill proper and does not take in the location of the famous bowlder which caused so much trouble when being borne to the site of the first heavier-than-air flying machine flight. The bowlder is of granite and bears a bronze plate inscribed with the legend of the flight. It has been placed there by the National Aeronautical Association, and was dedicated at the same time as was the corner stone of the memorial which the United States Government will erect on the summit of Kill Devil Hill.

The summit of the hill is now 5 feet higher than it was when the corner stone was set last December, and whereas then there was only a sharp crest to the hill, now there is a flat area of something like half an acre west and south of the stone, which is carefully inclosed in a wooden framework and a square of fence placed around.

The $14,000 which have been spent have included the plans, the survey, and the fence, which cost about $700, but has been more than justified. No green stuff could have been grown on the famous hill, had the livestock been left free to roam and eat at will.

The natives were very frank. In prophesying that things "wouldn't grow" up there on the sands. Now that things have grown, they say it has "been an unusually wet spring and summer." There is plenty of moisture. A well of good drinking water has already been sunk far from the foot of the hill and water struck 6 feet below the surface—and several feet above sea level. The opinion of the engineers is that a well might strike water not so many feet from the crest of the hill—water being present by capillary attraction.

"Well, you would certainly have to see this to believe it," exclaimed a woman who has been going to Nags Head summer after summer, as she looked out over the acres of green around Kill Devil Hill. "I would just like for Amelia Earhart and some of those other folks who struggled and straggled up this hill right along with me last December, to come back and see this. It's a miracle."

About her feet bloomed the delicate orchid flowers of hairy vetch, and there were brown-eyed susans. Twelve different kinds of vegetables, peanuts, and many strong root plants have been placed about the base of the hill. Possibly 75 feet from the base and surrounding the hill, is a circle of hardy native shrubs, gall berry, and myrtle being numerous among them. More than 5,500 of these shrubs have been set out and they are thriving beyond the hopes of all who have had a hand in the business.

Twenty-two bushels of sea-side oats have been sown and these are beginning to head. One bushel of bitter tannic seeds have been used and a thousand pounds of hairy vetch strewn broadcast in the 11-acre area planted. Three hundred pounds of marram grass, 600 pounds of rye, and 300 pounds of Crotalaria, especially imported from Porto Rico for the project, make up the remainder of the seeds that have given a coat of green to the yellow glare that has been Kill Devil Hill.

The work was begun in February of this year and will be completed next spring or just as soon as the money is available. The task for the present has been to find whether or not the plan was feasible, and having found it so, to save the hill intact, until the planting can be completed. The area planted reaches about one-third of the distance up the slope on all except the southwest where the side is so precipitous as to bar any kind of vegetation. However, a green, flat, characteristic of the section stretches from the very base of this steep slope and lends itself very helpfully to the anchoring project. At various intervals where the wind has made natural terraces in the slope above the present planting, bushes have been laid along the edge of these terraces to check the sweep of the winds from the northeast and the prevailing winds from the southeast.

To one unfamiliar with the locality and the importance of Kill Devil Hill in the history of the world, the hill presents a queer picture, one to create curiosity and inspire inquiry.

With the almost dense vegetation around the base and the intervals of brush-laden terrace between this and the summit, Kill Devil Hill presents a very different picture from that of seven months ago. Out of purely experimental planting have come a host of green things with root masses that defy wind and breeze and hold together the yellow sands under the soft covering of woods mold with which the hill is being covered as planting is being done.

The men have gone about the work with all the knowledge and facilities which science has placed at their disposal. Wherever seeds have been sown or small shrubs transplanted a layer of woods mold 2 inches thick has been strewn over the sand. To every 20 square feet of surface area 50 pounds of fertilizer rich in potash have been used. Over the planted area a layer of brush has been laid to keep the wind from blowing away the surface.

It is the tragedy of the coastal-plain dwellers that large quantities of fertilizer must be added to the sandy soil if plant life is to be nourished. Around the shrubs that has been transplanted liberal portions of fertilizer have been used and around every shrub has come a vividly green clump of grass. Even from the distance these rows of shrubs can be picked out by the patch of grass that has sprung up in the fertilized soil.

The original estimate of the cost of anchoring Kill Devil Hill was $30,000, and "it will take just about that much," says Captain Gilman. This leaves $10,000 still to be provided for the completion of the work. Captain Gilman does not hesitate to say that he is confident that the funds will be available by the time he is ready to finish the task, and visitors to Kill Devil Hill in 1930 will be greeted by a green hill, where not long since was a sand mountain that "wouldn't grow anything."

It was the good fortune of the writer to find Capt. John A. Gilman, officer in charge of the Washington office, United States Army Quartermaster Corps, under which this project is being carried out, Mr. Herman Drinkwater, contracting engineer, and Capt. W. H. Kindervater, United States Army Reserve Corps, in charge of operations, on the hill. Captain Gilman had come down to meet Mr. Drinkwater and inspect with him the work already done. He is more than pleased and enthusiastic in his expression of hope that the memorial go forward to completion as soon as possible.

"A year ago everybody was certain that soon a great memorial would rise on this hill. As you know there was a disagreement on the proposed plans for the memorial. Everybody who has been to the place felt that they were too elaborate, too ornate for so rugged a site. The memorial should be executed in North Carolina granite, with simplicity and ruggedness its chief characteristics."

"And now is the time to go forward with the erection of this memorial while enthusiasm is still general and aviation is doing such big things for the world."

The name of Kill Devil Hill has rung around the world and the historic event of more than a quarter century past is worthy of a great marker which will designate it to posterity.

The origin of the name is part and parcel of North Carolina's early history. According to Capt. Bill Tate, who was landlord for Orville and Wilbur Wright in the fall and winter of 1903, the famous hill got its name just about 100 years before the historic flight took place. The story goes that a shipwreck came ashore, nothing unusual for miles along this stretch of coast, and came ashore so completely that insurance agents decided to unload and reship the cargo rather than sell at shipwreck auction, the usual method of disposing of shipwrecked goods.

The goods were unloaded and heaped up on the shore under guard. Now the people of this coast since time began for them have believed shipwrecks God-sent for their benefit. They have been accused, with perhaps some grounds for it, of piracy. The goods began to disappear. The insurance agent wanted to know "why" and "how" since no one could ever be caught at it. He was told that it was the devil since they went without hands or other means. In the locality lived a man called Devil Ike, who was recommended as a guard who could stop the disappearance of goods. Devil Ike was employed and placed in charge of the guards.

One night he saw a bale moving off and investigated to find a cord tied to it. Following the cord he found a pony with a man astride. Devil Ike torn between loyalty to his fellow citizen and his employer, fired his gun and sent the man packing. Later he informed his employers that he had "killed the devils in the hills." Those were the hills which now bear the name of Kill Devil Hills.

When asked as to the contents of the corner stone which was laid in the presence of the most illustrious throng of aviators in the world on December last, Captain Gilman said it contained newspaper accounts, records, and reports of the first flight and announcements of the memorial corner-stone dedication as well as the N. A. A. marker half a mile away, pictures of the Wright brothers, and other interesting relics of the locality—"but no East Lake corn." Of that he is sure because he put the copper box containing these relics into the niche himself and there was no liquid inside.

Why this and other projects of a similar kind should be charged to the expense account of the Army is beyond understanding, but so it is. Perhaps this helps to account for the mounting of the Army bills, and should be taken into consideration before the Army expenditures are too strongly criticized.

Whether the funds are charged to the Army or some other department is of little consideration. It is surely very much to the credit of the Army that Army-trained engineers have worked out a practical plan and carried it to successful execution in anchoring Kill Devil Hills so near its location at the time of the Wrights' experiments and the flight which a great memorial will perpetuate. The thing that has been done is a miracle for which a State, a Nation, and the world may well be grateful.

PROCEDURE FOR SELECTION OF SITES FOR VETERANS' HOSPITALS

Mr. JOHNSON of South Dakota. Mr. Speaker, the Congress recently passed a bill authorizing the construction of Veterans' Bureau hospitals. Naturally a number of cities and States in the United States desires to secure those hospitals in such States or localities. I ask unanimous consent to extend my remarks in the RECORD by inserting therein a statement prepared by the construction division of the Veterans' Bureau, showing how applications may be made to the Director of the Veterans' Bureau and the hospital construction board for the location of such hospitals and the requirements therefor.

The SPEAKER pro tempore. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, and purely for information, have any definite sites been determined upon by the Veterans' Bureau for the location of these hospitals?

Mr. JOHNSON of South Dakota. No site was determined upon in the bill, but there was indication in the report submitted by the committee. No site has been determined upon by the bureau. If any particular site was determined upon in the legislation the alleged value of the property that some one would endeavor to sell to the Government would increase 4,000 per cent in one night.

Mr. STAFFORD. Since the passage of the bill, in a leading editorial in one of Milwaukee's leading newspapers the charge was made that in another body certain amendments were incorporated adding to the authorization provided for in the House bill, which were distinctly for the purpose of "pork" legislation. Is there any warrant for such a charge?

Mr. JOHNSON of South Dakota. I have no desire to pass upon the motives of any other legislative body or its members.

Mr. STAFFORD. Will the gentleman disclaim also that there was pork, as far as appropriations were carried in the House bill? Does the gentleman wish to make any reference to that charge?

Mr. JOHNSON of South Dakota. I do not care to discuss the motives of individual Members of this or any other legislative body.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. JOHNSON of South Dakota. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an outline of procedure prepared by the Construction Division of the United States Veterans' Bureau.

The outline is as follows:

SITES FOR VETERANS' HOSPITALS

In selecting sites for veterans' hospitals which will be constructed in various States, very careful consideration will be given to the proper general location of the hospital with reference to the area to be served by it. It is desirable that each hospital be located in fairly close proximity to a considerable center of population. It is not usual to house all employees of the hospital on the reservation, and it is therefore desirable that a considerable number of these employees be able to secure satisfactory living accommodations in adjoining communities. The retention of an adequate professional staff is also influenced to a considerable extent by the accessibility of the hospital location.

The location selected should be readily accessible from main-line railroads and bus lines, and either directly adjoining or in close proximity to main paved highways. At the same time it should not be in close proximity with industrial developments or other activities which might not be in harmony with the activities of the hospital. While a location that will permit of the construction of a spur track to serve hospital warehouses and power plant is desirable, it is not at all essential, particularly in case natural gas is available as a fuel.

It is necessary that an adequate water supply be available, preferably by connection with a municipal water supply, but if such service is not available the practicability of developing an adequate independent water supply must be thoroughly assured. Either a municipal sewage system must be available or else the practicability of developing an adequate independent sewage-disposal plant must be assured. The availability of adequate electric service is quite essential and the availability of gas is desirable, particularly if rates for electric current are not sufficiently low to justify the use of this service for cooking.

The elevation of the site should be such as to afford a good outlook over the surrounding country and to permit of proper provision for surface drainage. The slope should not be so great as to present serious difficulties in the construction of the various buildings to be provided, in the construction of roads, nor should subsurface rock exist to such an extent as to materially increase the cost of the work. Generally speaking, a site with gentle slopes is preferable to one whose topography is sharply rolling or to a perfectly level site. A satisfactory site for buildings proper should embrace from 15 to 30 acres and in itself should be without abrupt variations in elevation.

It is desirable that the building site be in a commanding position with reference to the approach to the hospital, and it is generally preferable that it be on higher ground than the balance of the reservation. The soil should be reasonably fertile, and there should remain adequate tillable soil for farming activities after the erection of the various buildings. A reasonable amount of wooded area is usually desirable. The total area required is, of course, variable, depending upon the type of hospital to be constructed, the number of beds to be provided, the topography, the amount of woodland, etc. A satisfactory site will generally include a total of from 150 to 200 acres for a hospital of from 200 to 250 beds, with a proportionate increase of from one-fourth to one-half acre per bed for hospitals of larger capacity.

Since funds available under the recently approved hospital construction act must be utilized for the purchase of sites as well as for the construction of the hospitals, it is essential that expenditures for land be held at a minimum consistent with the acquisition of satisfactory sites, in order that sufficient funds for the construction of suitable and adequate facilities may remain.

Data sheets providing appropriate space for the description and notation of various features relating to individual sites are attached. The submission of information on these sheets in order to provide for convenient consideration and classification will be desirable, it, of course, being understood that such supplementary information as may be required may be submitted as found desirable.

DATA SHEET—PROSPECTIVE HOSPITAL SITES—UNITED STATES VETERANS' BUREAU (CONSTRUCTION DIVISION)

Nearest city_____
Location of property_____
Owner_____
Address_____
Railroads_____
Interurban trolleys_____ Connecting with_____
Bus lines_____ Connecting with_____
Paved roads_____
Site:
  Total area _____ acres; cleared _____ acres; wooded _____ acres.
  Elevation_____
  Soil_____
  Topography_____
  Existing buildings_____
Utilities:
  Water _____ Water mains, distance _____ size _____
  Gas_____
  Electricity_____
  Sewers _____ Sewer distance _____ size _____
Remarks _____.

WAR DEPARTMENT APPROPRIATION BILL

Mr. BARBOUR. 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. 7955) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, 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 further consideration of the War Department appropriation bill, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7955. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7955) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes.

Mr. BARBOUR. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

The CHAIRMAN. The gentleman from Massachusetts is recognized for 20 minutes.

Mr. UNDERHILL. Mr. Chairman, on yesterday the chairman of the Committee on Rules made a parliamentary inquiry of the Speaker with reference to a publication in the RECORD. I have interested myself in studying the RECORD, going back several Congresses, and I think that this is a proper time to present in brief some of the results of that research. I find that the RECORD—I quote from page 416 of the House Manual—states that—

> The RECORD is for the proceedings of the House and Senate only, and matters not connected therewith are rigidly excluded.

At one time, when the RECORD was first started or established, it was really an accurate report of the proceedings of the House and Senate. By a gradual process it has become rather a catch-all. It is no longer a correct record of the proceedings. Senator KING, of Utah, recently referred to the RECORD as burying ground for editorials, articles, speeches, and addresses from all parts of the country relating to every conceivable subject, and Senator WALSH, speaking for the Committee on Printing, agreed with that statement. I am not going to draw any comparison between the two bodies, but merely wish to state for the benefit of the Members that, looking over the RECORD, I find that the Members of both Houses are too apt to tickle the vanity of constituents by printing articles written or spoken by those constituents. Others clutter up the pages with statistics on various subjects in which their constituents are personally interested, and others insert editorials from newspapers, thereby flattering the publishers.

Mr. GARNER. Mr. Chairman, will the gentleman yield right there?

Mr. UNDERHILL. Yes.

Mr. GARNER. My information is that the Joint Committee on Printing has in contemplation the bringing in of a bill authorizing an increase in the edition of the RECORD from 65 to 85 for each Member of the House, and something like an increase of from 85 to 100 to each Member of the Senate. If the gentleman from Massachusetts wants to effect a remedy for the evil he is criticizing, it seems to me it is time for the House portion of the joint committee to insist upon some rule or law as to the matter the gentleman is complaining of. If we are to increase the number of copies issued at the request of the Senate, it looks like a good opportunity to do a little trading and getting a law that will protect the RECORD from what the gentleman complains about. [Applause.]

Mr. UNDERHILL. I agree with the gentleman absolutely. When I first came to Congress Jim Mann, or rather I should say the Hon. James R. Mann, of Illinois, was a Member of this body. I do not know of many with whom I have served for whom I have had a greater admiration. Mr. Mann was continually objecting to these extraneous matters going into the RECORD. Unfortunately he was taken from us, and it seems that since then no one has been interested in the RECORD, and gradually the Appendix to the RECORD, which at that time was about 6 per cent of the total, has reached the stupendous proportion of 23 per cent of the total, consisting mainly of matters that clearly do not belong in the RECORD.

In one case alone of an extension of remarks in the RECORD—and, as I said before, I absolve the House of any blame for it—it was estimated by the Government Printing Office as involving an expenditure of $13,760.85, an entirely unnecessary and extravagant expense, which is an outrage and burden to the taxpayers of the country.

Mr. RANKIN. Mr. Chairman, will the gentleman yield there?

Mr. UNDERHILL. Certainly.

Mr. RANKIN. Without disagreeing with the gentleman from Massachusetts on the whole, I want to call attention to the fact that when Mr. Mann was a Member of the House and Members asked permission to insert their remarks in the RECORD they inserted the remarks in the body of the RECORD. Since then they have put them in the Appendix. That accounts for the increase in the Appendix.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield there?

Mr. UNDERHILL. Yes.

Mr. COOPER of Wisconsin. Will the gentleman tell us in which body that extension which he has referred to was made?

Mr. UNDERHILL. I said I absolved the House from any blame in the matter.

Another evil rising from "leave to print" in the RECORD of the Congress is the insertion from time to time of vituperative attacks by Members on people outside. Later, to its credit, the House has expunged such remarks from the RECORD.

The insertion of "applause" in the speech of a Member is entirely out of place. You might as well call it "apple sauce." A man may make a speech and, unknown, plant somebody down in the body of the Chamber. When he comes to a point that he wants to emphasize, his little friend down in the body of the Chamber gets the wink and supplies the "apple sauce." [Laughter.] That has caused the House some embarrassment, and it was not long ago since the House had a debate of almost half a day in length on the question of applause inserted by the reporters. I have no criticism of the reporters. They are doing the best they can. [Applause.] Probably this has become a matter of custom. But there is no authorization for applause in the RECORD. In fact, one Speaker has ruled that it was out of order, and that it should be expunged from the permanent RECORD.

Mr. EDWARDS. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. EDWARDS. Does not the gentleman believe that all applause in the House should be cut out entirely? Does he not believe it would make for better order in the House?

Mr. UNDERHILL. Well, I would not go as far as that. If it is any unction to one's soul to have his colleagues applaud him when he makes a speech I have no objection to it. [Applause.] May I state that the applause at the present time is subtracting from my time and I would rather have the time than the applause. [Applause.] I do not know whether the House is taking this as a joke or not. If it is, I am going to quit. Hinds' Precedents contains many pages referring to the abuses of the RECORD, and it is because of these abuses that so much time is taken up unnecessarily and so much expense is involved in the printing of the RECORD. Furthermore, a good deal of criticism has come to both branches of the Congress because of the inclusion of these extraneous remarks and unusual matters of no interest to the Government or to Congress as a whole, but which are merely inspired by local conditions.

Now, the control of the RECORD is vested in the House—not in the Speaker, not in the Committee on Rules, but in the House itself, and although we may have all manner of rules governing the RECORD, unanimous consent can be obtained, and when unanimous consent is obtained, all rules are swept to one side. So each and every man in the House who has a real pride in the Congress of the United States, in its dignity and in its efficiency, should constitute himself a guardian of the RECORD. It is no more one man's responsibility than it is another man's responsibility. It is not a pleasant duty. It is, perhaps, a duty that is too often shifted to others, but nevertheless if James R. Mann—who had a reputation which has not been exceeded by any Member of Congress in recent years [applause]—had the courage and the foresight to object continually, no other Member can be criticized if he follows the example laid down by this eminent statesman.

We hear the word "buncombe" frequently used. In searching the records I have found that that word had its origin in this body. When a gentleman from Buncombe County was chided about a speech he was making on the floor of the House he stated he was talking for Buncombe County. Now, I think we had better "debunk" the RECORD. It would be a good deal better for us to attend to matters of great national import than to talk for any one particular county or for our own particular interests.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. LAGUARDIA. Referring to this matter of extending remarks in the RECORD and the expenditure involved, would it not be a good thing if the distinguished chairman of the Committee on Accounts made the objections to matters going in the RECORD? I am sure the House has confidence in his impartiality. [Applause.]

Mr. UNDERHILL. I thank the gentleman for his statement. I have tried, somewhat unsuccessfully, to perform a service. I have had no personal feeling in the matter, no enemies to punish or friends to favor, but have followed the example of the man whom I admired so much, my former colleague, Mr. Mann.

Mr. MURPHY. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. MURPHY. On what sort of reasoning does the gentleman base his objection to a Member of this House enjoying the same privileges in connection with the RECORD that are enjoyed by a Member of another body in this building? We are all elected by the same people; we have the same rights; and, as the gentleman says; the matter is clearly in the hands of the House. I do not think that in the 20 minutes the gentleman is taking he can reform the membership of this House when they want to put bunk, if you call it that, into the RECORD. Of course, any one of the 435 Members can call attention to the bunk and debunk it.

Mr. UNDERHILL. I did not yield to the gentleman to make a speech but to ask a question.

Mr. MURPHY. I have asked a question, and I hope the gentleman will answer it.

Mr. UNDERHILL. I will answer it. I make no attempt to reform the House. I have no responsibility, nor has any man on the floor any responsibility, for what goes on elsewhere than in this body. If you want the House to enjoy the same estimate that is held by the public generally all over this country at the present time of some other legislative bodies, why, all right. [Laughter and applause.] But I assume we are all proud of our membership in this body, take it seriously and believe in the dignity of the House. Simply because somebody else somewhere else does something that is wrong and inexcusable is no reason why others should follow a bad example. [Applause.]

Mr. MURPHY. I am in deep sympathy with the gentleman, but I maintain that a Member of the House——

Mr. UNDERHILL. Let the gentleman make a speech in his own time.

Mr. MURPHY. Should have the same right to use the columns of the RECORD that is enjoyed at the other end of the Capitol.

Mr. UNDERHILL. Mr. Speaker, I can not yield further. If the gentleman wants to make a speech he can get his own time.

Mr. HOWARD. Will the gentleman yield for a statement?

Mr. UNDERHILL. Yes.

Mr. HOWARD. I just wanted to disabuse the minds of all Members of the House who have entertained a suspicion that for one moment the gentleman from Massachusetts has been partial. He has not. Yesterday I witnessed an exhibition of his magnificent impartiality when he sat here and permitted one of my colleagues to inject into the main body of the RECORD a magnificent editorial written by myself. [Laughter and applause.]

Mr. UNDERHILL. I trust that my colleagues will at least give me credit for this—I am not criticizing them, and I have never objected to the insertion of the remarks or the writings of any Member of this House in the RECORD.

Mr. BLACK. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. BLACK. I want to congratulate the gentleman on his courage in bringing up this subject. I think the Appendix of the RECORD, to a large extent, is a fraud on the country and a fraud on the constituents of many Members. Speeches go into the back of the RECORD that were never delivered on the floor, and the country is led to believe we have about 435 Daniel Websters in this body, when we all know that is not the truth. [Laughter.]

Mr. UNDERHILL. Just a word and I am through. There is an appendix in the human body. You frequently have to operate on that appendix. The Appendix of the RECORD is not in a healthy condition. It is badly swollen, infected with quantities of foreign matter, is a medium for propaganda and is pretty feverish. Now, in the medical profession a doctor will not operate on his own child, but we can, as doctors, see that the child is kept in healthy condition.

Anything that is reasonable or anything that should go into the RECORD I do not believe any Member, including myself, would care to exclude. But this continual filling of the RECORD with what might be designated as political propaganda, advertising, claptrap, and bunk ought to stop, and every Member of the House should have an equal part in protecting the RECORD from abuses which creep in, largely because of the example set by others rather than because of any desire on the part of the Members of the House to abuse any privilege which they enjoy.

Mr. RANKIN. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. RANKIN. From the gentleman's talk the average individual would be led to believe that the RECORD is more voluminous now than it was back in Mr. Mann's day. As a matter of fact, is it not true that the RECORD is less voluminous to-day than it was 5 or 6 or 8 or 10 years ago?

Mr. UNDERHILL. It depends upon the year. If there were two or three sessions during a year the RECORD and the Appendix both would be larger; but, as a matter of fact, from the time I have been a Member of Congress the pages of the RECORD have decreased and the Appendix has increased, and in proportion to the increase and decrease the Appendix has increased 23 per cent, where the total number of pages in the RECORD has decreased.

Mr. RANKIN. But that has been due to the fact that instead of inserting these remarks in the body of the RECORD they have been required to transfer them to the Appendix; and, taking the RECORD as a whole, is it not a fact that the RECORD is less voluminous to-day than it has been in the years past, and less by a good deal than it was in the time when Mr. Mann was the majority leader or a Member of the House?

Mr. UNDERHILL. No; I think not, considering the number of days the Congress has been in session.

Mr. RANKIN. I will say to the gentleman from Massachusetts that I think he is entirely wrong about it. My honest opinion is that the CONGRESSIONAL RECORD, the House side of it at least, is less voluminous to-day than it has been since I have been reading the RECORD, which would cover a period of possibly 20 years.

Mr. UNDERHILL. I think the gentleman is correct about that.

I have taken the floor to-day partly to explain my position to my colleagues. I frequently object to the insertion of matters in the RECORD. I may be right, I may be wrong; but I have no animus or desire to deprive any Member of any right that he may enjoy or may think he enjoys.

Mr. GARNER. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. GARNER. Before the gentleman takes his seat I again call his attention to the fact that there is a way to get a remedy for this, and that remedy is not altogether a lecture to the House. I do not suggest that the gentleman has been giving the House a lecture, but nevertheless he has been somewhat critical.

There is a joint committee of the House and Senate that has to do with the RECORD, and you can pass a law and put it on the statute books making it an offense, if we want to go that far, for the Public Printer to print anything of the kind the gentleman speaks of. The gentleman ought to bring in his bill and let it be considered under the terms arranged by both Houses for that character of legislation.

Mr. UNDERHILL. Then how is the gentleman going to get over the unanimous-consent proposition?

Mr. GARNER. Have we not a Rules Committee? I have seen them function in this House. I know the Rules Committee, because I have observed it. [Laughter.]

Mr. UNDERHILL. Is the gentleman a member?

Mr. GARNER. No; I do not happen to be a member.

The CHAIRMAN (Mr. HUDSON). The time of the gentleman from Massachusetts has expired.

Mr. COLLINS. Mr. Speaker, I yield 25 minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, I thank the gentleman from Mississippi for his generosity in yielding me time. In spite of the very able and timely speech of the gentleman from Massachusetts [Mr. UNDERHILL], in most of which I fully concur, I now have the temerity to ask to extend my remarks in the RECORD by inserting three brief documents which I believe will throw some light on the subject I shall attempt to discuss.

The CHAIRMAN. Is there objection to the gentleman from Connecticut extending his remarks in the RECORD?

There was no objection.

Mr. TILSON. Mr. Chairman, the bill now before the committee for consideration carries appropriations for the Panama Canal. There has been some discussion, and much pertinent information brought out in the hearings before the committee in regard to either increasing the capacity of this canal or building another.

The subject is a matter of great interest to the country, and I have asked for this time that I may make a few observations in regard to certain features of the subject which I think may be of importance in the future development of the canal.

It has been said that the difference between a politician and a statesman is that a statesman is a politician who is dead. Of course, we all know politicians whom not even death could make statesmen, and probably there are some who would have to be dead as long as Rameses the Second before they would be exalted to the rank of statesman. [Laughter.]

My own idea of a statesman, as distinguished from a politician, is better described by saying that a politician looks no further ahead than the next election, while a statesman tries to look as far into the future as possible, and to govern his action by what he thinks to be for the best interests not only of the present but of the long time to come. It is in the spirit of this idea that I address myself for a few minutes to the subject of the Panama Canal.

The Panama Canal is a great outstanding monument of constructive work done by the War Department. It had been the dream of all the years, from the time that the country was discovered, of finding a western passage—first to the Orient and later, when it became known that there was a Pacific Ocean, for a passage to reach that ocean.

The enterprise was finally undertaken by the French, who labored under many difficulties and disadvantages, some of which had been eliminated before we came into the picture. At any rate, that country failed in its effort to pierce the continental divide. In the early years of this century the interests of the French were bought and the United States Government began the work of constructing a canal across the Isthmus. It was finally opened to traffic in 1914.

During the early stages of the building of the canal, and in fact up to the time of its completion, there was considerable discussion over the country as to whether the canal was going to be a white elephant, or whether it would some day be commercially a success, and whether it would be of any substantial use for national defense.

The truth is that the canal was not built, primarily, I may say, as a commercial enterprise, although, of course, that feature of it was always in the minds of the people. This one argument alone, perhaps never would have prevailed and brought about the construction of this great work. So the national defense item must be regarded as a very large one in the final decision to construct the canal.

We were told by statisticians and publicists all over the country that commercially the canal would never pay. As a matter of fact within 10 years after the canal had been opened to traffic it became apparent that the canal was to be not only a help to national defense but that it was also going to be a commercial success. As soon as this was thoroughly demonstrated by actual experience the minds of forward-looking persons turned at once toward the subject of its future enlargement in case it approached the limit of its capacity.

Up to the present time the limit of capacity of the canal in its present state has not been reached. Under ordinary conditions, and even in the driest season, the traffic that is now going through the canal can be handled without any change whatever. The traffic, however, is expanding and increasing year by year. It is believed that in time—no one can tell just how long a time, but not long as measured by the life of the Nation—the present limit of capacity of the canal will be reached, so that something should be done about it.

There have been a number of propositions for increasing the capacity of the canal. First, as you may recall, is the proposal of that fine old soldier and engineer—he was an engineer before he was a soldier—Gen. Bunau-Varilla, who has strenuously contended that it should not be the Panama Canal but the Strait of Panama. He has insisted that the proper solution is a sea-level canal. He has put forth and urged the theory that it can be constructed and paid for out of the power developed there, that it can be done without the interruption of traffic, and without cost to the American people. His estimate is that within 20 years it will be needed and that it will require 20 years to construct such a canal.

For hours I have listened with genuine interest to Gen Bunau-Varilla. He is a most delightful and fascinating man. His whole heart and soul have been wrapped up in the little neck of land connecting the two Americas for so long that it is a part of his very versatile and enthusiastic being. He brushes away like so much rubbish many of the several objections that have been made to his plan. One was that owing to the difference in the tides in the two oceans an impossible situation would be produced. He has successfully answered this, but there is one point that, to my mind, he has never made clear and that is, what is to be done with the Chagres River?

As you all know, the Chagres River pours its torrential waters into the canal at Gamboa just north of the Culebra Cut. It is taken care of at the present time by the construction of the Gatun Dam, and the creation of Gatun Lake, which has a surface area of something like 160 square miles.

If the canal were deepened by 85 feet, which it must be to reach sea level, we have a picture of the Chagres River pouring its flood of waters down a precipice of 85 feet into the canal. Frankly, I must admit that I do not know what would happen in that event. The Chagres River, according to the season of the year, ranges all the way from an inconsequential stream to a raging flood equal to Niagara. The disposition of this stream is a problem that, to my mind, has never been satisfactorily worked out for a sea-level canal. It would probably mean the construction of a diversion canal to carry its waters down to the sea, which would be tantamount to the construction of another Panama Canal, and which would cost probably twice as much as the present canal cost. The stupendous cost of the entire proposal is a sufficient reason for leaving it out of the calculation for the present.

Another proposition is to build another canal at Nicaragua, and I may say at the outset that I am in favor of this whenever it is needed. As I look forward into the years I think it quite probable that the time will come when we shall need an additional canal joining the two oceans, and I hope that we may not forfeit or yield the right that we have now to build a canal at this place. [Applause.] There would be many advantages in having such a canal. It is an undertaking that will cost large sums of money, however, and I do not believe that at the present time anyone would seriously contend that we should begin the immediate construction of such a canal. We should, however, keep it in mind as one of the things which we have ready and in reserve for the future.

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

Mr. TILSON. Yes.

Mr. RANKIN. Is it the gentleman's opinion that the capacity of the canal is being reached by virtue of the fact of the scarcity of water in Gatun Lake and the Chagres River?

Mr. TILSON. I am coming to that a little later, if the gentleman will excuse me, and if I do not touch upon it I hope that he will bring it to my attention. For the present, let us leave out of consideration the canal at Nicaragua.

A third plan for taking care of increased traffic is the construction of a third series of locks. I am in favor of this also whenever it shall be needed. If larger ships than any now in existence shall be developed, especially in the way of war ships, there might be a necessity for the canal to be enlarged to accommodate them. For the present the canal will pass through the locks any ships now in existence, so that it would not be necessary to increase the size of locks on this account.

We come down now to the question of increasing the capacity of the present canal without serious modification of present arrangements. There are now two series of locks. With proper manipulation the water that is used in one series can be turned into the other so as to conserve the water supply by wasting as little as possible. As the gentleman from Mississippi [Mr. RANKIN] suggested by his question a moment ago, the capacity of the present canal is largely determined by the water supply, and the water is supplied for the most part by the Chagres River. The amount of water that can be relied upon can be estimated from statistics of years gone by. We know that at certain seasons of the year there is more water than is needed, more than can be disposed of at times without serious inconvenience, and that at other times, during the dry season, there is a scarcity of water.

When the traffic through the canal shall have been increased by, say, 25 per cent beyond what it is now, there might be a sufficient shortage of water to bring the keels of vessels too near the bottom.

There are two suggestions that ought to be worked out and put into operation, one of them immediately and the other as soon as the increasing traffic demands it. The first is the increase of the supply of water by conserving the water of the Chagres River, much of which is now running to waste. This improvement has been begun and will be carried out within four or five years by the erection of what is now known, I believe, as the Madden Dam, or what has been known for some time as the Alhajuela Dam. It is a dam for the construction of a reservoir 14 miles up the Chagres River from Gamboa. A suitable dam at Alhajuela will impound a great deal of water which in the first place will lessen the torrential flow of the highest flood water. In the next place it will regulate by the storage of water the flow of the river at other times when the water is low.

Another way to conserve the water when this dam is constructed is to move the power plant which is now at the Gatun Dam up to the Alhajuela Dam. At present the hydroelectric plant at Gatun Dam takes water directly from Gatun Lake. When the water goes through the turbines it is wasted, so far as lockage purposes are concerned. By moving the power plant from Gatun up to the Alhajuela Dam, all the water that goes through the power plant simply goes down into Gatun Lake, and all of it is available for lockage purposes. This alone will be a considerable saving of the water supply.

Then there has been suggested another way of increasing the capacity of the locks as they are to-day, not by building additional locks, but by the addition of an auxiliary culvert in connection with the present locks. At the present time, as I understand the construction, there are two of these culverts that open into the lock chambers. It is proposed to construct a third auxiliary culvert which can be opened into the lock chamber on either side of it. If this plan can be carried out, it will increase the lockage capacity considerably by speeding up the passing of the ships through the locks.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield there?

Mr. TILSON. Certainly.

Mr. McKEOWN. Will that be for the purpose of increasing the rapidity of the flow of water into the lock?

Mr. TILSON. Yes. It will save the time of vessels passing through the lock. At the present time we are passing through an average of something like 18 vessels a day. I am not quite sure of the figures, but it is about that. It is believed that by the use of this auxiliary culvert vessels can be moved through the locks at greater speed.

Mr. JOHNSON of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Certainly.

Mr. JOHNSON of South Dakota. Are they working day and night shifts on the canal at the present time?

Mr. TILSON. Sometimes they do, but there is one difficulty. Sometimes there is a fog over the Continental Divide, especially in the nighttime. This, of course, is an obstruction to navigation. Anyone who has been in California, down on the peninsula south of San Francisco, will probably recall that on the east side of the Coast Range, which is here close to the Pacific Ocean, the sun may be shining brightly, while just across the crest of the ridge there is quite a fog, caused by the cold air from the Pacific meeting the warm air on the other side. This, I assume, is the cause of the fog at Panama, which usually starts in the nighttime and clears up in the morning before 8 o'clock.

Mr. SNELL. Mr. Chairman, will the gentleman yield there?

Mr. TILSON. Yes.

Mr. SNELL. May I ask, have we reached the full capacity of the canal?

Mr. TILSON. We have not yet reached the full capacity of the canal, but if the same rate of increase goes on, the limit of capacity is in sight already.

Mr. TABER. It is estimated that it will be about 40 years until we need another lock.

Mr. TILSON. It is estimated at from 30 to 40 years, I believe, by most of those who have studied the problem.

Mr. SNELL. That is far enough to look ahead.

Mr. TILSON. I fear the distinguished chairman of the Committee on Rules is not looking far enough ahead. I am looking ahead to the future years when neither he nor I will be in Congress, though I am hoping that day may be deferred some time yet.

Mr. BRIGHAM. Mr. Chairman, will the gentleman yield there?

Mr. TILSON. Yes.

Mr. BRIGHAM. Will the gentleman tell us about the financial outcome of the Government investments in the Panama Canal, considering the tolls and the operating expenses and all?

Mr. TILSON. Of course, that depends entirely on what factors you figure in the expense. If we omit consideration of the national defense and take everything that has been spent, and compound the interest on all the advances to the canal made to the present time, it will be found that the tolls have probably just about reached the amount of the interest and operating expenses. But taking the canal as it is, it is a paying proposition. If we had the canal given to us as it now stands, we could operate it and make quite a handsome profit.

Mr. BRIGHAM. Do I understand from the gentleman's statement that up to now the Government has received some interest, considering its total investment?

Mr. TILSON. Yes. It has been receiving interest for a number of years. Considering the total investment, it is now producing somewhere between 3 per cent and 4 per cent.

Mr. BRIGHAM. After deducting expenses of operation and maintenance?

Mr. TILSON. Yes. As I understand it, this would allow nothing for the policing of the Canal Zone, because it is considered that it certainly adds to our national security by strengthening our national defense. This should surely offset any expense for the policing of the canal.

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

Mr. TILSON. Certainly.

Mr. RANKIN. Getting back to the capacity of the canal, if the capacity is exceeded——

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

Mr. COLLINS. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Connecticut is recognized for five minutes more.

Mr. RANKIN. If the capacity of the canal is being reached by virtue of the limited water supply, would the building of additional locks increase it?

Mr. TILSON. No; but with the Alhajuela Dam the available water supply will be so materially increased that the capacity of the canal will be much increased.

Mr. TABER. It would allow a 24-hour service, about 40 boats a day, and will provide water enough to run another set of locks, provided we build them when it is necessary, 30 or 40 years hence.

Mr. TILSON. As I understand the situation, it is as has been explained by the gentleman from New York. The construction of the Madden Dam at Alhajuela will so increase the available water supply that not only will it be possible to put in an additional culvert, when that is required, but also, when the time comes, a third series of locks may be installed.

Mr. TABER. And that, with the Madden Dam in full operation, will handle about four times the present traffic.

Mr. TILSON. About 80 boats a day?

Mr. TABER. Yes.

Mr. TILSON. Mr. Chairman, I have taken this occasion to refer thus briefly to the Panama Canal in order to revive in the minds of those interested in the development of this enterprise the thought that it is one of the really great outstanding accomplishments of our country, and to arouse, if possible, a deeper and more widespread interest in its importance and its future.

I have taken the liberty of asking leave to insert with my remarks certain documents which I believe will be found of interest. One of these is a letter addressed to me from Mr. R. H. Whitehead, who for four or five years was assistant and lock superintendent in charge of the construction of the Pedro Miguel and Miraflores Locks, and who has taken a genuine and intelligent interest in the canal ever since. He is now president of the New Haven Clock Co., but his interest in the great canal continues unabated. Some two years ago he again visited the canal and submitted some ideas and suggestions that he thought might prove helpful. One of these is the suggestion of an auxiliary culvert.

These suggestions were first submitted by the governor of the canal to R. Z. Kirkpatrick, chief of surveys, whose report on them follows. The last of the three documents submitted is a personal letter from Gen. Merriwether Walker, the Governor of the Panama Canal, to Mr. Whitehead, on the same subject.

The following are the documents referred to:

THE NEW HAVEN CLOCK CO.,
New Haven, Conn., November 30, 1929.

Hon. JOHN Q. TILSON,
House of Representatives, Washington, D. C.

DEAR MR. TILSON: In regard to the Panama Canal, I can do no better than send you my file on this matter.

First is my letter of February 2 to the governor, submitting a number of suggestions including the method of increasing the lock capacity. Under date of February 18 is a report of one of the engineers on the canal on the suggestions that I have made, calling attention to the method of the auxiliary flooding scheme, and then there is a letter from the governor himself, which you will note has been marked "personal," commenting on my report of February 2.

Note regarding the auxiliary culverts that he states "Your idea of auxiliary culvert, although somewhat different from any plan so far discussed, is something we have had under consideration for some time. Such a change will be very valuable, and your recommendations will be included in our surveys."

With kindest regards, I am, sincerely yours,

R. H. WHITEHEAD.

FEBRUARY 2, 1928.

Gen. MERRIWETHER WALKER,
Governor Panama Canal.

DEAR SIR: I have the honor to submit, in accordance with your request, the following report as a result of my recent visit to the Isthmus:

OPERATION AND MAINTENANCE OF LOCKS

The problem of unwatering a lock chamber and overhauling the equipment has become a serious and difficult one with present heavy traffic of 20 ships per day. The lock force should be held primarily responsible for traffic, so maintenance has become a secondary or fill-in matter and time of overhauling with locks out of service greater than necessary. I recommend that on heavy overhauling an organization be created when necessary for this work by the mechanical division. They could anticipate work to be done, prepare materials, and schedule it. A greater part of the time now required would be eliminated by this proper preparation and an adequate force with overhauling as its sole responsibility. A lock flight should not be put out of service for valve repairs or gate painting for over 30 days, if work is properly organized. The lock organization has plenty to do to look after traffic. They should turn over the chamber to a separate force for repairs and simply approve repairs by test and inspection.

MITERING LOCK GATES (1)

Please refer to drawing 5164, section DD. Evidently wear is taking place between the 16-inch diameter pintle and pintle casting bushing on

most of the operating gates. Note that a carbon-steel bushing is to be used in salt water and manganese bronze in fresh water, the theory being that manganese bronze in salt water would result in electrolytic corrosion. Experience has shown that salt water moves progressively up the locks, so all bearings should be alike, as they are all submitted to salt-water action. But, as in the case of side seals on Stoney gate valves, it may be that the manganese bronze is the best material in spite of use of unlike metals. The bearing is not lubricated and dissimilar metals should result in better longevity due to reduced friction in operations. This problem of wear on the pintles is the most serious maintenance problem of the locks. I recommend the following:

(a) Tabulate all gates in classes as to carbon-steel bushings or manganese-bronze bushings. Make observations of their present condition and I predict that the carbon-steel bushings are the ones that show evidence of wear. If so, the bushings should be all changed from carbon steel to manganese bronze on all gates.

(b) In making observations, make use of the fact that close proximity to the pintle can be secured by entering the water-tight compartment in the gates adjacent to the pintle.

(c) Here is a real idea: Lubricate pintles by compression system from inside of gate through center of pintle bushing. This would result in indefinite wear and probably quadruple life of bearings, as at present they have no lubrication excepting what may remain of original lubricant.

MITERING LOCK GATES (2)

It will be necessary to take these gates off the pintles. I recommend that this be done by the McClintic Marshall Co., builders of the gates. There is too much risk in handling this with an inexperienced force.

ALHAJUELA DAM

This dam should be pushed rapidly to completion. I was one of the first to advocate the building of this dam with General Goethal's approval. The dam is necessary for adequate water storage and flood control.

INCREASED LOCK CAPACITY

Secondary to the dam project is the necessity of balance, by increasing lock capacity, of lock and water supply, as traffic now equals about available capacity of one flight of locks while repairs are taking place in other flight. To overcome this difficulty I suggest the building outside the present locks of auxiliary steel culverts.

The culverts to be 18 feet in diameter, placed between low and high water levels outside the outside lock walls, to have 10 laterals in each chamber of steel entering lock side walls at 20 feet above chamber floor, laterals to be 5 or 6 feet in diameter. Laterals to go straight through concrete walls of chamber at advantageous points. Mr. Cole says this is no great construction problem and can be done by rotating cutters.

These steel culverts to be controlled by valves at upper and lower ends, electrically operated from control house. Auxiliary hand valves on each lateral to proportion flow. Please refer to my paper on hydraulics of the locks of the Panama Canal.

These auxiliary culverts will in no way interfere with locks or their operation during construction. The engineering problem is a simple one and the costs low. Their flow will balance the flow from present sidewall culverts in filling and keep ships in center. With these auxiliary culverts and one lock chamber unwatered there will always be two culverts available to fill or empty a lock, a saving of 15 minutes per chamber. With both locks working, three culverts or two culverts can be used for filling or emptying and time of present operation reduced. The benefits derived involve no increase in operating force. With the culverts proposed, water supply will be balanced. At the upper end of Pedro Miguel these auxiliary culverts can be connected to still pools to prevent surges in cut, as per Mr. Kirkpatrick's suggestion. I will be glad to assist in the further development of this idea if requested. To my mind, this should go ahead with the dam and the proposal of the third set of locks abandoned at present as unnecessary as regards balance of locks and water supply.

CENTER WALL CULVERT

I was advised by General Hodges never to fill center wall culvert with one chamber unwatered. He was especially worried about the lower Miraflores chamber. There are transient forces involved, such as slamming of gates, surges in tunnels, and so forth. You will find in log books of control houses these instructions. If they are changed, the responsibility for calculations should be placed on more than one person.

CONCLUSION

May I close with an acknowledgment of the courtesies and assistance rendered me by Ralph Kirkpatrick and William Holloway, my close associates also when I was formerly on the Isthmus. Any time I am happy to be of service in any way possible. I can realize the increasing problems due to time and traffic, but you have a more experienced and smoother organization to handle them than in 1916.

Another problem of the canal is to make the future of its old employees secure, so that the older, experienced men may be retained in service as long as they have the physical stamina.

Service such as is being rendered should result in legislation by Congress to safeguard the old age of these old employees who constitute the backbone of your organization.

With kind regards and thanking you for the courtesies recently extended me on the Isthmus, I am,

Very truly yours,

R. H. WHITEHEAD.

BALBOA HEIGHTS, CANAL ZONE, *February 18, 1928.*

Memorandum for Major Wheeler.

MR. WHITEHEAD'S SUGGESTIONS REGARDING BETTERMENT OF THE PANAMA CANAL

1. I am commenting on subjects as below:

MITERING LOCK GATES (1)

The writer was closely adjacent to the gate construction 1911–1914 on the locks; I used to conjecture how water could prevent friction and wear between the 16-inch diameter pintle and pintle-casting bushing. In my opinion only lubrication under pressure can fix that. Mr. Whitehead's suggestions (a), (b), and (c) seem reasonable.

2. In connection with his idea that electrolytic corrosion is taking place in the carbon-steel bushings, I offer the following references in re the amount of salinity in which some of these gates work: How Salt Water Climbs the Miraflores Locks, by George M. Wells and R. H. Whitehead, June 2, 1917, Scientific American; Agua Salada en la Exclusa Miraflores, by R. Z. Kirkpatrick, January, 1921, issue of Ingenieria Internacional; Salt Water Climbs the Locks of the Panama Canal, by R. Z. Kirkpatrick, in May 19, 1924, Engineering News-Record; Drgs. 55052–5 Rev. (pts. 1 and 2). While most of the references quoted concern Miraflores Locks, the theory back of same is partially representative at Pedro Miguel and Gatun. Of course, the least salinity is about the pintles of the upper gates at Pedro Miguel and Gatun. Samples taken under different conditions in Gaillard Cut adjacent to the Pedro Miguel Forebay, Gatun Forebay, and Stilson's Pond have variously shown salinity of from 5 to 20 parts per million. The writer's scrapbook contains most of the references in case they can not be found in the library.

INCREASED LOCK CAPACITY

3. The bottle-neck situation that Mr. Whitehead hopes to cure by increasing lockage-making capacity during the overhaul period of the locks seems to me important; if 10 minutes can be saved at each chamber by Mr. Whitehead's suggestion the passage of a ship would be expedited as follows: Gatun, 30 minutes; Pedro Miguel, 10 minutes; Miraflores, 20 minutes. The expeditions are so great at Gatun and Miraflores it would seem the plan should have serious investigation. Likely saving of time is too high for average condition; if halved, however, the proposition is still interesting. Not only does the auxiliary flooding scheme seem to have merit at the time of overhaul, but it would be handy on a busy day when the twin chambers are available; like in the passage of the fleet.

4. Some of the possible disadvantages might be:

(a) Unless the flow in the new culvert is well controlled the increased flow in the chamber will tend to make ebullition in the lock; fairly even diffusion of inflow would have to be carefully worked out. Mr. Whitehead himself has heretofore well covered proportionate flow in lateral culverts in his paper, Hydraulics of the Locks of the Panama Canal, International Engineering Congress, 1915.

(b) Another possible trouble will be an increment to the surge at the north end of Pedro Miguel Locks in Gaillard Cut. This defect, of course, will be cured if, and when, a west side still pool is put in at Pedro Miguel.

(c) The steel culverts, 18 feet in diameter, would likely have to be made of rolled plates, riveted together. Corrosion from the brackish water would make such construction temporary.

CENTER-WALL CULVERT

5. The writer has never calculated the center-wall culvert stresses, with one chamber unwatered. The problem at Gatun and Miraflores is abstruse and involved. Combine this with certain conditions of surges and gate slamming and I fear results from ordinary formulæ. Memory of conversations I had with Messrs. Cornish and Libsey (the designers of these culverts and valves), and others of the designing and erecting forces in high positions of responsibility, gives me the impression that they regarded the use of the center culvert, with one chamber unwatered, as unsafe.

GENERAL

6. I am under the impression that Maj. Gen. H. F. Hodges (now of Chicago) still has a live interest in the workings of the various structures here. Surely his opinion on some of the suggestions made by Mr. Whitehead would be very valuable. Why not ask for it?

R. Z. KIRKPATRICK,
Chief of Surveys.

THE PANAMA CANAL,
Balboa Heights, Canal Zone, March 3, 1928.
(Personal)

Mr. R. H. WHITEHEAD,
Care of New Haven Clock Co., New Haven, Conn.

MY DEAR MR. WHITEHEAD: Yours of February 2d containing suggestions concerning the locks, as the result of your observations while recently here and your previous experience with the locks, reached me on time, and I am much obliged to you for the interest and trouble you have taken in the matter.

The plan you recommend as to an independent force for maintenance has been under advisement for some time and will eventually be put into effect when traffic justifies a force for operation solely. We do not think that this condition exists as yet, and it is more economical to operate under the present plan. However, we do not subordinate maintenance to operation; maintenance is fully kept up, and whenever the operating force can not fully meet maintenance demands, the force is temporarily increased.

For overhaul a special force is always built up containing some men from the operating force and additional men transferred temporarily from other divisions or brought down from the United States. We believe that proper coordination on the locks requires that the operating and overhaul forces be under one head, and I am not prepared to put the overhaul under the mechanical division. During recent overhauls a flight of locks has been, on the average, out of commission for slightly less than 30 days.

Your suggestions concerning gate pintles and pintle-casting bushing is receiving attention. The idea of lubricating the pintles is excellent.

Our people here say they have all the apparatus and skilled men needed to safely lift a gate. However, your suggestion concerning employing an outside agency for this work will be given due consideration.

Congress is giving $250,000 for the Alhajuela project next year, and we will push that job as fast as money is provided. We have asked to start this work for four years past, but without success until now.

Your idea of auxiliary culvert, although somewhat different from any plan so far discussed, is something we have had under consideration for sometime. Such a change will be very valuable and your recommendations will be included in our surveys.

No change has been made, as yet, in rules concerning filling middle culvert with one chamber empty. We are, however, and have been for sometime, considering a plan to overhaul the center culvert with both chambers in operation and thus have two culverts for use when a chamber is overhauled. Your warning as to conservatism in operating under such a condition will be kept in mind.

Some two years ago I proposed a special bill for retirement of Isthmian employees, but it was vetoed by the Budget Bureau. Essentially the same bill is now before Congress, introduced by Representative EDWARD E. DENISON, of Illinois. I don't know what chances it has of passage.

Your suggestions, as I told you when here, are welcomed, and as we progress in our plans for the future we shall probably take advantage of your offer of further cooperation.

With kindest regards, I am very sincerely yours,

M. L. WALKER, *Governor.*

Mr. BARBOUR. Mr. Chairman, I yield 35 minutes to the gentleman from Illinois [Mr. MORTON D. HULL].

Mr. MORTON D. HULL. Mr. Chairman and gentlemen of the committee, in view of the prospective departure of the commission going to the London conference, I ask your indulgence for a few minutes to a consideration of the Kellogg pact as it affects the whole subject of neutrality. I ask this not for the purpose of embarrassing the commission but for the purpose of indicating some of the difficult problems that the question of international limitation of armaments involves.

It may seem a far call from the subject as announced to ask you to turn back with me 19 centuries to the little city of Athens. Nonetheless, I ask your indulgence to return with me to that early time and to that ancient city. Paul was there on one of his missionary trips. He had gone about the city and his spirit was stirred as he beheld the city full of idols. Among them he beheld an altar with the inscription "To the unknown god." This prompted his wonderful and never-to-be-forgotten address on Mars Hill, in which he expounded his own religious philosophy, ending with the reproof that "We ought not to think that the Godhead is like unto gold or silver or stone graven by the art and device of man."

Now it would appear that among his hearers was one Demetrius of Ephesus, a silversmith, who made silver images of Diana and whose ire was stirred by Paul's preaching. For it is related that Demetrius brought together the craftsmen and workers of like occupation and addressed them as follows:

> Sirs, ye know that by this business we have our wealth. And ye see and hear that not alone at Ephesus but almost throughout all Asia this Paul hath persuaded and turned away much people, saying that there are no gods that are made with hands. Therefore there is danger not only that this our trade come into disrepute but also that the temple of the great goddess Diana be made of no account and that she should even be deposed from her magnificence, whom all Asia and the world worshippeth.

We ask you, is there not some similarity between the attitude of Demetrius and the Athenian craftsmen on the one hand and the attitude of the American shipbuilders, as disclosed by recent investigations, on the other hand? Paul sought to lead his hearers to the worship of a god not made with hands. But Demetrius and his fellow craftsmen, who made silver images of Diana, were deeply stirred against him because Paul's preaching interfered with their business. The President of the United States sought to lead his people away from the thought of war and into a more certain peace by an international agreement for the reduction of naval armament. But the shipbuilders were deeply stirred against the proposal because it would interfere with the profits of their business. As between Demetrius and the shipbuilders, is not Demetrius more worthy of respect? He at least was frank. He did not act by secret agents nor disguise his purpose by putting on the pretense of patriotism.

Having established a point of departure, we now come down to the year 1793 and to our own country. The young Republic of the United States of America, under its first President, was breaking new ground and making new precedents. On the other side of the Atlantic the French revolutionary wars were engaging the energies of Europe. Our citizens, remembering the bitter years of our own Revolution, were naturally sympathetic with France in her struggles with Great Britain. Furthermore, they found it a profitable business to make, sell, and ship arms and munitions to France. Against this trade Hammond, the British minister to the United States, made forcible protest. To this protest Jefferson, our first Secretary of State, made reply, in part, as follows:

> Our citizens have been always free to make, vend, and export arms. It is the constant occupation and livelihood of some of them. To suppress their callings, the only means perhaps of their subsistence, because a war exists in foreign and distant countries in which we have no concern, would scarcely be expected. It would be hard in principle and impossible in practice. The law of nations, therefore, respecting the rights of those at peace does not require from them such an internal disarrangement in their occupations.

Of this reply we note three things: First. That to have put an embargo on the shipment of arms to France would have interfered with the livelihood of some of our people—and this was considered by Jefferson undesirable and impossible. Second. That the war between France and Great Britain was considered a remote and distant affair; and therefore, third, that it was considered a war in which we had no concern. We shall refer to these questions of remoteness and lack of concern later For the moment we will only observe that the assertion that the war was one in which we had no concern might seem to be contradicted by Jefferson's interest in those of our citizens who found their livelihood in making, vending, and exporting arms for the purpose of carrying on such a war. If the attitude of Jefferson seems somewhat inconsistent and not unlike that of Demetrius, let it be admitted in moderation of our criticism that we all have a blind side whenever the interests of our family, our friends, and our country are at stake. Furthermore, Jefferson was right in the subsequent statement of the law of nations contained in that reply to the British minister:

> The law of nations, therefore, respecting the rights of those at peace does not require from them such an internal disarrangement in their occupations. It is satisfied with the external penalty pronounced in the President's proclamation, that of confiscation of such portions of these arms as shall fall into the hands of any of the belligerent powers on their way to the ports of their enemies. To this penalty our citizens are warned that they will be abandoned and that even private conventions may work no inequality between the parties at war, the benefit of them will be left equally free and open to all.

Stated in different terms, the custom and practice of nations required of a neutral government complete abstention from aid or comfort given to either belligerent, but permitted a citizen of such neutral state to trade with a belligerent power, subject only to blockade and to capture by a nation at war with the government to which the goods were destined. Such, in brief, was the law of nations affecting our country and all countries down to and through the tragic years of the Great War.

Under the conception of neutrality which was expressed by Jefferson's reply to Hammond our nationals sold and delivered to the Allies enormous supplies for war purposes, running into many hundreds of millions of dollars, and would have sold them

to the Central Powers if it had been possible to get them by the British blockade. Here, as in 1793, our sympathies were mainly with the French.

At the end of the Great War, however, came the organization of the League of Nations, with its covenants for collective action for the maintenance of peace subscribed to by 53 nations of the world. We call your attention to paragraph 1 of Article XVI of this historic document:

> Should any member of the league resort to war in disregard of its covenants * * * it shall ipso facto be deemed to have committed an act of war against all other members of the league, which hereby undertake immediately to subject it to the severance of all trade or financial relations, the prohibition of all intercourse between their nationals and the nationals of the covenant-breaking state, and the prevention of all financial, commercial, or personal intercourse between the nationals of the covenant-breaking state and the nationals of any other state, whether a member of the league or not.

This paragraph provides for the almost complete economic isolation of a covenant-breaking state that attempts war against another state which is a member of the league. I speak of it as an almost complete isolation. The two industrial nations that are not parties to the covenant are Russia and the United States of America. Of course, Russia industrially is far behind. It might almost be said that the United States of America is the only industrial state not a party to this covenant. The United States of America constitutes then the missing link in the chain for the possible complete economic boycott of an offending state.

Of course, the paragraph referred to of Article XVI constitutes for those States which are parties to it a complete reversal of the ancient concept of neutrality. But it does not bind the United States. With what success it might be resorted to in case we were a party to the covenant of the league time and events only could tell. But with the United States of America not a party to the covenant and not cooperating in the enforcement of the economic sanctions of the covenant, there would be embarrassment to the league, danger of a complete breakdown of the economic sanctions, and possibilities of actual conflict between the United States and some or all of the league States, particularly Great Britain.

It was to remedy this difficulty and to manifest a spirit of cooperation with the league in the enforcement of its covenant against war, at least to the extent of not interfering with the operation of its economic sanctions, that the late Senator Burton, at the time a Member of the House of Representatives, in January, 1928, introduced Joint Resolution No. 183, declaring it the policy of the United States of America to prohibit the exportation of arms, munitions, and implements of war to any nation which is engaged in war with another. Section 2 of the resolution provides as follows:

> Whenever the President recognizes the existence of war between foreign nations by making proclamation of the neutrality of the United States, it shall be unlawful, except by the consent of the Congress, to export or attempt to export any arms, munitions, or implements of war from any place in the United States or any possession thereof to the territory of either belligerent or to any place if the ultimate destination of such arms, munitions, or implements of war is within the territory of either belligerent or any military or naval force of either belligerent.

Section 3 provides specifically what shall be considered arms, munitions, and implements of war. The House Committee on Foreign Affairs having indeed shaped this resolution after weeks of discussion of a similar resolution previously introduced by Mr. Burton, reported the resolution out with favorable recommendation. You will be interested in hearing what happened to the resolution. Weeks after it had been placed on the House Calendar it was attacked by the then Secretary of War, Dwight Davis, and the then Secretary of the Navy, Curtis Wilbur, in opinions given out by them to the Committee on Military Affairs and to the Committee on Naval Affairs, respectively, as being against the interest of the United States in the matter of national defense. The Committee on Foreign Affairs, being somewhat outraged by this attack, invited Secretaries Dwight Davis and Curtis Wilbur to appear before it and justify their objections to the resolution. This they did, or at least attempted, their justification being that, as our country had to depend, to some extent at least, on private industry to supply it with the necessary munitions and implements of war in case of a great war, it would be to our advantage to permit these private industries to supply foreign countries, at war, with arms and munitions. With the experience so gained and the profits of such business they would, it was argued, be better able to supply us with arms and munitions in case we became involved in the war. Of course, in order that our arms-producing industries may make such sales, gain such experience, and make such profits, there must be war going on somewhere else in the world. The logic of their position was that we must foment war abroad in order to be better prepared ourselves. Let me read you a few questions and answers out of the hearings of the committee:

> Mr. HULL. You said earlier that you were not interested in the profit end of the business and hoped the profit end of the business could be eliminated. How can you reconcile a program of that kind with the maintenance of private industries in this business?
>
> Secretary DAVIS. Because it is essential to the national defense unless you are going to build up Government arsenals.
>
> Mr. HULL. Private industries can not be maintained without profits.
>
> Secretary DAVIS. No; but as I said, in our plans which are so thoroughly studied, we hope to eliminate any inordinate and enormous profits which may be made in time of war.
>
> Mr. COLE of Iowa. Is it your opinion that by permitting these exports of munitions you keep our munitions makers in practice, keep them as going concerns so that they will be ready in case we became involved in war ourselves?
>
> Secretary DAVIS. That certainly was the experience in the World War.

The attitude of Secretary Wilbur was practically the same. We do not claim that they were acting the part of Demetrius in their attitude. They had no thought of profits as their main objection to the Burton proposal, at least no thought of profit except such profit to our industries out of foreign trade in war supplies as would enable those industries to be satisfied with a hoped-for modest profit in the supply of arms and munitions to our own country. It is futile to speculate on how large a profit this would be. Theirs rather was the hard, cynical attitude of the professional Army man or Navy man who has been trained to think of force as the sole determiner of all international relations.

However, there was a Demetrius who performed in those hearings. He gave his name as Mr. Charles H. Herty, advisor of the Chemical Foundation of New York. He frankly objected to the resolution because it would, he said, limit the profits of the American chemical industry. Again let me read from the committee hearings:

> Mr. MAAS. How will it [the chemical industry] be affected [by the Burton resolution]?
>
> Mr. HERTY. Because the chemical industries of other countries with which we are in very keen competition are not bound by this resolution at all.
>
> Mr. MOORE of Virginia. That is, they would make more profits out of war than otherwise they would make?
>
> Mr. HERTY. They would make more money than we would.
>
> * * * * * * * *
>
> The CHAIRMAN. To sum up your position, your objection is this: That you believe you have a moral and legal right to ship these articles in time of war as well as in time of peace?
>
> Mr. HERTY. The same in time of war as in time of peace.
>
> The CHAIRMAN. And that if you do not sell it other countries would, and they would make the profits?
>
> Mr. HERTY. That is the way I look at it. The American industry would suffer at the expense of the foreign industry.
>
> The CHAIRMAN. The fact that you are always prepared to manufacture these gases does not make it necessary to sell to belligerents in so far as our preparedness is concerned.
>
> Mr. HERTY. Only that it is a fact that, if the chemical industry were suspended, American industry would suffer very much.
>
> The CHAIRMAN. Well, if I had any doubts as to the necessity of this resolution, your testimony has removed them.

It was the admirable thought of Senator Burton that, while we might not wish to join the league and to assume the responsibilities for regulating the conduct of others, we ought not to stand in the way of the cooperative action of others in maintaining a peaceful world. But that purpose was defeated so far as the Burton resolution was concerned. Soon after the attacks by the Secretary of the Navy and the Secretary of War upon the resolution the Members of the House began to receive letters and resolutions from patriotic organizations and others against the resolution. The same influences that were working to defeat the naval reduction program at Geneva were apparently working against the Burton resolution, and the resolution was abandoned.

This brings us down to the Kellogg pact of recent date. You hardly need to be reminded that each nation party to the pact renounces war as an instrument of national policy, and pledges itself to the use of pacific means for the solutions of all international differences. This general renunciation of war has been popularly described as the outlawry of war. If this is a correct description of the pact; if it can be said that it delegalizes war;

if, to put the matter in another way, the legal status of war has been changed; we of America are met with a situation which calls for a new attitude on our part.

If aggressive war is outlawed, if an aggressor nation is an outlaw nation, can we insist on the right of our nationals to trade in arms and ammunition with an aggressor State? Quite aside from the fact that the Kellogg pact originated in our country and that our part in its making constituted part of the moral urge that brought many of the countries to its commitments, would we not be assuming large responsibilities by permitting our nationals to trade with an aggressor nation? Suppose we did permit such trade, and suppose that the nation aggrieved by such action should present a claim for damages to the Government of the United States; under the terms of the Kellogg pact we would be bound to pursue pacific means for the settlement of such claims. Presumptively the pacific means used would be arbitration. Can there be any doubt of the result of such arbitration?

Both material and moral considerations, therefore, would seem to urge upon us that we must abandon our old conceptions of neutrality. That this is true is evidenced by the fact that almost immediately after the ratification of the Kellogg pact by our Senate there were introduced into Congress four different joint resolutions intended to meet the situation. One is the Burton resolution, reintroduced by Representative FISH, of New York, with modifications. Its proposal is for a more complete neutrality than ever, at least as applied to arms, munitions, and implements of war.

The second resolution, introduced by Representative PORTER, of Pennsylvania, seeks to amend an existing statute for the control of arms shipments to States in which there is civil war. The existing statute authorizes the President, whenever he finds that in any country conditions of domestic violence exist which may be promoted by the use of arms or munitions procured from the United States, to prohibit by proclamation the export of arms to such country under such limitations and exceptions as the President may prescribe.

This statute was passed for the discouragement of the revolutionary groups in our Spanish-American States, whose chief outdoor sport in the past has been getting up revolutions, and who find their chief source of supplies in the United States. Mr. PORTER proposes to introduce the words "or of international conflict" into the statute, so that it will read that whenever the President finds that conditions of domestic violence or of international conflict exist in any country, the President shall have the embargo power on arms and ammunition to such country, with such limitations and exceptions as the President prescribes. This phrase, "such limitations and exceptions as the President prescribes," apparently permits a discrimination as to the articles of warfare which may be the subject of the embargo and the State or parties to which their exportation is prohibited.

The third and fourth of these resolutions are the Korrell resolution, introduced by Representative KORRELL, of Oregon, and the Capper resolution, introduced by Senator CAPPER, of Kansas. Both provide that, whenever the President by proclamation declares that a country has violated the Kellogg pact, it shall be unlawful to export to such aggressor State arms, munitions, and implements of war, and the Capper resolution adds "other articles for use in war." Of these two resolutions it may be noticed that they are not resolutions of neutrality, since the embargo applies only to the aggressor nation. They represent a complete departure from the concept of neutrality. It would, under either the Korrell or Capper resolutions, be perfectly proper for our nationals to furnish arms, munitions, or implements of war to a country attacked by an aggressor. If it be said that it is sometimes difficult to determine the aggressor State, friends of these resolutions answer, "This, indeed, might have been so at one time, but with the various treaties of arbitration and conciliation and provision for judicial review before the Court of International Justice this difficulty no longer exists. The aggressor nation, it is contended, is obviously the one which, being committed to some such scheme for peaceful settlement, refuses to use it."

The Capper resolution differs from all the other resolutions in one respect. It not only provides for an embargo on arms, munitions, and implements of war, but it also provides that it will be the policy of the Government to treat all other articles exported to such covenant-breaking State as contraband and subject to capture. And it invites agreement with other States to the like effect, apparently in duplication of the provision of Article XVI of the covenant of the league.

Time does not permit a consideration of the comparative merits of these several proposals. It will be noticed that no one of them is responsive to the provisions of the first paragraph of Article XVI of the covenant. That paragraph provides for the complete severance of all trade relations of a covenant-breaking State. The prohibition contained in all these resolutions is against the shipment of arms, munitions, and implements of war. The Capper resolution, it is true, provides also a prohibition against the export of "other articles for use in war." This is broad, but lacks definition and leaves open difficult and embarrassing problems in enforcement. It is to be noted also, as has just been said, that it invites a new general agreement that all articles intended for a covenant-breaking State shall be treated as contraband. Perhaps the possibilities of all these proposals need to be more fully explored. But I think it safe to say the community of nations outside the United States would be glad to see the Congress of the United States pass any of these resolutions. It would mean to them that our country is set on the ways of peace, that they need not fear interference on our part with the just enforcement of the economic sanctions of the league covenant. It was this possibility that caused Great Britain to refuse to sign the Geneva protocol. It is this possibility that has furnished plausibility to the naval competition between Great Britain and the United States. It is this proposition that must be settled before any naval agreements between the United States and Great Britain can be permanently effective.

In his recent Guild Hall speech, Mr. Ramsay MacDonald is reported to have said:

> Such questions as the freedom of the seas arouse at once old feelings, old cares, old points of view, and once again public opinion takes the old position.

This may indeed be a sufficient reason for not including this subject in the agenda for the naval conference. But sooner or later this difficulty must be met.

Before closing our talk we hark back to the declaration of Jefferson in his communication to the British minister in 1793, that the war between Britain and France was a remote war in which we had no concern. Contrast with this the attitude of our State Department at the time of the threat of the outbreak of war between Soviet Russia and China, over the Siberian railways. Both of these nations have become parties to the pact of Paris.

> The Secretary of State took steps, through conversations with the Chinese minister and the ambassadors of Great Britain, France, Japan, and Italy, to see that the attention both of China and of Russia was called to the fact that they were signatories to the treaty for the renunciation of war and that—

Any measures which they (the various ambassadors) might care to take to promote peace would be appreciated. How far away is this attitude from the attitude assumed by Jefferson! It is a reaffirmation of the declaration contained in Article XI of the league covenant:

> Any war or threat of war, whether immediately affecting any of the members of the league or not, is hereby declared a matter of concern to the whole league, and the league shall take any action that may be deemed wise and effectual to safeguard the peace of nations.

President Coolidge's Memorial Day speech at Gettysburg, May 30, 1928, contained these words:

> Whether so intended or not, any nations engaging in war would necessarily be engaged in a course prejudicial to us.

In his Armistice Day speech of this year President Hoover said:

> From every selfish point of view the preservation of peace among other nations is of interest to us.

In this situation, what should be the course of the United States? We may not care to become a member of the League of Nations. We may not wish to assume responsibilities for the good conduct of other nations. But should we for the sake of the profits of trade stand in the way of an effective international effort, participated in by 53 nations of the world, to smother conflagrations of war and maintain a peaceful world? During the Great War we acquired a pretty healthy dislike of the profiteers of war. Do we wish our country to become a profiteering country in the community of nations?

Do we wish to stand at the judgment seat of history as the Demetrius of nations that stood in the way of the development of an orderly and peaceful world and the more abundant life of mankind? [Applause.]

Mr. COLLINS. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. MCKEOWN]. [Applause.]

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee, I appreciate very much the splendid speech made by the gentleman from Illinois on the question of world peace. I have a matter that I want to discuss with reference to one of the things that is coming to the forefront in our Nation, and that is the care of the aged people of America. For a long

time we have become more and more an industrial people. We have been turning from agriculture to industry, and we find that there prevails a rule in industry to-day that is barring many workers, and it is not their fault. Great industries to-day are barring men over the age of 35 and up to 45 years of age. A man goes to seek employment, and as soon as they ascertain that he is over a certain age limit the door is shut in his face and he can not work. That arises out of this condition: Many employers are sympathetic, and when asked why it is they close the door in the face of a competent man who asks for employment, simply because he has reached a certain age limit, they answer it is because of the fact that when his days of usefulness are over the burden of caring for him rests upon their companies or rests upon their business.

Of course, when one advocates old-age security he immediately is charged with being socialistic or, at least, he is charged with possessing very wild and reckless ideas. I propose to show you as best I may that the method of paying pensions is more economical than the method of the poor farm or the almshouse, or whatever institution you want to call it.

When I was a very small boy a friend had me visit him. He was at that time the superintendent of the county poor farm. I got an impression at that early age to this effect, that it was an outrage to concentrate in one place all the misery of a county and send a man to the poor farm, where he must spend his last days with all the misery of a county without hope or cheer.

Of course, we have many systems under which old age is cared for in this country. In the military service of the United States we retire officers when they arrive at a certain age on pay. In the United States civil service, when men have arrived at a certain age we retire them on pay, although they are required to contribute out of their salaries toward this fund. Many States and many cities of the United States have made provision for old age. States and municipalities have made provision for employees, for teachers, for firemen, and for policemen. All of these systems, as a rule, except 7 out of the 70 in existence in the United States, provide that the employees shall contribute something toward this fund. Many professors in universities and colleges are permitted to retire at certain ages on pay or pensions provided by the Carnegie Institution. Federal judges of the United States courts are permitted to retire at certain ages on salary. Certain private industries make provision for their aged employees. The large railroads of the country have adopted plans for retirement of their employees. Some fraternal organizations and trade-unions have pension plans. Many religious denominations are making provisions for their superannuated ministers. There are at the present time 10 States in the American Union and the Territory of Alaska where old-age pension systems are in operation. Seven States have the county approval system. These are Colorado, Kentucky, Maryland, Minnesota, Nevada, Utah, and Wyoming. Including National and State homes for war veterans, fraternal homes, religious organization homes, national group homes, trade-union homes, miscellaneous organization homes, and private homes for the aged, there are 1,037 caring for 68,659 persons, at a cost of $26,306,000. There are over 2,183 poorhouses or almshouses in the 48 States, housing 85,889 persons, at an annual cost of $28,740,535, an average cost of $334.64 per person.

The properties of these homes and these almshouses represent an investment of $150,000,000, and these include, in some instances, provision for the housing of others than aged persons. Up to 1929, 52 counties out of 351 counties had adopted the old-age pension system and 1,000 persons are taken care of, at an average cost of $17.37 per month.

Massachusetts was the first State in the Union to make an investigation of this question. As early as 1907 a commission was appointed to investigate and report to the legislature on the subject. That commission made its report, but no action was taken. Eight years later another commission was appointed in the State of Massachusetts, and it filed a report which was divided, but later on it bore fruit in the State of Massachusetts. In 1914 Arizona initiated an act abolishing the almshouses and establishing old-age pensions. The act was declared unconstitutional on the ground that it was too vague. In 1915 Alaska passed a law providing a pension of $12.50 per month, and in 1923 Nevada, Montana, and Pennsylvania enacted old-age pension laws, and in the same year, upon a referendum held in the State of Ohio, the old-age pension system was defeated by 2 to 1.

In 1924 the Pennsylvania law was declared unconstitutional because of an inhibition in the constitution against any appropriation by the legislature for charitable, benevolent, or religious purposes. In 1925 the Nevada law was repealed, and this was attempted also in Montana. The Washington Legislature passed an act in 1926 and it was vetoed by the governor. The Virginia commission made a favorable report and a bill was introduced. The Massachusetts commission divided, but the majority report favored the pension system. Kentucky passed a bill in 1926, Maryland and Colorado in 1927, and Massachusetts in 1928. Since then California and Utah have passed such bills.

The proposition now is simply this: We are shutting the door of hope to men in industry because they have reached a certain age, at which point they will not employ them in industry. If we are to close the door of hope in the face of these men who want to work, what are we to do in this great and powerful country of ours when men have reached an age where they have to still exist a few years longer with us?

Gentlemen, I want to tell you that you may not think about it seriously now, but if this country is to survive, if this country is to be the proud nation that we boast it is to be, then we must turn our attention to the care of our aged and helpless people. There is no justification in a great, powerful, wealthy country like America leaving its aged people to practically starve out the remaining days of their lives or put them in a position where they will welcome the day when they are called by their Creator.

Mr. WHITEHEAD. Will the gentleman yield a moment there?

Mr. McKEOWN. Yes; I yield to the gentleman.

Mr. WHITEHEAD. The gentleman has told us about the several States that have old-age pensions and some that have recommended such pensions. I would like the gentleman to tell us whether other nations of the world have old-age pensions, and if so, what nations they are, if the gentleman has such information?

Mr. McKEOWN. In answer to the gentleman I may say that England, for many years, Germany, France, Belgium, Australia, and Canada have old-age pensions and they have discovered that it costs less to operate under a pension system than it does under the almshouse system. Of all civilized great countries the United States and China have no old-age pension laws. I have made a study of all the statutes of these countries of the civilized world and I find that under their provisions where such persons are taken care of under a pension system it is less expensive, because they may remain with some relative or may remain in their own homes rather than have servants employed to wait on them and homes built and furnished to keep them.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LAGUARDIA. The gentleman might add right there that Germany also has a very good system of unemployment insurance, which is working very well.

Mr. McKEOWN. Yes; I am coming to that proposition now. I have introduced a bill in the Congress on this subject. There have been a number of able speeches made on the subject in the House and I introduced a bill in the first session of the Seventieth Congress (H. R. 3722) which provides that in order to encourage the several States of the Union in the enactment of old-age security laws or pension laws, if you wish to call them that, that we cooperate on the same basis as we do under the good-roads system, cooperating on a basis of 50–50, in order to encourage the State in going ahead and taking up this work, which I think is urgent at this time.

Here is what ought to take place in this country. We ought to try to take care of the needy or the aged for the present by an old-age pension. Then, we should provide for the young men and young women of the land by having them pay into the Treasury of the United States a certain amount out of their earnings, so that when they arrive at the proper age they will have old-age security.

We are selling everything on the installment plan. We are living on the future, and I want to say to you that as the years go by, as the wealth of the country is developed, as its resources are depleted, we ought to be making some provision to help the young people of this country.

It would not be necessary for the Government to go into the insurance business, but it would be necessary, in my judgment, for the Government to supervise this work of providing old-age security for the people as they go along through the years.

Mr. LAGUARDIA. Will the gentleman yield right there?

Mr. McKEOWN. Yes.

Mr. LAGUARDIA. The reason that other countries, especially European countries, have had more success with this problem than we have is because they can centralize it; but under our dual system of government it is purely a State matter and if an enlightened State goes ahead, it finds itself at a commercial or industrial disadvantage in competition with a State that refuses to keep abreast of the times.

Mr. McKEOWN. I am glad to have the gentleman's contribution.

Here is another proposition that is involved. One of the reasons an age limit is put on now by employers is because of the cost of industrial insurance. Nearly every well-regulated industry to-day carries group insurance on its employees, and when the age is raised the insurance costs more. For this reason they put a limit on the age at which they will take on employees.

Of course, there are those who will say that this kind of legislation is paternalistic. Well, gentlemen, it is not any more paternalistic than tariff legislation, because we enact tariff legislation to assist industry when industry is in distress, and I am simply asking that we give consideration to legislation to help the aged of this country who have done their best, in order that they may be protected from winters' cold and the gaunt wolf of hunger.

Mr. GLOVER. Will the gentleman yield for a question?

Mr. McKEOWN. I yield to the gentleman from Arkansas.

Mr. GLOVER. I am very much interested in the gentleman's discussion. I have thought a great deal along the same line myself. I would like to know whether or not the gentleman has studied the question of the constitutionality of this character of legislation; and if so, will the gentleman give us some information on that question?

Mr. McKEOWN. I will say to the gentleman I have given a good deal of consideration to that matter. I do not know what my opinion may be worth, but in view of the fact that the bill I introduced is for the purpose of encouraging the States to enter into this work and the bill was sent to the Committee on the Judiciary in order that that committee might at once determine the constitutionality of such legislation.

If a bill to encourage child welfare be constitutional, certainly my bill would be constitutional to encourage old-age security.

In many States, among them New York State, they are taking hold of this matter, and I am glad to see my old friend, Hon. CHARLES TIMBERLAKE, from Colorado, here, because his State has already adopted it.

Gentlemen, I want to tell you a little incident that brought this down to my heart.

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

Mr. COLLINS. Mr. Chairman, I yield the gentleman five minutes more.

Mr. McKEOWN. Right here in this Capital City one day my wife was coming along the street, down in the business part of the city, when she saw an aged couple walking along. They came to where an alley entered the street. The old man hesitated and then went over to a garbage can and looked in. She heard the woman say: "I was afraid of it; I was afraid of it." She walked up and asked him what was the matter, what he was looking for, and asked if she could aid him. Then they told her this story: They said that they had lived on a little farm out in Maryland, but last week they lost it and they had to move out. They said that they had a nephew who lives in Washington, they did not know where, but they came in to find him. They said that the last dollar they had was gone for food. They said they were hungry and did not know any place to go to ask for food. My wife saw that they had food and took them to a charitable organization.

Right here, under this Capitol dome, this old couple of American citizens, who no doubt had served their country well, were looking into a garbage can for a morsel of food. I want to say to you that after I heard that I made up my mind that as long as I was in the House of Representatives I proposed to champion the cause of the old and aged people of this country who without any fault of their own have suffered and are suffering these conditions.

Here is a man who has saved a little during his life, lives on a little farm—but sells it and moves into a small town—puts his savings in a bank, and overnight they are swept away and gone by a bank failure. He is left helpless, and not on account of any fault of his own.

Men will say that this legislation ought not to pass because it will encourage men and women throughout the country to be indigent and that it will prevent them from saving. Why, my friends, no man or woman wants to receive public charity.

Now, let me say in conclusion that I want to see the time come when every working man and woman in this country will be given an opportunity to make contribution to a fund that will take care of them in their old age.

In this bill I make provision for philanthropic people of the United States to contribute to this fund. I have had letters from a number of wealthy men in this country saying that they are heartily in favor of it. One of the richest men in my State told me this summer that he was for the legislation wholeheartedly. He said if we could have a place to put our money into a fund for this purpose we would contribute it for the benefit of the old people, because it would be properly distributed to the meritorious people who needed it. [Applause.]

Mr. COLLINS. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD of Georgia. Mr. Chairman, ladies and gentlemen of the committee, I wish to say that on Monday of this week I introduced a bill to provide for a department of general welfare. I realize that this bill contains many new provisions and that it contains some which will bring about controversy and that probably I will not be able to get the bill passed in the immediate future. I do hope, though, for its enactment as soon as the people become fully aware of its real merits. It has gone to the Committee on Expenditures in the Executive Departments. It is my purpose to obtain permission to insert in the RECORD in connection with my remarks this bill, and, Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD by including therein a bill which I introduced on Monday to establish a department of general welfare.

Mr. KNUTSON. How many pages of the RECORD would that bill occupy?

Mr. LANKFORD of Georgia. I would say not over a page and a half. Probably it will not take that much.

Mr. KNUTSON. I shall not object.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD and to include therein the bill referred to. Is there objection?

Mr. SLOAN. Mr. Speaker, reserving the right to object, will it come within the rule laid down by the gentleman from Massachusetts [Mr. UNDERHILL] this morning? I do not see him here.

Mr. LANKFORD of Georgia. The bill consists of my own remarks. So far as I know, the provisions of this bill have never before been included in any bill. I am the author of the bill and I ask to be permitted to include it in my speech. I did not understand the gentleman from Massachusetts to object to a Member inserting his own remarks.

Mr. SLOAN. I do not object.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Chairman, I shall address myself briefly to the subject of local bills, seniority of service here, committee assignments, and other kindred subjects, and then again refer to my bill to create a department of general welfare.

Mr. Chairman, every time we consider an appropriation or other bill dealing with hundreds of items, I am reminded of a charge that is often lodged against Members of Congress of the minority party, to the effect that they have passed no important bill bearing their name. Those making this criticism never are fair enough to go further and tell the public that while the Republicans are in power no general appropriation or other important bill ever passes bearing the name of a Democrat, and visa versa.

When the Democrats were in the last time all the general appropriation, tariff, and other general or important bills bore names of Democrats. There were then passed the Underwood bill, the Adamson law, and the Clayton Act, and so forth. Ever since the Republicans went into power in the House 12 years ago all the general bills have borne the names of the Republican chairmen of the various committees, and there have been passed the Mann resolution providing for woman suffrage, the Volstead Act, the Esch-Cummins Railroad Act, the Fordney-McCumber tariff bill, the McNary-Haugen farm bill, and so forth and so on.

During this period no important bill has passed bearing the name of a Democrat. All have borne the names of Republicans. This does not necessarily mean that Republicans drew the bills. On the contrary, in many instances the bills were drawn by Democrats, and, almost without exception, the Democrats either by amendment or otherwise, wrote a part of the bill. If a Democrat introduces a bill which becomes popular, it is reintroduced by a Republican before it is enacted and finally passes in the name of a Republican.

I am not now discussing the merits of this procedure. The Democrats, when in power, are just as guilty as the Republicans. The contention I am making is that no just criticism can be lodged against a Democrat for not securing the passage of an important general bill bearing his name while the Republicans are in power. For instance, for me to have passed such a bill bearing my name since I came to Congress, I would have had to turn Republican and become chairman of a committee reporting the bill. Another thing not generally known is that in order for important bills to bear the name of a Member he must not only belong to the party in power but also must remain in Congress long enough to become chairman of a committee as a

matter of seniority. All of which emphasizes the great importance of a Member remaining in Congress for a long time. Occasionally a Member becomes chairman of an important committee in a short time if his party is in power. As a new Member he must start at the foot of the class, so to speak, and move up, not by force but by his people reelecting him and his remaining on the committee until every man on the committee belonging to his party who is ahead of him quits, gets defeated, or dies. When all this happens he is only in line to become chairman if his party gets back in power while he is still in Congress. Some of the best men in Congress stay a long time and never become chairmen of important committees so that important bills reported by their committees bear their names. After all, the fact that a bill bears or does not bear the name of a particular individual is of minor importance. "A rose by any other name would smell as sweet."

The contents of the bill is important, and every Member is allowed to make suggestions as to the merits of the bill. The chairmanship of a committee is vitally important, not because the bills from the committee bear the chairman's name but because he becomes the leader of not only his committee but also becomes one of the nationally known powerful men of Congress.

In order to become chairman he must patiently remain on the committee and work, and his people must help by reelecting him. Even then it often occurs that a very able, popular, valuable man stays in Congress many, many years without becoming chairman of his committee. He is very useful nevertheless, but never becomes chairman because there are other good men on his committee who outrank him in length of service and who are reelected from time to time, remaining on the same committee, ofttimes a quarter of a century or more. So many people do not realize that the rule of seniority applies to committee assignments in Congress. When I came to Congress, like all other new Members, I found I could not get on many of the splendid committees, because 10 Georgia Members already in Congress were serving on them, and I had to endeavor to get on some of the other committees. I was extremely anxious to get on the Committee on Irrigation and Reclamation, which has jurisdiction of national drainage measures. I later got on this committee. I have since refused to allow my name considered for other committees, first because this committee is much more important in so far as my district is concerned than some of the so-called major committees. I am not seeking a great name for myself by serving on some of the more popular committees so much as I am seeking to serve the people of my district.

Then, again, by staying on the Committee on Irrigation and Reclamation I stood a chance to become chairman if I remained in Congress long enough and if my party should get in power again while I am in Congress.

It looked like a forlorn hope. I have always felt that the Democrats would return to power again and probably during my service in Congress, but that would not make me chairman of my committee unless I was at that time the oldest Democrat in point of service on the committee. There were seven Democrats on the committee ahead of me. I knew all of them were good Congressmen, and some of them might stay in Congress for 25 or 30 years and stay on this committee ahead of me. As time went on Members above me dropped out and new Members were appointed below me until I became third from the top. Then my good friend CARL HAYDEN, of Arizona, went to the United States Senate and I became second. Now, that splendid genial gentleman from El Paso, Tex., Mr. CLAUDE B. HUDSPETH has decided he will voluntarily retire from Congress at the end of his present term and ride over his great cattle ranches of west Texas rather than be confined to the musty legislative halls of Washington. I do not blame him for seeking the freedom of those great wonderful plains, with their health-giving, entrancing, everlasting lure. My good friend gains by the change, but his district and the Nation loses the congressional service of one of God's true noblemen.

And it is my sincere desire and prayer that in the event I should remain in Congress until the Democrats go back into power and should become chairman of this great committee in lieu of my good friend that I may serve his people of the West and my people of the South and all the people of the whole country as fully and faithfully as my good friend would have done had he not voluntarily retired.

Thus it comes to pass that if I am reelected and the Democrats elect a majority of the House this year, I shall become chairman of the Committee on Irrigation and Reclamation and occupying that vantage point I shall fight for the complete recognition of every right of the lowlands or swamp sections of my district and of the whole Nation. I am one of those who believe our irrigation, drainage, and other great problems should be handled from a national standpoint and that sectionalism has no place in the solution of those problems which so vitally concern all the people. One of the greatest ambitions of my life has been to not only serve in Congress but to work out and help enact some enduring legislation of permanent value to my district and the Nation. As chairman of this great committee I could render a real service in the solution of the drainage, the farm relief, the Atlantic to Gulf canal, and other important problems of my people.

Before concluding I want to say a few more words about the introduction of bills. Only the other day I pointed out that there is no real good in introducing local bills for the construction of local post-office buildings. This is true as to hundreds of other items. I have caused scores of items to be put into Republican general bills, such as the rivers and harbors bill, without ever introducing a bill for the specific item. The bill for a single item does not help nor does not hurt. The item at last, in most instances, must be incorporated in a big bill if it is to become law. This is the reason why thousands of little bills by both Democrats and Republicans never pass in the name of the author. The legislation is secured by insertion of the item in a big bill that has the right of way and is headed for final enactment. A man would be foolish chasing across the country with one letter in a wheelbarrow if there is a fast through train on which the letter could be easily mailed. A Member is equally silly fighting for the passage of a small bill if he can get his item aboard a fast moving, party sanctioned, omnibus bill, headed for immediate and final enactment. It does not pay to eat soup with a needle if a large spoon or a dipper is convenient.

Many people out of Congress claim to believe that the services of a Member should be measured by the bills that pass bearing his name. The local bills a Member passes, even if his party is in power and he is chairman of a committee, does not represent one-thousandth part of his service in Congress.

Ofttimes a situation develops causing a flood of bills by all Members, and a general bill passes, making it unnecessary and defeating the thousands of local bills. Then, they are never again introduced. This is just what happened just after the World War, when no one knew what was to be done with the thousands of cannon and other battle trophies captured in the World War. We all introduced bills endeavoring to protect the cities in our districts. None of these bills passed. Congress enacted a general bill providing a general method for the distribution by the War Department, through and by the cooperation of the various States. Very few, if any, cannon bills have been introduced since. So again let me repeat what I said in the beginning to the effect that these general appropriation bills again and again remind us of the futility of a local bill, where the item desired can be placed in a general bill that is assured of passage. If a man simply wanted to introduce bills, the provisions of which would later be enacted into law, he could gratify his bill-introducing mania by introducing literally thousands of bills containing items which he knew, in general course of legislation, would soon be contained in the various general appropriation bills. This, of course, would be foolish, and no Member of the House or Senate, so far as I am advised, has ever done it, even though many people claim to believe that a Member's service should be measured by the number of bills he passes bearing his name.

It requires very little effort or time to introduce and pass many purely local bills, such as bridge bills, and so forth. The handling of purely local bills takes less than one thousandth part of the ordinary Member's time. Departmental matters, much of which is more or less confidential, absorb a large part of a Member's time. In fact, the Member with the average district can find departmental work for himself and his whole office force for eight hours each day every day in the year. But this much time can not be thus used if reasonable time is devoted to legislative work. It is almost impossible, even with the very best clerical assistance, for a Member to prevent his work piling up. Almost every day he comes to the office with one, two, or several days' work planned, only to receive several telegrams and letters, any one of which may require hours and even days of work going over files and documents larger than the Georgia Code of Laws. At the same time, there are several committee meetings requiring his attention, and important bill or bills are to be taken up in the House from 12 o'clock until adjournment about 5 o'clock in the afternoon. What is the faithful Member to do? He is only human. He can only do his best. Those of our constituents who come here and stay a few days and watch the faithful Member can not go back home and honestly say their Members do not work, or that being a Congressman is an easy job for the man who is conscientious and does his best.

I repeat, the introduction of local bills and even the passage of all local bills that may arise in any congressional district is

only a pebble of the mountain of work which is required of every Member doing his full duty here. A Member is simply overwhelmed with the immensity of the task of studying the bills that others introduce, and which are vitally important and may at any time be put upon their passage. He must study them if he is to vote intelligently and not simply follow the crowd or follow his party.

And let me say here, that anyone who simply follows his State delegation or party without knowing of his own knowledge whether or not the bill is right from his own view point, ought not to be in Congress or in any other legislative body. I want to go with the majority of my party but I want that majority to be right so I can go with it. One of the highest compliments that I ever received from political friend or foe was an admission that for 10 years I have usually voted right. I consider this a compliment of the highest order because I have always followed the dictates of my own conscience. I may have made mistakes, but if so they were honest ones. They were of the mind and not of the heart. I voted against my President of my own political faith, when after most careful study I could not honestly agree with him. I have time and again voted by myself in so far as my State delegation is concerned. I voted one way with them all voting the other way. I then thought I was right. I still believe I was right. I had faith in their honesty. I am sure they had faith in mine.

The real cannon roar of battle here is not over local bills or items but over matters of general importance, that, like the marching of a mighty army, carries either death or deliverance with it. A local bill is sectional and ofttimes concerns only one individual or at best only a community or section. Many bills here are of vital importance to the whole people. Let me mention a splendid example of such a move where for several sessions of Congress I voted with the minority of my party and of the other party and yet we must have been right for we won and now neither of the major parties by platform pledge or otherwise are advocating this resolution for which there was a general stampede of the whole country a few years ago.

Two Secretaries of the Treasury—one a Democrat and one a Republican—advocated the resolution. Nearly all the big newspapers favored it and it passed the House twice by more than a two-thirds vote, but met defeat each time in the Senate. A small group of us in the House saw in the resolution great injustice to the community, county, or State which, in the future, should attempt to build new school buildings, good roads, new courthouses, or any other public improvement requiring cheap money. To us there was evident a direct thrust at low rates of interest on loans to the farmers of the Nation. We lost for a while only to gain in the end. Those of us who made speeches and fought the vicious scheme now feel that we each contributed our humble part to a saving for our people of nearly $10 in every hundred spent during the last few years and in the future for new school buildings, courthouses, good roads, drainage, and other public improvements.

One of the greatest tasks here is in studying and fighting dangerous bills. We try to perfect them by amendment, and failing in this we strive to defeat them. The fact a member of the minority party can not pass an important general bill bearing his name is not a good reason for his not introducing them, if he has any good legislative ideas or propositions which he wishes to suggest by a bill. I have been happy to propose amendments to the bills of the Republicans. Some were adopted. Some were lost. I spent many months and even years of study working out what to my mind is the most satisfactory farm-relief plan ever proposed. I say this humbly, but I have so much faith in my bill until I am willing to argue its merits with any person taking issue with me at any time or place. I have equal faith in my producer to consumer marketing bill, in my parcel-post extension bill, in my farm loan bill, in my drainage measures, and others which I have offered from time to time.

On last Monday I introduced a bill to create a department of general welfare. I have been considering this measure for months and just completed it during the Christmas holidays. To my mind the bill is very meritorious and will solve many of our very serious national problems. Of course, none of these bills introduced by me have passed in my name and will not while the Republicans remain in power. Some of the provisions of part of them have been enacted into law as a part and parcel of other bills. Whether they ever pass in my name or not, I am happy to offer them, having faith in their merits and believing that in the future all that is good in them will be absorbed into our laws and civilization and that as the years roll by others will take up the fight thus begun by me and out of my humble efforts bring much of good for my people and my country.

I wish to use the balance of my time discussing very briefly and reading into the RECORD the bill I introduced on yesterday to create a department of general welfare.

As just indicated, this would be a new department to be operated for the general welfare of all the people, and having authority and funds to control all radio communications within the United States for the use of the three great branches of our Government and for the use and benefit of the public schools, churches, and all other legitimate assemblies, groups, and organizations of American people.

The department would also be authorized and required to prepare, secure, and provide such movie films as may from time to time be needed and requested by the departments of Government and the organizations just mentioned.

The bill carries provision for the Federal Government paying 50 per cent of the cost of free schoolbooks for the children of the Nation.

The bill would enable the Government, by and through the radio and motion picture, to do much more effectively and cheaply what is now attempted in hundreds of ways.

There is nothing that would mean so much to the public schools and to all the people. The general welfare of everyone would be greatly promoted.

Under the scheme of the bill the Government would own and control all radio communications. Why not? What about the freedom of the air? Why not the radio, with all its miraculous possibilities, be owned and operated by all the people for all the people?

In the movie field the department would only furnish whatever high-class films might be required for the schools, churches, lodges, and various organizations of the country. Private enterprise could operate wherever there remained a demand for their activities.

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

Mr. LANKFORD of Georgia. Yes.

Mr. KNUTSON. Is it the gentleman's intention to establish a censorship of these various activities or a supervision of them?

Mr. LANKFORD of Georgia. The bill would provide for the selection of the particular films by the departments of Government, and thereby each department would censor the particular films used by that particular department. The bill also provides for the use of those films by schools and other organizations, using only such films as may be selected by those schools or organizations, thereby establishing a censorship in so far as those organizations are concerned. In other words, they would select the class of films which they needed for their particular organization, church, or school, or lodge, or whatever class of organization it may be.

Mr. SLOAN. Would the gentleman not fear he might encroach upon the amendment to the Constitution of the United States which guarantees freedom of speech?

Mr. LANKFORD of Georgia. I do not think this would interfere in the least with freedom of speech, because each organization would select the class of films to be used by that particular organization, and whatever freedom of speech they may wish to exercise could be exercised in the selection of the film or the radio service to be used by the particular organization. To my mind this measure would usher in a greater freedom of speech for all the people.

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

Mr. LANKFORD of Georgia. Yes.

Mr. BLACK. Would the gentleman have a Government agency confine its selection of pictures to those that could be shown only on Sunday?

Mr. LANKFORD of Georgia. The bill makes no provision with reference to Sunday pictures one way or the other, and I say to the gentleman from New York that I have no objection and never have had any objection to proper gatherings and the incident proper entertainment on Sunday. I have no objection whatever to the showing of such pictures on Sunday as might be selected by churches or lodges or schools and other organizations.

Mr. BLACK. Do I understand that the gentleman recently advocated something about free movies on Sunday?

Mr. LANKFORD of Georgia. This bill would provide, possibly, a free movie in so far as those organizations operate on Sunday, but the bill carries no provisions as to Sunday legislation. I may add just here that I have always been and still am in favor of proper Sunday laws, and this bill is in no sense antagonistic to proper Sunday observance, but is in furtherance of a proper recognition of the Sabbath.

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

Mr. LANKFORD of Georgia. Yes.

Mr. KNUTSON. Has the gentleman given any thought to the danger that lies hidden away in that provision?

Mr. LANKFORD of Georgia. I do not really see any danger in there.

Mr. KNUTSON. The gentleman would allow these bureaus down there to use films paid for out of the Public Treasury, and those films might be propaganda and would mislead the people, or they might be put out to perpetuate themselves in office. They might turn the Government upside down.

Mr. LANKFORD of Georgia. I do not think there is any danger along that line, because the departments now issue bulletins and statements at public expense for various purposes.

Mr. KNUTSON. But those bulletins and statements are edited.

Mr. LANKFORD of Georgia. I can see no reason why they should not secure films for the same purpose and along the same line.

Mr. KNUTSON. And the bulletins are not read.

Mr. LANKFORD of Georgia. I am arguing that if they have a right to use bulletins there is nothing wrong in going further and issuing something that will be read or studied; something that will get real information over to the public.

The Government would only attempt to furnish clean, high-class, instructive, beneficial entertainment to the people.

I feel that there are wonderful possibilities in the operation of a department of general welfare as here proposed.

The measure is reasonably explanatory of its own provisions, makes its purposes fairly apparent, and in full is as follows:

A BILL TO CREATE A DEPARTMENT OF GENERAL WELFARE, AND FOR OTHER PURPOSES

Be it enacted, etc., That there is established at the seat of government an executive department to be known as the department of general welfare, to aid, encourage, and promote the public schools, churches, lodges, labor federations, farm organizations, organizations of war veterans and descendants of veterans, patriotic clubs, community gatherings, and other legal assemblies and organizations, so that all the people of the several States and Territories and of the District of Columbia shall have larger educational, religious, fraternal, social, and recreational advantages in order to secure a better mental, physical, spiritual, moral, and patriotic development of the people, and in order that the general welfare may be provided and promoted, but without impairment of or the infringement upon the laws, the rights, duties, authority, or responsibilities of the several States, Territories, and the citizens thereof, with respect not only to the public agencies and institutions herein mentioned and referred to but likewise as to all private institutions, agencies of said character in the several States and Territories, and leaving to all people the fullest and most complete religious liberty, unrestricted right of free speech, and most perfect freedom of conscience in the exercise of all constitutional rights.

(b) The department of general welfare shall be under the control and direction of a secretary of welfare, to be appointed by the President, by and with the advice and consent of the Senate. The secretary of welfare shall receive a salary at the rate of $15,000 per annum. Section 158 of the Revised Statutes is amended to include the department of general welfare and the provisions of Title IV of the Revised Statutes as now or hereafter amended shall be applicable to this department. The secretary of welfare shall cause a seal of office to be made for the department of general welfare of such device as the President shall approve, and judicial notice thereof shall be taken.

SEC. 2. There shall be in the department of general welfare an assistant secretary of welfare, to be appointed by the President by and with the advice and consent of the Senate, and to receive a salary of $7,500 per annum. The assistant secretary shall perform such duties as may be prescribed by the secretary of welfare and required by law. There shall also be a solicitor, a chief clerk, a disbursing clerk, and such other scientific, technical, and clerical assistants as may be necessary to carry out the provisions of this act, and as may be provided for by Congress from time to time.

SEC. 3. Congress shall from time to time provide suitable quarters for the department of general welfare, and the secretary of welfare shall have charge, in the buildings and premises occupied by or assigned to the department of welfare, of the library, furniture, fixtures, records, and other property pertaining to the department or hereafter acquired for its use in its business.

SEC. 4. That in furtherance of the purposes herein set forth the secretary of welfare, hereinafter called the secretary, shall immediately secure (a) any and all legal right or rights that may not now be owned by the United States Government to the fullest and most complete control of the sending and receiving of all radio communications within the United States; full authority to manage and control said radio communications being hereby vested in said secretary, subject only to the exceptions hereinafter set forth; (b) sufficient movie films of such a nature and standard as to encourage and promote the policy and purpose of this act to the end that all the people may be made stronger educationally, spiritually, morally, physically, and financially, enjoying wholesome, healthy, patriotic, instructive, and proper entertainment, becoming more sensible of the rights of each other and strengthened in their faith in constituted authority and their Government; and (c) such books, prints, maps, bulletins, other printed and written matter, and such equipment, apparatus, and paraphernalia as may be necessary to carry into effect the provisions of this act.

SEC. 5. The secretary shall make provision for supplying the executive, the legislative, and judicial branches of the Government such radio and film service as may be needed by them in the discharge of the duties and powers vested in them by law, and shall maintain for the Government and its branches the use of all radio communications and proper film or movie service for the purposes of this bill and for the whole people.

SEC. 6. The department of public welfare shall make available to and furnish whenever requested such movie films and apparatus and such radio service as may be desired and approved by any and all schools, colleges, universities, churches, missions, lodges, clubs, unions, federations, public hospitals, orphans' homes, charitable organizations, community centers, patriotic organizations, and other organized gatherings in the United States: *Provided, however,* That no such film, motion-picture service, or radio service shall be inimical or antagonistic to the United States Government or the general welfare of the people thereof. The expense of producing and furnishing said films, movie apparatus, and radio service shall be without cost to the people of the United States as patrons or users, and no admission charge shall be made where same are exhibited or used. Nothing herein shall interfere with the usual tuition, dues, or collections that may be charged or voluntarily given in such churches, schools, lodges, or other gatherings.

SEC. 7. That a State, county, city, or community may become an organization entitled to all the privileges and benefits of this act upon (a) electing or providing officials authorized to manage the entertainment and service herein provided and authorized to approve and select the class of moving pictures and radio service to be used and exhibited, and (b) providing suitable buildings for outdoor space with ample seating facilities for such exhibition and entertainment.

SEC. 8. That the department shall pay one half the cost of schoolbooks, maps, and other equipment in all States which provide for the payment by the State of the other half of the cost of said maps, books, and equipment, the State authorities in all cases to select and approve the books, maps, and equipment to be used in such State.

SEC. 9. The secretary shall confer and cooperate with the different departments of government, the various State authorities and any and all organizations mentioned herein as beneficiaries of said service, with a view and for the purpose of ascertaining what pictures and radio service will be requested and how best to fully carry out the purposes of this act.

SEC. 10. That in the event it is impossible to supply all the service that may be demanded hereunder, then the service shall be apportioned among the groups or organizations requesting same in accordance with the respective memberships or patrons thereof.

SEC. 11. That commercial advertising shall neither be permitted over the radio within the United States nor by motion pictures authorized or shown under the provisions of this act. Commercial communications or messages shall not be transmitted over the radio except upon approval of the department of general welfare and in such a way as not to interfere with the uses to which the radio service is herein dedicated.

SEC. 12. Political organizations or parties are entitled to the service herein set forth. Candidates shall have the privilege of presenting their cause to the electorate fairly and as may appear just to the secretary after giving due consideration to class of office to which the candidate aspires, and the number of people to be reached and the availability of the radio service without undue conflict with other purposes of the service herein provided.

SEC. 13. That in case full service can not be given to all activities herein mentioned, then preference shall be given to activities of the Government and its various services, to the schools of the country, and the proper entertainment of children and their parents.

SEC. 14. For the fiscal year ending June 30, 1931, and annually thereafter the sum of $1,000,000,000, or so much thereof as may be necessary, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated to the department of general welfare for the purpose of carrying into effect and operation the provisions of this act.

SEC. 15. The secretary of welfare shall annually, at the close of each fiscal year, make a report in writing to Congress, giving an account of all moneys received and disbursed by the department of general welfare and describing the work done by the department. He shall also from time to time make such special investigations and reports as may be required of him by the President or by either House of Congress or as he himself may deem necessary and urgent.

SEC. 16. That all laws and parts of laws in conflict herewith be, and the same are hereby, repealed.

This bill is new in many respects and I am purposely leaving off a discussion of it in detail at this time. I hope to fully present it later and then to be aided in my insistence for its

passage by many Members of Congress and by a strong array of people and organizations throughout the country.

I shall content myself at this time by further saying it is my belief and hope that a study of the bill will convince all true patriots that the establishment of a department of general welfare as set out in this bill will solve many of our most serious problems, will add very greatly to the general welfare of the whole people, and will make more steadfast and secure this "Government of the people, for the people, and by the people." [Applause.]

Mr. COLLINS. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman and members of the committee, in view of the fact that differences have arisen between the two branches of the Congress on the tariff, which will have to be reconciled by conferees, returning the measure to both Houses for further consideration, and in anticipation that vital changes of the House bill on the oil schedule will be proposed by the other body and accepted by the conferees, I desire, in the interest of a better adjustment of the oil rates and in behalf of the American farmer, to discuss these questions briefly in the hope that I may bring some information to bear upon the subject that will be helpful in effectuating a general rearrangement of rates.

The matter of making good the promise that both major political parties made the country in the campaign of 1928—that is, putting agriculture upon a basis of economic equality with other lines of industry—seems to be uppermost in the minds of the people.

The question is, Does the tariff bill passed by the House and now under consideration by the Senate fulfill this promise? I confidently assert and shall endeavor to maintain that so far as the oil problem is concerned it falls far short of the mark.

If protection to the domestic producer was the purpose of the House in the passage of the bill, then an entirely erroneous theory in assessing rates on oils was adopted; that is, the levying of duties upon units rather than upon an ad valorem basis, taking a proper regard for use and price relationship of all oils and fats.

Another patent defect in this schedule is the wide differential between raw materials and extracted products. It can be safely said in the light of past experience that this condition is certain to unduly stimulate importations of raw materials, thereby defeating the intent and purpose of the law. In the case of coconut oil, which comes in free from the Philippines, a very much greater amount in an unextracted state comes in than does extracted oil. This being the experience of the trade on untaxed oils, the wide differential prescribed would make it all the more so on oils that are taxed.

Paragraph 54 of the House bill raises the rate on linseed or flaxseed oils from 3.3 cents to 4.16 cents per pound, and in paragraph 54 the rate on soybean oil is increased from 7½ to 8½ cents per pound. But this slight increase will neither foster nor save the flaxseed or soybean industry of the country and affords no protection to other domestic oils or related raw materials, due to the fact that other foreign oils which are fully interchangeable with these oils are admitted free of duty.

All oils, fats, and greases are to a very large extent interchangeable, and therefore competitive. There is certain and direct competition between all oils, fats, and greases in certain uses. Chinese and Japanese tung oil is on the free list; presumably upon the theory that it fills a specific need, and is not competitive with any domestic oil. This assumption has no basis of support in fact. The chief virtue of this oil is its iodin number, its drying properties, making it particularly desirable for use in paints and waterproof varnishes, but in this respect it is less desirable than perilla or linseed oil, and but little more desirable than menhaden, hempseed, or even soybean oil. For many purposes it may be successfully substituted for domestic oils and fats.

The paint makers, interested in the free importation of this oil, are endeavoring to arouse the naval stores operators in the South over amendments offered in the Senate proposing the levy of a duty against it. These operators are told by the paint makers that the levying of a duty against tung oil will shut off its importation, thereby destroying the market for pine rosin, which is extensively used with tung oil in the manufacture of paints and varnishes. This is false propaganda and is disseminated with the wicked intent to deceive. Pine rosin is in part used in the manufacture of paints and varnishes because of its inherent superior quality, but mainly because of its cheapness. Many domestic oils will blend with pine rosin, making a paint or varnish of as high grade as can be made with the use of tung oil.

The free importation of a single foreign oil will destroy the entire domestic market for domestic oils and fats. For illustration, take the oleomargarine industry, which was built up on the use of cattle fats, cottonseed oil, and neutral lard. In 1916 of a total of 188,000,000 pounds of oleomargarine made in the United States there was used 71,000,000 pounds of cattle fats, 33,000,000 pounds of neutral lard, 49,000,000 pounds of domestic cottonseed oil, 4,000,000 pounds of domestic peanut oil, and considerably less than a million pounds of coconut oil. In 1928 into a total of 360,000,000 pounds of oleomargarine there was used 51,000,000 pounds of cattle fats, 25,000,000 pounds of neutral lard, 20,000,000 pounds of cottonseed oil, and 140,000,000 pounds of coconut oil. Peanut oil, which was used to the extent of 48,000,000 pounds in 1920, had practically reached the vanishing point in 1928.

In other words, in a period of 12 years the use of coconut oil had increased more than 71,000 per cent, while cattle fats had fallen off around 75 per cent, neutral lard 75 per cent, and cottonseed oil 80 per cent. To state the case differently: In 1916, coconut oil constituted around one two-hundredth of the total poundage of oleomargarine made in this country, while in 1928 it constituted more than two-fifths of the output. Cattle fats dropped from two-fifths of the total to less than one-seventh, neutral lard from something less than one-sixth to less than one-fourth, and cottonseed oil from one-third to one-eighth. So it is readily seen that in oleomargarine coconut oil has displaced cottonseed oil, forcing this product to compete with other oils and particularly with lard. Because it blends readily with lard it is extentively used in the manufacture of lard compounds, forcing lard to find other markets, and the only market that it has been able to find is a foreign market and at ruinous prices, which has operated to depress the entire industry in this country. And what coconut oil has done for cottonseed oil in the oleomargarine trade it has done for cottonseed oil, peanut oil, soybean oil, and other domestic oils in the soap business. In 1928 the soap makers of the country used 1,644,000,000 pounds of oil in the manufacture of their products, and of this total imported 707,000,000 pounds. They are the closest of all buyers of oil. They demand cheap oil, and when domestic oils are high they scour the world for a low-priced product. It might be said that the present demoralized market in the oil and fats trade is in large part the result of their influence in the writing of the oil schedule of the tariff law.

Let a single oil go untaxed, no matter how insignificant it may be in the world trade, they will influence production to the point of satisfying their demand, destroying all beneficial influence of the protective theory of the law. The determining element governing the use of oils and fats is not, as generally thought, one of suitability for a specific purpose but is one of price. Let me again illustrate: In 1917 when soybean oil was admitted free more than 124,000,000 pounds went into the soap kettle. But in 1922, after being taxed in the tariff law of that year 2½ cents per pound, its use dropped to two and one-third million pounds and has not since risen above 2,500,000 pounds. The soap manufacturers substituted free Philippine oil. To them the oil that is the cheapest is the oil that is best and is most suited for use in the manufacture of soap.

The problem vitally concerns the entire range of agricultural activity in the United States. No farmer that produces an oil-bearing product can escape the penalty that a free foreign oil will impose.

Coconut oil has not only taken the oleomargarine and soap trade from cottonseed and peanut oil, driving them into lard compounds with ruinous results to hog fats, but it has, in part, taken the butter trade from the milk producers. Tung oil has driven linseed oil, soybean oil, and others out of the paint and varnish trade, forcing these into cutthroat competition with one another and many other domestic oils, lowering prices all along the line.

It is a fact that the price of all oil-bearing materials and their extracted and blended products follow a line of uniformity. There is close relationship between prices of corn and hogs; between lard and lard compounds; soybean oil, cottonseed oil, and peanut oil. When one shows a tendency to rise in price there is an immediate shifting to the other, which operates to keep all in line. The one operates upon the other to hold the price down. Each holds a complete governing influence over the other. And this situation is made so by reason of the possibility of substitution—the wide range of interchangeability that exists between all oils and fats. The users of these commodities always take the cheaper substitute, which prevents independent operation of a single article, committing all to a common price level.

All of which is said to emphasize this proposition—tariff protection will be nullified if preferential treatment is accorded to any oil, fat, grease, or oil-bearing raw material because of the country of its origin or because of the use for which it may be intended.

Mr. OSIAS. Mr. Chairman, will the gentleman yield there?

Mr. COX. Yes.

Mr. OSIAS. The gentleman has reference undoubtedly to the free importation of coconut oil from the Philippines?

Mr. COX. Yes.

Mr. OSIAS. Is the gentleman aware of the fact that all American products go free of duty to the Philippines?

Mr. COX. I will speak of that in my statement, or I will give the answer now, if the gentleman desires. But I think he will find a complete answer to the question in another paragraph.

Mr. OSIAS. Will the gentleman permit a statement on my part?

Mr. COX. I prefer to defer that until I have finished my discussion of the subject.

I desire to discuss the question in the reverse order of statement.

The distinction between an oil and a fat is a physical one. The one is soft and the other hard, depending upon climatic conditions in regions of production. Chemically they are combinations of glycerin and certain fatty acids known as triglycerides. The difference between oils and fats is determined by the kind and amounts of fatty acids of which they are composed. Of the seven triglycerides, four are saturated, which means they retain their physical characteristics in the presence of hydrogen and oxygen, and are most suitable for food and soaps. Three are unsaturated—that is, when exposed they readily take up hydrogen or oxygen, and are best suited for the making of paint. They are known as drying oils. But difference of suitability does not control in the matter of use. If not interchangeable because of similarity of chemical combinations, they are made so through the process of mixture or chemical treatment.

The House bill admits certain foreign oils free when rendered unfit for edible purposes. This is done upon the theory that the treatment keeps it out of competition with domestic edible oils, but this is not true. Many domestic edible oils, because of loss of markets to foreign edible oils, are forced into nonedible products, the same products into which imported edible oils rendered unfit for edible purposes goes. So, to say that edible and nonedible oils are not competitive, is to speak with lack of knowledge of what is taking place daily.

On the question of free admission because of country of origin, let me say, free importation of oil from the Philippines virtually establishes a starvation oil market for the American farmer, which will continue as long as the practice is followed. There is no escape from the logic of the facts. The proposition is certain and unanswerable. A tariff should be levied and collected upon all imports, or, if Congress is unwilling to adopt this policy toward the Philippines because of their being one of our possessions, then limitation upon importations should be imposed; or, if for the same reason Congress is unwilling to do this, then a tariff should be levied and collected upon imports, with refund, to the Philippines.

The continued holding of these islands for military purposes or because of alleged lack of ability of the Philippine people to set up and maintain a stable government is not the controlling reason for the opposition to their independence. The opposition is one that is dictated by business, not so much for the exploitation of the Philippine people as it is for the exploitation of the American farmer. Business demands cheap raw materials, and the holding of the Philippines serves to this end.

The Philippine-American Chamber of Commerce, which represents American business in the Philippines, is urging that in the interest of advancing commerce independence to the islands should be withheld. This organization serves a purely selfish purpose and is not entitled to be heard in the solution of the problem.

No one believes that the liberation of the islands would hurry them into a state of disorder and anarchy. They have demonstrated great capacity for government, and given an opportunity to bring these faculties into play there is no reason to expect that in their strivings for racial expression and national development they would not quickly set up a high state of social order and be able to maintain themselves as a great and honorable state—our friend and ally, planted far out in the deep waters of the Pacific.

If trading is to continue under the protective theory, then the principle must be applied with intelligence, uniformity, and in good conscience. It is not sufficient to protect the processer and the manufacturer. The same protection that is given this class must be extended to the farmer, the producer of raw materials. "The home market for the home producer" is a slogan of which we hear much, but in writing the tariff law application of the doctrine is made to apply only to certain classes. The farmer is left to fight his battles, not alone and without the aid of his Government, but under destructive handicaps imposed by his Government. Something must be done if justice is to prevail. [Applause.]

Now I yield to the gentleman from the Philippines.

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

Mr. COLLINS. Mr. Chairman, I yield to the gentleman one more minute.

The CHAIRMAN. The gentleman from Georgia is recognized for one minute more.

Mr. OSIAS. Will the gentleman agree to a proposition to help the Filipinos to secure their independence at an early date, so that this hardship now supposedly suffered by the American farmers may come to an end?

Mr. COX. I will be glad to.

Mr. OSIAS. I will say for the Philippine people that while they are of the opinion that it would be unfair for them to have a tariff placed upon their products, while American products go to the islands free of duty, yet we are ready to forego the temporary tariff advantages provided we are granted our immediate independence.

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

Mr. BARBOUR. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

The CHAIRMAN. The gentleman from Massachusetts is recognized for 30 minutes.

Mr. TREADWAY. Mr. Chairman, I desire to call the attention of the committee to the present status of Federal taxes. Certain features of the present situation in regard to Federal taxes deserve attention in view of the fact that, in the absence of a new revenue bill, there has been little discussion on this subject.

The only legislation enacted this year in regard to internal-revenue taxes was contained in the recent joint resolution whereby all normal tax rates were decreased by subtracting 1 per cent from such rates. That is, the normal rates on individuals were decreased (for 1929 taxes only) from 1½, 3, and 5 per cent to one-half, 2, and 4 per cent, respectively. In like manner the rate on corporations applicable to 1929 net income was reduced from 12 per cent to 11 per cent. This reduction in tax rates will benefit the taxpaying public to the extent of approximately $160,000,000.

In connection with the tax relief given through the joint resolution it should be noted that the small taxpayer is very liberally treated. All individuals with net income of less than $5,000 receive a tax reduction of 66⅔ per cent, while persons with net income of larger amount receive gradually less relief, until on net incomes of $1,000,000 the tax reduction amounts to only slightly over 4 per cent. In this connection I would refer the committee for an explanation of this method of reduction to the statement made by Undersecretary Mills when he appeared before the Committee on Ways and Means.

It is estimated that $90,000,000 of the $160,000,000 reduction will go to corporations and $70,000,000 to individuals. There are two reasons: First, because corporations pay a larger proportion of the total income tax than is paid by individuals; and, second, because the individuals get the benefit of the reduction in corporate taxes through larger dividends.

As far as the $70,000,000 reduction directly allowed individuals is concerned, it has already been shown that the man with a small income receives a much larger percentage of relief than the man with a large income. In fact, the 1,570,000 taxpayers with net incomes of less than $5,000 who normally pay less than 1½ per cent of the total income tax on individuals will receive over 10 per cent of the tax reduction allowed individuals, while the 870,000 taxpayers with net incomes of over $5,000 who normally pay 98½ per cent of the total individual tax will receive the remaining 90 per cent of the relief.

Another point of interest in connection with our Federal income tax is of administrative consequence. As a result of heavy war taxes, suddenly applied, without an adequate or trained force for the collection of such taxes, our Internal Revenue Bureau only a few years ago was far behind with the final closing of its old tax cases. Due to extraordinary efforts made during the last year or two this condition is now changed. On September 30, 1929, there were only 1,477 returns open before the bureau involving the five years 1917 to 1921, inclusive. This shows a marked improvement in the last two years, for at the beginning of that period there were no less than 5,716 of such old cases still open before the bureau.

This drive of the bureau to get its work current is one of the factors which have caused the refunds for the fiscal year 1929 to be somewhat larger than usual, inasmuch as a greater number of final adjustments than usual were made in this year. The

annual report of the Secretary of the Treasury shows that the refundment of taxes during the fiscal year 1929 amounted to $190,727,887.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield there?

Mr. TREADWAY. Yes.

Mr. BRIGGS. Has the gentleman any information why so much is involved in some of these individual refunds?

Mr. TREADWAY. I have just reached that point. That very question, I will say to the gentleman from Texas, is really the reason why I prepared these brief remarks. The thought that occurred to the gentleman is also one that occurred to me.

Mr. BRIGGS. I am glad to hear that.

Mr. TREADWAY. In response to the question of the gentleman from Texas, he will notice that the next remarks I am about to make are the very ones that he has in mind.

A brief analysis of this large amount of refunds is important if the reasons therefor are desired, but before going into such reasons, it should be pointed out that, while the refunds during the fiscal year 1929 are somewhat larger than in the case of prior years, they are not larger to an extraordinary degree. The total refunds for the past four fiscal years have been as follows:

1926	$182,220,053
1927	117,412,172
1928	148,286,060
1929	190,727,887

In comparison with these figures, it is important to note what the back tax collections have been for the same period. The total back tax collections for the past four fiscal years have been as follows:

1926	$295,982,056
1927	331,476,826
1928	277,835,602
1929	236,924,759

It will be observed that in every year the back tax collections exceed the refunds.

I think that is important for the people throughout the country to realize. We have been reading in the newspapers of this enormous sum. It is an enormous sum, considered by itself, but it is not so great as a matter of percentage. One hundred and ninety million dollars of refunds are not a large sum as compared with the total collections and the back collections. We have seen very little in the press reports and little attention has been called to it, but that amount has been more than offset by the increase in back collections.

It will also be interesting to note that, in view of taxes collected in excess of $2,000,000,000 annually, the percentage of error is comparatively small.

Reverting to the causes for the large amount of refunds made in the fiscal year 1929, it should be observed, in the first place, that interest on the refunds is included in the amount shown and accounts for more than any other single item. It is estimated that no less than $50,000,000 out of the $190,000,000 refunded is due to interest charges.

This leaves $140,000,000 in refunds proper to account for. It has already been pointed out that the Bureau of Internal Revenue has conducted a drive during the past year in order to get its work current, and that this drive, while it will save us interest charges and, therefore, will result in economy, nevertheless has increased this particular year's refunds, inasmuch as more tax settlements than usual have been concluded in this period. I think that is the best general statement I can make in answer to the inquiry of the gentleman from Texas.

Mr. BRIGGS. Can the gentleman tell the committee the proportion of these refunds which was passed through the Board of Tax Appeals? Does the gentleman happen to have that information?

Mr. TREADWAY. The law provides—and I will refer to that shortly—that the Joint Committee on Internal Revenue Revision, composed of Members of the House and the Senate, as the gentleman knows, shall have submitted to it all cases in excess of $75,000, so that we have a complete record of the cases in excess of that amount.

Mr. BRIGGS. But I was wondering to what extent this refund of $190,000,000, to which the gentleman has referred, was made up of cases in excess of $75,000 or below that amount.

Mr. TREADWAY. They both passed through the Board of Tax Appeals, and in addition to that there has been set up a sort of an informal board of experts in the Treasury Department so as to relieve the Board of Tax Appeals of the details of many cases. I have not the record with me as to the exact number that are handled in that manner, but if there can be an agreement reached between the Government and the taxpayers through the intermediary of this board of experts in the department it relieves the pressure on the Board of Tax Appeals and on the courts to just that extent, and it has been very successful.

There are two other important and unusual causes for the size of the last fiscal year's refunds. The item I am about to mention is of very great importance. The first results from a decision of the Supreme Court of the United States which materially affects the provisions under which life-insurance companies are taxed.

It will be noted that in connection with the $190,000,000 refund the largest single items, outside of the United States Steel item, relate to life-insurance companies and those were not a matter of adjustment in the department but they resulted entirely from the Supreme Court decision. In the revenue act of 1921 the Congress enacted a special provision in regard to life-insurance companies which gave them an arbitrary deduction from net income of 4 per cent of their mean reserves in excess of the amount of their tax-exempt interest. The Supreme Court held the companies were entitled to the entire 4 per cent of their mean reserves instead of only that portion of the amount in excess of their tax-exempt interest. This caused refunds to practically all life-insurance companies for the years 1922 to 1927, inclusive, and cost the Government in 1929 alone over $16,000,000, plus interest.

The second special clause of the amount of this year's refundment was the settlement of the taxes of our largest taxpayer, the United States Steel Corporation, for the year 1917. This refund amounted $15,756,000, plus over $10,000,000 in interest.

I would like to have the committee realize what that sort of settlement means, when we were obliged to pay to one corporation alone $10,000,000 of accumulated interest due to unavoidable delay in the settlement of such a great tax claim as that. The actual tax return to the company was $15,756,000 and the accumulated interest on that item was over $10,000,000. So you can see the desirability of as prompt action in the settlement of these cases as can possibly be carried out through either the Board of Tax Appeals or through the courts. Some of these larger cases, such as the one I have just referred to and the life-insurance cases, are settled by groups. I may not use the exact legal term, but the precedent established by the settlement of one case carries with it either the entire settlement of other cases, or the example of it hastens very materially the decisions to be rendered in similar cases that are before the Treasury Department.

Mr. DUNBAR. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. DUNBAR. The gentleman referred to $10,000,000 as the amount of interest which had accumulated on the $15,000,000 returned by the Government. The Government did not reimburse the party to whom the $15,000,000 was paid by also paying him interest to the amount of $10,000,000?

Mr. TREADWAY. Yes, sir.

Mr. DUNBAR. It did pay to him that amount of interest?

Mr. TREADWAY. Yes. In the same way, if that money had been owed to the Government and had not been refunded the taxpayer would have had to pay interest.

Mr. DUNBAR. Then, am I to understand that in every case where the Government reimburses a taxpayer who has paid more than the amount due the Government that the Government in turn allows him interest for the amount of money which has been improperly paid to the Government?

Mr. TREADWAY. That is correct.

Mr. DUNBAR. What the gentleman states is information. I had a bill which passed Congress when I was a Member six or eight years ago for the relief of parties who purchased from the Government $14,000 worth of merchandise at one of the quartermaster depots. It was found not to be up to sample, the Government acknowledged it was not up to sample and permitted the goods to be returned. A bill was introduced and the parties who had purchased the goods were reimbursed the amount of the principal—$14,000—but I was informed that the Government never paid any interest to anyone from whom it had received money to which it was not entitled.

Mr. TREADWAY. I think the case which the gentleman cites is very dissimilar to the type of case we are talking about. That was a business transaction as between the gentleman's constituents and the Government, while this is purely an adjustment under the law, and the law itself provides for the payment of interest on taxes overpaid when there is a refund. The provision of law is very explicit in relation to that matter of interest. I am not questioning the decision in regard to the case of buying supplies from the Government. That is an entirely different proposition and has nothing to do with the case I am illustrating.

Mr. DUNBAR. I admit all that; yet it does appear that if the Government of the United States sells to one of its citizens merchandise that does not represent the quality sold, the Government recognizes its mistake and permits the goods to be returned, then there is just as much of a moral obligation on

the part of the Government to pay interest on the money which the Government had and used.

Mr. TREADWAY. I can not quite agree with the gentleman in his conclusion, because, as I have already endeavored to explain, the matter of the adjustment of interest on taxes either by the Government or against the Government is in the tax law, whereas the transaction the gentleman from Indiana refers to has nothing to do with our system of taxation, either for refunds or collections. I think there is a very marked distinction between the two types of cases that the gentleman speaks of.

Mr. DUNBAR. I think probably there is a marked distinction, but I think in one instance the taxpayer is favored over the man who transacts other business with the Government.

Mr. TREADWAY. Well, I have always felt, to be frank about it, that the Government is not a good party to do business with. I think that is well understood.

The principal unusual causes for 1929 refunds have been given, but other causes exist which have constantly recurred in past years. The trouble is traceable in a large degree to uncertain and indefinite statutory provisions, such as invested capital and special assessment; or to provisions requiring the exercise of judgment, such as depletion, depreciation, and valuations for the determination of losses and gains.

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

Mr. TABER. Mr. Chairman, I yield the gentleman from Massachusetts five additional minutes.

Mr. TREADWAY. The items I have just read are very largely the bases on which all of these refund cases come up.

A complete analysis of refunds, credits, and abatements, and the reasons for same, made during the calendar year 1928 will be found in the report of the Joint Congressional Committee on Internal Revenue Taxation, entitled, "Refunds and Credits of Internal Revenue Taxes," and dated June 19, 1929. A report covering the calendar year 1929 will undoubtedly be issued shortly.

I want to say also, in connection with this report and other similar reports, that I suppose there is no drier subject than the subject of taxation. There is nothing you can say or do about systems of taxation, and particularly the carrying out of law, that can excite anybody or get them shouting from the housetops or applauding in reference to it, but there is nothing more important to the Congress, in my judgment, than a careful analysis at all times of not only how we spend our money but how we raise it, and therefore I commend particularly to the Members of the House such study as time may permit them to make of the reports such as I have referred to in this paragraph.

The staff of the committee, which review all refunds in excess of $75,000, advise me that during the first half of the fiscal year 1930 the rate of refundment has been materially reduced and that in their opinion the annual amount refunded will decline substantially from the peak reached in 1929.

It is pointed out that the Joint Committee on Internal Revenue Taxation concerns itself not only with the review of refunds but with remedial matters of greater importance. Technical reports on provisions which are not working out as contemplated are constantly being prepared. For instance, the subject of taxation of life insurance companies, already noted as one of the causes of this year's refunds, has been completely investigated. Thus, Congress and the Committees on Ways and Means, and Finance will have before them those essential facts which will be necessary when a new revenue bill is under consideration. Due attention is also being given to simplification.

This, I think, is one of the most important features in our taxation system. In the nature of things it is mighty complicated and the nearer we can reach the mind of our everyday Member or our everyday citizen, the better. We feel, especially in income tax procedure and methods, a helplessness, owing to their intricacies, and therefore I hope to see great progress made in the near future in reference to simplification.

On the whole, I believe that our Federal system of internal revenue taxation may be considered in a very satisfactory condition, for the following reasons:

First, because the rates of taxation have been materially reduced.

Second, because the administration charged with the collection of these taxes is on a business basis and practically current with its work.

Third, because Congress has satisfactory machinery through the Joint Committee on Internal Revenue Taxation to constantly watch and examine the operation and effect of our system and to recommend improvements therein.

Fourth, because the law is becoming more definite through court decisions which will result in a better understanding of the taxing provisions and will materially reduce both refunds and additional assessments. [Applause.]

Mr. COLLINS. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman and gentlemen of the committee, the House is becoming very high hatted. The boys are quoting the classics. Yesterday my good friend, Mr. BEEDY, of Maine, in that modified dry speech he made called upon that well-known wet, Will Shakespeare, for argument. To-day my good friend, TOM MCKEOWN—"Cicero" MCKEOWN, of Oklahoma—invoked the lugubrious Dante. So I suppose I have the right to go along and use the classics, and I will call upon a man who had a good time in life, passed on like the rest of us will, and enjoyed himself. He had a theme song. His name was Horace, and his theme song was "Nunc est bibendum" Now is the time to drink. [Laughter.]

There has been a general let down lately in the speeches made by the drys. The speech of Mr. BEEDY, of Maine, was a particular specimen. He advocates a new amendment to the eighteenth amendment. It would read something like this: That this amendment shall not apply to red-blooded American seamen standing in water 3 feet deep, provided they can steal a rum-runner's liquor.

My friend, Mr. ADKINS of Illinois, a good-natured gentleman, adopts a very philosophical attitude about this whole thing. He says:

> Just let it ride; go right along; let the boys who want their rum get it, and let us have the law.

Mr. GIFFORD, of Massachusetts, is very much disturbed. He hears rumblings from his district. The drys in his district are beginning to wonder if this law is all right, particularly when it has to be enforced through the killing of one of its own boys.

Mr. ADKINS said he was back home, and I think he said he was at a party and did not see any drinking. I wonder if he was at that "dry" convention the Republicans held at Kansas City a short while ago?

The most noticeable thing of all concerning the drys was the complete let down in the applause yesterday when our friend BEEDY referred to the shooting of the rum runners. The boys were not bloodthirsty enough yesterday. They were not wild eyed enough yesterday. Perhaps they have in mind that some of our own Members got jammed up with this law and were treated like gentlemen and were not shot on sight.

Now, what they need on the dry side of this House is a few more cheer leaders, and I am going to nominate Bishop Cannon as one of the cheer leaders, so they will get a little more pep and a little more zip into this question. They ought to have him come down here wearing a sweater with a big "D" on it. Of course, I do not want him to turn any somersaults here, because some chips and stocks might fall out of his pocket. Then there is another distinguished dry who will be jobless and can qualify pretty soon. He is one of the drys, and soon they will say he was once a Senator from Alabama and was once a Democrat.

Now, my friend Mr. BEEDY, of Maine, said yesterday that we have arrived at the crossroads on this question. We have never been away from the crossroads on this question. There has always been a conflict on this question. There always will be a conflict on this question. There is one crossroad along which goes the decent public opinion of the United States and the other crossroad that conflicts with it carries the fanaticism of a few zealots of this country. That is not a crossroad of to-day. It is a crossroad we have had right along.

This question is never going to be solved and you are never going to have a real, judicial determination of this question until some President of the United States is impeached for not enforcing this law. Then you will have a trial in the Senate, and then the defense of the President, whoever he may be, will have to be the sensible defense—it can not be enforced.

I have the greatest respect in the world for the present President of the United States.

He has dealt with realities and not with the dreams of fanatics. I can not for the life of me understand why he can not see the realities and come to the rescue of the country instead of temporizing with it as he has.

I know his difficulties. It is all right for Members of this House, the drys on this side and the drys in the Senate, to talk about enforcing the law; but the poor President has to actually try to enforce the fool thing. All the drys have to do is to talk about it, put speeches in the RECORD, and go home and get votes. The President suggests a commission to make a full inquiry. Let us see what about that commission. Is it really amounting to anything or is it an alibi? Does it mean to do anything? Let us find out what it is doing. I understand the Wickersham

commission is having its trials; I understand there is dissension in its ranks. We ought to know about that. We meet here in open session, we talk in the open, we have public hearings; why should not the Wickersham commission hold public hearings? Why should not they have public meetings and let us see what they are doing?

I understand there is some dissension now in this commission with its procedure concerning prohibition. I am told that Judge Pound, one of the distinguished jurists of this country, is finding fault with the commission. I understand that a former Senator, now Judge Kenyon, finds fault with the operation of the commission in respect to the prohibition procedure.

I want to ask the chairman of that commission a question and I think that Congress ought to demand that he answer the question, "Is there dissension within your commission?" I think that Congress should demand that the commission, headed by Mr. Wickersham, should proceed to hold public hearings and let Congress know what they are doing and keep the public informed.

Now, there is a proposal that another joint commission be appointed on this question—another commission that will bring in a report with a lot of fire escapes in it. The President has thrown a little sop to the drys. He wants 30 more cruisers to stop rum running on the high seas. He wants to dissolve our navy, wants to break down our national defense, but he wants 30 more murder cruisers to go out on the high seas and shoot American citizens engaged in this rum traffic, to shoot men from the district of my friend from Massachusetts [Mr. GIFFORD]. Why do not they go at it in the right way? The gentleman from Maine [Mr. BEEDY] said that he was going to face the facts yesterday. He is a clever gentleman, one of the cleverest in the House. Instead of facing the facts, he back faced and referred us to ancient history, to the Coast Guard when it was a great institution. At one time, Mr. Chairman, the House was a great institution and the Senate was a great institution. At one time the Department of Justice was a great institution, and also the Department of the Treasury, but about 10 years ago the zealots got control of everything and they passed this fool law, and now everybody is suspected and questioned, including even the Coast Guard.

A little newspaper in New York, little only in size, but pretty strong, sent a couple of men up there to the scene of the operations of the Coast Guard near New London and made a thorough investigation. I refer to the Daily Mirror. I telegraphed the Secretary of the Treasury and told him that the Mirror had obtained certain facts about this killing. He wrote me back and said that he wanted these facts. Mr. Mellon always wants "these facts." He is very decent about it, and he is going to get the facts. The reports of the Daily Mirror with trained investigators on the scene were directly in conflict with some of the statements of my friend from Maine, Mr. BEEDY. This thing should not be done in an ex parte way. My facts should not be accepted, Mr. BEEDY'S facts should not be accepted, but these men should be tried. They should be tried for manslaughter. This thing should be tested out, to find out whether or not the Coast Guard or any other arm of the prohibition agency has more power than the Constitution has given any other officials. If you are going to respect the Constitution, then respect all of it, respect that part of it that gives a man charged with crime a chance to defend himself in court before a jury of his peers. He should not be shot down on sight. They do not shoot a Congressman on sight when he is caught with the goods, but they arrest him like a gentleman. Why not give the poor fellow who is trying to make a living out of this a chance? But the important thing now, the very important thing now, is this, that we have appointed a commission to look into this question. The country is expecting the Wickersham commission to go into this prohibition question and the country expected when we started it on its way that the country would hear things and would know things, would find out the vitals of our prohibition enforcement.

Instead of that, this commission, headed by a very adroit lawyer, has held star-chamber proceedings. I say to this commission, the creature of the Republican administration, open up the doors, let the press in, let the public in, let us have a judicial determination from you as to whether or not this law is workable. And if the commission does not do that, then the entire Congress should rebuke it, because it will have proved itself useless. I think it should never have been created in the first place. I have never had any faith in these commissions, anyway. I never saw a committee yet appointed by the House, even when I served on it, or when appointed by the President, that was not put out as a whitewash proposition to cover something. But let us have the facts. Let us stop this special pleading on both sides. Here is a commission with a lot of money. Let us get the facts. Mr. Wickersham and his commission are in a position to give the public the facts, and I think the President of the United States should insist that they open up the doors. I yield back the remainder of my time.

Mr. BARBOUR. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, the bill under consideration provides for a total appropriation of over $400,000,000. A part of that, a very small part of it, is for nonmilitary activities. The report of the committee accompanying the bill totals military activities recommended in the bill in the amount of $337,058,194. And it totals nonmilitary activities in the amount of $117,173,192. While the separation or classification between military and nonmilitary activities is technically correct and easily recognizable by persons who have had experience with a War Department appropriation bill or are familiar with the various activities of the War Department, the classification is not altogether clear to the public. Certain items are entirely and purely nonmilitary and properly classified as such. In this category belong such items as the $55,000,000 for rivers and harbors; improvements, Washington-Alaska cable maintenance, $300,000; construction and maintenance of roads, bridges, and trails in Alaska, $800,000; Muscle Shoals, $260,000; flood control, $36,400,000; and Pamana Canal, $11,653,140. On these items there can be no question, and they should be properly separated from military activities in order to convey no wrong impression as to the amount of money spent by the Government for military activities. There are other items, however, which can not be properly separated from the cost of the Military Establishment. While they may not be spent directly for the current maintenance of the Army, they form part of the Army and are the result of military activities or expected military activities.

The following items, I believe, should be classified with military activities and charged to the account of military activities in order to present a true picture of the actual amount spent. For instance: Annuities in finance department, $28,500; national cemeteries, $1,129,038. I would even include the item for national military parks, for, after all, they are the result of war, which amounts to $1,432,932; artificial limbs, appliances for disabled soldiers, and trusses for disabled soldiers, total, $42,900; soldiers' homes surely should be classified with military activities, which constitutes an item of $11,235,220, in the present bill, but now separated from military activities and added to the nonmilitary activities. This will bring a total of actual military activities way above the $337,058,194 admitted by the committee in their report. The President of the United States called the attention to Congress, in his message, delivered at the opening of the second session of the Seventy-first Congress, to the enormously increasing appropriations for military activities. To be more specific, the President said:

> We can well be deeply concerned, however, at the growing expense. From a total expenditure for national defense purposes in 1914 of $267,000,000, it naturally rose with the Great War, but receded again to $612,000,000 in 1924, when again it began to rise until during the current fiscal year the expenditures will reach to over $730,000,000, excluding all civilian services of those departments. Programs now authorized will carry it to still larger figures in future years. While the remuneration paid to our soldiers and sailors is justly at a higher rate than that of any other country in the world, and while the cost of subsistence is higher, yet the total of our expenditures is in excess of those of the most highly militarized nations of the world.

The President then referred to the increasing cost of naval armaments, and again referring to the Army said:

> After 1914 the various Army contingents necessarily expanded to the end of the Great War and then receded to the low point in 1924, when expansion again began. In 1914 the officers and men in our regular forces, both Army and Navy, were about 164,000, in 1924 there were about 256,000, and in 1929 there were about 250,000. Our citizens' army, however, including the National Guard and other forms of reserves, increase these totals up to about 299,000 in 1914, about 672,000 in 1924, and about 728,000 in 1929.

The War Department, the Budget, and the Committee on Appropriations apparently have not heeded the President's recommendation. The Committee on Appropriations increased the Army appropriations this year by slightly over $6,000,000, and while the report would indicate an increase of only a few hundred thousand dollars in the grand total, there is a decrease of over $5,000,000 in the nonmilitary activities, thereby reflecting an increase of over $6,000,000 in the military activities.

When the President in his message called attention to the enormous appropriations for military purposes, for past wars, present defense, and preparations for future wars, he naturally

had in mind the commitments of the United States Government for the next few years, including farm relief, flood relief, and new functions that now devolve upon the Federal Government, and the only place, the only hope of effecting economies is in our military appropriations, for the simple reason that some seventy-odd per cent of our total Federal appropriations go for past wars, present defense, and preparations for future wars. Of course, that includes the Navy and the Veterans' Bureau; that includes Civil War pensions and Spanish War pensions, the national debt, and interest on the national debt, but all the result of past wars, present defense, and future preparations. The President of the United States called attention to and made a comparison of the size of our Military Establishment with those of foreign countries, and here we are assuming—and properly so—leadership in the world movement for permanent peace and for real, substantial disarmament, leading the world in our annual appropriations for the Army and Navy!

Now, the President calls attention—also very properly—to the fact that as to the present strength of the Army, it was not only the actual Regular Army, but in addition to that the National Guard and the reserve, and he brought the amount up to 728,000 men in 1929. It is interesting to make a comparison of the strength of the armies of foreign countries with ours. Now we have 118,000 men in the Regular Army and 12,000 officers. I think I am right about that. And we have a National Guard and the citizens' military training camp, and we have the reserves. I believe the President must include the Navy when he brings the total number up to 728,000 men. Surely he must include the Navy in that.

France at the present time has 665,850 men in her regular army.

Mr. COLLINS. We have 130,000 men in our Regular Army.

Mr. LAGUARDIA. Yes; I so stated; I said 118,000 men and 12,000 officers. France has an organized reserve of 5,000,000 plus. Germany, which country is recuperating faster than any other country in Europe since the World War, has now an army of only 100,500 men; no reserves. The British Empire, including the Commonwealth but not the colonies, has 394,519 men, with a reserve of 572,829. I think perhaps this reserve can be compared with that called the reserve in this country. Italy has an army of 353,120 men, with a reserve of 2,925,240 men. Japan has a standing army of over 210,000, with a reserve of 1,113,000; while Russia has 715,000 men, but that includes the navy and that also includes her constabulary. She has now 15,000 of the constabulary on the Manchurian border. Russia has a reserve of 5,000,000 men.

Now, the question of these reserves must be distinguished from the reserves that we have in this country. In talking of the reserve it is well to bear in mind that in most of these countries military service is universal and compulsory and all military forces are exclusively national, corresponding to our own Regular Army and organized reserves, and differing in this respect from our National Guard, except when it is called into the Federal service.

Their military systems, while differing in details, are alike in their general characteristics. All males on reaching a specified age, approximately that of majority, become liable for military service. From this group there is selected annually the quota for training and active service with the colors. The period of this service differs with the arms and with the countries, and is now a minimum in France of one year. Upon completion of this first period the quota passes to successive categories of reserves, in each of which its members remain for a specified number of years until an age is reached when military liability terminates.

During continuance in the reserves there are successive periods of recall to active service for training.

These categories of reserves constitute the "organized reserves" of the countries in question and represent the trained and normally inactive forces which upon mobilization for war or emergency are recalled to active service and with the regular or standing forces make up the war-time armies.

In the application of this system the strength of organized reserve forces builds up rapidly. It is evident that it will depend upon as primary factors the number in each annual quota incorporated and the number of years of continuing liability for service on the credit side, and on the debit side losses suffered by ordinary mortality and in war. Taking France for illustrative purposes, liability for service continues for 28 years, and the quotas incorporated annually from 1901 to 1928 vary from a maximum of 326,793 in 1905 to a minimum of 229,000 in 1919, the year immediately following the World War. From the grand total remaining for this period after losses there are provided the active forces and three categories of Organized Reserves.

The relatively lower figures from those of France of the strengths of the organized reserves of Italy and Japan are accounted for by differences in their periods of military liability and in the strength of the annual quotas incorporated.

This information was given to me by the War Department and I am indebted to the Secretary of War for his kindness in having the figures compiled and obtaining the information for me.

Now the military budget of France is about $242,000,000, of which $70,786,110 is for the air service. I point out the appropriation for the air service because I shall have something to say about that in the reading of the bill under the 5-minute rule. Germany's military budget is annually about $118,266,220, with no air service, although she has an army one-fifth of the size of France. The cost of the army to Great Britain, excluding the colonies, is $639,000,000 annually and $93,000,000 for air service. The military budget for Italy is about $179,000,000, and $4,000,000 plus for the air service. Japan's budget calls for $106,000,000, which includes her air service; and Russia, including her navy—because available figures include both branches—has an army-navy budget of $504,000,000.

Now, I think that is high. I believe that the discrepancy comes in on account of the rate of exchange which the department uses in figuring the annual cost of Russia. I can not account for it in any other way. Some of these items must, of course, be explained. I will put all that in the RECORD.

Now, as the President points out in his message, the cost of the Army and the Navy of the United States is naturally high because of the rates of pay we must allow. In quoting rates of pay of foreign countries I want to make that clear, not with the intent and purpose of indicating that our officers are underpaid or overpaid; in fact, I think the time is not distant when the Committee on Military Affairs will come in with a bill creating a new pay bill for the Army and Navy.

In France the pay of a major general is $3,600 to $4,000. In Germany the pay is $3,808. In Great Britain it is from $9,316 to $10,149. In Italy it is $2,425. In Japan it is $2,983. In Russia it is $1,358 a year.

A colonel in France receives $2,000; in Germany, $2,998; in Great Britain, $5,635 to $5,873; in Italy, $1,573 to $1,662; in Japan, $2,483; and in Russia, $1,112.

In the British Army the pay of a captain is $3,167 to $3,297. In France a captain gets from $918 to $1,186. In Germany it is $1,636. A captain in the Italian Army draws but $952 to $1,062 a year, and in Japan, $1,104. In Russia the captain's pay is only $667 a year.

A major general in the United States Army has a basic pay of $8,000. Then he has his "fogies," or additional pay for additional periods of service. A colonel in the United States Army has a $4,000 basic pay.

Mr. TABER. That does not include subsistence and rental?

Mr. LAGUARDIA. He gets no subsistence.

Mr. TABER. A colonel?

Mr. LAGUARDIA. He gets rent and fuel, but he does not get food.

Mr. TABER. Surely he does. He gets his subsistence allowance.

Mr. LAGUARDIA. They did not get it during the war.

Mr. TABER. They do now.

Mr. LAGUARDIA. Since when?

Mr. TABER. Since the 1922 pay bill.

Mr. LAGUARDIA. All right. I will check that up. A first lieutenant in France gets $682 to $880; Germany, $571 to $991; in Russia, $556; Great Britain, $2,342 to $2,698; in Italy, $747 to $857; and in Japan, $743. Take a private. A private in France gets from $58 to $276 a year; in Germany from $247 to $428 a year; in Great Britain, from $180 to $224 a year; in Italy, from $8 to $9 a year; in Japan, from $27 to $32 a year; and in Russia, $9 a year. That accounts for the difference in the cost of the maintenance of the armies, taking into consideration the different sizes of the armies. I will put in the RECORD tables so that these comparative rates of pay may be seen at a glance.

It will be suggested, where can the economies be brought about? We all agree we must pay our soldiers properly and we have to pay our officers properly so that they can live up to standard of living they are expected to. That brings us down to the question of the military policy of this country, and it may take some time before it is changed.

I want to call the attention of the committee to the constantly increasing cost in every branch of the service and particularly in what we refer to popularly as our "citizen army."

I know it is a pretty dangerous thing to talk about that, because the boys at home are very much interested, but I remember the time and I believe there are many "guardsmen" in the House who served in the National Guard of their State who remember the time when the members of the guard attended their drills without being paid for doing so, and yet we have the cost of the National Guard to the Federal Government amounting to over $27,000,000.

Mr. BARBOUR. The gentleman does not blame that on this bill? That is provided for by law.

Mr. LAGUARDIA. No; I am not blaming the committee. I am talking to Congress. I do not blame the Committee on Appropriations in the matter. As the gentleman says, the present law compels these large appropriations.

Mr. TABER. Would the gentleman like to know the pay of a colonel?

Mr. LAGUARDIA. Yes.

Mr. TABER. The maximum pay of a colonel with 30 years' service, including rental allowance and subsistence allowance, is $7,878, and the minimum $7,179.

Mr. LAGUARDIA. How much is it without rental and subsistence?

Mr. TABER. Without rental and subsistence it would be $6,000.

Mr. LAGUARDIA. How much is it for subsistence?

Mr. TABER. The amount of the subsistence allowance is dependent upon whether he is with or without dependents; it is $438 with dependents and $219 without; the rental allowance with dependents is $1,440, and without $960.

Mr. LAGUARDIA. His base pay is, as I stated, $4,000. Now let us get back to this cost of over $27,000,000. The total cost of the National Guard to the Federal Government is $32,619,798. The amount paid for armory drills—which is something new in our national-guard policy and should never have been written into the law—is a little over $11,000,000; to be exact it is $11,541,168—which is $240,000 a drill, as the learned chairman of the subcommittee suggests. When I say "something new," of course I refer to the provisions of the national defense act.

Mr. COLLINS. With reference to the National Guard, the States contribute a little over $14,000,000 in addition.

Mr. LAGUARDIA. Exactly—in addition to the amount appropriated in this bill. The original American system of the National Guard did not call for drill pay, and I refuse to admit that our National Guard would go out of existence if we cut out this entire item. There is an item of $9,485,875 for the expense of camps of instruction. I suppose that has reference to the annual 2-week camping period. That might be cut in half. Then you have your reserve camps. In the officers' reserve camps you will find a lot of old fellows. I am told there are more lieutenant colonels going there than second lieutenants, and they are paid the full pay and allowances for the two weeks they spend at these training camps, and unless we have a war immediately for them they will be superannuated in a few years and absolutely no good to us.

Now, what happened? I think that when the national defense act was rewritten the Army included this in the general scheme, saying:

> Heretofore we have played this game alone. It is pretty hard for us to get Congress, so we will take in the National Guard and everybody else, and the boys will have to go along.

I admit it is not the popular thing to take the floor and advocate reducing this bill by $32,000,000. I believe it can be done without impairing the national defense one bit.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BARBOUR. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. LAGUARDIA. Of course, we can not strike these items out at this time, because there is a commitment, and under the law we must provide the money; but I appeal to the regulars on this side of the House who want to support the President—and I do in this respect—where he points out that the United States Government is committed to so many utilitarian purposes now that the cost of Government is going to increase constantly and that the only place where we can economize is in the huge appropriations of the Army and Navy and that we should face this question courageously, rewrite the national defense act, go back to the old American system of the National Guard, and discourage these two weeks' outings on full pay and allowance for a lot of superannuated fellows. If we are going to have reserve officers' camps, then get second lieutenants there and train them so we will have the benefit of their potential service for the next 20 years. [Applause.]

The following are the tables to which I have referred and which I am sure Members will find useful and interesting:

TABLE 1.—*The strength of the regular army and reserve forces in various countries*

[Figures as of June 30, 1929]

	Regular army	Organized reserves
France	665,850	5,856,454
Germany	100,500	
British Empire [1]	394,519	572,829
Italy	[2] [3] 353,120	2,925,340
Japan	210,000	[4] 1,713,000
Russia	715,000	5,600,000

[1] Includes all the commonwealths but does not include the colonies as accurate figures are not available.
[2] Includes the Carabinieri which are under the War Department.
[3] Includes 14,398 of the Fascist militia who are on permanent active duty.
[4] Later figures may increase this by about 300,000.

TABLE 2.—*Military budgets for various countries, fiscal year 1929—Accurate figures for fiscal year 1930 are not available; however, these appropriations vary little from year to year*

	Army	Air service
France [1]	242,905,530	70,786,110
Germany	118,266,220	
Great Britain [1]	[2] 239,674,450	[2] 93,301,020
Italy [1]	[3] 175,779,590	34,156,860
Japan	106,478,520	
Russia	[4] 504,628,680	

[1] These countries have independent air corps. Appropriations for same are included for purposes of comparison.
[2] Includes contributions in aid made by other commonwealths for support of Royal Army and Air Force. Does not include appropriations made by commonwealths and colonies for support of native forces maintained therein analogous to appropriations made by the several States composing the United States for support of the National Guard. Accurate figures for appropriations made by the commonwealths and colonies for this purpose are not available.
[3] Includes appropriations made under Ministry of Colonies for support of Colonial Army, and under various ministries for support of Fascist Militia, analogous to Federal appropriations by the United States for support of the National Guard, etc.
[4] Many military expenditures come under other commissaries, but are so well camouflaged that it is impossible to segregate them. These are known to be included in other budgets: (1) Transportation of all troops; (2) maintenance of certain territorial units; (3) preliminary training expenses; (4) repair of barracks; (5) officers' rental allowances; (6) militarization of civilian schools and subsidies to higher schools; (7) building of strategical railways; (8) railway guards. Includes many naval expenditures.

In the consideration of any figures relating to the budgets of foreign countries, intelligent interpretation can not be effected without a consideration also of the relative earnings of industry and cost of living in the countries under study. An examination of economic conditions shows the relative earnings and cost of living to be highest in the United States. For example, the average yearly living cost (items affecting pay, subsistence, clothing, hospitalization and barracks only) per enlisted man in the United States is calculated to be $852.38, while that in Great Britain is $437.68, making possible the maintenance of approximately twice as many enlisted men in Great Britain as in the United States for the same amount of money, and regardless of the purchasing power of the dollar in the two countries.

TABLE 3.—*Strength of the different arms in various countries—The difference between the figures shown below and those in Table 1 represents the noncombatant branches*

	France	Germany	British Empire	Italy [1]	Japan	Russia
Infantry	305,000	54,000	219,000	115,000	118,400	225,000
Field artillery	142,500	11,400	41,900	55,900	27,700	80,200
Cavalry	59,000	22,800	22,500	8,000	10,800	96,000
Engineers	40,000	3,100	14,100	15,700	13,900	8,000
Air corps	[2] 33,000		[2] 35,600	[2] 15,000	3,750	30,000
Signal corps	[3] 4,500	2,700	10,742	[3] 2,000		32,000
Coast artillery	(4)	[4] 2,000	6,800	2,000	6,000	5,000

[1] Average strength throughout the year. The carabinieri and colonial army are not included, due to lack of information.
[2] Independent air corps.
[3] Part of and included in figures for engineers.
[4] Coast artillery is under the navy.

TABLE 4.—*Yearly rates of pay for certain grades in the armies of various countries in dollars*

	France	Germany	Great Britain	Italy	Japan	Russia
Major general	3,600	3,808	9,316	2,425	2,983	1,358
	4,000		10,149			
Colonel	2,000	2,998	5,635	1,573	2,483	1,112
			5,873	1,662		
Captain	918	1,636	3,167	952	1,104	667
	1,186		3,297	1,062		
First lieutenant	682	571	2,342	747	743	556
	880	991	2,698	857		
Private	58	247	180	8	27	9
	276	428	224	9	32	

Mr. COLLINS. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman and members of the committee, I want to take up a human problem with this committee that has been the subject of discussion in the many years I have been in Congress, but not fully discussed, because it seems to be the custom of the Committee on Immigration to bring up a few bills almost at the end of a session of Congress under suspension of the rules. Half of the time most of the Members are not fully acquainted with the situation, because sufficient opportunity is not offered.

Oh, I have heard talk here about lots of things that really are of little concern and how we often brush by this human problem of immigration. I venture to say, my dear colleagues, that if this subject was properly understood by the House that all this continuous clamor for relief would not be brought up.

I desire to discuss at this time a number of bills introduced by me as amendments to the existing immigration laws. I want to preface my remarks with the statement that I am not intending at this time to urge any legislation which would radically amend or seriously affect the policy which Congress has now permanently laid down and which the President accepts as the basis of our future immigration policy, to wit, the quota law.

By this time I believe it has become almost an absolute dogma of belief in quota restrictions, as a permanent immigration policy for the United States, and no matter what arguments might be raised against it they will only fall on deaf ears and can not now be seriously urged against this policy.

While permitting the quotas either in the form in which Congress has heretofore established them or under the new national-origins policy, which has been written into the law of the land, there are many reasons why the existing immigration laws should be amended, with the view solely of relieving the hardships imposed on our people because of their existence and because it will be inhuman to continue the law in the form in which it has been permitted to be enacted into our statutes.

The Commissioner General of Immigration in his report for the fiscal year ending June 30, 1929, has made certain recommendations which agree in many particulars with the bills which I have introduced and which I am now urging Congress to pass.

I am advising this Congress in the early part of the session so that my colleagues can not come in at the last days and say they did not have an opportunity to pass upon these questions. I say that the committee is ready to work now and adjust differences that have been existing, solely in the interest of the people of the country, and I again tell you that any bill I have filed is practically carrying out the spirit of the President's message and is practically carrying out the recommendation of the Secretary of Labor under this administration.

I have introduced a total of five immigration bills, and shall discuss them now in the order in which those bills were introduced.

H. R. 5646

H. R. 5646 provides that an immigrant who is the father or mother of a citizen of the United States, as well as the husband of a citizen of the United States, be admitted to this country outside the quota.

This bill is in accordance with the recommendation made by the Commissioner General of Immigration, appearing on page 30 of his report, and being the seventh recommendation in the annual report, and I shall read from this report at length:

> Seventh. That a nonquota status in the issuance of immigration visas be authorized in favor of the dependent parents over 60 years of age of citizens of the United States. The number who would benefit by this modification of existing law is not large, and considerations of humanity fully support the recommendation. The Congress has extended a nonquota status to the husbands of American citizens, but with the proviso that marriage shall have occurred prior to June 1, 1928. No such limitation, however, is imposed in the granting of a nonquota status to alien wives of American citizens. Legislation is strongly recommended which will place American citizen wives and American citizen husbands on an absolute equality in the issuance of nonquota visas.

Now, what does this mean? It simply means, gentlemen of the committee, that if you have a mother on the other side of the water, you are unable to bring her or your father into this country because under the act of 1924 all she would be entitled to is a preference.

It may be well and good if your mother happened to be born in Great Britain where the quota is large, but if she happens to have been born in any part of Europe, outside of Great Britain, it would take between 1 and 20 years before your mother could come here and be with you. I say the law is absolutely unjust. I say the law should be modified and that the parents of an American citizen should be permitted to come to their child no matter when they were sent for. I say it is inhuman to keep the mother and father away from the son. The Commissioner of Immigration absolutely agrees with this proposition.

Mr. LAGUARDIA. If the gentleman will yield, it ought to be pointed out that the parents of these citizens are of such an age that they can not compete in the labor market.

Mr. DICKSTEIN. There is no question about that. We have discussed that time and time again, but as I have said, the Committee on Immigration in the last four or five years has not had a complete day or two days to discuss the problem fully. It seems that through some influence or other this kind of legislation is brought up at the last moment and therefore the very things we have been trying to correct have not been cured.

I have had many Members of this House come to me and ask, "Why can not my constituent bring in his father and mother?" Under the act of 1924 you can not do that. You must wait until they can come in under a preference, and the preference must come within the quota, and I say to you now it would be a great tribute to the American citizen that the Congress of the United States should say to him, "You bring in your father and mother if you are able to take care of them."

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. COOPER of Ohio. Would the fact that they have passed the age when they could compete with labor in this country be a good, sound reason why the mother or the father should come into this country?

Mr. DICKSTEIN. Well, my own opinion is that there should be no restrictions against a father or mother of an American citizen provided the old people are physically fit to come here and are free of any contagious disease.

Mr. COOPER of Ohio. The probabilities are they would be dependent upon somebody when they came here.

Mr. DICKSTEIN. They would be dependent upon their child.

Mr. COOPER of Ohio. Suppose there was only one son here.

Mr. DICKSTEIN. If the son is ready to prove to the satisfaction of the Commissioner of Immigration that he is ready, able, and willing to provide for his father and mother, I do not see any reason why the old people should not be permitted to come here.

Mr. COOPER of Ohio. But that does not necessarily mean that that son would provide for them.

Mr. DICKSTEIN. We can not anticipate too many contingencies. The Commissioner General of Immigration under the present administration agrees with this bill except that he fixes the age limit of the parent at 60 years of age.

Mr. SLOAN. Will the gentleman yield right there?

Mr. DICKSTEIN. Yes.

Mr. SLOAN. In this way the gentleman would provide for quite a large increase or a large potential increase of immigration coming into this country, would he not?

Mr. DICKSTEIN. No.

Mr. SLOAN. Would the gentleman reduce the general quota of a nation by the number that might come in under this special provision?

Mr. DICKSTEIN. What I would do is to completely exempt the father and the mother of an American citizen. They are practically all alone in the world, but have a son in this country, and this son is in a position to take care of them, and I would completely exempt them from the quota without attaching any strings to it whatever. That is my position.

Mr. SLOAN. The effect of it all would be to increase immigration into this country?

Mr. DICKSTEIN. It would not increase it very much.

Mr. SLOAN. It would increase it.

Mr. DICKSTEIN. It would naturally have to increase it. If you bring in 1 outside of the quota, you increase it 1. If you bring in 2, you increase it 2, or if you bring in 5 you would increase it that much; but, surely, we can absorb a few hundred in this country in order to relieve a condition that is so trying.

In further answer to the gentleman's question, I know of a number of cases where the sons are in an excellent financial position and have contributed much to this country, have done everything any American would be expected to do both in war and in peace, and who have parents in Europe, but by the time their number would be reached, both of them, in all probability, would be dead. Now, he had not seen them for a number of years and could not go there because his business would not permit it.

Mr. SLOAN. Is it not the policy of this Government that we should have a moderate reduction of immigration rather than a moderate increase?

Mr. DICKSTEIN. My impression is that the people who are opposed to this law do not understand the law fully. I agree with the gentleman—I am not for an open door. I want to keep down immigration as much as I can, but I say as to this humane proposition that the least we can do is to cement home ties. I think it would be the greatest Christmas and New Year's present you could give to the American citizen by permitting him to bring in his father and mother in exemption of quota.

I am willing to establish any rules or regulations of law and put them into effect preventing the old people from work, if that is what you are in favor of, but you could not contend that they would come here and compete with the Federation of Labor in any industry.

Now, you have another situation which I want Congress to remedy. And when the matter is called to your attention by your constituents I want you to know what you voted for.

Under the present law the American girl who marries a foreigner can not have her husband with her. In other words, this Congress has given the right of suffrage to women in this great country. They talk about giving them their rights; we have only fooled them when we told them that they have equal rights of suffrage with the men. We fool them, because under the act of 1924 a man can bring his wife into the country in exemption of the quota immediately. If the wife should happen to marry a man that comes from Egypt, it would take about 20 years or more before he could join his wife. You are giving the privilege to the men but no privilege to the women. If the American girl—and there are a number of cases to-day—has married a foreign husband and wants to bring him here, all she gets is a preference. If the husband happens to be born in England, he can come here in a year, but from other places it ranges from 5 and 10 years or more.

These things we want to correct and we want a proper immigration policy, and when you do it you are giving the American women the same rights that you are giving the American man.

The House will observe that by a passage of this bill effect will be given to the commissioner general's recommendation, and it is clearly our duty to relieve the hardship now imposed by law on a parent of an American child who can not come into this country to join him or on a husband, and particularly on a husband of an American citizen, who is separated from his wife because of the harshness of the law which makes him merely a preferred immigrant instead of giving him a non-quota status.

H. R. 6852

House bill 6852 is another act carrying into effect a recommendation of the Commissioner General of Immigration. The object of this act is to provide that an alien in this country prior to July 1, 1924, shall be eligible to be registered for permanent residence, changing the date from June 3, 1921, which is the date specified in the present act to the first-named date.

This recommendation appears in the report of the Commissioner General of Immigration, on pages 30 and 31 of the annual report, and being the twelfth recommendation, reading as follows:

Twelfth. That the act approved March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes," be amended so as to provide that the registry of aliens as therein provided may be made as to those aliens who entered the United States prior to July 1, 1924, instead of prior to June 3, 1921, the date specified in the present act.

It is clear that this act will merely correct a mistake theretofore made by this House in limiting the registration period to aliens in this country prior to June 3, 1921.

It is five years now since July 1, 1924. The aliens in this country prior to that day can not be deported, and no reason exists why their admission should not be made legal and permanent, after proper registration in a manner provided by law.

Now, gentlemen, you ought to know something about the history of immigration. I do not propose to discuss a subject before this House unless I know what I am talking about. You had no quota law until 1921. Any man, woman, or child, physically fit, could come into the country. In 1921, because of the war and the fear that millions would come in here, we heard a number of times Chairman JOHNSON talking about millions that would come into this country, but we have not the figures or statistics to prove it. There is no merit in that—millions did not want to come here.

I agree that we should keep them out if they do want to come in excessive numbers and more than we can absorb. In 1921 we had the first quota law, which was a temporary measure, and we have allowed people to come here from every part of the world, by providing that 3 per cent of any nationality as determined by the census of 1910 be permitted to enter this country, and about 450,000 people every year entered from Europe. In 1922 we extended the law, and in 1924 we passed a permanent policy of immigration.

Now, bear in mind that prior to 1924, or between 1921 and 1924, there were a number of people that came to this country and their names were not recorded at the port of entry. Whether they came by way of Canada or Mexico does not matter, but they came into this country. Under the law you can not put them out after five years, but nevertheless they are men and women without a country. They have married American citizens and raised American families.

They can not go back to their place of birth. They can not become citizens of the United States, because we can not find a certificate of entry in any of our ports. This Congress passed a bill legalizing people illegally here prior to June 3, 1921. It was my plea to this Congress for the past three or four years that the proper basis of legalization should be fixed as 1924, because it was at that time that we adopted our permanent policy. Quite a number of people entered this country way back in 1921. My bill, H. R. 6852, carrying into effect the recommendation of the Commissioner General of Immigration. The object of this act is to provide that an alien in this country prior to July 1, 1924, shall be eligible to be registered for permanent residence, changing the date from June 3, 1921, which is the date specified in the present act, to the first-named date. This recommendation appears in the report of the Commissioner General of Immigration on pages 30 and 31 of the annual reports, being the twelfth recommendation, and I want to read that recommendation to you. It is that the act, approved March 2, 1929, entitled "An act to supplement the naturalization laws and for other purposes," be amended so as to provide that the registration of aliens as herein provided may be made to apply to those aliens who entered the United States prior to July 1, 1924, instead of prior to June 3, 1921, the date specified in the present act. It is clear that this act would merely correct a mistake heretofore made by this House in limiting the registration period to aliens in this country prior to June 3, 1921.

It is five years now since July 1, 1924. The alien in this country prior to that date can not be deported, and no reason exists why their admission should not be made legal and permanent after a proper registration in a manner provided by law. In other words, if a man can not find his record of entry, you have passed an act here in the last Congress authorizing a registration up until 1921, on June 3. The proper date should be July 1, 1924, because that was your date fixing the permanent policy of the immigration law, because at no time until then did we have a permanent policy of immigration law.

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

Mr. DICKSTEIN. Yes.

Mr. COLE. Has the Commissioner General of Immigration made any recommendation about this?

Mr. DICKSTEIN. He did recommend that. It stands to reason that you can not put a man out. The statute of limitations is there. The man is here and has been for more than five years, and you can not put him out. A number of fine people have raised families and have homes here, but they are men without a country. They are not citizens of the United States, and yet they contribute much to our prosperity. They are not citizens of the countries of their birth, because they have abandoned that country and do not want any part in it. We can not put them out, because the statute of limitations has expired. Yet they are without a country, practically, and we do not give them opportunity to register, and they are not part and parcel of us.

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

Mr. DICKSTEIN. Yes.

Mr. CRISP. Has the committee given any consideration to the gentleman's bill?

Mr. DICKSTEIN. No. This bill has been in the Congress for a number of years. The committee waits until about the last month of the Congress and then reports out something that does not affect the situation at all. They get a rule, and there is no debate. I do not remember a time when the Committee on Immigration took any day to discuss this problem.

Mr. CRISP. I am interested in the gentleman's statement that the statute of limitations applies and that these people can not be deported. I am impressed with the gentleman's remarks and desire to know if the committee has given any consideration to the matter.

Mr. DICKSTEIN. The committee has had it before it lots of times. I do not know when there has been shown to me or anybody else any good, honest reason why we should not take law-abiding men or women who have not been convicted of any crime and say to them, "You are here; we can not put you out; and we will let you become citizens of the United States, provided you believe in our form of Government and are morally and physically fit." We can not put them out, and why not give

them that opportunity? That is the opportunity that I have been appealing to this Congress to give year in and year out, and Secretary Davis and the Commissioner General of Immigration strongly recommend it.

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

Mr. DICKSTEIN. Yes.

Mr. SIMMONS. Did any people come in between 1921 and 1924 through ports of entry who are unable to establish their entry?

Mr. DICKSTEIN. Yes. Let us say that a man came in from Canada. He came here with the sole purpose and intention of remaining here permanently, but his record can not be found.

Mr. SIMMONS. Why not?

Mr. DICKSTEIN. Because either we did not have a sufficient force there to check on these entries or there was a mistake in the record. The slightest mistake would deprive the man of his certificate.

Mr. SIMMONS. Or else he was smuggled in?

Mr. DICKSTEIN. As a matter of fact, I can not say that. I mean where a man can only show that he entered this country, but not with the sole purpose of evading the immigration officials. I do not mean the ordinary smuggler; I am not here to talk for those people.

Mr. SIMMONS. What I am trying to get at is, between 1921 and 1924, how could anyone come in legally and not be able to establish that fact through Government record?

Mr. DICKSTEIN. If the gentleman will remember, when we opened up our so-called quota law in 1921 and the quota was based on 3 per cent of 1910, every ship company would race into port, one trying to beat out the other, and there were a number of cases where the hardships would be too great to send them back. In other words, there were more people coming in at that time than the quota permitted, and they were permitted to go out on their own probation. In a number of cases they did not pay a head tax, with no intent to evade the law. That automatically excluded them from legal admission.

Mr. SIMMONS. Certainly there was a record kept of who they were.

Mr. DICKSTEIN. Yes; but the department does not give them a legal entry.

Mr. SIMMONS. They could prove the fact that they came in through a certain port. I understood the gentleman was talking about people who could make no proof as to the place of their entry.

Mr. DICKSTEIN. I am talking about those who came in from June 30, 1921, to June 30, 1924. The fact remains that you can not put those people out of the country. They are here.

Mr. SIMMONS. If they came in through violation of the law or in some way other than through a regular port of entry there is a cloud upon their entry into the United States.

Mr. DICKSTEIN. Would it not be better to put the power in the hands of the Secretary of Labor to ascertain their rights? I do not know what examination the Secretary of Labor would make; I do not know what kind of examination it would be that would determine their character and the way they got in here.

Mr. SIMMONS. The fact that they are here without a record is not chargeable to the authorities of the United States.

Mr. DICKSTEIN. Oh, there are quite a number of cases where people are assured that they legally entered the country and yet you can not find any record in the port of entry.

Mr. SIMMONS. Between 1921 and 1924?

Mr. DICKSTEIN. Yes. It is in the discretion of the Secretary of Labor to permit or to deny the entry. Where a man is here in good faith why not let him stay in and feel that he is a part of us and let him understand that he must pay taxes as we all do and carry the burden of responsibility?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DICKSTEIN. I ask unanimous consent, Mr. Chairman, to revise and extend my remarks.

The CHAIRMAN. Is there objection.

There was no objection.

Mr. DICKSTEIN. I have also introduced a bill which I have urged in prior years, being now known as H. R. 5645. Under this bill an immigrant who has obtained a proper American visa prior to July 1, 1924, and who has paid the regular fee therefor and shall have otherwise qualified be admissible into this country without the quota.

The number of aliens involved under this bill is not large. In fact, it amounts to a very small number.

No reason exists why these men should have paid a visa fee and who have done everything in their power to qualify themselves for admission to the United States, should be barred from this country only because we have seen fit to amend our immigration laws without taking care of the situation.

I therefore urge upon the House to give this bill its approval and relieve the hardships under which those who have attempted to enter this country prior to July 1, 1924, have been debarred therefrom through our new legislation.

H. R. 5648

I have introduced another bill which I wish shall be given proper attention by this House, and that is the bill known as H. R. 5648, under which bill I have provided for a so-called "family quota." This family quota is to be a single quota issued to an applicant, his wife or husband and children under the age of 21.

A quota number issued to such a family shall be sufficient to enable the members of the family covered thereby coming to this country thereafter, provided the other members of the family enter this country within one year from the date of the issuance of such a quota number. Such a quota number will prevent families from separating and will lay down a new policy for this country in the administration of its immigration laws, to the effect that where a person has once been lawfully admitted into the United States, he can properly bring his family in.

It will make it unnecessary for any such person to claim preference under the existing laws or to subject him to the tedious routine of filing many unnecessary papers with our immigration officials or our consuls for the purpose of bringing the family together.

I believe that this House should give this matter its full and undivided attention, and I am urging the committee to which this bill was referred, to give it a thorough study. I believe that this bill will result in a more thoroughgoing administration of our immigration laws and will help immigrants lawfully admitted to this country to determine at once whether or not they intend to stay here with their families and become Americans or whether they would rather return abroad.

The House will observe that this family quota only applies to men and women who desire to make this country their permanent home. If they find that they want to go back to their native countries, any quota number theretofore issued automatically debars the family of such an alien.

We want citizenship based on home ties and if the alien will have his family in this country, he will surely have more of a stimulus to work for its welfare and contribute to its upbuilding.

I urge upon the Congress a thorough study of this bill, as well as the other bills which I have outlined, and I hope that when the purport of the measures introduced by me will become generally known and its merits thoroughly examined, the House will agree with me that the bills introduced by me will bring about a fairer, more humane, and more intelligent administration of our immigration laws and will relieve a great deal of hardship under which our aliens now suffer and permit the uniting of aliens' families wherever lawfully admitted to work for the welfare of their adopted country in a spirit of love for our institutions.

H. R. 7703

I have also introduced a bill known as H. R. 7703, which deals with another important aspect of the immigration law.

It often happens that a person admitted to this country as a visitor or as a consular officer or as a member of a diplomatic corps of some other nation marries an American citizen and thereby becomes eligible for admission to this country, either as a nonquota or as a preferred immigrant. In all such cases it is necessary that such an alien leave this country, be readmitted, to wit, from abroad.

No valid reason exists why this should be necessary and why an alien who is entitled to admission as a nonquota immigrant or as a preferred immigrant and who is in this country at the present time should have to leave this country to enter it.

This bill provides that where any person has been admitted to this country under section 3 of the immigration act of 1924 and has become eligible for admission under some other section of the act, he may remain in this country and that the Secretary of Labor shall provide a method by which he could obtain the necessary visa without application made therefor to an American consul abroad.

Mr. CLAGUE. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. SCHAFER].

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

Mr. SCHAFER of Wisconsin. Mr. Chairman, even in the little, alleged-dry State of Maine drunks and drunken automobile drivers have increased in leaps and bounds under the sumptuary Federal prohibition laws. The population of Portland, the largest city in the State of Maine, according to the 1920 census, was 69,272. The Bureau of the Census estimated population for this city as of 1928 was 78,600.

The chief of police of Portland informs me that 1,116 drunks were arrested in 1919, and 1,996 in 1928. For the first nine months in 1929 there were 1,804.

The Department of Agriculture informs me that there were 53,425 passenger and motor-truck automobiles registered in the State of Maine in 1919 and 172,638 in 1928.

The chief of police of Portland, Me., informs me that only 2 drunken vehicle drivers were arrested in that city in 1919 and 59 in 1928. For the first nine months in 1929 there were 55.

Mr. Chairman, following the applause favoring the dry killings yesterday within the shadow of the Nation's Capital, we find, according to a press release to-day, that another Federal prohibition agent shot a citizen last night while making a prohibition raid without a search warrant.

When ye make many prayers I will not hear; your hands are full of blood. Isaiah i, 15.

Each day's tragic news indicates more human lives sacrificed on the altar of prohibition Baal. This god of the drys must have blood. For almost 10 years the crimson tide has flowed and the next victim ever waits at the gate of his temple. No one innocent or guilty of violating the sacred prohibition laws knows whether his bleeding form will be the next to be cast upon the reeking altar without warning. It may be some of those who vigorously applauded the prohibition killings in the House yesterday.

Yesterday a new verse was added to the prohibition scripture by that devoted disciple of Volstead from the State of Maine:

Red-blooded gobs in the Coast Guard Service take a little drink of confiscated liquor on a cold December night for the sake of thy stomach and thy knees.

I sincerely hope that the day is not far off when the disciples of Volstead will extend their creed and advocate:

Drink no longer water, but use a little wine for thy stomach's sake, and thine often infirmities. I Timothy v, 23.

[Applause.]

Mr. BARBOUR. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, 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. 7955) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE

Mr. KENDALL of Kentucky, by unanimous consent, was granted leave of absence indefinitely on account of illness.

PERMISSION TO ADDRESS THE HOUSE

Mr. COLLINS. Mr. Speaker, I ask unanimous consent that on Monday morning next, immediately after the reading of the Journal and the disposition of business on the Speaker's table, the Resident Commissioner from the Philippine Islands [Mr. GUEVARA] be permitted to speak for 30 minutes.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that on next Monday, immediately after the reading of the Journal and the disposition of business on the Speaker's table, the Resident Commissioner from the Philippine Islands [Mr. GUEVARA] be permitted to speak for 30 minutes. Is there objection?

There was no objection.

SENATE BILLS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 15. An act to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, as amended; to the Committee on the Civil Service.

S. 544. An act authorizing receivers of national banking associations to compromise shareholders' liability; to the Committee on Banking and Currency.

S. 2086. An act granting the consent of Congress to the Wabash Railway Co. to construct, maintain, and operate a railroad bridge across the Missouri River at or near St. Charles, Mo.; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 7. Joint resolution for the appointment of a joint committee of the Senate and House of Representatives to investigate the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service; to the Committee on Rules.

S. J. Res. 72. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point two citizens of Honduras, namely, Vicente Mejia and Antonio Inestroza; to the Committee on Military Affairs.

ADJOURNMENT

Mr. BARBOUR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Thursday, January 9, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Thursday, January 9, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10 a. m. to 12 m. and 2 p. m. to 4 p. m.)

Independent offices appropriation bill.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To regulate interstate commerce by motor vehicles operating as common carriers of persons on the public highways (H. R. 7954).

EXECUTIVE COMMUNICATIONS, ETC.

246. Under clause 2 of Rule XXIV a letter from the Secretary of War, transmitting report proposing programs for the construction and maintenance of roads, trails, and winter sled roads by the Board of Road Commissioners of Alaska, beginning with the fiscal year 1932, was taken from the Speaker's table and referred to the Committee on the Territories.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. H. R. 7855. A bill for the relief of Carl Stanley Sloan, minor Flathead allottee; without amendment (Rept. No. 114). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 8283) to change the name of the Platt National Park, in the State of Oklahoma, to the Platt National Monument, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 8284) to abolish the Platt National Park, in the State of Oklahoma, and to provide for the disposition of the lands therein to the State of Oklahoma for use as a State park, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 8285) to extend the civil and criminal laws of the United States to Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. DOUGLAS of Arizona: A bill (H. R. 8286) to authorize the issuance of patent for lands containing copper, lead, zinc, gold, or silver, and their associated minerals, and for other purposes; to the Committee on the Public Lands.

By Mr. GARBER of Virginia: A bill (H. R. 8287) granting the consent of Congress to the State Highway Commission of Virginia to maintain a bridge already constructed across the Shenandoah River in Clarke County, Va., United States Route 50; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLADAY: A bill (H. R. 8288) authorizing the erection of a sanitary, fireproof hospital and doctors' quarters at the National Home for Disabled Volunteer Soldiers at Danville, Ill.; to the Committee on Military Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 8289) to authorize the expenditure of $60,000 for the construction of a dormitory and equipment at the Fort Sill Indian School, located at the Fort Sill School Reservation, in Comanche County, Okla.; to the Committee on Indian Affairs.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 8290) to authorize and direct a preliminary examination of the Mohican River Ditch from Lake Fork, Ohio, south a distance of 8 miles; to the Committee on Flood Control.

By Mrs. RUTH PRATT: A bill (H. R. 8291) to amend the third proviso of section 202 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. COLTON: A bill (H. R. 8292) to amend the interstate commerce act, as amended, to permit common carriers to give free carriage or reduced rates to State commissions exer-

cising jurisdiction over common carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. HOCH: A bill (H. R. 8293) to amend an act entitled "An act to readjust the commissioned personnel of the Coast Guard, and for other purposes," approved March 2, 1929"; to the Committee on Interstate and Foreign Commerce.

By Mr. HOUSTON of Hawaii: A bill (H. R. 8294) to amend the act of Congress approved June 28, 1921 (42 Stat. 67, 68), entitled "An act to provide for the acquisition by the United States of private rights of fishery in and about Pearl Harbor, Territory of Hawaii"; to the Committee on the Territories.

By Mr. LAMBERTSON: A bill (H. R. 8295) to authorize an appropriation for the construction of one barracks building, one hospital wing, and two sets of quarters for doctors at the Western Branch of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

By Mr. LEAVITT: A bill (H. R. 8296) to amend the act of May 25, 1926, entitled "An act to adjust water-right charges, to grant certain other relief on the Federal irrigation projects, and for other purposes"; to the Committee on Irrigation and Reclamation.

By Mr. TARVER: A bill (H. R. 8297) to provide for the commemoration of the Battle of Ringgold, Ga.; to the Committee on Military Affairs.

By Mr. VESTAL: A bill (H. R. 8298) to amend sections 476 and 4934 of the Revised Statutes and section 1 of the trademark act of February 20, 1905, as amended, and for other purposes; to the Committee on Patents.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 8299) authorizing the establishment of a national hydraulic laboratory in the Bureau of Standards of the Department of Commerce and the construction of a building therefor; to the Committee on Rivers and Harbors.

By Mr. SNELL: A bill (H. R. 8300) to extend the time for the construction of a bridge across the St. Lawrence River at or near Morristown, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUTHERLAND: A bill (H. R. 8301) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes; to the Committee on Claims.

By Mr. KORELL: Joint resolution (H. J. Res. 193) to provide for the expenses of a delegation of the United States to meetings of the Congress of Military Medicine and Pharmacy; to the Committee on Foreign Affairs.

By Mr. CABLE: Joint resolution (H. J. Res. 194) authorizing the President to call a conference of the governments of the world to adopt a convention on the nationality of married women embodying the principle that a married woman should be given the same right as a man to retain or to change her nationality; to the Committee on Foreign Affairs.

By Mr. COOPER of Wisconsin: Joint Resolution (H. J. Res. 195) authorizing and requesting the President to invite representatives of the governments of the countries members of the Pan American Union to attend an Inter-American Conference on Agriculture, Forestry, and Animal Industry, and providing for the expenses of such meeting; to the Committee on Foreign Affairs.

By Mr. FISH: Joint resolution (H. J. Res. 196) authorizing and requesting the President to extend invitations to foreign governments to be represented by delegates at the International Congress for the Blind to be held in the city of New York in 1931; to the Committee on Foreign Affairs.

By Mr. HOCH: Joint resolution (H. J. Res. 197) to authorize the purchase of a motor lifeboat, with its equipment and necessary spare parts, from foreign life-saving services; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDRESEN: Joint resolution (H. J. Res. 198) to provide for the printing, with illustrations, and bound in cloth, 110,000 copies of the Special Report on the Diseases of the Horse; to the Committee on Printing.

By Mr. DICKSTEIN: Concurrent resolution (H. Con. Res. 18) for appointment of a select committee to preserve the Saratoga battle field; 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. ADKINS: A bill (H. R. 8302) granting an increase of pension to Ellen Cordes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8303) granting an increase of pension to Amanda J. Black; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 8304) for the relief of Ida E. Godfrey and others; to the Committee on War Claims.

By Mr. BLAND: A bill (H. R. 8305) granting a pension to Carl Johan Anderson; to the Committee on Pensions.

By Mr. BROWNE: A bill (H. R. 8306) granting an increase of pension to Mary A. Barker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8307) granting an increase of pension to Laurence Bendixen; to the Committee on Pensions.

Also, a bill (H. R. 8308) granting a pension to Ruby Favell; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 8309) granting a pension to Theodosia Kemble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8310) for the relief of Eula K. Lee; to the Committee on Claims.

Also, a bill (H. R. 8311) for the relief of Otis Anne Lytle; to the Committee on Claims.

By Mr. CANFIELD: A bill (H. R. 8312) granting an increase of pension to Marshall E. Hord; to the Committee on Pensions.

By Mr. CARTER of California: A bill (H. R. 8313) for the relief of Robert Whitley Miller; to the Committee on Military Affairs.

By Mr. COOKE: A bill (H. R. 8314) granting a pension to Agnes McMahon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8315) granting an increase of pension to Nellie A. Brown; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 8316) for the relief of the widow and five minor children of Arturo Guajardo; to the Committee on Foreign Affairs.

By Mr. DENISON: A bill (H. R. 8317) granting a pension to Sarah E. McDonald; to the Committee on Invalid Pensions.

By Mr. EVANS of California: A bill (H. R. 8318) for the relief of James Bradley; to the Committee on Military Affairs.

By Mr. FITZGERALD: A bill (H. R. 8319) providing for the advancement on the retired list of the Army of Robert L. Bullard, major general, United States Army, retired; to the Committee on Military Affairs.

By Mr. GAVAGAN: A bill (H. R. 8320) granting a pension to Hannah Green; to the Committee on Pensions.

By Mr. GRAHAM: A bill (H. R. 8321) granting a pension to William H. Wilson; to the Committee on Pensions.

By Mr. HARE: A bill (H. R. 8322) for the relief of John M. Tatum; to the Committee on Military Affairs.

Also, a bill (H. R. 8323) for the relief of Charles M. Hammond; to the Committee on Military Affairs.

By Mr. HESS: A bill (H. R. 8324) for the relief of John N. Brooks; to the Committee on Claims.

Also, a bill (H. R. 8325) granting a pension to Clara Belle Schaeffer; to the Committee on Invalid Pensions.

By Mr. HOGG: A bill (H. R. 8326) granting an increase of pension to Mary M. Linn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8327) granting an increase of pension to Alta Douglass; to the Committee on Invalid Pensions.

By Mr. HOFFMAN: A bill (H. R. 8328) granting an increase of pension to Kate F. White; to the Committee on Invalid Pensions.

By Mr. WILLIAM E. HULL: A bill (H. R. 8329) granting a pension to Addison D. Owen; to the Committee on Pensions.

By Mr. JEFFERS: A bill (H. R. 8330) granting an increase of pension to Mary E. Roszell; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 8331) granting a pension to Sadie M. Meik; to the Committee on Pensions.

Also, a bill (H. R. 8332) for the relief of Charles W. Nobis, Robert Bruce Irwin, Ralph Irwin, Vern Shelly, Charles W. Chapman, C. H. Jobe, Helen S. Cooper, Lizzie Jameson, Frank and Irene Jameson; to the Committee on Claims.

Also, a bill (H. R. 8333) for the relief of Margaret M. Killeen and Sue Killeen; to the Committee on Claims.

By Mr. JOHNSON of Indiana: A bill (H. R. 8334) granting a pension to Joseph G. Allen; to the Committee on Invalid Pensions.

By Mr. KELLY: A bill (H. R. 8335) for the relief of John M. Ruskai; to the Committee on Military Affairs.

By Mr. KIEFNER: A bill (H. R. 8336) granting a pension to Thomas B. McMullin; to the Committee on Invalid Pensions.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 8337) granting a pension to James A. Lenhart; to the Committee on Invalid Pensions.

By Mr. MENGES: A bill (H. R. 8338) granting an increase of pension to Susan Dull; to the Committee on Invalid Pensions.

By Mr. MILLIGAN: A bill (H. R. 8339) granting an increase of pension to Clara M. Prentice; to the Committee on Invalid Pensions.

By Mrs. NORTON: A bill (H. R. 8340) granting an increase of pension to Lizzie Logan Marion; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8341) granting a pension to Emma C. Demarest; to the Committee on Invalid Pensions.

By Mr. PALMISANO: A bill (H. R. 8342) for the relief of Stanislaus Siemek; to the Committee on Claims.

By Mr. HARCOURT J. PRATT: A bill (H. R. 8343) granting an increase of pension to Henrietta C. Main; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 8344) to authorize the appointment of Nannie C. Barndollar, Albert B. Neal, and Joseph B. Dickerson as warrant officers, United States Army; to the Committee on Military Affairs.

By Mr. REID of Illinois: A bill (H. R. 8345) for the relief of Capt. Roger H. Young; to the Committee on War Claims.

By Mr. ROWBOTTOM: A bill (H. R. 8346) granting an increase of pension to John A. Bresler; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 8347) for the relief of Palmer Fish Co.; to the Committee on Claims.

By Mr. SMITH of Idaho: A bill (H. R. 8348) granting a pension to Henry G. Shelton; to the Committee on Pensions.

By Mr. STALKER: A bill (H. R. 8349) granting an increase of pension to Alfretta Hollister; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8350) granting an increase of pension to Rachel J. Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8351) granting an increase of pension to Almira Van Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8352) granting an increase of pension to Frances Armstrong; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 8353) granting a pension to Myrtle Painter; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 8354) for the relief of Louise Smith Hopkins, Ruth Smith Hopkins, and A. Otis Birch; to the Committee on Claims.

By Mr. WELSH of Pennsylvania: A bill (H. R. 8355) granting an increase of pension to Georgina Leitch; to the Committee on Pensions.

By Mr. WOLVERTON of West Virginia: A bill (H. R. 8356) granting an increase of pension to William G. Camp; to the Committee on Pensions.

By Mr. YON: A bill (H. R. 8357) granting a pension to Henrik J. Rasmussen; to the Committee on Pensions.

By Mr. KNUTSON: Resolution (H. Res. 115) to pay Fred R. Miller for extra and expert services to the Committee on Pensions; to the Committee on Accounts.

PETITIONS, ETC.

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

2599. By Mr. ALDRICH: Petition of Edwin Saunders and 59 others, of North Scituate, R. I., urging passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2600. By Mr. AYRES: Petition in behalf of legislation pertaining to Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

2601. By Mr. BACHMANN: Petition of George Jones and other citizens of Cameron, Marshall County, W. Va., urging favorable action on Senate bill 476 and House bill 2562, providing for increased rates of pension for veterans of the Spanish-American War; to the Committee on Pensions.

2602. By Mr. BLOOM: Petition of Shaaray Tefila Sisterhood, opposing any calendar change by which periodicity of Sabbath would be destroyed; to the Committee on Foreign Affairs.

2603. Also, petition of the Shaare Zedek Sisterhood, opposing any change in the calendar which endangers the fixity of the Sabbath; to the Committee on Foreign Affairs.

2604. Also, petition of Temple Ansche Chesed, opposing calendar simplification by which periodicity of Sabbath would be destroyed; to the Committee on Foreign Affairs.

2605. Also, petition of Adas Israel Sisterhood, opposing any calendar change which would destroy fixed periodicity of the Sabbath; to the Committee on Foreign Affairs.

2606. Also, petition of the members of the Gaelic Society of New York City, protesting against proposed calendar change of weekly cycle; to the Committee on Foreign Affairs.

2607. Also, petition of American Institute of Accountants, of New York City, commending proposal for reduction of Federal taxation; to the Committee on Ways and Means.

2608. Also, petition of General Sherman Ladies of the Grand Army of the Republic, of New York, for passage of Civil War pension bill carrying relief for needy and suffering veterans and widows; to the Committee on Invalid Pensions.

2609. Also, petition of citizens of New York, for passage of Senate bill 476 and House bill 2562, providing for increased rates of pension for veterans of Spanish War; to the Committee on Pensions.

2610. Also, petition of citizens of New York, for passage of Senate bill 476 and House bill 2562, providing for increased rates of pension for veterans of Spanish War; to the Committee on Pensions.

2611. Also, petition of citizens of New York City, for passage of bills providing for increased rates of pension for veterans of Spanish War; to the Committee on Pensions.

2612. Also, petition of citizens of New York City, indorsing Senate bill 476 and House bill 2562, and urging immediate passage of these bills; to the Committee on Pensions.

2613. By Mr. BOHN: Petition of citizens of Sault Ste. Marie, Mich., urging the Senators from that State and Representative of that district to secure speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2614. By Mr. BOYLAN: Letter and brief submitted by the National Sugar Refining Co., New York City, relative to certain technical factors that demand consideration in the preparation of a sugar tariff; to the Committee on Ways and Means.

2615. Also, resolution adopted at public meeting held January 2, 1930, in Faneuil Hall, Boston, Mass., expressing indignation at the attitude of Assistant Secretary of the Treasury Lowman, who, as the responsible head of prohibition enforcement, has justified without examination the killing of three citizens by the Coast Guard in Newport Harbor, etc.; to the Committee on the Judiciary.

2616. By Mr. BROWNE: Petition of citizens of Hancock, Wis., urging the passage of legislation to increase the pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

2617. By Mr. CANFIELD: Petition of Charles E. Thomas and 75 other citizens of Columbus, Ind., asking that legislation be enacted which will provide increased rates of pension to men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2618. By Mr. CORNING: Petition of Herbert Sloat and 77 other citizens of Watervliet, N. Y., urging favorable consideration of House bill 2562, for increasing the pension of Spanish-American War veterans; to the Committee on Pensions.

2619. By Mr. CULLEN: Petition signed by citizens of the Borough of Brooklyn, urging Congress to use every endeavor to secure speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2620. Also, resolution that the chief executive officer be authorized, in his discretion, to arrange to communicate to Members of Congress and the Committee on Rivers and Harbors of the House of Representatives the views of the Port of New York Authority upon the bill introduced September 23, 1929, in the House (H. R. 4233) to the effect that the survey and examination of New York and New Jersey Channels contemplated by said bill would be beneficial to the port of New York district, and that an extension of said survey and examination to include Newark Bay and the Kill van Kull would increase the beneficial effect; to the Committee on Rivers and Harbors.

2621. By Mr. DAVIS: Petition of citizens of Murfreesboro, Tenn., in behalf of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2622. Also, petition of certain voters of Coffee and Franklin Counties, Tenn., in behalf of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2623. Also, petition of members of Robert Miller Camp, No. 22, in behalf of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2624. By Mr. DEMPSEY: Petition of 79 residents of Niagara County, N. Y., urging the speedy consideration and passage of House bill 2562, providing increase of pensions for veterans of the Spanish-American War; to the Committee on Pensions.

2625. Also, petition of 138 residents of Erie County, N. Y., urging the speedy consideration and passage of House bill 2562, providing increase of pensions for veterans of the Spanish-American War; to the Committee on Pensions.

2626. By Mr. EATON of Colorado: Petition signed by 72 voters of Denver, Colo., petitioning for the passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2627. Also, petition signed by 22 voters of Denver, Colo., petitioning for the passage of House bill 2562; to the Committee on Pensions.

2628. By Mr. EVANS of California: Petition of William J. Johnson and approximately 100 others, asking for an increase of pension for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

2629. Also, petition of Alice L. Martin and 11 others, asking for an increase of pension for veterans and widows of veterans of the Civil War; to the Committee on Invalid Pensions.

2630. By Mr. FREE: Petitions of Marione E. Howe and 49 others, residents of Santa Barbara, Calif.; residents of Morgan Hill, Calif.; and residents of Santa Clara County, Calif., urging passage of legislation for the relief of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

2631. Also, petitions of Phelps R. Adams and other citizens of Santa Cruz, Calif., and citizens of Sea Side, Calif., urging passage of legislation for the relief of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

2632. Also, petition of C. J. Cass and others, of Monterey, Calif., urging the passage of House bill 2562, affording relief to Spanish-American War veterans; to the Committee on Pensions.

2633. Also, petition of George H. Gould and other citizens of Santa Barbara, Calif., urging the passage of House bill 2562, providing for increased rates of pension to veterans of the Spanish-American War; to the Committee on Pensions.

2634. Also, petition of A. J. Meidl and other citizens of the county of Santa Cruz, Calif., urging the passage of House bill 2562, providing an increase of pension for veterans of the Spanish-American War; to the Committee on Pensions.

2635. Also, petition of Edwin William Forkett and other residents of Santa Clara County, Calif., urging the passage of House bill 2562, providing an increase of pension to veterans of the Spanish-American War; to the Committee on Pensions.

2636. Also, petition of W. T. Kemper and 21 residents of Ventura County, Calif., urging the passage of House bill 2562, providing an increase of pension for veterans of the Spanish-American War; to the Committee on Pensions.

2637. Also, petition of Harvey B. Child and 24 others, of Santa Cruz, Calif., urging the passage of House bill 2562, providing for increased rates of pension to men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2638. By Mr. HALL of Illinois: Petition of Ira M. Whiteman and 79 other residents of Lexington, McLean County, Ill., advocating an increase of pension for Spanish War veterans; to the Committee on Pensions.

2639. By Mr. HALL of North Dakota: Petition of 85 citizens of LaMoure, N. Dak., urging the enactment of House bill 3397, which provides for an extension of time on the presumptive clause of the World War veterans' act to enable these disabled veterans to receive the compensation to which they are entitled; to the Committee on World War Veterans' Legislation.

2640. By Mr. HAWLEY: Petition of the Uptown Portland Association, Portland, Oreg., affecting the navigation, water power, and irrigation development of the Columbia River; to the Committee on Irrigation and Reclamation.

2641. By Mr. HOCH: Petition of various citizens of Greenwood County, Kans., for consideration and passage of House bill 2562, providing for increased rates of pension to the Spanish War veterans; to the Committee on Pensions.

2642. By Mr. WILLIAM E. HULL: Petition signed by 22 constituents of Kingston Mines, Ill., asking for immediate legislation for increase in pension of veterans of the Spanish-American War and their dependents; to the Committee on Pensions.

2643. Also, petition of 59 constituents of Delavan, Ill., asking for immediate legislation for increase in pension of veterans of the Spanish-American War and their dependents; to the Committee on Pensions.

2644. Also, petition of 39 constituents of Peoria, Ill., asking for immediate legislation for increase of pensions of Spanish-American War veterans and their dependents; to the Committee on Pensions.

2645. Also, petition of 58 constituents of Hopedale, Ill., asking for immediate legislation for increase in the pensions of veterans of the Spanish-American War and their dependents; to the Committee on Pensions.

2646. Also, petition signed by 72 constituents of Peoria County, Ill., asking for immediate legislation for increase of pensions of Spanish-American War veterans and their dependents; to the Committee on Pensions.

2647. Also, petition of J. H. Showalter and a number of veterans of the war with Spain residing at La Moille and indorsed by the board of trustees of the village and the postmaster, asking for immediate legislation to increase the pensions of veterans of the Spanish-American War and their dependents; to the Committee on Pensions.

2648. Also, petition of C. D. Crowl and 80 other constituents of Lacon, Marshall County, Ill., asking for immediate legislation for increase of pensions of veterans of the Spanish-American War and their dependents; to the Committee on Pensions.

2649. By Mr. JOHNSON of Illinois: Petition signed by 56 citizens of Freeport, Ill., urging Congress to pass legislation increasing the pensions of Spanish-American War veterans; to the Committee on Pensions.

2650. By Mr. KELLY: Petition of citizens of Pittsburgh, Pa., and vicinity, urging increased pensions for Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

2651. By Mr. LINDSAY: Petition of Thomas Hughes and 69 other citizens of Brooklyn, N. Y., praying for a speedy consideration and passage of House bill 2562, providing for increased pension rates to Spanish-American War veterans; to the Committee on Pensions.

2652. My Mr. McLAUGHLIN: Petition of Charles S. Milholand and 43 other residents of Muskegon Heights, Muskegon County, Mich., urging passage of Senate bill 476 and House bill 2562, providing increase of pension for soldiers of the Spanish War; to the Committee on Pensions.

2653. By Mr. MAPES: Petition of 49 residents of Grand Rapids, Mich., recommending the early enactment by Congress of House bill 2562 and Senate bill 476, proposing increased rates of pension to veterans of the war with Spain; to the Committee on Pensions.

2654. By Mr. MILLER: Petitions of members of the Washington State Civil Service League of State-County-Municipal Employees, 427 Lyon Building, Seattle, Wash., indorsing proposed legislation and petitioning therefor in connection with amendment to the present revenue laws exempting municipal employees of municipally owned and operated water and electric utilities from payment of Federal income tax; to the Committee on Ways and Means.

2655. By Mr. MILLIGAN: Petition urging the passage of certain additional beneficial legislation for veterans of the Spanish War; to the Committee on Pensions.

2656. By Mr. HARCOURT J. PRATT: Petition of citizens of Westbrookville, Wurtsboro, Phillipsport, Summitville, Winterton, Yankee Lake, and Bloomingburg, N. Y., urging passage of legislation to increase the pensions of Spanish War veterans; to the Committee on Pensions.

2657. By Mr. FRANK M. RAMEY: Petition of C. H. Post and other residents of Virden, Ill., urging the passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2658. By Mr. REID of Illinois: Petition of M. A. Ladd and 71 other residents of the township of Lockport, Ill., urging the passage of House bill 2562, granting an increase in pensions to veterans of the Spanish-American War and widows of veterans; to the Committee on Pensions.

2659. By Mr. ROMJUE: Petition of citizens of Gorin, Mo., asking for increased rates of pension to the men who served in the armed forces of the United States during the period of the Spanish-American War; to the Committee on Pensions.

2660. By Mr. SMITH of Idaho: Petition signed by 77 residents of Boise, Idaho, favoring the enactment of legislation increasing the pension of Spanish-American War veterans; to the Committee on Pensions.

2661. By Mr. SMITH of West Virginia: Petition of citizens of Kanawha County, W. Va., urging the passage of House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

2662. By Mr. SPARKS: Petition of Mrs. O. P. McQueen and 38 others, of Kirwin, Kans., for an increase in pension for Civil War veterans and for the widows of Civil War veterans; to the Committee on Invalid Pensions.

2663. By Mr. SPROUL of Illinois: Petition of 930 citizens of Chicago, Ill., not members of the United Spanish War Veterans, or of any of its allied organizations, urging speedy considera-

tion and passage of Senate bill 476 and House bill 2562, providing for increased rates of pensions to the men who served in the armed forces of the United States during the Spanish-American War period; to the Committee on Pensions.

2664. By Mr. SWING: Petition of citizens of Riverside, Calif., in support of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2665. Also, petition of the citizens of Brawley, Calif., in support of Senate bill 476 and House bill 2562; to the Committee on Pensions.

2666. By Mr. STALKER: Petition of citizens of Painted Post, N. Y., urging Congress for the passage of a bill increasing the pension of the Spanish War veterans; to the Committee on Pensions.

2667. Also, petition of citizens of Peruville, N. Y., urging Congress for the passage of a bill increasing the pension of Spanish War veterans; to the Committee on Pensions.

2668. Also, petition of citizens of Millerton, Dutchess County, N. Y., urging Congress for the passage of a bill increasing the pension of the Spanish War veterans; to the Committee on Pensions.

2669. By Mr. WELCH of California: Petition of sundry citizens of Yountville, Calif., urging speedy consideration by Congress of House bill 2562 and Senate bill 476; to the Committee on Pensions.

2670. By Mr. WOLVERTON of West Virginia: Petition of Clarksburg Council, No. 30, Junior Order United American Mechanics, of Clarksburg, W. Va., signed by H. W. Kinsey, counselor, and F. H. McClung, recording secretary, supporting the Robsion-Capper Federal education bill, urging its early consideration and passage; to the Committee on Education.

2671. By Mr. WYANT: Petition of Monessen (Pa.) Chamber of Commerce, favoring passage of House bill 1815 and Senate bill 15, retirement bills; to the Committee on the Civil Service.

2672. Also, petition of Monessen (Pa.) Rotary Club, advocating passage of House bill 1815 and Senate bill 15, retirement bills; to the Committee on the Civil Service.

2673. Also, petition of Monessen (Pa.) Kiwanis Club, advocating passage of Senate bill 15 and House bill 1815; to the Committee on the Civil Service.

2674. Also, petition of the Latrobe (Pa.) Chamber of Commerce, favoring passage of Senate bill 15 and House bill 1815; to the Committee on the Civil Service.

2675. Also, petition of the Latrobe (Pa.) Ministerium, favoring passage of Senate bill 15 and House bill 1815; to the Committee on the Civil Service.

2676. Also, petition of Latrobe (Pa.) Rotary Club, favoring passage of Senate bill 15 and House bill 1815; to the Committee on the Civil Service.

2677. Also, petition of members of the United Presbyterian Congregation of New Alexandria, Pa., urging passage of Lankford Sunday rest bill; to the Committee on the District of Columbia.

2678. Also, petition of the Reformed Presbyterian congregation of New Alexandria, Pa., urging passage of Lankford Sunday rest bill; to the Committee on the District of Columbia.

2679. Also, petition of the Methodist congregation of New Alexandria, Pa., urging passage of Lankford Sunday rest bill; to the Committee on the District of Columbia.

2680. Also, petition of the Presbyterian congregation of Congruity, Pa., urging passage of Lankford Sunday rest bill; to the Committee on the District of Columbia.

2681. By Mr. YON: Petition of Ray Neel, John Broxton, W. J. Wapp, and others of Westville, Holmes County, Fla., favoring passage of House bill 2562; to the Committee on Pensions.

2682. Also, petition of A. J. Anderson, C. F. Schad, E. W. Caro, and others, of Pensacola, Escambia County, Fla., favoring passage of House bill 2562; to the Committee on Pensions.

SENATE

THURSDAY, *January 9, 1930*

(Legislative day of Monday, January 6, 1930)

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

THE JOURNAL

Mr. JONES. Mr. President, I ask that the Journal for the calendar days of January 6, 7, and 8 may be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Allen	Frazier	Kean	Sheppard
Ashurst	George	Kendrick	Shortridge
Baird	Gillett	Keyes	Simmons
Bingham	Glass	King	Smoot
Black	Glenn	La Follette	Steck
Blaine	Goff	McCulloch	Steiwer
Blease	Gould	McKellar	Sullivan
Borah	Greene	McMaster	Swanson
Bratton	Grundy	McNary	Thomas, Idaho
Brock	Hale	Moses	Thomas, Okla.
Brookhart	Harris	Norbeck	Townsend
Broussard	Harrison	Norris	Trammell
Capper	Hastings	Nye	Vandenberg
Caraway	Hatfield	Oddie	Wagner
Copeland	Hawes	Overman	Walcott
Couzens	Hayden	Patterson	Walsh, Mass.
Deneen	Heflin	Phipps	Walsh, Mont.
Dill	Howell	Pittman	Waterman
Fess	Johnson	Ransdell	Watson
Fletcher	Jones	Robinson, Ind.	Wheeler

Mr. FESS. I desire to announce the absence of the junior Senator from Maryland [Mr. GOLDSBOROUGH] on account of the death of Mrs. Goldsborough.

Mr. HARRISON. Mr. President, I wish to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] has been detained from the Senate this week by illness.

Mr. SHEPPARD. I desire to announce that the Senator from Kentucky [Mr. BARKLEY] has been necessarily detained from the sessions of the Senate by a death in his family.

I also wish to announce that the Senator from South Carolina [Mr. SMITH] is necessarily detained from the Senate by illness in his family.

Mr. President, the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED] are necessarily absent from the Senate, as they have been named by the President as members of the naval conference and are sailing to-day for London to attend the sessions of that conference.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

LOAD-LINE LEGISLATION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Commerce, transmitting, pursuant to Senate Resolution 345, Seventieth Congress, second session, additional information relating to load-line legislation, which was referred to the Committee on Commerce and ordered to be printed as part of Senate Document 65.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

The VICE PRESIDENT laid before the Senate a communication from Hamilton & Hamilton, attorneys, transmitting, pursuant to law, the annual report of the Georgetown Barge, Dock, Elevator & Railway Co. for the year ended December 31, 1929, which was referred to the Committee on the District of Columbia.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, lists of documents and files of papers which are not needed or useful in the transaction of the current business of the department and have no permanent value or historic interest, and asking for action looking toward their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. GREENE and Mr. FLETCHER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Mr. ALLEN presented resolutions adopted by Post No. 18 of Arkansas City and Ernest Brown Post, No. 138, of Caney, both of the American Legion in the State of Kansas, favoring the passage of legislation granting increased pensions to Spanish War veterans and their widows, which were referred to the Committee on Pensions.

He also presented petitions of J. O. Murphy and sundry other citizens of Gridley and Hilltop, and of Rev. Wm. T. Smith and sundry other citizens of Lawrence, all in the State of Kansas, praying for the passage of legislation granting increased pensions to Spanish War veterans and their widows, which were referred to the Committee on Pensions.

Mr. CAPPER presented the petition of members of Firth Charlesworth Camp, United Spanish War Veterans, of Beloit, Kans., praying for the passage of legislation granting increased pensions to veterans of the war with Spain, which was referred to the Committee on Pensions.

Mr. PATTERSON presented a petition of 78 citizens of Stoddard County, Mo., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was referred to the Committee on Pensions.