

# Congressional Record

## PROCEEDINGS AND DEBATES OF THE SEVENTY-FIRST CONGRESS SECOND SESSION

### SENATE

MONDAY, March 3, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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	George	La Follette	Simmons
Ashurst	Glass	McCulloch	Smith
Barkley	Glenn	McKellar	Smoot
Bingham	Goff	McMaster	Steak
Black	Goldsborough	McNary	Stelwer
Blaine	Gould	Metcalf	Stephens
Blease	Greene	Moses	Sullivan
Borah	Grundy	Norbeck	Swanson
Bratton	Hale	Norris	Thomas, Idaho
Brock	Harris	Nye	Thomas, Okla.
Brookhart	Harrison	Oddie	Townsend
Broussard	Hastings	Overman	Trammell
Capper	Hatfield	Patterson	Tydings
Caraway	Hawes	Phipps	Vandenberg
Connally	Hayden	Pine	Wagner
Copeland	Hebert	Pittman	Walcott
Couzens	Hedin	Ransdell	Walsh, Mass.
Cutting	Howell	Robinson, Ind.	Walsh, Mont.
Dill	Johnson	Robson, Ky.	Waterman
Fess	Jones	Schall	Watson
Fletcher	Kean	Sheppard	Wheeler
Frazier	Keyes	Shortridge	

Mr. FESS. I wish to announce that my colleague the junior Senator from Ohio [Mr. McCULLOCH] is unavoidably detained from the Senate. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the Naval Arms Conference meeting in London, England.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. I ask that this announcement may stand for the day.

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

#### RELIEF OF FLOOD SUFFERERS

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to \$7,000,000, for the Department of Agriculture, fiscal year 1930, to remain available until June 30, 1931, for the purpose of making advances or loans to farmers as authorized by the joint resolution entitled "Joint resolution for the relief of farmers in the storm, flood, and/or drought-stricken areas of Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, Ohio, Oklahoma, Indiana, Illinois, Minnesota, North Dakota, Montana, New Mexico, and Missouri," approved March 3, 1930, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a communication in the nature of a memorial from the Emerson-Stauben Mills, of Brooklyn, N. Y., signed by J. Kaufman, remonstrating against an increase in the tariff duty on crin vegetal or palm fiber, which was ordered to lie on the table.

Mr. MOSES presented a resolution adopted by the board of aldermen of the city of Nashua, N. H., favoring the passage of legislation dedicating October 11 of each year as General Pulaski's memorial day, for the observance and commemoration

of the death of Brig. Gen. Casimir Pulaski, Revolutionary War hero, which was referred to the Committee on the Library.

Mr. GOULD presented a petition of sundry citizens of Lewiston, Me., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

Mr. KEYES presented a resolution adopted by the board of aldermen of the city of Nashua, N. H., favoring the passage of legislation dedicating October 11 of each year as General Pulaski's memorial day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, Revolutionary War hero, which was referred to the Committee on the Library.

Mr. WALSH of Massachusetts presented petitions of sundry citizens of Boston and Franklin County, Mass., praying for the passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

He also presented a petition of sundry citizens of Brockton, Marshfield, Pembroke, and Rockland, in the State of Massachusetts, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was ordered to lie on the table.

He also presented a petition of 100 citizens of Holyoke, Mass., praying for the passage of Senate bill 15, providing for civil-service retirement, and House bill 162, the postal employees' longevity bill, which was referred to the Committee on Civil Service.

#### CRIME CONDITIONS IN THE DISTRICT OF COLUMBIA

Mr. BLEASE. Mr. President, in connection with the remarks made by me on February 28, 1930, beginning on page 4456 of the CONGRESSIONAL RECORD, I ask that the newspaper clippings which I send to the desk may be printed in the RECORD. These clippings cover only three days. Is there any crime in Washington?

The VICE PRESIDENT. Without objection, the clippings will be printed in the RECORD.

The matter referred to is as follows:

[From the Washington Times, March 1, 1930]

#### THIEVES ACTIVE IN NORTHWEST

Thieves operating in the northwest section entered a store and four homes, making away with \$150 in cash and jewelry and property valued at \$1,250.

A diamond ring valued at \$700 was stolen from a dresser in a third-floor room in the 3100 block N Street NW., Mary A. Lynch told police of the seventh precinct.

Ninety-three dollars was taken from the pants pocket of Emanuel Levy and \$23 from the cash register by thieves who broke into his store in the 800 block Twenty-sixth Street NW.

Three rings and a bracelet, valued in excess of \$440, were stolen from the apartment of Marie Simons in the 1100 block Vermont Avenue, she reported.

Allen G. Stearns, of the 3400 block Woodley Road NW., told police of the fourteenth precinct that his home was looted of table silver, candlesticks, and linen.

Cash and jewelry valued at \$40 was stolen from the home of James Hall, in the 1300 block Girard Street NW.

[From the Washington Herald, March 1, 1930]

FORTY-EIGHT ARRESTED IN THREE RAIDS BY LETTERMAN—DETECTIVE WINS IN 20-MINUTE FIGHT WITH BIG POLICE DOG; SMASHES LAMP ON ITS HEAD

Forty-eight men were arrested yesterday afternoon in three spectacular downtown raids staged by members of Sergt. Oscar Letterman's liquor and gambling squad.

A 20-minute battle between a large police dog and Detective William Mostyn, ending only when the policeman smashed a heavy lamp on the dog's head, knocking the animal unconscious, enlivened a raid at 620 New York Avenue NW.

More than a score of "customers" escaped over roofs when the squad battered through two heavy doors leading to second floor rooms at 815 I Street NW., the first place visited. Twenty-one others, including John Joseph Dee, 36, of the I Street address, were captured. Dee was charged with permitting gaming and the others booked as United States witnesses.

The squad next visited 519 Thirteenth Street NW. Smashing through a heavy glass door leading to the second floor, police arrested Harry Schmidt, 31, and 15 other men who were held as witnesses. Schmidt was charged with permitting gaming. Police confiscated a wagon load of gambling equipment, including a roulette wheel and marked money.

[From the Evening Star, Washington, D. C., Saturday, March 1, 1930]  
**CARTER GUARDED BY SPECIAL POLICE AGAINST THREATS FOR GAMING STAND—GUARD IS PLACED OVER HOME AND DETECTIVE IS ASSIGNED TO ACCOMPANY THE PUBLIC PRINTER ABOUT CITY**

A special police guard has been assigned to the home of Public Printer George H. Carter, his office in the Government Printing Office, and a detective rides with him to and from his work, it was learned to-day as the result of a series of threats which Mr. Carter has received since he inaugurated his attack on gambling in the vicinity of the Printing Office.

A series of threats, which started with an early morning telephone call which brought him out of bed yesterday, have been followed up with "threats of gunmen," Mr. Carter disclosed to-day.

#### COMMITTEE CONSIDERS COURSE

Meanwhile, the Robsion subcommittee of the Senate District Committee was laying plans to consider the course it would follow in handling Carter's charges that police have failed to stamp out gambling and bootlegging in the vicinity of the Government Printing Office.

At the outset the Kentucky Senator made it clear that his subcommittee would "not be used as a grand jury nor a sewer through which to pass mud and filth, blackening men's reputations."

Mr. Carter, confirming reports that he was receiving constant police protection, said the guards had been thrown about his home and office "purely on the initiative of police, because I have no fear whatsoever of people who make threats."

#### RECEIVES DEATH THREATS

Carter told a reporter from the Star he received a death threat to-day—the third in two days—from a "notorious gambler." In addition, Inspector William S. Shelby, chief of detectives, informed Carter of a fourth threat.

To-day's warning reached Carter through a mutual friend of the Public Printer and the gambler. Carter said the gambler sent word it would be "easy to import a gunman to get you for \$5,000." The man also sent word that Carter could get \$25,000 from Maryland gamblers to have gambling stopped in the District if he would hold off a few weeks.

Laughing, Carter quoted the man as having said Maryland gamblers would be glad to have Washington "closed up" so their business would increase.

Carter said he sent word to the gambler that "if he sets foot in my office I'll throw him out."

The Public Printer said he was awakened early yesterday morning by a phone call from an unidentified man. "He talked to me in the most vile language conceivable and said he was going to 'get me,'" Carter reported.

#### TRACED TELEPHONE CALLS

"I said nothing in reply because I was flashing for the operator in order to trace the message," Carter added. He said he learned the number of the phone used by the man who threatened him and notified police.

"Then after I left home and went to the office," Carter continued, "some man called my wife and threatened to 'get me.' This man didn't indulge in blasphemy, however. I traced that call, too, and told police about it.

Carter said Inspector Shelby called at his office yesterday and said he had decided to take the precaution of placing the Public Printer under a constant guard, because police had learned that a mechanic in a garage near the Printing Office had overheard a man say, "I'm going to get Carter." The Public Printer said the threat was made to the man's companion and was overheard by the mechanic while he was working beneath an automobile.

"I'm used to this sort of thing," Carter declared. "I received even more numerous threats in 1925 when I fired 265 employees of the Printing Office for gambling, drinking liquor, and other violations."

Carter asserted his principal interest in his fight against the police department was to keep the Government Printing Office "in its pre-eminent position as the cleanest Government office in Washington." "I'm not a reformer," he added. "I simply want fair play."

Replying to charges of police that the affidavits sworn to by four employees of his office had been drawn from them because they were in fear of losing their jobs, Carter said he had affidavits from clerks and

others present when he questioned the men which would prove the police charges were false.

Shortly after it had referred the Carter correspondence to the subcommittee yesterday afternoon the Senate committee approved the Capper bill granting pay increases to the police and fire departments.

Senator JOHN M. ROBSION, Republican, of Kentucky, chairman of the subcommittee, has not had a chance yet to go over the data from Carter, but, speaking generally, he said he did not believe the subcommittee should take over the work of the grand jury or the courts by going into every individual complaint brought to the attention of Congress.

The Senator said that if the head of any department should be found not faithful to his trust, that would be a situation he thought the subcommittee should take hold of. At the same time he said he wanted to emphasize that it is also a duty to avoid besmirching the characters of honest public officials.

Senator ROBSION declared he did not want to see the subcommittee "used as a sewer through which to pass filth and mud."

"I have lived here for 12 years," said Senator ROBSION, "and I think Washington is well above the average."

The Senator pointed out that Congress is spending millions for the beautification of Washington and he believes every member of Congress is interested in seeing that the Capital is not only beautified, but kept safe and orderly. He stressed the point, however, that there are certain functions which belong to the courts and to grand juries, such as specific complaints of wrongdoing. The Senator indicated that if it could be shown that the proper agencies were not functioning as they should, he would not hesitate to go into a matter of that kind.

Although nothing definite will be decided until the chairman consults the other members of the subcommittee, he indicated the Public Printer might be called to discuss the questions he has raised.

In his letter to the Senate committee the Public Printer said he was interested in the situation because some of the employees of the Printing Office have been affected by the prevalence of gambling and bootlegging in the vicinity of the office. Senator ROBSION suggested that the head of an establishment could apply disciplinary measures to employees under him.

The police and fire pay bill, as approved by the committee, would give privates an entrance salary of \$1,900, with annual increases of \$100 until a maximum of \$2,400 is reached. The present scale is \$1,800, \$1,900, and \$2,100 a year. The bill also carries increases for the officers of both departments, according to their rank.

In reporting the bill from the subcommittee Senator ROBSION at first suggested adopting an amendment from the District Commissioners to raise the heads of the police and fire departments to \$8,000 instead of to \$8,500. The present salaries of these two officials is \$5,200. After other members of the committee indicated they favored reporting the bill as introduced by Senator CAPPER, without amendment, Senator ROBSION said he had no objection, and that course was adopted.

Detective Sergt. Frank Varney, of the Policemen's Association, pointed out to the committee that in Washington the heads of the police and fire departments perform administrative duties as well as directing the actual work of their men, whereas in other cities there are police and fire commissioners as well as police and fire chiefs.

#### POLICEMEN TAKE 10 IN NEAR RIOT—YOUTHS IN COMMUNIST DEMONSTRATION AT SEVENTH AND P STREETS

Members of the Communist Party here engaged in a demonstration at Seventh and P Streets last night which ended in a near riot when 10 of the number were arrested by second precinct police.

All were released before midnight after posting collateral. Three were charged with speaking publicly without a permit and the others were booked on disorderly conduct charges. Police said that six of the number were under 20 years of age.

When the police intervened a youth who appeared less than 18 years old was standing on a soap box in the center of the pavement, denouncing the "bosses" of the country, who, he said, "were living a life of luxury while countless thousands go unemployed."

Shouting dramatically, he told his audience of several hundred persons, "We must band together and fight these 'bosses' unless we starve." He referred at length to a recent editorial published in a local paper, which cited unemployment conditions in the country.

The youth climaxed his speech by stating that the contents of the editorial proved the communist cause was right.

A colored speaker took his place on the soap box, uttered sounds which resembled "Uh-ah" and suddenly found himself being escorted to a waiting patrol wagon across the street.

#### CROWD BROKEN UP

The police arrived quietly and, working systematically, arrested both the speakers and sought to disperse the crowd, which by this time had grown to major proportions.

As the two speakers, objecting vainly made their way to the patrol wagon, an enthusiastic and youthful comrade leaped to the soap box and shouted, "That's the way they treat us when we try to get work for you folks"—and the crowd picked up his cry.

The enthusiastic one was given a seat in the patrol wagon with his comrades, and the police, brandishing night sticks threateningly, sent the crowd milling into the night. The more unruly ones were arrested. Others disappeared.

#### GIRL IS REARRESTED

Miss Edith Briscoe, 19 years old, arrested several weeks ago along with Miss Helen Colodny, 20-year-old Central High School student, whose charges that 300 pupils were taking active part in the Communist Party stirred educational circles, was arrested again last night.

The Briscoe girl was passing communistic literature to those in the crowd. She was charged with disorderly conduct and released after posting collateral.

Harold Briscoe, 16, the younger brother of Edith Briscoe, who gave an address in the 3500 block of Fourteenth Street; Solomon Harper, colored, 34, of Winston-Salem, N. C.; and Albert Mallin, 17, of the 1300 block of Seventh Street, were charged with speaking publicly without a permit.

Phillip Shinberg, 16, of the 1300 block of Seventh Street; John Worland, 22, of the 1300 block of Howard Street; William Snowden, 23, colored, of the 1400 block of New York Avenue; Harry Furash, 16, of the 500 block of Lamont Street; Arthur Walker, 35, of the 200 block of Bryant Street; and William Phillips, 17, of the 3400 block of Dent Place, were charged with disorderly conduct. All will appear in police court.

Literature given out at the demonstration announced that a mass protest meeting against the lynching of colored persons in the South will be held at Odd Fellows Hall, 1606 M Street, Friday night, beginning at 8.15 o'clock. Charles Alexander, billed as director of the International Labor Defense, is scheduled to talk.

#### THREE FINED \$10 EACH

Judge Gus A. Schuldt, in police court, fined Mallin, Snowden, and Worland \$10 each for disorderly conduct. Police said that the communists had spoken loudly and boisterously in an attempt to prevent the arrest of other members of the organization. Phillips was released, as it was said he did not become unruly.

Edith Briscoe was charged with assault for attacking Policeman Clarence P. Wood, and held under \$100 bond for a jury trial by Judge John P. McMahon in the United States branch.

Phillips's hilarity after his release led to his dismissal from the court room. Other members of the group were warned by the court.

The charges of speaking without a permit against Mallin, Harold Brown, and Solomon Harper, colored, were continued until March 15, when charges made out against members of the band after a demonstration on Pennsylvania Avenue several weeks ago will be reviewed.

Judge Schuldt, discussing the young communists off the bench to-day, declared he was not in favor of making martyrs of them by sending them to jail. "They are publicity seekers and only wish to be made martyrs," Judge Schuldt said.

Harold Briscoe, Phillip Shinberg, and Harry Furash were held for juvenile-court action, as they are only 16 years old.

#### SHOT IN STREET CHASE—BEATS BOY; TRIES TO SLASH OFFICER WITH GLASS AFTER 3-MILE DASH—HITS TWO WOMEN WHEN THEY ARE SAID TO HAVE RESISTED ROBBERY ATTEMPT IN APARTMENT HOUSE.

Attacking all who crossed his path, a young colored man ran amuck in the northwest section this morning and was only halted when shot down by a policeman after a wild flight of 3 miles.

Charles F. Dixon, 23 years old, colored night elevator operator at Cathedral Mansions South, started on his journey across the city after, it is charged, he attempted to rob Mrs. Cora Simpson, 53-year-old resident manager of the apartment where he is employed, and Mrs. Nettie Rogers, 23 years old, telephone operator. His flight ended at Eleventh and Fairmont Streets when he attempted to attack Park Policeman Grover Shumaker and was shot three times.

#### POLICEMAN HURT AS SMOKE SCREEN CAUSES SMASH-UP—SUSPECTED BOOTLEGGERS RELEASES CLOUD JUST AS AUTO HITS DEPRESSION—PURSUER THROWN HIGH IN AIR AS CAR UPSSETS—WRECK ENDS MILE-A-MINUTE RACE AT PENNSYLVANIA AVENUE AND MINNESOTA AVENUE INTERSECTION

Plunging at 60 miles an hour into a dense smoke screen thrown off by a suspected bootleg car, Policeman Lyman L. Leich, of the eleventh precinct, was badly cut and bruised early to-day when the police car he was driving struck a depression in the road at Pennsylvania and Minnesota Avenues and turned over twice.

He was picked up unconscious by a man who had witnessed the accident and taken to Gallinger Hospital, where Dr. Roy Burgess said he was suffering from severe cuts on the face and body and a possible fractured rib. Leich regained consciousness at the hospital.

#### CLOTHES TORN OFF

So violently was the policeman hurled from the automobile as it turned over that his trousers were ripped off and his overcoat and uniform cap torn to shreds.

Leich told Lieut. Sidney J. Marks that he was cruising on Anacostia Road at 6.30 this morning when a large car, which he believed to be loaded with whisky, passed him. He said that he gave chase and fol-

lowed the car at a mile-a-minute speed until reaching the hollow near Pennsylvania Avenue.

In the depression, where smoke hangs to the road, Leich said, the suspected bootlegger opened his screen, blinding him.

He lost control of the police car, he said, when it struck the depression in the roadway at Pennsylvania Avenue, and before he could straighten it out the machine had skidded into Minnesota Avenue and turned over.

#### TOSSED HIGH IN AIR

An eyewitness said Leich was tossed high into the air as the machine, which was badly damaged, turned over the first time.

The policeman, who is 41 years old, lives at 2312 Minnesota Avenue. The accident was witnessed by Lawrence Bowle, 2346 Q Street SE.

#### PROBATION ON SUSPENDED SENTENCE IS ALLOWED—MRS. DELORES BLAIR HOFFMAN GIVEN 18 MONTHS ON LIQUOR ACCUSATION

Probation on a suspended sentence of 18 months was granted to-day by Justice Peyton Gordon to Mrs. Delores Blair Hoffman, wife of "Dr." Louis W. Hoffman, the physiotherapist, who is serving a term of 30 years in the penitentiary for the death of Eleanor Lehman. She had entered a plea of guilty to a charge of transporting and possessing liquor following her arrest October 24 at Bladensburg Road and South Dakota Avenue. The automobile in which she was riding contained 70 half-gallon jars of alleged liquor, it was stated. Attorney Michael J. Lane appeared for the woman, who had no previous record.

#### THIEVES STEAL \$100

Sawing their way through the rear door of Joseph Maxwell's book store and branch post office at 2018 Georgia Avenue, thieves last night entered the store and stole \$100 from the cash register and an undetermined amount of postage stamps.

#### THIEF GRABS MONEY IN BOX OFFICE AND FLEES FROM THEATER

Reaching his hand through the hole in the ticket window at the Metropolitan Theater on crowded F Street late this afternoon, a thief slipped a handful of money and ran, making a get-away.

The cashier, who had several substantial piles of bills at a safer place beneath the counter, said that the man "stuck his hand through the window and took some of my money." She would not estimate how much was taken.

#### SOUNDING OF BURGLAR ALARM BRINGS POLICE AND EXCITEMENT

A burglar alarm sounding from 1640 Rhode Island Avenue, formerly the residence of Charles S. Dewey, former Assistant Secretary of the Treasury, created excitement in the neighborhood this afternoon as two men or boys ran from a rear alley at the approach of a police patrol wagon. One of the rear windows on the ground floor of the house, which has been standing vacant a long time, was found lowered about 6 inches. All the windows, however, are heavily barred. Police believe whoever was attempting to get inside were frightened away when they heard the whistle blown. The house is protected by the Mutual District Messenger Co. Frank Carroll, an agent, was the first to reach the scene.

#### TWO ARE CONVICTED ON WIVES' CHARGES—SHOWALTER AND KARLA SENTENCED TO 90 DAYS IN JAIL ON STATUTORY CHARGES

John B. Showalter, of the Showalter Realty Co., and Robert W. Karla, 3400 block of Sixteenth Street, arrested several months ago, were both sentenced to serve 90 days in jail to-day when they pleaded guilty to statutory charges before Judge Isaac R. Hitt in police court.

The complainants, Mrs. Catharine Karla and Mrs. Madeline Showalter, recently filed suits for absolute divorce in the District supreme court, citing the arrests of their respective husbands. The men were also charged with threats against their wives by police of the tenth precinct, but this charge was later nolle prossed at court.

Both men were arrested in a raid by the tenth precinct on November 5 in an apartment house on Fourteenth Street near Fairmont. The co-respondents named in the divorce suits, Virginia Gann and Gladys Jenkins, were also apprehended and locked up at the precinct. Statutory charges against them were nolle prossed at court.

Policemen J. W. Pritchett and H. F. Cornwell, of the tenth precinct, and Detective S. F. Gravely composed the raiding party.

#### GROCERY HOLDUP NETS BANDITS \$29—WOMAN'S APARTMENT IS ROBBED OF \$435 IN JEWELRY BY "JIMMY" BURGLAR

Two armed men early to-day held up Frank Charles, alone in his grocery at 55 Florida Avenue and escaped with \$29 from the cash register. The intruders, both colored, came in shortly after midnight and one of them backed the grocer into a rear room while the other rifled the cash register.

Jewelry valued at \$435, including a diamond ring, platinum wedding ring, brooch, and bracelet, was stolen yesterday afternoon from the apartment of Marie Simons, at 1104 Vermont Avenue, by a burglar, who jimmied the door and ransacked the premises.

The second call within the week was paid by a burglar yesterday who used a duplicate key to admit himself to the home of James M. Hall, at 1308 Girard Street, and then made off with jewelry worth \$70, Mr. Hall reported.

A similar means of entry was employed on the previous visit, Monday, when \$34 was stolen.

[From the Washington Post, Sunday, March 2, 1930]

**ROVER AND PRATT PLAN PADLOCKING CAMPAIGN—POLICE SURVEY CHECKS PREMISES IN CITY WHERE LIQUOR AND GAMBLING VIOLATIONS OCCUR WITH "PROFESSIONAL FREQUENCY"**

Maj. Henry G. Pratt, superintendent of police, and United States District Attorney Leo A. Rover have joined hands in a movement to add to the pressure of the law upon violators of the prohibition and gambling laws.

A more stringent padlock law may be asked as a result of the study which is being made of police activities and their results in court, it was said, but neither Major Pratt nor Mr. Rover would discuss this phase of the investigation now being made.

The determination of Mr. Rover to force owners of properties to be responsible for the occupants was publicly announced some time ago, when he gave warning that he intended to launch a vigorous campaign to padlock every premise in which there was conducted an illegal liquor or gambling business.

At the request of Mr. Rover, Major Pratt has made a survey of every precinct in the city to ascertain the spots where these violations have occurred with professional frequency.

In line with this policy, attention has been centered by the police chief and the district attorney on the spots about the city where are located the professional violators of the liquor and gambling laws. No attention has been paid in the survey to misdemeanors, except in so far as pertains to "disorderly houses" or places of vice.

The record of arrests and raids by the police department have been compiled and transmitted to the district attorney according to location of premises. Behind the collection of the statistics is the belief that however lukewarm the average citizen may be toward violations of the gambling and liquor laws, the question of enforcement assumes much more importance immediately it threatens to affect his pocketbook as an owner of real estate.

That is the weapon which Mr. Rover and Major Pratt intend to use in the battle of the police and the district attorney's office against such law violators.

Statistics which have been compiled by the police department show that in the period from September 16, 1929, to February 1, 1930, there have been 730 different establishments raided by the police for felonies; that is, violations of these laws for which liability is a penitentiary sentence. Some of these premises have been raided as many as thirteen, sixteen, or more times by the police.

Of this total 548 premises have been raided for violations of the liquor laws. The total also includes arrests for gambling.

These figures are being studied by Mr. Rover, it is understood, with a view to launching an enlarged padlock campaign against those premises which show up bad on the police and court records.

Whether or not the present law is broadened, it is the purpose of the district attorney and the police chief to seek to close definitely those places in which there have been repeated violations of the gambling or liquor laws.

**POLICE CAR IS STOLEN FROM HEADQUARTERS—DETECTIVE LOOKS IN VAIN FOR AUTO TAKEN FROM PARKING SPACE NEAR CHIEF'S OFFICE; GENERAL ALARM IS SOUNDED**

It's getting so a body just can't feel safe anywhere these days.

One might be pardoned for supposing that the detective bureau would be immune from depredations of racketeers, but Headquarters Detective David G. Fletcher, pawnshop inspector, doesn't believe it.

He and his chauffeur, Police Driver Albert D. "Moon" Mullins, set out at 10 o'clock yesterday morning to make an inspection of the city's secondhand shops in quest of stolen merchandise.

The police car they were to use was parked outside the District Building on Fourteenth Street. It was an old 1924 Buick touring car, bearing license plate No. 4434, and had been standing there since Driver Mullins reached the District Building to report for duty.

The men walked out the building and looked at the spot where the car should have stood, but the vacant space that greeted their eyes was matched by the vacant looks that spread over the faces of the two policemen.

"Maybe," said Detective Fletcher, after he recovered his best sleuthing composure, "it's there, but we just can't see it, or something."

"Maybe," agreed Driver Mullins, and the two stepped down off the curb, hoping against hope to crack their shins against the fender of the invisible car. Nothing happened, though, and the two were forced to admit that something seemed to be wrong.

Realizing that they were not getting anywhere standing there wondering, the detective climbed into another police car and went on his round of the secondhand stores, while the driver went back inside to

break the sad news to Inspector William S. Shelby, chief of the detective bureau.

The quest of the "hock" shops, however, revealed no trace of the police car, and last night 1,300 policemen were still scouring the city in search of the missing automobile.

Why the thief, who apparently had more nerve than brains, should have bothered to take an old 1924 police car when Fire Chief Watson's new red touring car, with a brass bell and siren and red headlights 'n everything on it stood near by is still a mystery.

When Maj. Henry G. Pratt, superintendent of police, heard about the loss he instructed Inspector Shelby to issue orders to all chauffeurs of the department that they will be held responsible for their cars and must remain in or within sight of the automobiles they drive on duty.

**FIVE MEN ARRESTED IN GAMBLING RAIDS—ALL CHARGED WITH PERMITTING GAMING; 30 ARE BOOKED AS WITNESSES—THREE PLACES ENTERED**

Charges of permitting gaming were placed against five men arrested in three raids by police in the northwest section yesterday, 30 persons being booked as witnesses in one foray and 30 others found in another establishment being unmolested.

In a raid on a Fifteenth Street residence near H Street about 2.30 o'clock in the afternoon, First Precinct Detectives H. G. Wanamaker, A. D. Mansfield, R. B. Carroll, and Policeman S. David arrested Edward J. Goldberg, 25 years old, of Seventh Street near L Street NW.; Mack J. Cenar, 23 years old, of Allison Street near Eighth Street NW.; and Martin Colburn, 23 years old, of L Street near Sixth Street NW. They were released on \$100 bond each. Police also reported seizure of a large quantity of gambling paraphernalia.

The same squad a short time later battered down four doors in a Ninth Street house near B Street to arrest Carroll P. Nuckels, 31 years old, of the Metropolitan Hotel. Police reported that the man threw a quantity of racing and numbers slips into a safe upon their entrance, and that they hammered at the iron vault for an hour and a half before opening it. He was released on \$2,000 bond. Thirty persons reported found there were listed as witnesses.

Invading a pool room on Fourteenth Street NW., near V Street, yesterday afternoon, members of Sergeant Letterman's squad arrested Joseph Coffey, 36 years old, alleged proprietor, on an accusation of accepting bets on the horse races.

Sergeant Letterman, with Detectives Richard J. Cox and James Mostyn, reported they found approximately 30 persons gathered in the pool room when they entered.

**POLICEMAN MAY DIE IN RUM-CHASE CRASH—CITY-WIDE SEARCH IS MADE FOR OCCUPANTS OF CAR HE PURSUED—FALSE MARKER USED**

While Patrolman Lyman L. Leich, 43, of eleventh precinct, lay near death at Gallinger Hospital as the result of injuries suffered in pursuing a rum-running automobile early yesterday, police were searching the city last night for the occupants of the car, who escaped.

Blinded by dense clouds of a smoke screen from the pursued car while racing at a mile-a-minute speed, the patrolman lost control of the police roadster he was driving on Minnesota Avenue SE, near Pennsylvania Avenue, when the vehicle raced over a depression in the roadway.

The roadster turned over three times, pinning Mr. Leich beneath the wreckage. A passing motorist extricated him from the wreckage, drove him to the hospital, and notified police.

He was able to give Lieut. Sidney J. Marks, of the eleventh precinct, an account of the chase, from his cot in the hospital before lapsing into unconsciousness. Police were given the license number of the bootleg car and found that the tags were "dead."

The patrolman suffered internal injuries and severe cuts and bruises about the head and entire body. He is married and resides at 2312 Minnesota avenue SE.

[From the Washington Herald, Monday, March 3, 1930]

**IRON PIPE USED TO CRUSH HEAD OF MAN LURED TO FARM ROAD—GIRL AND THREE MALE COMPANIONS HUNTED AFTER HARRY MELTON, FATHER OF FOUR, IS ATTACKED**

Lured into a narrow winding road on the farm of George Lanhardt, near Hyattsville, Md., shortly before dawn yesterday, Harry M. Melton, 38, of 726 Tuckerman Street NW., the father of four small children, was beaten over the head with an iron pipe, stripped of his overcoat, and robbed of a small amount of money. He is dying at Emergency Hospital.

Melton, furloughed Saturday by the Carry Ice Cream Co., had obtained a job as driver for a privately owned taxicab, and had nearly completed his first night's work when attacked.

**WOMAN IS SOUGHT**

Three men and a young woman, who are believed to have hailed Melton's cab shortly after they abandoned their own automobile late Saturday night, are being sought by Maryland and Washington police for questioning.

Left to die on the lonely road, Melton staggered nearly half a mile to the home of W. J. Stevens, in Hyattsville. Awakened by Melton's moans and his taps on the front door, Stevens admitted him just before the taxi driver fell unconscious.

Stevens drove him to Emergency Hospital. Melton had a compound fracture of the skull and numerous lacerations on face and head. He was operated upon in an effort to save his life, but physicians hold little hope for his recovery.

Leonard Carrington, of 310 East Capitol Street, his employer, in a search of the cab yesterday, found clues which may result in the arrest of Melton's assailants.

Carrington found a piece of material believed to have been torn from a man's vest; Melton's manifest, which showed his last recorded call was made about 12.30 a. m. yesterday from a house in 2600 block University Place NW., and a fern and broken pot.

#### REBUFFED AS QUESTIONER

Carrington told detectives he called at the University Place address and that persons there with whom he talked disclaimed any knowledge of the affair. He told detectives, however, the torn part of cloth he discovered in the cab closely resembled that in a vest he saw hanging on a wall rack.

The clues were turned over to police.

Constable Gasch and H. G. Machen, sergeant of Prince Georges county police, found a bloodstained 2-foot iron pipe on the rear seat of Melton's cab, parked about 400 yards from the scene of the attack.

John White, 36-year-old colored tenant on the Lanhardt farm, was the only witness to the attack.

White told police Melton's assailants pounded on his door shortly before 5 a. m. yesterday. Poking his head out of a second-floor bedroom window, White told officers he saw three men, with hats pulled over their faces and bundled in overcoats, grouped around his door.

One of the men asked to see Vincent Powers. Powers used to live with White. When told Powers had not lived there for more than a year, the men walked away.

White watched the men walk toward the highway. A hundred yards away they stopped, and a moment later two of them began beating Melton. White said he was certain Melton was not one of the group who came to his house.

White said he dressed to go to Melton's aid, but that the victim had recovered sufficiently from the attack to stagger away. He then notified county officers through Lanhardt.

Police believe Melton's assailants, after running up a meter bill of \$9.75, left Melton in his cab with their female companion and went to White's house. When they did not return immediately, police believe Melton became apprehensive over his fare and started up the road after his passengers. The attack and robbery is believed to have occurred when Melton accosted the men on their return.

Police believe they will round up Melton's assailants within 24 hours. They feel confident they are known in and around Hyattsville. White said he could not identify them because he couldn't see their faces.

Melton, who has been living at the Tuckerman Street address for about a year, has a wife and four children, two girls and two boys, the oldest of whom is 10 and the youngest 2.

#### SIX HELD IN ATTACK ON DELIVERY DRIVER

Three men and three women, all of Washington, were held at Marlboro, Md., last night in an attack at Clinton, Md., yesterday upon Charles Craig, 19, 1100 block of C Street SE.

Craig told police he was driving a newspaper delivery truck when a large touring car forced him to stop. Three men searched through the papers in the truck. Craig objected and was struck in the face with a wrench. Craig said one man started his machine and drove it against the side of a garage, demolishing it.

The men were charged with assault, taking an automobile without the owner's consent, and disorderly conduct. The women were charged with disorderly conduct.

The six gave the following names and addresses: Mrs. Agnes Fink, 300 block C Street NW.; Margaret Stone, 600 block of F Street NW.; Doris Kobelin, 600 block of Maryland Avenue NE.; Richard Keithley, 1800 block Seventeenth Street SE.; Roy Garby, Naval Hospital; and Edward Fink, 300 block of C Street NW.

#### MAN WHO RAN AMUCK HELD SANE

Physicians at Gallinger Hospital declared last night that the giant negro who ran amuck Saturday morning apparently was sane and would recover from the two bullet wounds inflicted by a park policeman. One charge of assault with intent to rob and one of assault was placed against the man by detectives. He was booked as Charles F. Dickerson, 24, of the 2700 block of Eleventh Street NW.

Mrs. Carrie W. Simpson, 53, manager of Cathedral Mansions South, where Dickerson was employed as an elevator operator, was listed as the complainant against him on the assault with intent to rob charge. She was counting money when the negro attacked her.

Mrs. Nettie Rogers, 23, telephone operator, is the complainant on the assault charge.

#### REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 2224) to change the name of Iowa Circle in the city of Washington to Logan Circle (Rept. No. 235); and

A bill (S. 3215) to amend section 3 of the act of Congress approved February 18, 1929, entitled "An act to amend the laws relating to assessments and taxes in the District of Columbia, and for other purposes" (Rept. No. 236).

Mr. CAPPER also, from the Committee on Claims, to which was referred the bill (S. 2467) for the relief of William Hensley, reported it with an amendment and submitted a report (No. 238) thereon.

Mr. STEIWER, from the Committee on Claims, to which was referred the bill (S. 304) for the relief of Cullen D. O'Bryan and Lettie A. O'Bryan, reported it with an amendment and submitted a report (No. 237) thereon.

Mr. NORRIS, from the Committee on the Judiciary, to which was referred the bill (H. R. 5260) to amend section 366 of the Revised Statutes, reported it without amendment and submitted a report (No. 239) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 4289) to approve Act No. 55 of the session laws of 1929 of the Territory of Hawaii entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the district of Hamakua, island and county of Hawaii" (Rept. No. 240);

A bill (H. R. 7830) to amend section 5 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900 (Rept. No. 241);

A bill (H. R. 7984) to approve Act No. 29 of the session laws of 1929 of the Territory of Hawaii entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within Hanalei, in the district of Hanalei, island and county of Kauai" (Rept. No. 242); and

A bill (H. R. 8294) to amend the act of Congress approved June 28, 1921 (42 Stats. 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" (Rept. No. 243).

Mr. McMASTER, from the Committee on Claims, to which was referred the bill (S. 857) for the relief of Gilbert Peterson, reported it without amendment and submitted a report (No. 244) thereon.

#### THE CONTROL, CONSERVATION, AND UTILIZATION OF THE FLOOD WATERS OF THE MISSISSIPPI BASIN

Mr. RANDELL, from the Committee on Printing, reported a resolution (S. Res. 222), as follows:

*Resolved*, That the manuscript entitled "The Control, Conservation, and Utilization of the Flood Waters of the Mississippi Basin," prepared for the National Flood Commission by the Research Service (Inc.), of Washington, D. C., be printed as a Senate document.

#### REPORTS OF NOMINATIONS

As in open executive session,

Mr. SMOOT, from the Committee on Finance, reported the nomination of John C. McBride, of Juneau, Alaska, to be collector of customs for customs collection district No. 31, with headquarters at Juneau, Alaska, which was placed on the Executive Calendar.

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were placed on the Executive Calendar.

#### CHANGES OF REFERENCE

On motion of Mr. McMASTER, the joint resolution (S. J. Res. 148) for the relief of the distressed and starving people of China was taken from the table and referred to the Committee on Agriculture and Forestry.

On motion of Mr. HARRIS, the Committee on Agriculture and Forestry was discharged from the further consideration of the bill (S. 3783) for the relief of the State of Georgia for damage to and destruction of roads and bridges by floods in 1929, and it was referred to the Committee on Post Offices and Post Roads.

#### PROPOSED RELIEF OF UNEMPLOYMENT SITUATION—CHANGE OF REFERENCE

Mr. JONES. Mr. President, on Saturday last the joint resolution (S. J. Res. 149) authorizing the appropriation of \$50,000,000 for the relief of unemployed persons in the United

States was referred to the Committee on Appropriations. I think that committee has no jurisdiction over a matter of this kind. I therefore ask that the Committee on Appropriations be discharged from the further consideration of the joint resolution and that it may be referred to the Committee on Education and Labor.

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

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. METCALF:

A bill (S. 3786) granting an increase of pension to Catherine M. Brown (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH of Massachusetts:

A bill (S. 3787) for the relief of William Ray Taplin; to the Committee on Military Affairs.

By Mr. GOULD (by request):

A bill (S. 3788) to permit the admission, as nonquota immigrants, of certain alien wives and children of United States citizens; to the Committee on Immigration.

By Mr. STEIWER:

A bill (S. 3789) granting a pension to Thomas E. Cain (with accompanying papers); and

A bill (S. 3790) granting an increase of pension to Margaret McElroy (with accompanying papers); to the Committee on Pensions.

A bill (S. 3791) for the relief of William H. Nightingale; to the Committee on Military Affairs.

A bill (S. 3792) for the relief of the American Bonding Co. of Baltimore; and

A bill (S. 3793) for the relief of certain employees of the Forest Service, Department of Agriculture; to the Committee on Claims.

By Mr. HASTINGS:

A bill (S. 3794) for the relief of George W. Leader (with accompanying papers); to the Committee on Military Affairs.

By Mr. HATFIELD:

A bill (S. 3795) granting a pension to Elza Wright (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 3796) granting a pension to Lucy L. Hamm Vaughan (with accompanying papers); and

A bill (S. 3797) granting an increase of pension to Demarius Harris (with accompanying papers); and

A bill (S. 3798) granting an increase of pension to Mary C. Morris (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3799) for the relief of Herbert L. Lee; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 3800) granting a pension to Birdie Springsteen; to the Committee on Pensions.

A bill (S. 3801) for the relief of Topa Topa Ranch Co., Glencoe Ranch Co., Arthur J. Koenigstein, and H. Fukasawa; to the Committee on Claims.

By Mr. WATSON:

A bill (S. 3802) granting a pension to Agnes Shinolt (with accompanying papers); to the Committee on Pensions.

By Mr. ROBSON of Kentucky:

A bill (S. 3803) granting a pension to James R. Clark; and

A bill (S. 3804) granting a pension to Pheba Witman; to the Committee on Pensions.

By Mr. ALLEN:

A bill (S. 3805) for the relief of James K. Cubbison (with accompanying papers); to the Committee on Finance.

By Mr. PHIPPS:

A bill (S. 3806) granting a pension to Andrew J. Dorak (with accompanying papers); to the Committee on Pensions.

By Mr. HEFLIN:

A bill (S. 3807) for the relief of Surg. Condie Knox Winn, United States Navy; to the Committee on Naval Affairs.

By Mr. STECK:

A bill (S. 3808) granting a pension to John Feiereisen (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 3809) authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the Oklahoma State Board of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. SWANSON:

A bill (S. 3810) to provide for the commemoration of the termination of the war between the States at Appomattox Courthouse, Virginia; to the Committee on Military Affairs.

A bill (S. 3811) to provide a southern approach to the Arlington Memorial Bridge, and for other purposes; to the Committee on the Library.

By Mr. ROBINSON of Indiana:

A bill (S. 3812) granting an increase of pension to Sarah E. Kiplinger (with accompanying papers); to the Committee on Pensions.

By Mr. GOLDSBOROUGH:

A joint resolution (S. J. Res. 150) for examination and survey as to the probable cost of improving and widening the present Lincoln Highway feeder route between the District of Columbia and Gettysburg, Pa., with the ultimate objective of its designation as a national memorial boulevard; to the Committee on Agriculture and Forestry.

HOSPITAL AT SOLDIERS' HOME, TOGUS, ME.

Mr. BROCK submitted an amendment intended to be proposed by him to the bill (H. R. 6338) authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Togus, Me., which was ordered to be printed, and, with the accompanying papers, referred to the Committee on Military Affairs.

AIRPORTS, NATIONAL CAPITAL

Mr. BINGHAM, from the Joint Commission on Airports, submitted, pursuant to law, a report on airport facilities for the National Capital, which was ordered to be printed as a document and to be printed in the RECORD, as follows:

[Senate Document No. 93, Seventy-first Congress, second session]

AIRPORTS, NATIONAL CAPITAL

Report of the Joint Commission on Airports, Congress of the United States, pursuant to Public Resolution No. 106, Seventieth Congress, to establish a joint commission on airports

The Joint Commission on Airports, created under authority of Public Resolution 106, Seventieth Congress, approved March 4, 1929, presents the following report:

Organizing at once upon the approval of the resolution, the commission immediately began its study of the problem in hand with the view of formulating recommendations to Congress for providing the National Capital and the District of Columbia with suitable airport facilities. The commission unanimously took the position that these facilities should be not only sufficient for present and anticipated needs so as to serve Washington's maximum aviation requirements, but should also ultimately be of an extent and completeness to reflect a creditable leadership on the part of the Capital in the development of this science. The commission readily recognized the prospective strategic importance of Washington as a focal point for far-flung air lines, and the board was keenly alive to the fact that as prompt action as possible on its part was essential in view of the phenomenally rapid growth of aviation and the desirability of putting the Nation's Capital on the airways map with the least possible delay by the establishment of an adequate commercial airport.

In its quest for expert opinion and advice bearing on its problem the commission not only consulted with officials of various governmental departments concerned, including the government of the District of Columbia and the National Capital Park and Planning Commission, but proceeded in April, 1929, to conduct a series of public hearings which brought together a notable coterie of foremost airport engineers and aeronautical experts and noted Government and air mail flyers. Their testimony was embodied in a volume of nearly 200 pages, constituting a valuable compendium of information on the subject of municipal airports.

Among the outstanding features of this evidence, stressed by substantially all of the experts, and emphasized particularly by Colonel Lindbergh, was the fundamental principle that the relative success of an airport is dependent to a large extent upon its proximity to and accessibility from the center of the municipality which it serves. "One of the most important things in relation to the modern airport," said Colonel Lindbergh, "is its distance from the city. If it requires an hour or an hour and a half or more to go from the airport to Washington, and vice versa, that takes away to a large extent any advantage from flying from a city such as New York or Philadelphia to the Capital, inasmuch as the time required to go to and from the airport adds so much to the flying time that there is very little advantage over rail travel. \* \* \* I think distance from the city would be of primary importance."

The joint commission early found itself confronted with no inconsiderable undertaking in making a survey of suggested sites for an airport in the vicinity of the Capital. These sites numbered more than a score, many of them presenting advantages of one kind or another, but comparatively few of them obviously suited to the needs of the Capital, as measured by the various factors entering into the equation. These included distance from the civic and business center of the city, accessibility by highways and means of overland transportation, contour of ground, drainage, atmospheric conditions, prevailing wind directions, cost of land, and probable expense of grading

and development, etc. The commission addressed itself to this task earnestly and painstakingly with technical and engineering assistance, and studied the problem from all angles.

Out of the mass of information assembled from the statements of leading aviators and engineers and the studies conducted by the commission there emerged the conviction on the part of that body that the Capital City's airport needs embraced a comprehensive plan that would provide, in the final picture, a close-in landing field and port, as a loading and unloading terminal, and one or more auxiliary and larger ports somewhat further removed, where facilities for maintenance, services, overhauling, and storage could be had. With these requirements in mind, the range of possibilities was considerably narrowed.

Salient advantages for the speedy development of a municipal airport seemed to rest in property situated immediately to the southward of the Highway Bridge, on the Virginia side of the Potomac River, embracing two flying fields known as Washington Airport and Hoover Field. These are virtually adjoining tracts, being separated only by Military Road, a highway leading from the bridge terminus to Arlington and Alexandria. Adjacent to Hoover Field on the west is the Agricultural Department experimental farm, a considerable portion of whose land is reasonably level, while to the northward of the property bearing the President's name lies Columbia Island in the Potomac separated from the mainland by a narrow and shallow strip of water.

The acquirement of the two privately owned properties, when thrown together and augmented by a portion of the farm lands and a part of the island, both Government owned, it was found by the commission would provide a tract of some 280 acres. Furthermore, it was learned that both the flying fields in question could be purchased from their owners on what appeared to be reasonable terms. It was recognized by the commission that these tracts were already operated as flying fields and that, therefore, their further and unified development as a municipal airport would be a relatively simple undertaking compared with the task of putting virgin lands to such uses. As an additional feature the fact that these fields are within 15 minutes of the business and hotel center of Washington carried a further and potent argument in their behalf.

In the process of developing these properties it would be necessary to reroute a portion of Military Highway, so that there would be no dividing line between the fields, a change that would add very materially to the acreage of the tract. A comparatively small amount of filling would be required also between Columbia Island and the mainland.

These improvements made and the entire area thrown into one tract, airplane runway facilities half a mile in length in the direction of the stronger winds, and four-fifths of a mile in the direction of the lighter winds could readily be provided.

During all of its deliberations the joint commission has not been unmindful of the airport possibilities latent in that tract bordering on the Potomac known as Gravelly Point, located about one-half mile below Highway Bridge on the Virginia side. In the consideration of this possible site, however, the commission was forced to take into account the evidence given by Army engineers to the effect that if Gravelly Point were developed only through the normal rate of filling with material dredged from the river channel it would take 40 years to provide land for an airport that might be available to the next generation.

Testimony from engineering experts showed that if the Gravelly Point tract were already filled to-day it would require at least five years before the fill would settle sufficiently to warrant the construction of concrete runways, or warrant a proper development of grass. Nevertheless, the commission believes that Gravelly Point possesses highly encouraging possibilities for the future in the Capital airport problem, and its gradual development is favored, to the end that the future growth of commercial air transportation at the National Capital may be amply provided for.

In considering any property bordering on the Potomac River for airport purposes the factor of atmospheric and weather conditions, particularly fog, although not a controlling element, must be reckoned with and duly weighed. It is believed that in view of the occasional, though relatively infrequent occurrence of fog in sufficient volume to render hazardous the use of the suggested tract for airport purposes, additional property situated at a materially higher altitude and some distance from tidewater, although as convenient as possible to the center of the city, should be acquired and developed as an auxiliary airport.

In view of the foregoing observations and having given careful consideration to all of the manifold elements entering into the problem of providing timely and adequate airport facilities for the Nation's Capital, the joint commission recommends the following steps to that end, namely:

1. The passage by Congress of legislation similar to the Cramton bill (H. R. 26, 71st Cong.) providing for a loan by the United States Government to the District of Columbia for airport development purposes of \$2,500,000, without interest, to extend over a period of 10 years, and to be paid back by the District of Columbia in 10 annual installments of \$250,000 each.

2. The acquisition under the most advantageous terms obtainable, by the National Capital Park and Planning Commission, for immediate development of the properties situated at or near the southern terminus

of the Highway Bridge known as Washington Airport and Hoover Field, as best suited to the immediate airport needs of the Capital.

3. The passage of legislation providing for a change in the location and routing of that part of the highway known as Military Road, lying between Washington Airport and Hoover Field, so as to afford uninterrupted continuity of these lands for airport use.

4. The passage of legislation permitting the government of the District of Columbia to use such portion of the so-called Agricultural Experimental Farm lands lying east of the railroad tracks and adjacent to Hoover Field as may be required for municipal airport purposes.

5. That the full control and management of the airport proposed to be thus established be vested in the government of the District of Columbia.

6. The gradual development of the tract known as Gravelly Point.

7. The acquirement by the National Capital Park and Planning Commission of a site situated on high land, as near as possible to the center of the city, for development as an auxiliary airport to be available for use whenever weather and atmospheric conditions render inadvisable the operation of aircraft at the main municipal airport.

#### AMENDMENT OF AIR MAIL ACT

Mr. MOSES asked and obtained leave to have printed in the RECORD an article from the Los Angeles (Calif.) Times of February 25, 1930, entitled "The Watres Bill," which is as follows:

#### THE WATRES BILL

The Watres bill to amend the air mail act is an administration measure. It is the result of careful investigation conducted under the Direction of Postmaster General Brown to devise a more satisfactory sort of air mail contract, one that will be fairer to the Government and reduce the average cost of air mail carriage, but will at the same time extend and stabilize the air transport industry. The objects are believed to be accomplished by substituting space rates for pound rates in the air mail contracts, and the new contracts will be similar in this respect, if the bill passes, to the railway mail contracts.

The new measure is fairer to the contractor because he is not required to gamble on the amount of mail to be carried. Under the present contracts the airplane must fly whether it carries 1 pound or 1,000 pounds; under the new he will be paid for space on a mileage basis and will receive a fixed revenue.

The bill also provides that mailable matter of any description may be sent by air mail, letting in parcel post and second and third class matter.

The Watres bill was introduced in the House of Representatives the 4th instant by Congressman WATRES, of Pennsylvania, chairman of the subcommittee on air mail contracts, and with the indorsement both of the Post Office Department and the leading air-transport operators it is believed that it stands an excellent chance of enactment. Certainly the public interest will be served by such a measure, which will permit a wide extension of air mail service and speed up the Postal Service generally.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 9592) to amend section 407 of the merchant marine act, 1928, in which it requested the concurrence of the Senate.

#### COMMUNISTS IN THE UNITED STATES

Mr. TRAMMELL. Mr. President, in yesterday's Washington Post appeared a very timely editorial in regard to the activities of the communists in America. I desire to have the editorial printed in the RECORD, if I may have permission.

The VICE PRESIDENT. Without objection, it is so ordered. The editorial is as follows:

[From the Washington (D. C.) Post, Sunday, March 2, 1930]

#### COMMUNISTS AT WORK

Communist agents directed from Moscow are doing their best to stir up disorders in the United States. They are taking advantage of the unemployment situation in certain cities to foment violence by idle men. March 6 has been named as the date when concerted subversive movements are to be made in many parts of the country.

The connection between the commercial agency known as the Amtorg and the directing heads of the communist agitation has been long suspected and is now said to be demonstrated. Lacking a Soviet embassy through which to direct its conspiracies, the communist international works through other channels. Evidence collected in several cities on both coasts and in Chicago proves beyond question that organized communism, acting under carefully concocted plans prepared in Moscow, is established in the United States. The insane objective is the overthrow of the Government and the setting up of a replica of the Soviet Government. The fact that such a scheme is crazy does not prevent it from being an increasing danger. Many Americans are misled by the propaganda, and in case of riot are likely to lose their lives. The Moscow conspirators hope to capitalize the loss of life by arousing resentment against the police, with a view to still bloodier clashes between the mob and the forces of law and order.

How is it that communists come into the United States in violation of law? Why are they not deported? The Immigration Bureau is shorthanded and is denied sufficient funds with which to search out and deport criminal aliens, but it does seem that the bureau could be more effective in excluding communists at the ports. The law is clear. It should be rigidly enforced.

#### INDUSTRIAL CONDITIONS IN THE SOUTH

Mr. TRAMMELL. Mr. President, I have here an editorial from the Florida Times-Union entitled "Doctor Klein on 'New Industrial South,'" which I wish to have printed in the RECORD. The VICE PRESIDENT. Without objection, it is so ordered. The editorial is as follows:

[From the Florida Times-Union, February 27, 1930]

#### DOCTOR KLEIN ON "NEW INDUSTRIAL SOUTH"

Dr. Julius Klein, Assistant Secretary in the United States Department of Commerce, came all the way from Washington to Jacksonville to tell those attending the International Naval Stores Conference, held in this city in the early days of this week, of the importance of the naval-stores industry in this section of the country. More than that, Doctor Klein, through the medium of the radio, told millions of people in the United States and in several foreign countries what the naval-stores industry amounts to and the place it occupies in the commercial and economic spheres of human activity, his address in Jacksonville having been broadcast through about 50 stations in this country and abroad.

When a man like Doctor Klein puts aside the duties of his important office to go a long distance for the purpose of participating in a conference, such as was being held in this city, in which the great naval-stores industry was the subject of consideration, then it must be believed that such a conference is very important. And so it is. Doctor Klein, by knowledge and experience, is eminently qualified to participate in a conference of such vast importance as is this International Naval Stores Conference. In a very admirable address, which he delivered here Tuesday night, and which was broadcast throughout a large portion of the world, Doctor Klein brought home to the people of this section of the country, with great force and power, the importance of the new era into which "the new industrial South" is entering.

This was the subject of Doctor Klein's address—The New Industrial South. Here is being made, as Doctor Klein expressed it, "an economic advance—as fundamental as it is striking." This economic advance, the speaker said, "is in evidence everywhere." To this evidence Doctor Klein called attention in specific detail, not forgetting to call attention also, to the development and industrial growth of the South as shown by the records of the distant past. And now, as Doctor Klein says, "What we have witnessed in recent years has been a magnificent flowering and fruition from seeds that were planted long ago."

Doctor Klein reviewed briefly many facts in connection with the "new industrial blossoming, \* \* \* in which the South may take the keenest pride. All these things show conclusively," said Doctor Klein, "that new and powerful forces are driving forward throughout the South. Novel ideas, breadth of vision, practical capacity, a realistic grasp of essential facts and needs—these admirable qualities are everywhere apparent," said Doctor Klein, as he continued to paint a glowing picture of "the new industrial South."

Doctor Klein's address was published in full in this newspaper yesterday morning. It merits most careful reading by every southerner, and by everyone who has any interest whatever in this new industrial development that is taking place in the South. It will be impossible to do justice to Doctor Klein's very thoughtful and very aspiring address in all its detail, but it is in order to call special attention to what Doctor Klein said with reference to long-ago established industries in the South, like that of the naval-stores industry, for instance, and to the new industries that are springing up in the Southern States. "The great naval-stores industry, whose sound advancement has been the concern of this present conference, is not one of these newer industries of the South," said Doctor Klein, "but we note with lively interest the new developments that have arisen in connection with it," and then he traced the growth of this great industry from early colonial days up to and including the present time.

"Georgia and Florida," Doctor Klein said, "are the foremost producing States, furnishing about 77 per cent of the total [of naval stores], with Alabama, Mississippi, Louisiana, and Texas supplying the remainder." And then Doctor Klein followed with a reference to "The new thought which is making a really new industry of naval stores," mentioning "the tung-oil industry of Florida, which," he said, "possesses a truly romantic aspect." Briefly, Doctor Klein told of the tung oil that is produced in China and for which manufacturers and others in this country must depend for their tung-oil supplies, now being used in such a great variety of ways, all of them important. Doctor Klein said that he was convinced that the future of this tung-oil development "is extremely bright."

Doctor Klein referred to other new and important industrial developments in the South, including the manufacturing of insulating wall-board from "bagasse," the refuse from sugarcane; to the "immense

deposits of phosphate rock which are being mined in increasing quantities"; to the chemical developments that are going forward, and to the "wonderful forest possibilities" as are clearly indicated in the new South. Reforestation, also, was referred to and commended. Foreign trade, Doctor Klein said, "is rich in promise" for the States of the South.

In concluding his interesting and very informative address, Doctor Klein said:

"Possessed of the vigor and adaptability of youth, the commercial and industrial interests of the new South may look forward with confidence to a continuation of the remarkable development that has taken place in recent years. The South is earnest and resolute. It has the attributes necessary to the attainments of the goals that it is setting for itself.

"The resourcefulness of youth, as manifested in this new South, means ambition, initiative, eager aspiration. Those are assuredly admirable qualities—but the youthful-minded southern business men to-day must not fail to guard against the possible 'defects of their virtues.' When one is plunging ardently ahead—striving to hew new paths through individual action—he may at times lose sight of the inescapable need for teamwork, for collaboration, for a recognition of the fact of interdependence.

"Those of us who know the record of the South feel sure that the essential analysis will not be lacking. The new South will accomplish the coordination that is indispensable. It is bringing to its problems intelligence of the highest type. It is vigilant and alert. It is showing a penetrating comprehension of the conditions of the modern world."

#### HOUSE BILL REFERRED

The bill (H. R. 9592) to amend section 407 of the merchant marine act, 1928, was read twice by its title and referred to the Committee on Commerce.

#### PRESIDENT HOOVER'S FIRST YEAR

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the St. Clairsville (Ohio) Gazette, entitled "President Hoover's First Year."

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

[From the St. Clairsville (Ohio) Gazette]

#### PRESIDENT HOOVER'S FIRST YEAR

President Herbert Hoover will complete his first year as Chief Executive of the Nation next Monday, and we may expect to hear some strong efforts being made to show he has proven a success. We are also assured that from his own party there will be criticism, and others that will refuse to comment. From the Old Guard, from big business, from concentrated wealth, from trusts, and mergers it will be pointed out that President Hoover has accomplished more than was expected, more than any other man could have achieved, and only by his being a "superman" was he able to effect such wonderful accomplishments. It will be told how grateful the Nation should be for having such an able man at its head; it will be said the leaders chose wisely when they selected him as a candidate, and no words will be missing in the praise that will come from this class.

We have, according to conservative estimates, 110,000,000 people in the United States, and of this number less than 10,000,000 control and possess about 80 per cent of the wealth of the Nation. Of this 10,000,000, or a little over 9 per cent, there is less than 1,000,000 that possess the greater part of the 80 per cent of the wealth. Of this minority, there is no question but that President Hoover has their indorsement, as he has not done one single act to injure them.

Where does President Hoover stand with the 100,000,000 souls that possess but 20 per cent of the wealth of the Nation? Do they indorse his first year's work? Have they found his campaign pledge of wonderful prosperity for everyone to be true, and are they enjoying prosperity? In this group are the farmers; and while a so-called farm relief act has been enacted, it has not yet brought relief, and it remains to be seen if it will save this great industry.

Mills, factories, and mines are idle; the small business man is very much discouraged, and business is far below normal the Nation over. Millions of people are out of work, many suffering, but still there is issued each week from Washington, from the Hoover administration, that prosperity is being enjoyed. Will this group so seriously affected indorse the first year?

There are but two outstanding things in this one year—the enactment of a farm relief measure, that has yet to prove if it is to be of value; second, the naval conference in London, that is now marking time and its outcome unknown. He has named 13 commissions in his one year; he has failed to hold his party in line, with such Senators as BORAH and BROOKHART, who labored for his election and did more than any others to hold the West in line, have broken with the President, and with them have taken several other prominent Republican Senators, on the grounds that he has not kept faith with them.



The one year of his administration has shown the Capital City to be infested with an organization called lobbyists that have tried to dictate all legislation. This organization is more than lobbyists, it is a combination of wealth whose representatives assert the Republican Party by agreement owes them certain special privileges in legislation. The investigation of this group has been found to be mighty close to the White House and is no longer denied as being on friendly terms with the Republican National Committee. It is a scandal second only to the oil scandal under Harding and Coolidge. The question is, Do the people of the Nation, minus this 10,000,000, endorse this condition?

Except of the farm-relief legislation, there is not a single pledge of the Republican platform that has been carried out. Prosperity has failed and in its place a panic, although President Hoover and his party are in complete control of every branch of the Government. Even the "noble experiment" has in the past year become a scandal and a stench that is demoralizing, to say the least. Excuses may be made, there may be some valid ones, but there stands the campaign promises, sworn to be carried out, which the people believed, but are unfulfilled, and the responsibility is upon those who made the promises and they are being weighed in the balance and found wanting.

ADDRESS BY MILO RENO, PRESIDENT OF THE IOWA FARMERS' UNION

Mr. BROOKHART. Mr. President, I ask leave to have published in the RECORD a radio address by Milo Reno, president of the Iowa Farmers' Union, on the subject of Agricultural Relief. There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### AGRICULTURAL RELIEF

I bring greetings from the Iowa Farmers' Union to the men and women who toil in the fields of the United States to produce the food and raw material necessary for the comforts of all our people.

I have addressed many thousands of farmers in the Corn Belt States during the years I have served as president of the Iowa Farmers' Union, but I have never before had the opportunity of speaking directly to that great body of American citizens—the farmers of the Nation. Let me pause here, before I enter upon the subject of my address, to say a word of appreciation, on behalf of the National Farmers' Union, to the National Broadcasting Co. for enabling us to broadcast this program.

That it will reach every farmer interested in his occupation is evidenced by the inquiries that we have received from the wheat farmers in the West, the meat producers of the Corn Belt States, and the sunny South that produces our cotton, and from way over on the southeast Atlantic Coast, in North Carolina, there are a group of negro farmers who are listening in, interested, determined to do their part in solving agriculture's problem. I congratulate them.

In the campaign of 1928 there was but one real economic question considered by both parties and both candidates—equality for agriculture.

While it is true this economic question of agricultural relief was submerged by other controversies, that really had no place in the campaign, both parties and both candidates expressed themselves as to the seriousness of the agricultural problem and proposed remedies to correct the situation.

The party and candidate that went down to defeat in the election are of no concern in solving this economic problem. Having been defeated, their responsibility ended.

The candidate and party that was successful must assume the responsibility of their pre-election pledges not only as to the importance of the issue involved but as to its solution.

The successful candidate for the presidency, Herbert Hoover, in his St. Louis speech, recognized the unparalleled prosperity of the industrial and commercial world, and also recognized the insurmountable handicaps under which agriculture was struggling. In that speech he said, "There has never been a national campaign into which so large a discussion of the agricultural problem has entered as in this campaign. That is as it should be. It is the most urgent economic problem in our Nation to-day. It must be solved if we are to bring equality of opportunity and assurance of complete stability of prosperity to all of our people."

After admitting the farm problem is of more importance than any other confronting the Nation he proceeded to outline what he considered to be the ideal condition for American agriculture, and he very frankly and wisely stated that "The whole foundation and hope of our Nation is the maintained individualism of our people. Farming is, and must continue to be, an individualistic business of small units and independent ownership. The farmer is the outstanding example of the economically free individual. He is one of our solid materials of national character." President Hoover closed this splendid statement, as follows: "No solution that makes for consolidation into large farms and mechanized production can fit into our national hopes and ideals."

The solution of the farmer's problem was treated with equal frankness. "Adequate tariff is essential," the President said, "if we would assure relief to the farm. The first and most complete necessity is that the American farmer have the American market. That can be assured to him solely through the protective tariff." In fact, the President, after

discussing the many handicaps of agriculture, gave his plan for a Farm Board, charging the board with the duty of placing agriculture on an economic equality with industry and labor, and promised the American farmer that if the regular session of Congress was not able to solve the problem that "he would immediately call a special session in order that they might speedily arrive at a determination of the question before the next harvest."

The statement of the President is clear and concise as to the causes for agricultural depression and for their solution. He left no room for conjecture as to what he considered the ideal condition for American agriculture. He left no doubt as to his intention that if the regular session in December failed to solve the problem that he would immediately convene an extra session to enact necessary legislation to fulfill his pledges to the American farmer, namely, economic equality with other groups of society—a solution that would absolutely stabilize American agriculture and preserve to future generations his ideal agriculture, as stated before: "Farming is and must continue to be an individualistic business of small units and independent ownership."

The regular session failed to enact the legislation necessary to redeem the President's pledge to the American farmer. The President called an extra session, as he promised, which provided for the creation of a Farm Board, as he had promised, with almost unlimited funds at its command, as he had promised, with authority and power to fulfill the pledge made by the President of the United States to the American farmer, and this Farm Board appointed by the President is perhaps more in the public eye to-day than any other American institution.

People are mildly interested in military preparedness, they are mildly interested in the prohibition question, and many others of minor importance, but every man, woman, and child in the United States—whether on the farm or in the towns and cities—are vitally interested in the future program of the Farm Board. The procuring of human food is to-day, and always has been, the basic industry of the world. The life of the people of the entire world depends upon the efficient production and intelligent distribution of food products.

The farmer and all other groups of society have a right to expect the fulfillment of the President's pledges. He has fulfilled a part of his pledges. He has called an extra session, approved a legislative measure that authorized the creation of his board, and provided them with ample funds for the purpose of redeeming his pledge. In his selection of a chairman of this board he perhaps selected the man best qualified by experience and achievement in the United States to redeem his pledge to American agriculture.

We have the right to analyze and measure every step taken by this board. As American citizens I feel that we have not the right to interfere or obstruct its successful operation unless it endangers instead of corrects.

The American farmer has always performed the service that society required of him, and abundantly. In the 160 years of our national existence the people of this Nation have never been threatened with a serious food shortage, yet we find agriculture bankrupt while other groups of society are enjoying unparalleled prosperity.

Instead of the American farmer of small units being maintained, great powerful combinations are absorbing the small farms and destroying an individualism the President declared to be ideal. In my own State of Iowa, the queen of all agricultural States, foreclosures are increasing and the individual farmer is being supplanted by corporations that, if permitted to continue their program of absorption, will eventually have a monopoly of the food supply of the Nation; even as they have monopolized steel, credit, oil, and the water power of the Nation.

In the Industrial Commission's report it is stated that it would require \$5,000,000,000 added to the farmers' income to make agriculture a going concern. That can mean but one thing—that the American farmer, while producing an abundance of food to sustain life in the other groups of society, produced this food at \$5,000,000,000 less than production costs, if the farmer and his family were given the same consideration as unskilled laborers.

The Department of Agriculture's report upon the operation of 11,851 farms, with an average of 284 acres, all farmer-owned and farmer-operated, showed an annual income of \$1,234. In estimating this annual income the department did not take into account the very items that are of most importance in determining cost of production on an American farm. They did not allow the farmer any return on his capital investment in land. They allowed him neither interest nor depreciation on his investment in equipment, no depreciation on farm buildings and improvements, made no provision for taxes on the farm, no provision for insurance, and did not even concede to him the wages paid a Mexican section hand, and a very conservative estimate of these items would show an operating loss on the average farm of \$2,000.

The loss sustained by the farmers who owned and operated these farms abundantly justifies the statement of the Industrial Trade Commission that it would require \$5,000,000,000 annually added to the farmers' income to make agriculture a going concern.

It seems to me that if the President's Farm Board is sincere in its efforts to place agriculture on an economic equality with other groups the very first declaration that it should have made was that that

group of society engaged in the basic industry of this Nation is entitled to and must have production costs for the service that they render.

This is not revolutionary. It is simply carrying out for American agriculture the same program that the successful business institutions of the Nation have long since adopted. Any other program than this is the merest subterfuge, simply a gesture for political purposes.

The Farm Board is clothed with sufficient power and has at its command sufficient funds to accomplish this for the American farmer. It is only a question of sincerity of purpose.

If the Farm Board sincerely desires to carry out the pledges of the President, there is no one who will dispute its ability to do so. The Farm Board's duty is plain: Agriculture must be stabilized and placed permanently on an economic equality with industry; the farmer, himself, through his cooperative organizations, must control the marketing institutions necessary for intelligent distribution; agriculture must not become bureaucratized; independent ownership and operation of small units must be maintained.

On the other hand, the Farm Board, with the unlimited authority that has been conferred upon it and with the resources of the richest nation of the world at its command, can become just as destructive to American agriculture as we know it and love it and hope to preserve it as it can be corrective.

Permit me to interpose a word here—the great danger to the Federal Farm Board is that it may deteriorate into a bureaucracy with all the sinister evils that go with bureaucratic administration. The great hope of the American farmer for a fair deal from the Farm Board is Alexander Legge, the chairman. I have made this statement repeatedly in public addresses and I wish to repeat it here: "If Alexander Legge will give of his ability to the American farmer as he has given it to the International Harvester Co. as its president, and put into operation the same economic program for agriculture that he so successfully did for business, namely, the right to fix and obtain a price sufficient to cover production costs. By controlling the surplus he obtained for his company the American price determined by an American standard of wages, and any loss sustained in disposing of the surplus was absorbed in the price the American consumer had to pay. The farmers of this Nation may well look forward to the future with optimism."

The agitation that has been carried on for the last eight years, and has finally resulted in an effort to relieve the economic distress of the American farmer, is due wholly and entirely to the farm organizations.

The Farmers' Union, that I have the honor to represent, has taken its full part in educating the general public to the merits of the farmers' demands, and, if the Farm Board refuses to recognize the farm groups, who have fought agriculture's battles for the last eight years, and arrogantly determines to eliminate them—should they be successful—no amount of efforts or accomplishment along other lines can repair the damage. Whatever the marketing system adopted in the future, the farmer must maintain his educational organization, through which he can speak, and for his organization to be of service to him to defend his rights and maintain them, must be nonpartisan, nonsectarian, must have the courage of its convictions. It must be educational, talking to its members the truth upon all public questions. It must be free from State or local subsidies, owing allegiance to no group or faction, intimidated by no political machine—however powerful—having for its supreme objective the maintaining of the independent farm home as an integral factor in our economic structure.

The Farmers' Union hopes to be able to cooperate to the fullest extent in the marketing programs of the Farm Board, but in doing so I assure you that it will adhere to the resolution adopted by our organization at Kansas City July 24, 1929, demanding that the field now occupied by our cooperatives shall not be disturbed, and that they be recognized as marketing units.

#### THE CATAWBA INDIANS OF SOUTH CAROLINA (S. DOC. NO. 92)

Mr. BLEASE. Mr. President, at my request a short history of the Catawba Indians of South Carolina, published in pamphlet form in 1896, was printed in the CONGRESSIONAL RECORD, February 26, 1930, page 4255. I do not know of another copy of this particular history and did not know of it until a few days ago when it was furnished to me by Mr. T. O. Flowers, the Indian agent for South Carolina.

When governor of my State, I advised the adoption of the Catawba Indians as wards of the Government in order that they might be cared for as are Indians in other sections of the United States.

Several requests have been made of me for this sketch, including one from the librarian of the Government Indian Office in this city. In view of these requests, and its historical importance, I ask that it be printed as a Senate public document.

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

#### UNEMPLOYMENT IN THE UNITED STATES

Mr. WAGNER. I offer no apologies for taking the time of the Senate to call upon my colleagues for a sober consideration of current unemployment conditions. No one in responsible office can read the reports published in the daily press with-

out forming the unshakable conviction that no other item of governmental business approaches in importance the one that I have just broached. The situation we face, Mr. President, is doubly serious because it is accompanied by all the pain of an acute attack, and is at the same time characterized by all the symptoms of a chronic ailment. It is not partisanship which prompts me to call attention to this condition. I am moved by the belief that it is necessary to be candid with the facts in order to impress upon the Congress of the United States the urgency of action.

I have in my hand a letter written to the New York Times by the well-known author, Mr. Ernest Poole, in which he describes a visit among the unemployed in New York. It is a long time since I have read anything as dismal.

Several thousand men and boys—

He says—

are sleeping on the floors of missions and speak-easies near by.

Here is a news clipping from the New York Times of several days ago, which reports:

Fifteen hundred jobless, hungry men in Bowery bread line.

The municipal lodging houses are overflowing. A river barge, used by day as a freight carrier, has been pressed into service as a shelter for the homeless. Demands upon relief organizations have mounted beyond those of any year in over a decade.

From Cleveland come reports of desperate men en masse demanding work. Clashes between idle men and police are reported from Chicago. Los Angeles contributes news of demonstrations by the unemployed. From ocean to ocean in millions of homes the same human tragedy is being performed; a tragedy of three acts—idleness, poverty, and charity.

I want to emphasize that this long and sad procession of weary men in search of work is passing before our very eyes in this land of plenty, in the administration of Herbert Hoover, heralded as the special dispenser of prosperity.

The Bureau of Labor Statistics reported that 1 per cent of the wage earners employed in factories were fired in October; 3 per cent more were fired in November; 3 per cent more in December; almost 2 per cent in January. But that does not tell the complete story. That would indicate the firing of 9 per cent of the men and women on the pay rolls. The more significant fact is that the total amount paid out in wages declined fully 15 per cent in the same few months.

According to data assembled in 40 cities, 19 per cent of the union members were idle in January. Secretary Lamont reports that the amount of building contracts awarded in January, 1930, were \$86,000,000 below that of January, 1929, in spite of the President's business conference.

These are challenging facts. They demand an answer. What answer does the administration offer? "Delay in the tariff hits business." This story emanated from the White House and was featured in almost every newspaper in the country on the 19th of February. I would spend little time on such artificial attempts at myth making if they were harmless. But they are not harmless because they divert attention from the real, substantial, and permanent causes of unemployment—causes which can and ought to be eradicated.

Not a shred of evidence has been submitted to show that the tariff debate has caused business to halt or to pause. We are not living under a system of free trade from which our manufacturers are about to be rescued by a tariff measure for which they are impatiently waiting. Under existing law domestic producers supply 96 per cent of the domestic market. There has been no serious attempt to reduce rates below those in the existing law. How then can tariff discussion possibly affect more than a minute fraction of American business? President Hoover must be aware of this fact. He himself stated it in his message to Congress. He said:

It is not as if we were setting up a new basis of protective duties. We did that seven years ago.

In truth, Harding had unemployment without the intervention of a tariff debate. Coolidge had his unemployment which certainly was not caused by tariff debate. And so has President Hoover. To blame it on the tariff delay is an unadorned act of tawdry politics.

In this connection there is another question which ought to be answered. Who is responsible for the tariff delay? Where, precisely, does the fault lie? What, exactly, has the President contributed to expedite the tariff discussion? The several sermonettes from the White House did not help or quicken the action of the Senate with respect to a single one of the 20,000 items in the tariff bill.

There are, after all, only a few indisputable facts on the basis of which judgment must be passed. The Republican Party dur-

ing the last campaign made a pledge of tariff revision. On the strength of that pledge it carried the election. The President's party is in control of each House of Congress. It is obviously in control of the Ways and Means Committee of the House and the Senate Finance Committee which drafted the tariff bill. The responsibility of that party to the country to carry out its campaign promise was written plain and large. But what happened? The Republican Party was incapable of writing a tariff bill that would meet with the approval of its own members. The Republican leadership in Congress was incapable of bringing about a redemption of the party pledge.

When this breakdown occurred in the Republican Party the President did not come forward and exercise the leadership which was the prerogative of his office. He did not take hold of the reins of party direction and guide a united party back to the performance of its campaign pledges. Instead he was undecided; he was undetermined; he vacillated; he permitted the West to believe that he was counted among the insurgents, while in the East he gave comfort to the Old Guard. Meanwhile he drifted and permitted every tide and every wind of popular fancy to shift his course; and when a dangerous shoal was in sight that intrepid captain gave the gallant command, "Come, let us breakfast together!"

Now let me return to unemployment.

In the spring of 1928 the Senate, at my instance, agreed to a resolution calling upon the Secretary of Labor to report the number of persons unemployed in the United States at that time. Secretary Davis responded. In explicit language he said:

By the most careful computation methods available Commissioner Stewart finds that the actual number now out of work is 1,874,050.

Speaking during the campaign in Newark, President Hoover repeated the information handed him by Mr. Davis. He said:

An accurate survey of the Department of Labor shows that \* \* \* 1,800,000 employees were out of work.

Directly after Mr. Davis's report was filed I called attention to the patent fact that Commissioner Stewart had made no such statement. The charge of indulging in partisan politics was freely thrown at me at that time. Since then we have had an investigation of unemployment conducted by the Committee on Education and Labor, under the chairmanship of Senator COUZENS. Commissioner Stewart was one of the witnesses. Let me read a portion of his testimony:

The CHAIRMAN. Before you leave, when you responded to Senator WAGNER's resolution with respect to the number of the unemployed—

Mr. STEWART. No; I said the shrinkage in employment. I did not say the number of unemployed.

The CHAIRMAN. You did not wait until I had finished the question. It was generally reported that you stated that a certain number were unemployed.

Mr. STEWART. I did not.

The CHAIRMAN. The press got that report, and there was agitation as to the accuracy of the statement.

Mr. STEWART. I never made a statement as to the unemployed.

The CHAIRMAN. Did you estimate the unemployed in response to the Wagner resolution?

Mr. STEWART. No. I estimated the shrinkage in the employment.

Now, Mr. President, that is the record.

Can it be that Mr. Davis did not know the meaning of Commissioner Stewart's report? Is it possible that our Secretary of Labor did not know the difference between the number of workers discharged during a particular time and the number unemployed during the same period? Is it conceivable that the Secretary of Labor did not himself know that his department had no statistics of unemployment? Or was the public deliberately misled in an effort to score a political advantage by minimizing the gravity of the unemployment conditions then existing?

Which alternative is the true one is comparatively unimportant. Both are inexcusable. What concerns me particularly is that the impression was created and widespread that the Government had statistics of unemployment and the machinery of collecting them, when, in fact, it had neither.

Within the past few weeks political use was again made of unemployment. When the President issued the very encouraging news that on the 6th of January employment had turned the corner and was on its way upward, those, who like the industrial commissioner of New York took issue with the accuracy of that statement were charged with playing politics. But the final figures of the Department of Labor itself show that if politics were played, only the administration was engaged at the game. It is worth analyzing for a moment the actual figures submitted by the Department of Labor. The week ending January 6, was alleged to show an improvement over the week

ending December 30. The week ending January 13, was alleged to show an improvement over the week ending January 6. Every succeeding week in January was alleged to be an improvement upon the preceding one. The total of these advances was in excess of the amount of decline reported for December. Yet, miracle of miracles, the report of the department for January showed a decline in employment over December of almost 2 per cent, and a decline in the amount of wages paid out to employees of 4½ per cent.

Not only has there been a decline in January both in employment and in wages but the decline has been more severe than the average decline for January in past years.

Again, the particular and grievous fault that I find with this sort of political manipulation of unemployment figures is that the country is led to believe that the President has the means of knowing how many men are unemployed at a particular time and has precise methods of determining from day to day the level of employment, when as a matter of fact, he has neither the figures nor the means of securing them.

The fact ought to be definitely and finally established.

First. In 1921 President Harding held a conference on unemployment. I quote from its report as follows:

The first step in meeting the emergency of unemployment intelligently is to know its extent and character, yet this conference finds itself without the data even for an accurate estimate of the number out of work; nor is this the first occasion when public conferences have been embarrassed by lack of such necessary facts.

Second. In the course of the investigation of unemployment by the Committee on Education and Labor Commissioner Stewart, of the Bureau of Labor Statistics, was one of the witnesses. He testified as follows:

I never made a statement as to the unemployed. I have no means, any more than estimating the unemployed.

Third. Mr. Daniel Willard is a railroad president. He is reported by the New York Times of May 5, 1929, as follows:

One of the points he makes with great force is the need of more accurate and comprehensive statistics on the subject [of unemployment].

Fourth. Mr. William A. Berridge is an economist of the Metropolitan Life Insurance Co. His testimony appears in the reported hearings of the Committee on Education and Labor, as follows:

Question 1. Is there, in your opinion, any trustworthy data on the extent of unemployment in the United States?

Answer. Neither on the total volume of unemployment, nor on its distribution among industries, nor on its geographical distribution, nor on its duration, is there any direct evidence worthy of serious consideration.

Fifth. The report of the Committee on Education and Labor, of which the Senator from Michigan was the chairman, reads:

We have absolutely no figures as to the number of persons unemployed at any definite time.

Finally, I shall quote President Hoover in his campaign address in Newark. He said:

The Department of Labor should be authorized to undertake the collection of regular statistics upon seasonal and other unemployment. We must have this fundamental information.

Mr. President, we have not the information. The President agrees that we must have it. Why, then, does not the Government secure it?

I am glad to say that as a result of the resolution introduced by me in the Senate in the Seventieth Congress the work of the Bureau of Labor Statistics has been substantially extended and as a result of my proposal of last year, in which Senator COUZENS cooperated, we were able to secure a census for unemployment in connection with our next census of population. With all that we are still a long, long way from anything approaching comprehensive statistical reports on unemployment conditions, as they vary from month to month.

No attempt has been made to correlate unemployment statistics with our natural growth in population. Mr. Davis estimates that 2,000,000 boys and girls come of working age each year. No attempt has been made to correlate employment figures with foreign immigration. No attempt has been made to correlate employment figures with the internal tides of emigration from farm to city and city to farm. Numbers alone are not sufficient, Mr. President. We need to have a vast amount of more precise information about our unemployed. Who are they? Where are they? What kind of work can they do? What are the particular causes that may be responsible for their loss of employment? We have hardly scratched the surface in the preparation of such indispensable informational material.

Much has been said during the past few years concerning technological unemployment. How much do we really know about it? That men are being displaced by machines is, of course, obvious. But we know nothing of the extent of the displacement. We know nothing of the rate of displacement. We know nothing of the trend of displacement.

The Department of Commerce, through Mr. Klein, says the displaced men are absorbed in other industries. However, independent students of the subject have come to the conclusion that over a period of years we have suffered a net loss in employment and a net increase in unemployment because machines are displacing men more rapidly than new jobs are created for the displaced men. Herein lies the real problem. It is not a problem that concerns the temporary inconvenience of a number of families, though that would be serious enough. It is not alone the problem of finding employment for some particular individuals. Our problem transcends all these. The very safety of our whole economic system is in issue. We are facing a process that is daily creating unemployment, yet we know nothing of its nature or its methods. We have no information of the displacing process or of the reabsorbing process.

In these unknown figures concealed like a butterfly in its chrysalis lie hidden the germs of the future—the possibility of greater well being, of widespread satisfaction, or the possibility of poverty, disaster, and rebellion. We need apply to no veiled oracle to discover what is in store. We need no crystal gazer to foretell or forebode the future. Modern science has given us the glass through which to peer reasonably into the oncoming events even as we can foretell whether wind or rain or storm or flood is approaching. Why do we not use it?

I have heard the so-called "do-nothing" statesmen say that this problem is not new; that it will solve itself. We shall adjust ourselves to the new order. Present-day events, they say, are but a repetition of those experienced when the factory system was installed in the eighteenth century. What is the lesson of that very history to which these gentlemen refer? What was the result of that self-adjustment, of that faith in a let-alone, do-nothing creed? Hunger and demoralization, slums and deprivation, war and rebellion. That was the price of self-adjustment. And who paid it? At first the unknown soldiers of the industrial struggle, the fighters upon whose sweat our present-day industrial greatness is reared. They were the first to pay the penalties, but in the long run no one escaped. No, not the mightiest. Out of the discontent and dissatisfaction and striving of those workers a new order of things was born. There was revolution in France. There was revolution in America. In Germany rebellion followed rebellion. There was political upheaval in England and Italy. A new leadership came to the front, inspired by new ideals, answering new and popular responses.

Now that the wheel of time has completed its turn and we face once again that selfsame conflict between man and machine, on which side shall we throw the great weight and immeasurable power of organized government? We might forgive the statesmanship of the eighteenth century. It did not know any better. But what apology can we offer? What extenuating circumstances can we plead if we again permit mankind to be broken on the rack of poverty and unemployment?

There may be among us a number of extreme individualists who regard the problem of unemployment as one to be solved by the workingman himself. "He must work out his own destiny," is the high-sounding phrase in which is concealed an unwillingness to solve the problem. We must consider, however, that the fate of these workingmen and women determines the destiny of the Nation, a destiny which we must work out.

This year has proved no exception in providing the usual number of fair-weather prophets who come forward with the assurance that the spring will bring relief. What I said two years ago in this very Chamber still holds true:

Suppose that the change of seasons will bring an improvement, will provide few or many jobs, can we chain the spring to our streets and detain it there forever? Will not the winter again follow the summer in relentless continuity, and then what shall we say to the cold, the hungry, the unsheltered? Shall we repeat the mocking refrain, "Spring will bring improvement"?

The only factual study of technological unemployment that has come to my attention is the one made by the Brookings Institution. Seven hundred and fifty-four persons displaced by machinery were questioned. Approximately 50 per cent had not yet found new jobs after months of idleness. Where new jobs had been found and the so-called absorption process completed, the results of the study show that it worked exceedingly slowly and exceedingly poorly.

This, of course, is a very minute sample. But it affords no ground for comfort, no ground for complacency, no cause for

smugness or self-congratulation. It indicates that we can not with safety continue the hit-and-miss method. It makes clear that these displaced men and women, fired through no fault of their own, must become our special care and concern.

The same ignorance that prevails with respect to the technologically unemployed envelops the problem of the men of past middle age. In principle their economic problem is no different from that of other unemployed. Were there no overflow there would be no discrimination against these men. But their personal situation is usually such as to make their difficulty particularly acute. Yet we have no idea of the extent of this hardship.

The two forms of unemployment that I have mentioned are comparatively recent in origin, but it is not their novelty which is responsible for our ignorance and inaction. We know just as little and have done just as little about seasonal unemployment. We have done just as little about the idleness which arises out of the periodic alternation of boom and depression in the business cycle.

For two years there have been pending in this body a set of bills aimed at these difficulties. The bills provide for more and better information, voluntary cooperation with the States in maintaining clearing houses of jobs and men in search of work; stabilization of business through the use of the long-range plan and the proper timing of the construction of public works.

These proposals are not in the realm of the fantastic. They have been found economically sound. They have been pronounced politically feasible.

In his Newark address during the campaign President Hoover said:

While the judicious arrangement of Government construction work can aid in wiping out the unemployment caused by seasonal variations in business activity, the Federal Government can do more. The Department of Labor should be authorized to undertake the collection of regular statistics upon seasonal and other unemployment. We must have this fundamental information for further attack upon this problem from the further solution of which will come still greater stability and prosperity in the world of employer and employee.

Those were fine words.

This is not all the President has said. In the fall of 1928 he sent Governor Brewster to convey his ideas to the conference of governors. A program of action was there unfolded which was largely identical in aim and method with the proposal contained in the bills I had already introduced in the Senate. What has become of that program? Why has not even the first step been taken to put this stabilizing plan into effect?

We have none of this "fundamental information." We have no stabilization machinery. We have no system of employment exchanges. And we have heard nothing further from the President in regard thereto.

Those who have in recent months confused the President's business conference with the long-range plan of public construction are making a serious mistake. The two projects are entirely dissimilar. Planned construction can only be the product of information. The conference is frequently the bubble of emotion. The plan is the child of foresight and forethought; the conference is usually the offspring of apprehension. The plan operates in time of prosperity to prepare for periods of slackness and inactivity. The conference is usually the hysterical accompaniment of panic. The plan is conceived of sound economics and contributes to the elimination of waste. The conference is all too frequently the latter-day version of a revival meeting. The plan proceeds noiselessly, calmly, and efficiently. The conference is accompanied by the blare of trumpets and the screaming of headlines.

The final distinction is that the plan works, and the conference does not; for it has been amply demonstrated that we can not continue to have "prosperity by proclamation" or employment by exhortation. The recent conference will be justified only if it proves to be the springboard to a permanent plan.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. WAGNER. I yield.

Mr. WALSH of Massachusetts. The Senator has just referred to the factor in this matter which I think is creating the most dissatisfaction. I find among people interested in this problem, and people who are out of employment, not so much a hostility to the failure of the administration to provide relief; I think they appreciate the many difficulties in the way of giving relief. But what I do find is strong, bitter antagonism, which I can not understand the administration allowing itself to be a party to, even from the standpoint of selfish political interests, a resentment because of the denial of the real facts and the promulgation of proclamations of prosperity which are in contradic-

tion to the real, existing conditions in the country. I inquire of the Senator if he has not found great resentment to the administration's attempt to deny the facts, or to divert public attention from them; and, secondly to the complete apparent lack of sympathy with the unemployment problem. In other words, if there were an admission of the actual conditions and an expression of sympathy the public would feel less concern and better understand the difficulties of giving immediate relief; but where there is denial of facts and an absence of sympathy, the hostility among those interested in this problem and who sincerely desire a remedy is growing with great intensity, to the disadvantage of the present administration.

Mr. WAGNER. I agree with that. A further and an even more inexcusable attitude is that the administration has made no effort to itself father or to support legislation which will afford precise information as to these hardships and as to their extent and nature, as to where the men are who are out of work, as to the kind of work they have been doing, without which precise information this difficulty can never be permanently solved; and it can be solved.

Mr. WALSH of Massachusetts. The Senator is exactly right. The administration presents the appearance of running away from the problem, of avoiding it.

Mr. WAGNER. Yes.

Mr. WALSH of Massachusetts. Of shunting it to one side, hoping that in some miraculous way there will be found a solution. The complete failure to recognize the existence of the problem, to express a kind, sympathetic word to those who are suffering, seems to me to be indefensible.

Mr. WAGNER. Mr. President, I was going to say to the Senator that what to my mind is another inexcusable attitude on the part of the administration is that of leading the country to believe that they have precise information and statistics as to all these different kinds of unemployment, like seasonal, cyclical, technological, or old-age unemployment; whereas as a matter of fact, they have no knowledge as to the existence of those kinds of unemployment at all and refuse to father any kind of legislation which would give them the machinery to enable them to secure that precise information.

Mr. President, we must get at this problem and work at its solution in the light of the danger to the whole economic structure that we have erected in the event that we fail. We are living in an age of plenty. We have the power to produce. Our men and women are willing to work and produce. Will that great power and that great will be forged into widespread prosperity and happiness, or will they be corrupted into unemployment, poverty, and want?

Mr. President, though I speak with earnestness of men and machines, of work and wages, it is not because I am obsessed with a materialism which obscures the finer qualities of human life. I believe there is room for idealism in the consideration of these things. I believe that if we can create out of our immense productivity a measure of plenty for all our citizens and a fair measure of leisure, we shall have provided the soil for the growth of bigger and fuller lives, capable of the richest spiritual development. That is the goal and final aim of these efforts. In the way of their realization lies unemployment—an obstacle which we can, if we will, surmount. We shall surmount it as soon as we take literally to heart that involuntary idleness is just as offensive, just as wasteful, just as demoralizing as involuntary servitude. We have abolished the one. Let us now eradicate the other.

Mr. FESS. Mr. President, I will not take the time to-day to make any comment on what the Senator from New York [Mr. WAGNER] has said, but I shall do so to-morrow.

Mr. WALSH of Massachusetts. Mr. President, in connection with the subject under discussion, I ask that some newspaper clippings which I have collected, showing the extent of unemployment and presenting helpful suggestions, be printed in the RECORD in connection with the speech of the Senator from New York.

There being no objection, the clippings were ordered to be printed in the RECORD, as follows:

#### CURES RECOMMENDED FOR UNEMPLOYMENT

Seven recommendations for the minimizing or preventing of unemployment on a large scale in the United States were made recently by the Senate Committee on Education and Labor. The recommendations were:

1. Private industry should recognize the responsibility it has to stabilize employment within its industry.
2. Insurance against unemployment should be confined to the industry itself as much as possible. If there is any public insurance plan developed it should be worked out by the State legislatures.
3. The States and municipalities should be responsible for building efficient unemployment exchanges.

4. The existing United States Employment Service should be reorganized.

5. Efforts should be made to provide an efficient system for obtaining statistics of unemployment.

6. The Government should adopt legislation without delay which would provide a system of planning public works so that they would form a reserve against unemployment in times of depression. State, municipal, and other public agencies should do likewise.

7. The Federal or State Governments or private industry should give consideration to the matter of establishing a system of old-age pensions for superannuated employees.

[From the Boston Post, January 25, 1930]

HUNDREDS SEEK JOBS IN BOSTON—SITUATION IS THE WORST IN YEARS, SAYS DIRECTOR

The employment situation in Boston is at the lowest ebb it has been in the last 25 years, at least, and the solution of the problem rests with Mayor Curley and him alone, John J. Shields, newly appointed director of the municipal employment bureau at Haymarket Square, said yesterday.

#### TOTAL IDLE LARGE

It is impossible to give an accurate estimate of the total number of unemployed in the city, he said, but the number is certainly large. Twice as many are out of work now as were in 1927, when 80,000 men were said to be without jobs.

Last week, 754 new men, and about 300 new women were registered with the city bureau as job seekers, and about an equal number will apply this week, whereas the average weekly registration is about 200 at this time of year, under normal conditions.

In the building trades alone, 13,000 are estimated to be unemployed. The figure applies only to mechanics living in Boston, Mr. Shields added. A picture of conditions may be had daily at the overseers of the public welfare, on Chardon Street, where yesterday 600 men worked chopping wood in order to get relief in the shape of a grocery order. Usually, there are only about 30 men so engaged, although the number sometimes ranges as high as 60 in the wintertime, under normal conditions.

The lack of snow has added to the unemployment burden, too, he stated. Ordinarily, snow removal provides labor for a large number of men, but this year there has been almost no snow, and consequently little relief has come from this source.

Business and mercantile houses generally throughout the city are either laying off employees, cutting them down on hours of pay, or asking employees to take short vacations without pay at the present time, according to reports from three or four men who go out on the streets of the city daily investigating for the bureau, he said.

But, he added, there is hope of alleviating conditions if Mayor Curley's program for extensive building should be adopted and work commences at once. That would relieve the building-trade situation directly, would provide ample employment for day laborers, and would help out in other lines of employment indirectly.

[From the New York World, February 8, 1930]

CUT WORK TO SAVE JOBS, STATE URGES—PROPOSAL IS PART OF ROOSEVELT PLAN FOR UNEMPLOYMENT RELIEF—FARMERS ASKED TO HELP—GOVERNOR VISITS ALBANY BUREAU—FAVORS 8-HOUR DAY LAW

(From the World's Bureau. Special dispatch to the World)

ALBANY, February 7.—Governor Roosevelt to-day revealed that he had developed a 3-point program for relief of unemployment in the State. Definite steps, either under way or about to be taken, include:

1. Miss Frances Perkins, State industrial commissioner, is laying before employers recommendations that, if necessary, it would be better to reduce employment for all workers rather than to eliminate any jobs.

2. The agricultural advisory commission studying farm relief is to be directed to urge farmers to hire as many workers as possible for the spring planting season.

3. There are to be added to the State industrial commission pay roll 100 additional employees to investigate labor conditions with a view to discovering means to improve them.

That the governor may have other and more comprehensive plans in mind also was indicated.

#### ADDRESSES JOB SEEKERS

He disclosed a personal interest in the situation by driving to the State employment bureau in Albany this morning, where he spoke briefly to 100 men he found there seeking jobs. He discussed the situation in the Albany employment bureau later with Daniel A. Hausmann, superintendent.

Upon his return to the Capitol, the executive indicated that with the arrival of spring he is hopeful that the slack will be taken up through a natural pick-up of labor conditions as well as through steps being taken by the State.

In his brief address to the men at the Albany employment bureau, the governor announced that a determined drive would be made to pass an 8-hour day law during the present session of the legislature on the theory that it will help in providing additional jobs.

"Every possible effort is being made to pass an 8-hour working-day law," he said. "If these efforts are successful, then instead of one man working 12 or even 10 hours a day there will be employment for another man as well.

"In addition, efforts are being made to arouse interest and aid from the farmers. In securing jobs for the unemployed during the spring and summer months, there are a number of farms in this vicinity where additional labor may be used at that time.

"More than 100 additional employees are being added to the State labor bureau to investigate labor conditions and arrive at some method of improvement."

#### TO EXAMINE WEEKLY REPORTS

The governor is reported to be making personal examinations of the weekly employment reports compiled by the State labor officials.

If the steps already outlined do not bring swift improvement, it is believed the executive will inaugurate other action.

The governor expressed the belief that the building program which President Hoover urged throughout the country and which is being pushed on the greatest scale in the history of New York State already has shown results.

A still greater salutary effect is seen by the executive as the building program in the State expands with the coming of spring and summer.

[Editorial from the Washington Daily News, February 10, 1930]

#### UNEMPLOYMENT

What is the administration going to do about unemployment?

Senator LA FOLLETTE and others are making serious charges against the accuracy of the Government's employment figures and the adequacy of its remedial policy. Such charges deserve a reply, which doubtless will be forthcoming from the administration. This is not the sort of thing that can be ignored successfully.

There is no disagreement regarding the essential soundness of the business and credit structure.

But there is wide disagreement concerning the extent of the temporary depression and the numbers of unemployed. There is equally wide disagreement as to whether "the corner has been turned."

In such circumstances the country has a right to look to the Federal Government for facts and for guidance. The official answer of the administration is that there was a slight depression early in the winter, but that the tide changed some time in December and that the improvement has been so rapid as to make conditions almost normal again.

Is that true?

Certainly it is not true of many communities, whose unemployment lines are longer now than in December or January. It is not true of the American Federation of Labor trades. And it is not true in New York State, where labor figures refute the claims of the Federal Government. New York State employment statistics are generally accepted as the most reliable in the country, and that State's industrial condition usually has been found to reflect conditions in other States.

There are also signs of lower wages, along with decreased employment. "With weekly earnings smaller than 12 months ago and household expenses no lower, it becomes increasingly difficult to maintain the accustomed standard of living," according to statistical findings just issued by the Labor Bureau (Inc.). It adds that unless the trend of wage changes downward during each of the last three months is reversed, "we are in for a great deal of trouble."

President Hoover foresaw the dangers of just such a situation, and three months ago called industry into conference to prevent it. The keystone of the Hoover program was "no wage reductions." He argued rightly that wage reductions would destroy the consumers' purchasing power and thus prolong the industrial depression in a vicious circle.

Unfortunately not all industry has kept its pledge to maintain the wage level. If the incomplete figures are to be believed, wage cuts and lay offs have been occurring in many industries and many parts of the country. Meanwhile the farmer is hit by a fall in the price of his major crops.

These conditions have not been brought about by so-called "calamity howling." On the contrary, they have developed in spite of a general and determined optimism.

The program adopted last autumn for the stabilization of prosperity has not produced results as complete as desired. It may be necessary for the administration to assume leadership again.

[From the Washington Post, February 15, 1930]

#### LESS UNEMPLOYMENT

The report of Secretary of Labor Davis that employment is now taking an upward trend is gratifying to everyone. Authorities have disagreed as to how serious the unemployment has been this winter. No figures will be available, but the Department of Labor refers to a "tremendous idleness" during January. Conditions have been particularly serious in New York, due apparently to an influx of workers from the country as much as from reduced activity. Winter always brings a certain amount of seasonal unemployment, but the level has been below normal this year.

Reports to the Department of Labor indicate that employment will be back to normal within the next two or three months. The concerted efforts of industry and labor to avert what might have been a serious economic depression could not prevent a slight sag, but it appears that the country will be normally busy much sooner than would have been possible without their voluntary cooperation.

With the opening of spring a new era of industrial and building activity will begin. The stock market is gradually recovering from its shakedown. Credit is plentiful. Confidence that was shaken by the stock market collapse has been restored, and many projects that were held up because of uncertainty during the early winter months may now go ahead. Already some of the basic industries, including steel and automobiles, have begun to expand to their former level of output.

Unemployment due to more extensive use of machinery continues to be a problem, though in the minds of most economists it is but temporary. New energies absorb the extra workers, and wages remain high. The soundness of the economic structure in the United States has been demonstrated by the recovery from what might have been a disastrous period of depression. There is every reason to believe that that recovery will be complete and that the year 1930 will be prosperous.

[From the Boston American, February 13, 1930]

#### PLAN WORK FOR POOR OF LYNN

Rev. Francis W. Maley, pastor of St. Joseph's Catholic Church of Lynn, laid to-day before Mayor J. Fred Manning a \$500,000 plan of relief for the poor and unemployed.

The priest's plan would have 500 business men of the city contribute \$1,000 each to a fund, this fund to be started with a donation by the priest himself.

He would have a committee appointed by the mayor to devise a plan whereby the half million dollars would be devoted in some way to industry that would furnish year-round employment to those now unable to find work.

Father Maley's visit to the mayor followed a move of the Lynn school department to have free crackers and milk furnished at school lunch hours to children too poor to purchase it themselves.

The school department, at the suggestion of Mayor Manning, has made arrangements with the Junior Red Cross, which has funds for such purposes, to furnish the crackers and milk.

CLINTON MILLS MAY LIQUIDATE—STOCKHOLDERS TO MEET IN BOSTON NEXT FRIDAY—ADDITIONAL CAPITAL, ONLY ALTERNATIVE, IS UNLIKELY—INDEBTEDNESS GROWING, THE DIRECTORS EXPLAIN

(Special Dispatch to the Gazette)

CLINTON, February 14.—Stockholders of the Lancaster Mills will have their annual meeting in Boston next Friday to consider either raising additional capital or complete liquidation of the firm's assets. It is intimated that liquidation is the most likely step to be taken.

The Lancaster Mills have been one of the backbones of Clinton industry. During the World War and afterwards about 2,000 hands were employed, but at present only about 300 are retained. The mills' property here is taxed at about \$1,500,000.

The preferred and common stockholders to-day received from the directors a letter setting forth the company's condition and announcing the annual meeting.

On August 13, 1928, the company voted to sell its idle machinery and real estate. About \$12,000 was received for the machinery and \$291,000 for the real estate. From this and other sources the note indebtedness of \$2,000,000 was reduced to \$1,450,000 at the end of 1929. However, it has increased \$100,000 since.

It is pointed out that the mills' machinery is adapted for the manufacture of ginghams, and as these are out of style and as the company found no substitute, the indebtedness is growing constantly.

In 1929 the loss was \$404,000 after all charges, including depreciation. The losses in recent years have reduced the working capital to \$180,000 at the end of 1929, and the decrease has continued during the present year.

"Under these circumstances," the letter to the stockholders says, "and faced with continual textile depression, it is apparent that the company is without working capital to continue even at its present limited operations."

"The directors have studied other possible means of financing the company but believe that for the company to continue manufacturing operations would be an unwarranted risk. If the stockholders do not wish to try to raise new capital, authorization of voluntary or orderly liquidation appears the only course to adopt, to avoid the danger that before long a more rigid liquidation might be forced on the company."

The letter was sent out by the board of directors, Robert R. West, treasurer. Mr. West submitted his resignation this week to take a new post in a West Virginia mill.

#### CLOSES DEPARTMENT OF WIRE ACTIVITY

The Wickwire-Spencer Steel Co. has abandoned its ornamental wire department, the reason being that the competition in this field has

become so active as to make the line unprofitable. The department has been located at the Clinton works, where it moved from Worcester some years ago. When running full it employed about 35 hands. The company recently closed its wire goods department, selling the business to the Washburn Co. of Worcester, which is consolidating it into its factory on Union Street.

[From the Boston Post, February 16, 1930]

**SHORTAGE OF JOBS BIG DISGRACE—UNEMPLOYMENT IN THE UNITED STATES ASSAILED BY FATHER CORRIGAN**

"In a country with our resources unemployment on the present scale is indefensible. It is the result of industry individually organized on a hit-and-miss basis. The solution lies along the line of industry functionally organized with human needs the guidepost rather than mere profits," said the Rev. Jones I. Corrigan, S. J., of Boston College, speaking yesterday afternoon before 800 members of the League of Catholic Women in the assembly hall of Emmanuel College, in the Fenway, on the subject of Economic Loss and Waste.

**UP TO INDUSTRY TO ACT**

"In self-defense industry should take a keen interest in unemployment. Not talk but action is needed. Men, women, and children are hungry. Where is our industrial leadership in the crisis? Where is business leadership? The talk about prosperity begins to look foolish with four or five million men unemployed.

"The widespread suffering and distress from unemployment in America to-day is a tragic indictment of our industrial order. Unless industry takes the matter in hand, unemployment insurance is a piece of social legislation that is sure to come. The immediate effect of the insurance would be to prod industry into an awakened activity to keep the wheels of industry turning. This would be a big advance, because any cutting down of idleness is economic gain as well as a social benefit.

"Unemployment in this country can be greatly reduced if industry and Government will attack the problem as they have other problems," said Father Corrigan.

"Far more than 50 per cent of it could be eliminated. It is decidedly profitable to industry itself to attack the unemployment problem. A fund in each industry to prevent unemployment is one of the simplest and most effective means to combat the evil."

**ALLEN IN PLEA FOR JOBLESS—GOVERNOR URGES CITIES AND TOWNS TO SPEED UP WORK**

In a letter to mayors and boards of selectmen, Governor Allen yesterday renewed his recommendation that public works be speeded up as much as possible for the purpose of taking care of the unemployment situation, particularly to stop the rush of unemployed to the larger communities and thus adding to the seriousness of the problem generally.

**EMPLOYMENT OFFICES**

The governor pointed out that opening of public employment offices in each community has been found very helpful, and he urges each municipality to do everything possible to take care of its own problem of unemployment. In the carrying out of improvements and public works the governor suggests each community employ as many of its own citizens as can be used, with preference given to those with dependents.

The governor said the Commonwealth at the present time is advancing its public works as rapidly as possible, so as to take up slack employment, and the department of public works, the department of conservation, and the metropolitan district commission will undertake immediately a program of forestry, tree trimming, and clean-up work in the parks and elsewhere, which will provide work for a considerable number of men throughout the State.

"I have been assured by the highway division of the department of public works," the governor said, "that road construction will be pushed forward as rapidly as possible, and in fact the whole State program of public works, involving an expenditure of \$25,000,000, will be advanced as rapidly as conditions permit.

"The fullest cooperation of the cities and towns throughout the State in conjunction with the advancement of public works will be thoroughly appreciated and will contribute materially in maintaining employment throughout Massachusetts."

[From the Boston Post, February 19, 1930]

**FORTY-ONE-MILLION-DOLLAR PROGRAM FOR BOSTON—CURLEY ASKS GOVERNOR TO HELP SECURE AUTHORITY**

Public improvements costing over \$41,000,000 were outlined last night by Mayor Curley in a communication to Governor Allen as Boston's contribution to President Hoover's program for the promotion of industrial prosperity and the relief of unemployment.

**ASK ALLEN'S AID**

Stating that he had already made available \$7,510,000 for public improvements, which will be started in a month after the necessary advertising for bids, the mayor appealed to the governor to use his

"friendly intercession" with the legislature to adopt legislation permitting the city to proceed with other needed developments costing \$34,000,000.

The mayor estimated that there are 70,000 unemployed men and women in Greater Boston, and asserted that the municipal program, supplemented by private developments, "would aid materially in providing relief for the families of those who to-day seek opportunity for livelihood with extremely bleak prospect of success."

Among the moneys made available by the mayor for improvements to be started within a month are \$1,000,000 for hospital additions, \$1,000,000 for sewerage works, \$1,000,000 for the Charles Street widening, \$1,210,000 for the Center Street widening in West Roxbury, \$750,000 for strandway improvements, \$450,000 for building additions at the Boston Sanatorium, \$350,000 for a new ferryboat, \$350,000 for a new fire boat, \$330,000 for airport improvements, \$275,000 for East Boston courthouse additions, \$200,000 for a new police boat, \$200,000 for two new branch libraries, \$160,000 for Brighton courthouse additions, \$70,000 for a city hospital medical pavilion, \$65,000 for tercentenary memorials, \$60,000 for Muddy River and West End Park improvements, and \$40,000 for improvements at the Webster Avenue Playground, North End.

**NEW SCHOOL BUILDINGS**

New school buildings at a cost of \$5,000,000 will also be started soon under a plan to be drawn up by the new commission on school buildings, in conference with the mayor and the school committee.

The improvements for which the mayor has requested the aid of the governor in securing authorization from the legislature to float loans necessary to pay for them include \$10,000,000 for permanent street construction throughout the city, particularly in the new residential areas; \$2,000,000 for the widening of Dorchester Avenue and Summer and L Streets, South Boston; \$1,000,000 for the construction of a strandway along the Bayswater front of East Boston; and \$16,000,000 for the construction of either a vehicular tunnel or bridge from the down-town business center to East Boston.

[From the Washington (D. C.) News, February 21, 1930]

**UNEMPLOYED IN CITY OVERTAXING CHARITY GROUPS, IS REPORT—PRUNING OF CHEST BUDGET AND INFUX OF LABORERS FROM OTHER CITIES AGGRAVATING SITUATION**

Unemployment in the city is overtaking the charity organizations according to the reports of five groups which minister to the jobless. These groups, the Salvation Army, the Associated Charities, the Jewish Welfare Federation, the Catholic Charities, and the Travelers' Aid Society, have stated that they are having great difficulty in caring for all the cases of need arising from unemployment.

The situation is aggravated by unemployed persons from other cities who, attracted by the large Government building program, flock here expecting to find work.

Since the pruning of the Community Chest budget, the situation is grave and will grow worse unless steps are taken either to keep non-residents in need of work away from Washington or provide some means of taking care of the destitute, representatives of the groups say.

[From the American Federation of Labor Official Information and Publicity Service]

JANUARY 31, 1930.

The following statement concerning unemployment during the first two weeks in January, 1930, was issued to-day by William Green, president of the American Federation of Labor:

"Unemployment increased in January according to reports from trade unions to the American Federation of Labor. The figures show 19 per cent of union members unemployed in the first two weeks of January, a substantial increase over December when 16 per cent were out of work. The figure for January is the highest percentage of unemployment since the federation began collecting statistics in 1927. In January, 1928, when unemployment reached serious proportions and caused public concern in many cities, the federation figures showed 18 per cent of the membership out of work, as compared to 19 per cent this year.

"This report covers 640,000 members in 24 cities. A large variety of trades are included: Building trades; transportation, including street-car employees, railway shop crafts, trucks, delivery, and taxicab drivers, sailors and shipping trades; service trades, including hotel and restaurant workers and barbers; professions, including musicians; Government employees; manufacturing industries, including printing, metal trades, clothing, and food industries; and a number of others.

"The federation report thus covers a different group of wage earners from the report of the Bureau of Labor Statistics, except for overlapping in a small group of manufacturing. It indicates that there is a large field where employment conditions are not yet improving and where there may be acute suffering unless industrial recovery comes soon.

"The highest percentage of unemployed is in the building trades, where 38 per cent were unemployed. This is a higher figure than in January, 1928, when 36 per cent were unemployed, and substantially higher than January, 1929, when 30 per cent were out of work. It also shows an increase since December when 32 per cent were unemployed. In metal trades, 14 per cent were out of work compared to 8 per cent in January, 1929, and 11 per cent in December; in printing the percentages are: January, 1930, 5 per cent; January, 1929, 4 per cent; December, 1929, 4 per cent; in all other trades, January, 1930, 11 per cent; December, 1929, 10 per cent.

"Unemployment is especially high also among musicians, who have been thrown out of work by the increasing use of radio and Vitaphone. In sea and lake port towns, large numbers of sailors and longshoremen are out of work; and the total unemployment is increased by seasonal industries, which, in some cases, are in worse condition than usual this year; clothing workers, bakery workers, hotel and restaurant employees, railway repair workers, and others. Truck drivers and deliverymen also report a large percentage out of work in most cities.

"The workers' organizations are giving all possible relief to members out of work. Many pay unemployment benefits; nearly all have some means of helping members find work—either an employment bureau or an officer who makes it his special business to keep in touch with vacancies. Many have relief funds for those in distress. Union agreements often provide for equal division of work among wage earners in an individual shop so that none are laid off. The higher union wage scale also makes it possible in many cases to lay aside savings against an emergency such as this.

"By helping members to tide over this difficult time of unemployment, unions keep many thousands from becoming a public charge. Appeals for charity from union families are rare. Stores and retail dealers also feel the effect of sustained buying power when unions keep members from running up debts in times of unemployment. The union is a real force for recovery."

#### TOO OLD AT 45—NEW RULE OF SOME EMPLOYERS IN NEW HAMPSHIRE

John S. B. Davie, labor commissioner of the State of New Hampshire, who by no stretch of the imagination can be classed as "radical," joins the ranks of those who see a national menace in the growing habit of employers to close the door of employment to all over 45.

Commissioner Davie does not say there are such employers in Chicago or St. Louis; he finds them right at home.

"There are employers and factory managers in New Hampshire who have given orders that persons who have passed the age of 45 are not to be given employment. These orders are issued in spite of the fact, easily demonstrated, that there are many men and women over 45 years of age in the industries of New Hampshire who are giving service no younger person could duplicate."

On the eve of a special session of the legislature called for the one purpose of passing an income tax, the Davie warning may give New Hampshire something to think about.

Granting the unmarried an exemption of no more than \$1,200, and allowing the family man only \$2,000, the income tax New Hampshire managers have in mind would reach everyone who takes his living from a weekly pay envelope containing more than \$25.

Such a law is an out-and-out appeal for "farm" support. A majority of New Hampshire lawmakers are farmers. Few farmers keep books. Most of them may claim, with truth, that their net incomes do not reach taxable proportions.

The New Hampshire constitution places a 15-day limit on special sessions of the legislature. The special session to be held this month might well devote a day or two to the task of discovering the persons or organizations strong enough to put over an income tax, in spite of the fact that the proposal has been rejected—in the form of proposed amendments to the constitution—no fewer than three times.

[Editorial from the Washington Daily News, February 28, 1930]

#### THE RIGHT TO WORK

The communist unemployment demonstrations in half a dozen cities from coast to coast are not dangerous. The unemployment situation behind the demonstrations is dangerous.

No amount of police clubbing of communists is going to solve the unemployment problem. The communists are infinitesimal in numbers and influence in this country. They could be wiped out tomorrow—as so many conservatives hope they may be—and the political, social, and industrial conditions of the country would not be altered a particle.

There is something at once sinister and pathetic in the idea of some American officials that it is a crime to mention the word unemployment. They are like the people who would fight an epidemic by denying its existence.

Agitators do not cause unemployment. Unemployment causes agitators. Why shouldn't it? The right to work is inalienable.

If a man can not find work and if his family is hungry, what do we expect him to do? Make a speech on the blessings of prosperity?

If the unemployed do no more than parade to a city hall and plead for help, a city is lucky. The police should be glad that the weak and hungry are expressing their protest in such a harmless manner.

The trouble with us in America is that we have been self-righteous about our national prosperity for so long we now can not think straight and feel straight on the subject. We are acting as though a man out of work is a leper or a criminal.

The great army of unemployed to-day are not criminals. If anything criminal is involved it is the system which has created them.

The working people of this country were not made for our industrial system. The system was made for them. And, unless our system can provide steady work and a good living for the rank and file of the people, it is a rotten system which some day will fall of its own weight.

With all our talk about American efficiency, what are we doing to prevent this endless cycle of unemployment which swings back to mock our Government and curse our workers periodically? In the hard times of 1921 a national commission was appointed so that the tragedy would not happen again. But even the mild recommendations of that commission have never been acted upon.

For years these mild recommendations for Federal employment exchanges and statistics, and provision for spreading construction work over lean years, have been before Congress. But there has been no action, because the White House, the Congress, the chambers of commerce, the boosters, and the well fed have been hostile or indifferent.

Meanwhile every year the unemployment problem grows more serious as the advance of machines scraps human labor. At our recent peak of prosperity the unemployed numbered from one and a half to three millions. And now, during the temporary industrial recession, no man knows whether the number is four millions or six or seven.

We can not know the facts because we are the only great industrial nation in the world which fails to gather Federal unemployment statistics. To-day we can only guess at the truth from the reliable New York State figures, which show that this winter is the worst—except 1921—in 15 years.

We believe American conditions are fundamentally sound, that the potentialities of prosperity for all the people are greater in this land than in any other. But no prosperity is strong enough to withstand the creeping disease of unemployment unless the political and industrial leaders fight that disease honestly, intelligently, and courageously.

With the coming of spring we are passing out of the worst part of the depression. But depression will come again and again, next winter or the following, unless we face and begin to conquer this industrial blight.

Indifference in this hour is treason.

The millions of men walking the streets to-day have a right to jobs. They should demonstrate. They should agitate. They should endeavor to awaken the Government to its responsibility.

Mr. WALSH of Massachusetts. Mr. President, I ask that there be printed in the RECORD a very able discussion of unemployment, entitled "Unemployment—What Can Be Done about It?" by Dr. John A. Ryan, a professor of the Catholic University here in Washington, and a man who has made an extensive study of social questions.

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

#### UNEMPLOYMENT—WHAT CAN BE DONE ABOUT IT?

##### I. PARTIALLY EFFECTIVE REMEDIES

During the early months of 1928 the considerable increase in the number of idle workmen occasioned a pretty widespread discussion of unemployment. Several debates about it took place in the United States Senate. The number of unemployed was put at 4,000,000 by Senator WAGNER and others, while the protagonists of Republican prosperity asserted that this estimate was at least 100 per cent too high. Some of the latter cleverly misrepresented a statement given to the Senate by the Commissioner of Labor Statistics. According to the commissioner, the number of persons at work in 1928 was 1,874,000 less than in 1925. By the official exponents of prosperity this was set forth as the total number of the unemployed. Such use of the commissioner's statement could be justified only on the assumption that in 1925 there was absolutely no unemployment, an assumption which was not frankly made by any of Senator WAGNER's opponents.

The practical outcome of the Senate discussion was a resolution adopted May 3, 1928, providing for "an analysis and appraisal of reports of unemployment and systems for prevention and relief thereof." In conformity with this resolution the Senate Committee on Education and Labor, under the chairmanship of Mr. COUZENS, held 12 hearings in the months of December, 1928, and January and February, 1929. Business men, industrial engineers, personnel managers, college professors, and Government officials were heard at length. On March 1, 1929, the committee made its report, which has since been published by the Government Printing Office in a volume of 530 octavo pages, entitled "Unemployment in the United States."



In addition to a transcript of the testimony referred to above the report presents several interesting and important memoranda describing legislation against unemployment in foreign countries, proposed legislation in the United States, and provisions obtaining in several American industries for unemployment insurance. There is also a long summary of the testimony at the end of the volume by Dr. Isador Lubin and 13 pages of comment at the beginning by the Senate committee.

These preliminary pages will naturally attract more attention than any other part of the report, since they embody the conclusions reached by the men who conducted the hearings. The most definite recommendation made by the committee is that the Bureau of the Census should make a count of the number of the unemployed when it takes the decennial census of 1930. This suggestion has already been adopted by the bureau, and we are now assured for the first time of fairly accurate knowledge concerning the number of wage earners out of employment.

Less confident and clear-cut is the language of the committee concerning employment exchanges. However, it does declare that "efficient public exchanges should replace private exchanges"; that the United States Employment Service should be reorganized sufficiently to supervise and coordinate the operations of exchanges conducted by the States and municipalities. What the committee says about the United States Employment Service recalls a statement in the bishops' program of social reconstruction: "It is the obvious duty of Congress to continue and strengthen this important institution." Unfortunately, Congress did not recognize this duty in the months following the war. As a matter of fact, it almost crippled the Federal Employment Service. Now one of its own committees realizes that this course was unwise. On the other hand, the limitations of public employment exchanges ought to be kept steadily in mind. They can do no more than decrease slightly the volume of unemployment. Very few employers are compelled even in these days of so-called prosperity to cease or even greatly to curtail their business activities because of inability to find employees promptly. There are too many other ways of making their wants known. And, obviously, employment bureaus can not increase the number of jobs. What they can do is to reduce the cost and trouble of finding employment and employees and enable both employer and employee sometimes to make better and more intelligent selections.

In the third place the committee recommends at some length stabilization of seasonal employment, quoting the estimate by Sam Lewisohn that the saving possible in this field amounts to \$2,000,000,000 annually. Several of the witnesses at the hearings described the success which had attended their efforts to regularize their own businesses. The best-known illustrations of seasonal industries are the building and clothing trades. "Stabilization" describes the process of reducing the number of employed and the amount of production during the busy season of the year, and increasing both during the dull season. Undoubtedly this arrangement is superior in many respects to unbalanced seasonal operation, but its benefits can easily be exaggerated. It does not, except possibly indirectly, increase the total of employment in any industry. All that it does is to distribute the amount of employment and production more evenly throughout the year. Indeed, it reduces the total number of persons who find some employment in the industry, inasmuch as it lessens the demand for labor during the so-called peak or busy season. Of course, this disadvantage to a small number of part-time workers is more than offset by the benefits of that more steady employment which the arrangement brings to the majority. Steadier operation of the plant likewise benefits the employer since it reduces operating costs. In the words of Henry S. Dennison before the committee:

"It is very expensive for management to run a plant full time for 8 months and slack time for 4, or partly for 10 and not at all for 2, as a good many do, for when a plant is shut down, overhead expenses continue to go on."

If the employer should pass on these gains to the consumer in the form of lower prices, he could increase somewhat the demand for his product and, therefore, the number of persons employed. However, none of the exponents of stabilization that appeared before the committee mentioned this possible outcome.

The "prosperity reserve" likewise receives strong indorsement from the committee. This is a recently invented bit of jargon to describe the proposal of concentrating and increasing public works in a time of industrial depression. Undoubtedly it would counteract considerably the forces making for depression if it were carefully organized and carried out in sufficient volume. The administrative difficulties are, however, very considerable. As commonly set forth, the scheme implies not only an increase of public works in dull times but a slackening of them in very busy times. How are the legislators and other public officials to determine when prosperity is so great as to justify a retrenchment of public expenditures for roads, buildings, et cetera? For several years now we have had loud, positive, and authoritative assurances that we are in the midst of great prosperity. Suppose Congress should decide next winter to withhold all appropriations for new Federal projects, and suppose that the States, counties, cities, and towns should adopt the same policy. The net effect upon employment would be grave, indeed, for the vast majority of public employees thus displaced would not be able to find work in private industries. Only when the public authorities are preventing private employers from obtaining men and materials

which they urgently need would the slackening of public works be attended by no diminution in the aggregate volume of employment. And it is questionable whether the average legislative body could determine the existence of this condition with sufficient accuracy or sufficient promptness, or discontinue the retrenchment policy soon enough. Let us assume, however, that the condition exists and is wisely dealt with. The workers engaged in public construction could readily find employment in nonpublic industries. There would be no increase in unemployment. When the depression arrived all the men formerly upon public works would resume operations in that field, together with the additional number required to carry on the public activities which had been neglected during the time of great prosperity. The latter group would represent a net increase in the volume of employment. In the absence of the "prosperity reserve" arrangement they would not be employed at all.

Such is the theory of the scheme. Its possible good effects would be offset to some extent by its evil influence in exaggerating business activity during a prosperous period, thereby causing excessive expansion and inevitably increasing the depth of the succeeding depression. However, the diminution of public works is no necessary part of a rational project of this sort. The Jones bill, which was introduced in the Senate during the last Congress, merely provides for doubling the amount of money expended by the Federal Government on public works during the year immediately following "a 10 per cent fall in the volume of all construction contracts for a 3-month period, as compared with the average of the same period for the three preceding years." Whether or not the relatively meager appropriation of \$150,000,000 would suffice to hold in check the forces making for depression, it would at least mean a net increase in the number of men who could find employment. That part of the theory which assumes that public works should be retrenched by an equal degree during the first succeeding period of great prosperity had better be thrown overboard entirely. In that case, the much-vaunted "prosperity reserve" would be merely a device for increasing public works when private employment is unusually slack. As such, it is not a new thing under the sun. Many governments, both national and local, have striven to increase the amount of public works in dull times. The only thing new in the proposal, as it is now agitated, is the provision for previous planning and wider use. If it is to produce any considerable number of good results, it should be frankly recognized as committing governments to a very large increase in the amount of public works to be constructed during any period of years which includes a business depression.

In accordance with the immense amount of testimony and information offered at the hearings the committee recommends unemployment insurance. But it clearly prefers voluntary and private plans to compulsory and public plans. It rejects "the systems of unemployment insurance now in vogue under foreign governments," and declares that interference by the Federal Government in this field "is not necessary nor advisable at this time." However, it does admit by implication the possible value of public insurance, inasmuch as it declares that the study of this problem should be left to the State legislatures. Undoubtedly, the committee is right in preferring State to national unemployment insurance, but its faith in the possibilities of voluntary and private effort in this field is scarcely justified by experience or by the probabilities.

Finally, the committee gives a qualified indorsement to old-age pensions in the statement that further consideration might well be given to the necessity and advisability of establishing them, "either through private industry, through the States, or through the Federal Government."

On their face all six of the foregoing recommendations aim at preventing or reducing the hardships of unemployment. A Federal census of the unemployed would stimulate constructive action and give valuable guidance by providing adequate information. A comprehensive system of employment exchanges would reduce costs and hardships, and in some degree would lessen the time spent by some wage earners in search of work. Stabilization of seasonal employment would only indirectly and very slightly reduce the total amount of unemployment during any given year. The "prosperity reserve," with the amendment suggested above, could be so organized as to reduce very considerably the amount of unemployment in periods of depression. Unemployment insurance would relieve an enormous amount of human suffering and it ought to be adopted in every industry. Legislative action, as contemplated in the Huber bill, which nearly became a law in Wisconsin a few years ago, indicates the only adequate method. Both public and private insurance plans could be so organized as to restrict the volume of a depression, by discouraging and preventing overexpansion of plants during especially prosperous periods. From the nature of the case, old-age pensions would not reduce unemployment. They would greatly mitigate its hardships, particularly in our country at the present time when the age limit for employment has been so considerably lowered. If men can not find jobs after the age of 45 or 50, the number of those who may be called the "economically aged" becomes greatly enlarged and the need for old-age pensions greatly intensified.

Although these measures do not seem capable of increasing in any considerable degree the average amount of employment, their beneficent possibilities in other relations are enormous. Their good effects can be

comprehensively indicated in the statement that thousands of Americans would have larger and steadier incomes, and would in greater or less degree be relieved from the fear of want and many other demoralizing influences associated with insufficient employment.

#### II. CHRONIC UNEMPLOYMENT

It is a curious irony that the Senate committee failed utterly to suggest any specific method for dealing with the precise kind of unemployment which provoked its appointment. The committee observes correctly that "the causes or the types of unemployment might be divided into three classes—cyclical, seasonal, and technological." The outstanding remedy for the first type is, of course, the "prosperity reserve"; for the second, stabilization; but neither of these touches the third type. To it the committee devotes only two or three short paragraphs and in these it exhibits no adequate comprehension of the phenomenon:

"Technological unemployment covers that vast field where, through one device or another and chiefly through a machine supplanting a human, skilled workers have found that their trade no longer exists and that their skill is no longer needed."

As a matter of fact, the skilled workers who are displaced by new and improved machinery and other forms of efficiency merely constitute a spectacular form of the evil. They are probably a small proportion of the total number of workers who are thrown out of employment by mechanical and technical progress.

Only one member of the committee, Senator Tyson, of Tennessee, showed that he had envisaged the problem. Here are the terms in which he formulated it while the committee was listening to Henry S. Dennison:

"Assuming that the present hours of labor were to continue and full-time employment given to everybody, don't you think that the country would be overstocked in a very short time? \* \* \* The pig-iron industry is now depressed very badly. The textile business is very badly depressed. The coal business is very badly depressed. The woolen business is very badly depressed. Everybody knows that there is overproduction. Now, then, how are you going to remedy that—by continuing to produce?"

Although Mr. Dennison is one of the most enlightened, humane, and progressive employers in the United States, his answer to these questions was wholly inadequate. It amounted simply to an act of faith that since the men displaced by machines in years gone by had always found other employment eventually the same thing will presumably happen in the present situation. At a later hearing Senator Tyson returned to this subject, saying:

"If we are to keep taking people into our industry and keep them employed, we shall have to employ them for shorter periods each day. \* \* \* I believe if we had 70 hours of work each week as we had several generations ago and people worked every day with the present amount of machinery, we would have 10,000,000 out of work instead of 4,000,000, because with the machine process individuals have become much more efficient than they ever were before."

Among the other witnesses at the hearings only President Green, of the American Federation of Labor, Mr. Sam A. Lewisohn, and Prof. John R. Commons had anything to say about technological unemployment. None of them professed to be able to offer a remedy except Mr. Lewisohn, who mentioned stabilization and public labor exchanges. Obviously, both of these suggestions are futile. Professor Commons cited a striking example of displacement of men by machines in the clothing trade. One firm was able to reduce its force of cutters from 600 to 250. Of the 350 thus rendered superfluous, 200 quit voluntarily and the remaining 150 received from the unemployment insurance fund of the industry \$500 each as a sort of "separation allowance." It is probable that no system of voluntary unemployment insurance could take care of all the displaced workers at such a cost. Moreover, an allowance of \$500 is often an insufficient provision for a man who may find employment only after several months, and then, perhaps, at a considerably lower rate of pay.

Recent Economic Changes, which is the title of the report of the committee appointed and headed by Mr. Hoover to study that subject, gives considerable attention to this new kind of unemployment. It states:

"Unemployment can arise as a result of industrial efficiency as well as inefficiency. In the latter case we have seasonal or intermittent unemployment; in the former case what has come to be known as "technological unemployment" resulting from the introduction of new machinery and processes. \* \* \* This is a serious aspect of unemployment:

Following are some of the striking indications of the vast increase which has taken place in productive efficiency since the year 1919: The average per capita production in all industries increased 39 per cent between 1919 and 1925; the per capita increase in factories was 25 per cent between 1920 and 1927; but the number of workers in the factories was 1,250,000 less in 1928 than in 1923, while the number employed on railroads decreased 150,000. According to the Industrial Review of the Year (July, 1928-July, 1929) issued by the Federal Council of Churches, "there were 2,300,000 fewer persons employed

in farming, manufacturing, railroading, and mining in 1928 than in 1920." About a year and a half ago the New York Journal of Commerce declared:

"We are so accustomed to associate unemployment with prostrate industry, closed factories, and universal profound depression that it is hard to revise our ideas and grasp the fact that we must also grapple with an unemployment problem that is the direct outcome of prosperity."

The association of prosperity with great unemployment and the responsibility of the former for the latter are no longer doubted by competent students. One might, indeed, raise the question whether such a condition can properly be called prosperity. An affirmative answer would seem to be justified if the term be defined as a condition of industry in which the total production is above the average of any preceding period and in which the incomes of a very large proportion of the wage earners are likewise above preceding averages.

"There is nothing new about these problems," says Recent Economic Changes. This is an indubitable fact. The substitution of machines for men and the displacement of workers by improved productive processes have been going on steadily since the beginning of the industrial revolution. Not the problem itself of finding employment for the displaced, but the magnitude of it is the thing that is new. As shown by the figures quoted above, the process of substitution and displacement has been considerably more rapid in recent years than in any former period. Hence the necessity of what the report calls "an accelerated rate of readjustment." Up to the present the rate has not been adequately "accelerated." In spite of the new occupations that have arisen, mostly as an incident of the general process of invention and mechanization, in hotels, garages, moving-picture houses, advertising, selling, bootlegging, road construction, and in factories turning out automobiles, radios, phonographs, electric supplies, silk goods, cigarettes, etc., unemployment has increased and the average worker has been more than ever out of work. An investigation recently made by the Institute of Economics of the Brookings Institution revealed the fact that the newer industries are not absorbing the jobless as fast as is usually believed. Some 800 displaced workers were studied in three industrial centers. More than one-half of those who succeeded in finding new jobs had been idle for more than three months, while of those still unemployed, about one-half had been out of work for the same length of time. After a rapid survey of the situation, Stuart Chase, in his recent book, Men and Machines, puts down this summary judgment:

"I am seriously afraid that accelerating unemployment is here; that the park bench is destined to grow longer. The advertisers may be able to stimulate new wants that will take care of some of the displaced men, but who is to stimulate the purchasing power that will absorb the commodities new and old?"

The outlook would not be so discouraging if we could be certain that the invention of new machines and improved methods would soon come to an end or suffer a considerable slowing down. But there are no definite grounds upon which to base any such expectation. Indeed, some authorities think that these improvements will increase rather than decrease. Writing at the beginning of the present year, Dr. William Leiserson forecast the promise of the American industry to its wage earners throughout 1929 in this sentence:

"Those who are employed shall earn more than ever before; but fewer shall be called to work and more shall be unemployed."

There is much evidence to show that this prediction has been fulfilled and there are not a few indications that it will continue to be fulfilled for a considerable period after January 1, 1930. Doctor Leiserson gives the reason why employers permit high wages to coexist with large numbers of men out of work. They have discovered "that it is cheaper to pay higher wages to a smaller number of efficient workers than lower wages to a larger number of less efficient. Industry is therefore concentrating its work in the hands of a smaller number of employees. The younger, the more accurate, and capable workers are taught and stimulated by incentive wage payment plans to produce and to earn more, while the older, the slower, and the less efficient workers are weeded out to swell the ranks of the unemployed."

In view of the magnitude and persistence of this new kind of unemployment, it might well be called "chronic." This word has not, indeed, the scientific implications of "technological," but it has a much greater practical value. "Technological" tends to "take the curse off" the evil condition which it describes; "chronic" is much more suggestive and much more likely to convey the thought that "something ought to be done about it."

How great is the number of those unemployed at present? No one knows. No one is in possession of facts which would justify any estimate that would rise above the dignity of a guess. However, there is no law against guessing; therefore I would put the number at about 3,000,000. Whether the approximately correct number is 3,000,000 or 2,000,000, which was the estimate of a well-informed business man, it is sufficiently great to form a very urgent problem.

The fundamental cause of the evil is, of course, our old friend "overproduction," or, more precisely speaking, a general and constant capacity for overproduction. It is most pronounced in agriculture, coal

mining, textiles, the boot and shoe industries, and is becoming rather pronounced in the building trades. It is manifested not only by idle men and idle productive instruments, but in the greatly increased costs of selling goods, in the prevalence of "high-power salesmanship," and in the enormous outlay for advertising. Perhaps the last-mentioned phenomenon is the most conspicuous indication. The proper end of advertising is to supply information, but probably not more than 10 per cent of the "information" currently thrust upon the public is genuine. By far the greater part represents an attempt to persuade the consumers that Brown's product is better than that of Jones. Most of the real information that purchasers need could be obtained from a classified telephone directory, from the classified notices in the newspapers, and from trade journals. Another large part of advertising is intended to arouse in the minds of the public a consciousness of needs that they do not now feel. This statement is not to be construed as a condemnation of all that sort of advertising, but merely to emphasize the fact that goods can not be sold as fast as they can be produced. Hence we have a vast overcapacity to produce and a constant danger that this capacity will be converted into action. The other and more disagreeable side of the picture is widespread unemployment of both the machines and men.

To be sure, traditional and theoretical economics assure us that general overproduction is impossible. A supply of any kind of goods, we are told, is a demand for other goods. In so far as that formula is true it has no practical meaning; in so far as it means anything practical it is untrue. Every supply of goods is, of course, a potential demand. It constitutes a power to call for some other kind of goods. But it is not necessarily an actual demand for any kind of goods now existing. For example, the owner of a textile mill does not care to exchange his surplus product for the surplus produced by a farmer. The latter may, indeed, want more clothing, but the former does not want more food. Possibly he would like to exchange his surplus for a high-priced automobile, but the producer of the automobile does not want more textile goods. Similar statements can truthfully be made concerning the producers of surplus coal and shoes and a great many other products that are turned out faster than they can be sold. When two persons have a surplus of goods on their hands only one may desire the products of the other, or neither may desire what the other has to offer. This situation may be general throughout the greater part of industry. All of those having an excess do, indeed, possess the power to obtain some of the other surplus products, but not all desire these surpluses, while those persons who feel a desire for the excessive stocks are without the purchasing power. Owing to this divorce between the desire and the power to consume, it is quite possible that surpluses may exist simultaneously in practically all of the great industries.

At the present time and during the recent past the excess has taken the form of productive capacity rather than stocks of goods. But the effect upon employment differs only in degree between the one case and the other. Recent Economic Changes suggests an eventual remedy. "Wants are almost insatiable; there are new wants which will make way endlessly for newer wants as fast as they are satisfied." As a general proposition this is true. Without any change in the present distribution of consuming power all of the workers might find employment supplying actual and potential wants if only the latter and the means of supplying them could be developed fast enough. Twenty-five years ago the automobile was generally unknown. Since then hundreds of thousands of workers have found the means of a livelihood in this industry. To be sure, a great part of the purchasing power expended upon this commodity would have been exchanged for other goods if the automobile had not been invented; nevertheless, a great part of the money would not have been spent at all, since its possessors did not desire any other kind of actually known goods. If other inventions as appealing as the automobile should appear next year, undoubtedly they would attract sufficient actual purchasing power to put all idle men and women at work. Of course, these hypothetical commodities would fall under the head of luxuries. Scales of wages need not rise; the total purchasing power in the hands of the working classes need not increase except with the increasing employment; all the workers would be employed in making goods to supply the new wants which had been developed in the possessors of surplus consuming power—that is, the rich and the well-to-do.

However, this picture has two vital defects. In the first place, it is quite unlikely that the requisite new commodities will be invented. More fundamental is the objection that this would be an undesirable kind of industrial society. The people of our age, even the wealthy, would not be benefited by new luxuries, and the masses ought not to be required to provide superfluous goods for the few while they themselves are unable to obtain a reasonable amount of necessities and comforts.

### III. FIRST REMEDY—HIGHER WAGES

Indirectly and by implication, Recent Economic Changes suggests a more acceptable remedy for the kind of unemployment which is now puzzling students of the problem. It indorses "the principle of high wages and low costs as a policy of enlightened industrial practice in a period of stationary cost of living—the recognition of wage earners

as the great domestic market." As expressed by Ernest G. Draper at the hearings before the Senate committee—

"Workers are consumers as well as producers, and to increase the purchasing power of consumers is desirable, not only for the worker himself but for industry and society as a whole."

A considerable proportion of business men have, since the war, become converts to this doctrine. Men who have to produce goods in competition with their fellows have always striven for low costs in order that they might sell at low prices. Until quite recently the great majority have believed that one means of obtaining low production costs was low wages. According to the new theory, it is still desirable to sell the largest possible quantity of goods at the lowest prices and with the lowest production costs, but it is not desirable nor necessary to obtain low costs through low wages. If goods can be manufactured in sufficient quantity, the production cost can be low; but in order to sell all these goods even at low prices, purchasing power must be widely distributed. Money to buy the goods must exist in the hands not merely of a few well-to-do, but of the masses. The workers must have high wages in order to make their demands for goods effective. Increased power to consume must be extended to the only class that possesses in large measure the unsatisfied desire to consume.

This policy would provide the most humane and the most easily available remedy for the persistent overproduction and underconsumption that afflicts our industrial system. Instead of seeking to arouse new wants in the jaded appetites of the rich and well-to-do, why not supply the proper and reasonable wants of the toiling masses? Instead of striving to invent new luxuries and create new industries to satisfy wants that are as yet unknown and unfelt, why not provide an effective volume of demand for goods which are already known and desired, which can be produced by industries already established, but now languishing for lack of an adequate market? The masses desire and could use vastly more than they now obtain of the standard necessities and comforts—food, clothing, housing, hospitals and medical service, education, recreation, and amusements. We already have the workers and the productive equipment to provide all these goods in vastly increased quantities. The magnitude of the latent demand for them may be appreciated when we reflect that probably the majority of employees, even in the United States, do not obtain adequate living wages. Would not a generous increase in the remuneration of our underpaid toilers be the most direct and the most obvious way to eliminate the evil of idle machines and idle men?

No intelligent student of our economic system doubts the capacity of our industries to satisfy in reasonable measure all these wants for the majority, and to provide a considerable surplus for the economically powerful minority. The extent to which our national production might be increased is not fully indicated by our unused equipment, our unemployed workers, and the vast expansion of productive power that is obtainable without any new mechanical inventions. George Soule, in the *Useful Art of Economics*, says:

"In view of the vast array of preventable wastes, it is probably not an exaggeration to say that the national income might be doubled simply by eliminating them, even if inventions and knowledge of better techniques for production should cease to advance to-day."

Not more productive power but a rational organization of existing power is what we need in order to provide all our people with the material means of well-being and thereby to abolish chronic unemployment.

The better organization that has just been outlined immediately provokes the ancient and facile objection that such a large increase in wages would involve such an increase in production costs as to frustrate the object sought, and that the higher cost of production would cause such a rise in prices that there would be little or no increase in the average demand for goods and for labor. To this objection the obvious answer is that not all the additional outlay for wages would be reflected in prices. The more extensive use and more steady operation of the plant would offset either partially or wholly the higher wage costs. The increased costs, be they great or little, would be defrayed only in part by the wage earners, inasmuch as they are not the only consumers of the goods affected by the increase. In general it should be noted that if this objection were always heeded, it would prevent any increase in wages for any reason whatsoever. Happily, it has not been heeded universally. Dr. Wesley C. Mitchell, who directed the study of recent economic changes, tells us that—

"American prosperity in 1922–1927 in nonagricultural lines would have been decidedly greater had the 6,000,000 American farmers been flourishing."

Paraphrasing this statement, we observe that American prosperity would have been decidedly greater during the same period had the 10,000,000 or more underpaid American laborers been receiving adequate wages. The economic factors and implications are exactly the same in the two cases. Indeed, Recent Economic Changes gives some measure of indorsement to the doctrine and proposal here advocated when it declares that one of the 10 outstanding developments in our industrial history since 1920 has been "the recognition of wage earners as the great domestic market." It is too bad that the committee did not ex-

Explicitly accept the implications of this recognized fact. Instead of using language which tended to exaggerate the increase which has taken place in wages, it ought to have frankly pointed out that further increases are necessary before a large proportion of the working classes will have satisfactory incomes, and before their effective demand will be sufficiently enlarged to furnish an adequate market for the products of our industries.

The real difficulties confronting the proposal for a better organization of our distributive system, for a better combination of the desire to consume with the power to consume, have to do with the methods for obtaining the requisite increase in wages. While the individual employer may accept the doctrine that high wages and high purchasing power in the hands of labor are good and necessary for industry as a whole, he realizes, or thinks, that relatively low wages would be more profitable in his own business. He believes that this is true at least so long as his competitors fail to adopt the policy of high wages. To meet this difficulty, the only immediately adequate measure would be minimum wage scales fixed by law. Owing to the unfavorable decision of the Supreme Court in the District of Columbia Minimum Wage case, to say nothing of two or three other obstacles, this most important reform is, and for many years to come will remain, impossible of attainment in the United States. The only practical methods now available are increased organization of labor and the economic, social, and ethical education of the masters of industry and all other influential groups in our population. While neither of these methods is likely to produce beneficial results rapidly, they have both proved their effectiveness by experience. After all, solid and permanent progress comes slowly in every department of social life.

The foregoing argument has taken no notice of the thesis upheld in several publications by Foster and Catchings. It is that overproduction, underconsumption, and general unemployment come about because industry does not put sufficient money into the hands of the consumers to pay for all the goods produced. This theory has not been considered for two reasons. First, in so far as it deals with the flow of money and credit, it is too difficult either to prove or to refute. In the second place, these authors admit, nay assert, that a great increase in general consuming power could be obtained through a general advance in wages. For example, in a pamphlet reprinted from the Century Magazine, July, 1929, these sentences occur:

"Adequate consumption, therefore, does more than anything else to sustain employment. And nothing more is needed to achieve the right rate of consumption than the right flow of money to consumers. Now, the largest part of this flow, and the part that is most promptly spent, is the stream of wages. Nothing, therefore, can go so far toward sustaining trade and employment as increasing the weekly pay roll of the country fast enough, and not too fast."

Hence, the first and obvious requisite is to raise wages somehow, with some kind of money. If that measure should fail to increase consuming power sufficiently to take all the goods off the market and keep industry going, the time would then be at hand to consider the problem of increasing consumers' credit. The money phase of the problem, the question how to bring about the right flow of money to the consumers, will then be much more urgent than it is to-day.

Since the foregoing paragraphs were written, the crash in the stock market has occurred, and President Hoover has conducted a series of conferences with leading industrialists in the endeavor to prevent a grave business depression. One of the policies adopted at these meetings was that of maintaining the present levels of wages. This is a frank recognition of the consuming power of the wage earners as a factor in preventing unemployment. Henry Ford has gone beyond this negative policy, and decreed a substantial increase in the remuneration of all his employees. Undoubtedly the efforts of the conferences would be more effective if other powerful concerns had followed his example.

The other important policy adopted by the participants in the conferences was that of increasing new construction and the purchase of materials and equipment. In so far as the proposed new construction contemplates an addition to the previously determined expenditures for public buildings, it exemplifies the device of the "prosperity reserve." The same is true of new construction in private industry which will provide services rather than goods. For example, some railroad replacements and improvements and some extension of electric-power facilities are undoubtedly warranted by the needs of the plants and the potential demands of the consumers. But the expansion of manufacturing concerns does not seem to be wise, nor is it likely to take place to any important extent. Indeed, the increase in construction, both public and private, directly resulting from the White House conferences will not be considerable. When added to the construction which had already been contemplated, it will probably not make the total for 1930 as great as the total for 1929. Nevertheless, President Hoover deserves unstinted praise for calling the conferences, even though their effect may turn out to have been mainly psychological, i. e., preventive of an unnecessary decline in business confidence. Their beneficent results would be much larger if the President could have induced some of the other great industrialists to follow the lead of Henry Ford in the matter of wage increases.

#### IV. SECOND REMEDY—REDUCED WORKING TIME

While higher wages for the majority of the laboring class is the primary and direct solution of the problem of chronic or technological unemployment, it is not the only solution. There is an important secondary remedy which would reinforce higher wages and promote a better social order than that which results from the development of new wants. This secondary remedy is a shorter workday or a shorter work week, or both. The shorter workday is sometimes advocated on the ground that it results in as large a production per capita as a longer day. In any industry where this would happen, the shorter workday would obviously fail to reduce unemployment. What is needed is increased demand for labor, not the ability of labor to turn out more goods in a given number of hours. We should frankly realize that the problem is not one of more productive power but of better distribution of purchasing power. With a shorter workday or work week, a given demand for goods would require more laborers, thus decreasing unemployment.

Two situations may be conceived. In the first, labor has shorter hours while the machinery and plants are operated full time; in the second, the plant and the employees are active during a shorter day or a smaller number of days per week. The choice between these methods in any industry should be determined by the amount of demand for its products. At present the building trades in some cities are on a 5-day week basis because there is not sufficient demand to require operation for six days. On the other hand, the Ford automobile factory is busy six days in the week, although none of the employees works more than five. This arrangement can easily be substituted for the first whenever the demand warrants the larger use of machinery and plant. Full time for machinery and reduced time for the workers is evidently the more desirable arrangement, for it means not only more workers employed but a more economical use of capital. For example, a plant might be operated for 12 hours a day, 6 days in the week, and yet employ no laborer for more than 6 hours per day or 5 days per week.

The immediate effect of each of these arrangements would be to increase employment. Increased employment would increase the total amount of wages received, not only because more workers would be employed but because the greater demand for labor would keep wage rates above what they would have been in the absence of increased employment. The increased wages would provide increased purchasing power for the products of many industries, thereby extending further the demand for labor. The order of events would be directly contrary to that set in motion when men are thrown out of work.

The objection that the same or higher wages could be paid for producing a smaller or the same amount of goods has been dealt with in a preceding paragraph. After all, wages are the money equivalent of goods; if the goods can be produced, their wage equivalent will be potentially available. No competent person doubts that our industries are capable of producing the required volume of goods. The only difficulty is to get into operation the process of converting the goods into wages. The shorter work period for labor seems to provide an effective method.

Indeed, the movement toward this goal is already well under way. The average working time per week per employee in factories decreased 15 per cent between 1900 and 1923. In the last two years considerable progress has been made toward the introduction of the 5-day week. President Green of the American Federation of Labor recently estimated the number of men who have obtained the 5-day week at 500,000. These workers are found chiefly in the building trades, the printing trades, foundries and machine shops, the clothing industries, and the automobile industry. In all probability the movement can be extended more rapidly than the movement for higher wages to the underpaid.

As stated in a previous paragraph, the shorter work period "would promote a better social order than that which results from the development of new wants." On the one hand, it would provide the laboring classes with greater leisure and thus make possible the development of a higher intellectual and moral life; on the other hand, it would tend to retard the invention of new luxuries. To be sure, the increased leisure would not immediately be all utilized for intellectual and moral improvement. In all probability the greater part of it would, for a considerable time, be spent uselessly, if not foolishly. However, that is not an argument against the proposal. Men must first get leisure before they can learn to use it wisely. The latter is a problem of education, which we have no right to assume is insoluble. The shorter work period would check or retard the production of new luxuries, because the workers' increased demand for necessities and comforts would tend to keep capital fully employed in industries that are already established. Since production is justified only as a means to rational and beneficial consumption, it ought to be so organized as to yield the maximum of the good life for all. The elementary necessities and comforts and the material conditions of reasonable leisure and progressive mental and moral development ought to be placed within the reach of all the people, while the supply of useless and harmful luxuries should be kept down to a minimum. Of course, a shorter work period would not entirely prevent the production of luxuries. A vast amount of them would still be demanded by the possessors of unusually large purchasing power. The quantity turned out, however, and the proportion of pro-

ductive energy thus engaged would be considerably reduced, while the proportion of productive power used to meet the rational needs of the masses would be considerably greater than is the case in our present arrangements. This would be an immense gain for the good life.

Unfortunately, certain statements in Recent Economic Changes tend to indorse the contrary doctrine. By suggestion and by implication they convey the idea that national prosperity and national welfare are dependent upon the indefinite expansion of human wants and the indefinite multiplication of luxuries. In the following section of an editorial by George Russell in the Irish Statesman this construction is unhesitatingly put upon the committee's language:

"There is an interesting passage in the report of the committee on recent economic changes, of which President Hoover is chairman. It speaks of the reaching out for luxuries which make possible the expansion of new industries and says that the United States has only touched the fringes of its potentialities. Wants, it declares, are insatiable, and one want satisfied makes room for another, and economically there is a boundless field for development. The report seems to suggest that material prosperity is largely based on the limitless desires of humanity for pleasure and luxury, that no great prosperity can be based merely upon the satisfaction of the primary needs for food, shelter, and clothing. It suggests that if people are encouraged to have extravagant desires for luxury they will work for these and multitudes of people will be given employment, while the Spartan country will always be poor, however virtuous its people may be."

For the sake of the intellectual, not to say the moral, reputations of the committee on recent economic changes, let us hope that this interpretation and inference will turn out to have been unforeseen and unintended, however necessarily it may follow according to the strict processes of logic. Charity constrains us to give the committee the benefit of the doubt. Charity constrains us to assume that on account of their great appreciation of our recent industrial progress and their preoccupation with "prosperity," the members of the committee failed to perceive the false and disagreeable implications of their loose talk about "insatiable wants." Let us charitably assume that they did not mean to say that genuine prosperity "is largely based on the limitless desires of humanity for pleasure and luxury." Let us charitably assume that they had no intention of identifying this conception of prosperity with industrial sanity, social well being, or desirable human life. Moreover, we will charitably assume that they are not so lacking in economic knowledge or in the capacity for straight economic thinking as to suppose that our industries can be kept going at a reasonable rate or for a reasonable period of time per week only on condition that the multitude shall continue to work 8 or 10 hours per day in order to satisfy the "extravagant desires for luxury" felt by the economically powerful minority. Let us charitably assume that the members of the committee merely overlooked the fact that the productive capacity of our men and machines could all be utilized to a reasonable extent in turning out goods for the satisfaction of wants already known and felt, particularly the elementary and rational wants of the majority.

In their preoccupation with a conception of prosperity which logically implies a belief in production for its own sake, the members of the committee are in line with our baneful tradition of Puritan industrial ethics. Describing this ethical discipline as it was taking final shape at the end of the seventeenth century, R. H. Tawney writes in *Religion and the Rise of Capitalism*:

"The worship of production and ever greater production—the slavish drudgery of the millionaire and his unhappy servants—was to be halloed by the precepts of the same compelling creed."

Nevertheless, one of the two underlying principles of the Puritan ethics of work and production has been incontinently rejected by the committee as by all American industrialists. George O'Brien says, in *The Economic Effects of the Reformation*:

"The desire for ever-increasing production, which is a feature of the capitalist spirit, was encouraged not only by the Puritan conception of the fulfillment of the vocation but also by the other branch of Puritan ascetic teaching, namely, the observance of strict frugality and austerity."

Instead of urging men to strive for greater production through "frugality and austerity," the committee points to the inexhaustible spring of "almost insatiable wants." Whether this new emphasis upon limitless consumption is more rational, or less, than the traditional maxims of frugality and saving, it constitutes at any rate eloquent testimony to the capacity of our industries for overproduction.

The program suggested by Stuart Chase is more in harmony with humanity and reason than the suggestions of the committee on recent economic changes. It is quoted here, not necessarily as correct in detail but as indicating the right approach and method:

"Let me recapitulate. Machinery saves labor in a given process; 1 man replaces 10. A certain number of these men are needed to build and service the new machine, but some of them are permanently displaced. Now, if the articles called for remain the same, and the financial system remains the same, sooner or later half the workers (let us say) in the country can produce what once required the labor of all the workers. The other half are on the park bench. But, as an alternative, all can continue to work for half as many hours in the

day; or all can combine to work a full day and produce twice as much. None of these clean-cut alternatives has, of course, been taken. The ideal result would be something in the nature of hours reduced a third, and output of sound necessities and comforts increased two-thirds. This would end hard work and poverty forever. Instead hours have fallen a little, output has increased considerably, but the present financial control neither releases sufficient purchasing power to enlarge output as far as the machine is readily capable of enlarging it unhindered, nor promotes the kind of output which necessarily makes for the good life." (*Men and Machines.*)

The most reassuring and the most significant truths that emerge from an objective study of American conditions to-day are these: In the United States, at least, the prosperity of the industrial system is consistent with and dependent upon the welfare of the toiling masses. Industrial well-being and the principles of justice can be practically harmonized. The doctrine of the living wage and all the other humane doctrines taught by Pope Leo XIII in his encyclical, *On the Condition of Labor*, can no longer be stigmatized as visionary by any intelligent student of our industrial achievements and potentialities. To establish universal living wages and to abolish all excessive labor, as regards persons, quality, and hours, would be the most direct, prompt, and effective means of meeting the menace of chronic unemployment and of insuring prosperity for our industries. The thing can be accomplished if only the masters of industry and of politics will devote to the problem a small part of the energies that they habitually spend in making and selling goods and in pursuing profits.

Although Unemployment in the United States provides no adequate guidance along this line for either industrialists or statesmen, it contains one paragraph which gives full recognition to the urgency of the problem and the obligation of society to solve the problem. The following paragraph expresses the views of the Senators themselves who conducted the hearings:

"It may as well be remembered that society is going to provide an opportunity for man to sustain himself, or is going to have to sustain man. Society is going to provide opportunity for man to pay his own way, or is going to pay for him. Society may as well make every effort to do the job constructively, because no society can be strong in which its members are encouraged or forced to adopt the position or place of those seeking charity."

#### LONDON NAVAL CONFERENCE

Mr. GEORGE. Mr. President, I do not offer the letter for the RECORD, because it contains certain personal references, but I do desire to quote from a letter written me by Dr. D. P. McGeachy, of Atlanta, Ga., with reference to the Naval Conference in London. In the letter he makes this statement:

I believe that I represent thousands of thinking people when I say that we are deeply concerned about the naval conference in London. I sincerely hope that every effort will be exerted to bring good out of this conference.

Just now the news is rather discouraging, but we believe that intelligent people should simply intensify their efforts and that we should determine on success for the conference at any cost. A failure in London just now would certainly have very serious consequences. The prevention of another war like the recent world struggle is an ideal toward which our strength should be turned. And I believe that the people will follow the Senate in doing all that can be done for a real reduction of naval expenditure.

I wish to add just this word, that in my judgment the withdrawal of our conferees from the conference in London would be most disappointing to the hopes of mankind, and I believe that the well-nigh unanimous sentiment of the American people is in thorough accord with the declarations made by the senior Senator from Idaho [Mr. BORAH] Saturday evening when he expressed full confidence in our delegates at London, and the utmost hope in the successful outcome of their efforts.

Mr. SWANSON. Mr. President, I fully concur in the statement just made. I think it would be a great misfortune, and very far-reaching, for our delegates to withdraw from the conference at this time. Our delegates went to London with the positive purpose of obtaining parity between the naval strength of the United States and that of any other nation; and also with the purpose of securing some reduction in naval armaments. The two ideas were emphasized.

The delegates made an offer of parity and reduction according to their views. I think it would be a most serious mistake for our conferees not to continue at the conference until there is a successful conclusion, or until the attempt to attain those two ends is found to be utterly impossible of accomplishment.

The conference has not taken any longer than had been anticipated. Everyone knew that difficulties would be encountered. Everyone knew the trouble that would be met in obtaining parity and in obtaining reduction.

For our delegates to the conference now to leave would be a most serious mistake, and it would not be in accordance with

the purposes for which they were sent, the wishes of the American people, or, I am satisfied, the desires of the Senate.

It will be a difficult task. We have confidence in our delegates. I am satisfied that if they can not obtain parity and a reasonable reduction they will do the best that can be done under the circumstances. When they enter into an agreement, it will be for the Senate to determine whether it approves or disapproves that agreement. If the treaty entered into is not such that the Senate can approve it, it can either reject it or amend it.

But it does seem to me that the last to quit the conference ought to be the delegates from the United States. I hope they will continue there and do all they can to achieve the purpose for which they were sent—parity and a reduction of naval armaments. I would look with a great deal of disappointment upon the situation if the delegates at this time should leave or suggest to the President that their mission is hopeless. I hope our delegates will continue to do all they can to obtain parity and a reduction of naval armaments.

Mr. McKELLAR. Mr. President, I desire to have printed in the RECORD, in answer to the statement of the Senator from Virginia [Mr. SWANSON], an editorial which appeared in this morning's Washington Post on the subject which he has been discussing.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Post, Monday, March 3, 1930]

THE FARCE OF LONDON

The collapsible governments represented at the London Naval Conference are hoping to resume their plans for increasing their respective navies, now that André Tardieu has formed a new cabinet. His must obtain a vote of confidence this week. The solid opposition of the radical-socialist bloc, which rangles under the defeat administered to it a few days ago by M. Tardieu, may defeat Tardieu in turn. But presumably he will try again in that event. He is the strongest figure in France, and France must have a government.

Whether Tardieu or another appears for France, the French program is fixed. That nation has decided to build a submarine force capable of preventing the British fleet from blockading France or cutting its communications with the colonies. The security of communications long enjoyed by Great Britain is now to be obtained by France.

The French program makes it necessary for Italy to reserve freedom of action in building naval defenses. Italy has not been restive under British domination of the Mediterranean, partly because Britain is too much occupied in other regions to bother with Mediterranean politics. But Italy will not remain idle while France builds a naval force which unless counterbalanced by a strong Italian fleet would encourage Franco-Yugoslav pretensions in the Adriatic and bring about war.

Nothing is more clearly foreshadowed than an increase of French and Italian naval forces following the London conference. Any agreement reached must include this increase. The refusal of other powers to concede greater naval strength to France and Italy would merely make an agreement impossible; but France and Italy will go ahead with naval building just the same.

No political bargain can be arranged at London which would serve as a substitute for increased Franco-Italian naval defense. Great Britain, so long as she persists in the determination to possess twice the naval power of France, can not buy off France with any political concession. The United States has no political sop to throw to France. The American delegation will waste its time if it tries to work out a political bargain that would induce France to forego the building of a counter British submarine fleet. The Senate will not cooperate to save the face of the American delegation by approving any treaty that commits the United States to foreign political obligations—and nothing less than such a commitment would be acceptable to France. If the United States would agree to become its war ally, France, of course, would be willing to reduce its program of naval defense.

Japan is not interested in France and Italian naval expansion and will not offer anything valuable as a substitute. Japan merely wants a little increased naval defense of its own. Any agreement reached in London will inevitably include concessions to Japan.

The hope of Anglo-American naval parity based upon reduction of tonnage has disappeared. Parity can now be reached only by increased American building, not by British scrapping. Few well-informed Americans ever had any faith in Ramsay MacDonald's gushing assurance to the Senate—"Parity? Take it, in full measure, full to overflowing." He could not make this assurance good, even if he wished to do so. Now, the American delegation is told that it may catch up in parity if it builds British-type cruisers, but Britain makes no promises. It reserves the right to build still more cruisers unless France abandons its ambition to be independent of British control of the seas. America can build or lag behind, as it pleases.

So the London conference simmers down to this proposition: That an agreement must be made providing for the general increase of the

world's great navies. The agreement must be sugar-coated with "humane" rules governing submarines, and high-sounding references to "economy" and vague future naval reduction. The peoples must be fooled, if possible, into believing that the London conference has promoted international confidence and good will; something actually proving the intention of the nations to renounce war, as they have solemnly pledged themselves to do. But whether the agreement is to be successful in fooling the people or not, it must provide for the increase of navies. That is the one objective of the four delegations that are conferring now with the Americans in London.

It is too much to expect that the Americans will have the moral courage to refuse to agree to the increase of navies. "The conference must be a success." Success will consist in bringing home "some kind of a treaty." So a conference called to reduce the world's navies must bring forth an agreement to increase those navies. The farce must be played through to the drop of the curtain.

Mr. McKELLAR. Mr. President, I also ask permission to insert another article, which is entitled "Plea for Navy Cut Cabled United States Envoys."

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

PLEA FOR NAVY CUT CABLED UNITED STATES ENVOYS—FOREIGN POLICY ASSOCIATION ASKS ACTUAL REDUCTION, NOT LIMITATION—NOTABLES SIGN PETITION

NEW YORK, March 2.—The Foreign Policy Association to-night cabled the American delegates at the London Naval Conference an "appeal for reduction, not mere limitation of armaments." The message was signed by 1,200 prominent men and women, who, the association said, authorized their signatures within 72 hours.

The message said:

"Upon the reconvening of the naval conference, we the undersigned reiterate the hope that the remaining negotiations be conducted in full remembrance of the fact that all of the powers at London have agreed in the pact of Paris to renounce war in favor of settling disputes by peaceful means."

The message said the signers based their "expectations" on President Hoover's Armistice Day speech in which he declared, "We will reduce our naval strength in proportion to any other. Having said that, it only remains for the others to say how low they will go. It can not be too low for us."

"This policy of reduction," the cablegram said, "has had and continues to have the overwhelming indorsement and support of the American people. We protest against any possibility that this policy of reduction may be abandoned."

The 1,200 signers urged steps looking toward the utilization of the principle of joint conference in the event of disputes which might lead to war, and pledged their support for the conclusion of "such agreements as embody the principles of reduction and conference and at the same time meet the justly aroused expectations of the entire world."

Among the signers were 206 college presidents and the governors of 8 States.

The signers included: Govs. John C. Phillips, of Arizona; C. C. Young, of California; H. C. Baldrige, of Idaho; George H. Dern, of Utah; Henry H. Horton, of Tennessee; John Garland Pollard, of Virginia; Flem D. Sampson, of Kentucky; and Theodore Christianson, of Minnesota; former Gov. Robert P. Bass, of New Hampshire; Jane Addams; Robert E. Swain, president of Stanford University; Horace D. Taft; Gardner Cowles, publisher of the Des Moines Register; William Allen White; Robert M. Hutchins, president of the University of Chicago; Arthur S. Pease, president of Amherst College; Alexander G. Ruthven, president of the University of Michigan; Chief Justice Lew L. Calloway, of the Montana State Supreme Court; Nicholas Murray Butler, president of Columbia University; Zona Gale; and Alexander Melckeljohn.

PROPOSED INVESTIGATION OF FEDERAL FARM BOARD

Mr. NYE. Mr. President, during the last week the cooperative organizations among the farm people were rejoicing over what they concluded was the show of good will being made manifest by the Federal Farm Board. During the week all Senators from the wheat States were being flooded with telegrams and letters from organizations, elevator companies, and individuals who were not affiliated with the set-up which had been afforded by the Federal Farm Board for the marketing of wheat, protesting against a ruling of the Farm Board, which ruling was nothing more and nothing less than a determination that under the farm marketing act they must confine whatever means of credit were at their disposal to cooperative organizations alone.

These protests led to a meeting on Saturday at Chicago of the Farm Board with the cooperative heads and the officers of the Farmers National Grain Corporation. If the telephone calls and the telegrams of this morning are indicative at all of the reaction to that meeting held in Chicago, then I am inclined to believe that whatever faith and whatever confidence

was made manifest in the Farm Board by the cooperatives last week has quite vanished. As indicative of what the attitude of the cooperatives was during last week, I desire to read a telegram dated Thursday, February 27, and addressed to me from St. Paul, Minn., as follows:

ST. PAUL, MINN., February 27, 1930.

Senator GERALD P. NYE,  
Senate Office Building:

No justification for any protests from elevator companies. Chairman Legge's policy is 100 per cent sound. Wheat pool and ourselves qualified to meet the situation in every respect in the interest of the farmers. We have sent a telegram to every farmer's elevator in the Northwest advising them how they can qualify for an investment of \$10 to receive all of the advantages of the Government price on Government grades. Also have advised them how farmers having storage tickets in any elevator can procure Government loans at Government prices. Under present Farm Board program the producers and producers' cooperative associations receive great advantages over the private grain trade. We are on the air daily over six radio stations covering Minnesota, the Dakotas, and Montana advising farmers of these advantages and how to procure them. Chairman Legge has proven himself a champion for the farmers and an American statesman and is deserving of the support of every Member of Congress to help him carry out this present policy in meeting the grain situation. Am sending you confirmation of this wire and all circulars which we are sending to elevators and farmers all over the Northwest. The farmers' union of the Northwest will appreciate your placing this wire in the CONGRESSIONAL RECORD and giving it every support possible. Farmers' elevators are showing approval by flooding us with wire applications for stock.

FARMERS UNION TERMINAL ASSOCIATION,  
M. W. THATCHER, General Manager.

Mr. President, as I have said, the protests which are coming from the cooperative agencies this morning lead me to believe that a large part of that confidence which existed last week was destroyed in some manner or other by the conference held in Chicago on Saturday last. No matter what that situation may be, no matter how meritorious might be an inquiry into what happened there, I think the Senate itself is intensely interested in knowing precisely what is the program of the Farm Board, precisely what is the outlook, precisely how the Farm Board is utilizing the marketing act itself, and in a general way to secure a better picture of what might be obtained and what might be expected under that act as it is being administered.

Because that is the case, I send to the desk a resolution which I ask to have read. I am in hopes there is going to be no objection to it. In the event of objection to its immediate consideration, I shall have to give notice of an intent on to-morrow to take considerable time of the Senate in offering support for the resolution.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 221), as follows:

*Resolved*, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized to conduct an investigation for the purpose of determining (1) whether the Federal Farm Board has been fairly interpreting the agricultural marketing act and carrying out the purposes thereof; (2) whether the so-called "grain trade" of America has conspired to destroy the purpose and effectiveness of such act and to embarrass the Federal Farm Board in the administration thereof, or has instigated such programs in the grain market of the world as would tend to depress the world market for American agricultural products and to reflect such depression upon the domestic market for agricultural products for the purpose of discrediting the Federal Farm Board; and (3) whether the so-called "grain trade" has been aided in its activities above referred to by banking or credit institutions or other interests in any way associated with such institutions. The committee shall report to the Senate as soon as practicable the result of its investigations, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, (1) is authorized and directed to subpoena immediately the directors and other officers of the Farmers' National Grain Corporation to testify concerning their knowledge of the general grain marketing situation and the administration of the agricultural marketing act; and (2) is further authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-first and succeeding Congresses until the final report is submitted, to employ such clerical and other assistants and to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The

expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The PRESIDENT pro tempore. The Senator from North Dakota asks unanimous consent to introduce the resolution. Is there objection?

Mr. HARRISON, Mr. FESS, and Mr. JOHNSON addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from North Dakota yield; and if so, to whom?

Mr. NYE. I yield first to the Senator from Mississippi.

Mr. HARRISON. I understood from the reading of the resolution that the Senator would direct the Committee on Agriculture and Forestry of the Senate to investigate whether or not the Farm Board is carrying out the purposes of the act. That is it in general terms, as I understand?

Mr. NYE. The Senator is correct.

Mr. HARRISON. Then in two or three other paragraphs he specifies particularly things to be done with respect to grain. I wanted to call to the attention of the Senator that fact and ask why it is that something specific is not included touching cotton? Cotton has had a decline just as great in proportion, if not greater, than wheat or grain, and while I am in thorough sympathy with the purposes of the Senator, I would not like to see one commodity magnified over the other, because, as the Senator will recall, when the act passed the Congress and became a law there was a provision written into it—unanimously agreed to also by the House and by the Senate—giving the Farm Board the power to take part of its funds and to write insurance against price declines on cotton and on wheat too, so far as that is concerned. I understand they have taken no steps whatever touching that provision of the law but I feel sure that if some such step had been taken some assistance would have been rendered.

Mr. NYE. I have no objection to the resolution being so amended as to provide for a study of both grain and cotton.

Mr. HARRISON. I hope the Senator will amend his resolution to that effect.

Mr. NYE. I will do so.

Mr. JOHNSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from California?

Mr. NYE. I yield.

Mr. JOHNSON. In another line than that suggested by the Senator from Mississippi—in fact, in some other lines than that suggested by him and that suggested by the Senator from North Dakota—I am interested as well; but I thought as I heard the resolution read that the first clause of it gave general power to the investigating committee to go into every matter concerning the administration of the farm relief act. May I ask that the clerk read again the first provision of the resolution and then let us see how we may consider it?

Mr. HARRISON. I think the Senator is correct.

The PRESIDENT pro tempore. The clerk will read, as requested.

The Chief Clerk read as follows:

*Resolved*, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized to conduct an investigation for the purpose of determining (1) whether the Federal Farm Board has been fairly interpreting the agricultural marketing act and carrying out the purposes thereof.

Mr. JOHNSON. My impression was that under that provision all matters concerning the administration of the act might be gone into and every commodity in relation to the Farm Board might be investigated. Am I not right?

Mr. HARRISON. I think that is perhaps true, and that is what I stated in the beginning of my remarks; but I dislike to see one particular commodity placed in a different category from cotton, because cotton is just as important as grain in the matter of a decline in price, and I hoped that the Senator from South Dakota would add cotton to his resolution.

Mr. NYE. I shall gladly do so. I think I understand thoroughly the viewpoint of the Senator from Mississippi. In drafting the resolution I was bound to have the matter of grain in mind because the forces in opposition to the farm relief act seemed to have centered quite largely their activities there in these immediate days.

The PRESIDENT pro tempore. The Chair understands the Senator from North Dakota to withdraw the resolution for the time being for the purpose of modification.

Mr. NYE. No, Mr. President; let it be modified.

Mr. McNARY and Mr. FESS addressed the Chair.

Mr. NYE. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, in the first place, I think it is premature to ask for a modification now; and, secondly, I will

say, in answer to the Senator from Mississippi, that I have no doubt the first paragraph of the resolution embraces all he has in mind; namely, it provides for both his suggestions, one of which is in reference to insurance against price declines. It also covers all phases of cotton.

The point evidently which the able Senator from North Dakota has in mind is to accentuate the action which was taken by the National Grain Corporation at a meeting on Saturday, concerning the value that ought to be placed on wheat for purposes of extending credit. That is the reason it is specifically mentioned and stands out as one of the questions which ought to be considered in connection with the activities of an organization which is only an instrument in an attempt to administer the law.

As chairman of the Committee on Agriculture and Forestry, if the resolution shall be referred to that committee, I appreciate that the first clause embraces all the activities of the board, contemplated or now under way, as to agricultural products, including cotton, with the situation as to which I am more or less conversant.

Mr. JOHNSON. And every other commodity.

Mr. McNARY. Certainly. I do not see any necessity for any modification of the resolution.

Mr. NYE. In view of the statement of the Senator from Oregon, will the Senator from Mississippi insist upon a modification of the resolution?

Mr. HARRISON. Mr. President, I merely wanted to bring the suggestion to the attention of the Senate. I would prefer to see cotton placed upon the same basis as grain. The chairman of the committee says, however, that an investigation as to the cotton situation will be had in the event the resolution is passed, and, of course, that is all I want. I want to know why this board does not do something with reference to the provisions which are written in the law?

The PRESIDENT pro tempore. The Senator from North Dakota asks unanimous consent out of order to submit the resolution. Is there objection?

Mr. OVERMAN. Mr. President, I heartily favor the resolution, but under the law does it not have to go to the Committee to Audit and Control the Contingent Expenses of the Senate?

The PRESIDENT pro tempore. The resolution, even if unanimous consent is given for its introduction at this time, will have to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FESS. That is why I rose.

The PRESIDENT pro tempore. The question now is whether unanimous consent shall be given for the introduction of the resolution out of order. Is there objection?

Mr. FESS. Mr. President, that does not mean consent is given to consideration of the resolution, does it?

The PRESIDENT pro tempore. No. The resolution can not be considered immediately under any circumstances. Under the statute it has to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FESS. Will the Senator yield to me?

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

Mr. NYE. I yield to the Senator from Ohio.

Mr. FESS. The Committee to Audit and Control the Contingent Expenses of the Senate has no authority to go into the merits of any resolution; all it can do is to allow or disallow the item of expense required. I am going to ask the Senator from North Dakota to let the resolution go first to the Committee on Agriculture and Forestry, and if that committee shall recommend it—and I assume that it will, because it is friendly to the propositions involved—then the Committee to Audit and Control the Contingent Expenses of the Senate will have authority immediately to act when the resolution shall come before us.

Mr. NYE. Mr. President, I have no objection at all to that course being followed. I have every confidence in what the Committee on Agriculture and Forestry will do in connection with the consideration of a resolution of the kind I have submitted; but I do object to any delay in its consideration, because it seems to me the time is here when the Senate must give consideration to this problem lest the program which we spent months in effecting here last summer shall be wrecked completely.

Mr. FESS. The Senator will recognize that the request I am making is the usual request. When a measure of this kind, involving a principle, must go to the Committee to Audit and Control the Contingent Expenses of the Senate we have always asked that it first go to the committee which would have charge of it originally if it were legislation. I can not assume that there will be very much delay in the consideration of the reso-

lution. The chairman of the committee is here, and all the members of the committee as a rule are in the Capitol. It seems from what the chairman has said that there will be no opposition to it, and I can not imagine the course I have suggested will involve very much delay, and it will enable us to maintain our regular practice here with reference to measures such as this.

Mr. McKELLAR. Mr. President, will the Senator from North Dakota yield to me?

Mr. NYE. I will yield in a moment. I should like to inquire of the Senator from Oregon, the chairman of the Committee on Agriculture and Forestry, if any delay would be occasioned if the request of the Senator from Ohio were to be granted?

Mr. McNARY. Mr. President, the Senator from Ohio is not making a mere request; what he suggests is the uniform practice of this body—that the committee having general jurisdiction first acts, and, then, if they report favorably the measure goes to the Committee to Audit and Control the Contingent Expenses of the Senate, and it determines whether the necessary funds shall be authorized to carry out the purpose of the resolution. If the resolution is referred to the Committee on Agriculture and Forestry, I shall call the committee together tomorrow morning, Tuesday, at 10 o'clock. There is a regular meeting on Wednesday.

Mr. McKELLAR. Mr. President, that answers the question I wanted to ask.

Mr. WHEELER. Mr. President, will the Senator yield to me just a moment?

Mr. NYE. I yield to the Senator from Montana.

Mr. WHEELER. I was going to ask the chairman of the Committee on Agriculture and Forestry if it is not within the power of the committee, without this resolution, to call the members of the Farm Board before it and inquire of them as to why they have not carried out the provision referred to? Without the necessity of adopting a resolution, would not the Committee on Agriculture and Forestry have that power?

Mr. McNARY. I suppose it could resolve itself into a grand jury and make general inquiries, but it is not the practice; it does not always comport with good taste and propriety. Usually such matters are brought directly to the attention of the committee by a resolution which sets out the particular reasons why a particular thing should be done. I should much prefer to have it done in that way rather than simply to start out fishing on our own account.

Mr. NYE. Mr. President, with the statement of the Senator from Oregon before us, I have no objection to the request of the Senator from Ohio.

Mr. BROOKHART. Mr. President—

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

Mr. NYE. I yield.

Mr. BROOKHART. I have no objection to the proceedings suggested, but I want to call the attention of the chairman of the committee to the fact that the investigation should be broadened so as to include corn and oats and livestock, and also the question of why the board has not organized stabilizing corporations to take care of those commodities.

The PRESIDENT pro tempore. The Senator from North Dakota asks unanimous consent, out of order, to introduce a resolution. Is there objection? The Chair hears none, and the resolution, having been read for the information of the Senate, will be referred to the Committee on Agriculture and Forestry.

#### INVESTIGATION OF OIL SITUATION IN MONTANA

Mr. LA FOLLETTE obtained the floor.

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

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I yield.

Mr. WHEELER. On Saturday last I submitted Senate Resolution 220 and asked for its immediate consideration. It was a resolution proposing to request the Attorney General "to make an investigation of the corporations and associations engaged in the business of selling oil and gasoline in the State of Montana for the purpose of determining whether any such corporations or associations are fixing prices or engaged in other practices in violation of the Federal antitrust laws."

At that time the Senator from Ohio [Mr. Fess] objected to the consideration of the resolution and asked that it go over. I understand that the Senator from Ohio has not now any objection to the resolution, and I ask for its immediate consideration. I do not think it will lead to any discussion whatsoever.

Mr. SMOOT. Let the resolution be read, Mr. President.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.



The Chief Clerk read the resolution (S. 220), as follows:

*Resolved*, That the Attorney General of the United States be, and he is hereby, requested to make an investigation of the corporations and associations engaged in the business of selling oil and gasoline in the State of Montana, for the purpose of determining whether any such corporations or associations are fixing prices or engaged in other practices in violation of the Federal antitrust laws.

The PRESIDENT pro tempore. The Senator from Montana asks unanimous consent that the resolution be taken from the table and immediately considered. Is there objection?

Mr. JONES. Mr. President, may I ask that the clerk read the first sentence or two of the resolution?

The PRESIDENT pro tempore. The Chief Clerk will read, as requested.

The Chief Clerk read as follows:

*Resolved*, That the Attorney General of the United States be, and he is hereby, requested to make an investigation of the corporations and associations engaged in the business of selling oil and gasoline in the State of Montana—

Mr. JONES. That is sufficient.

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

The resolution was considered by unanimous consent and agreed to.

#### UNEMPLOYMENT AND ALLEGED COMMUNIST ACTIVITIES

Mr. LA FOLLETTE. Mr. President, I do not desire further to delay the consideration of the unfinished business, but I wish to address myself to the subject discussed in the very able address made by the Senator from New York [Mr. WAGNER] on the subject of unemployment. The Senator from New York has been a student of this question and has introduced several bills of far-reaching significance and of great importance, which merit more consideration from the committees of the Senate and from the Senate itself than they have thus far received.

I was very much impressed with the statement of the Senator from New York; but there is an immediate aspect of the unemployment situation which he did not touch upon. I refer, Mr. President, to attempts which have been made during the past few days to divert attention from the problem of unemployment in the United States by starting another "red" scare. It is reminiscent of the days of Attorney Generals Palmer and Daugherty. Senators will remember that during the régimes of those two Attorneys General whenever there was any pressing problem of economic importance, whenever there was any question raised as to difficulties between capital and labor, we had a statement emanating from the Department of Justice that the United States was about to be overwhelmed by activities of the communists and the "reds."

The press dispatches recently carried the statement from Chicago to the effect that the Department of Justice agents there have been staging a series of raids upon communist meetings, and that the agents were in possession of information that the communists in the United States planned unemployment demonstrations on the 6th of March.

I am glad to say, Mr. President, that informally the Department of Justice, through the press, has denied that it is in possession of any such information; but Mr. Matthew Woll, acting president of the Civic Federation and also a vice president of the American Federation of Labor, has circularized Members of Congress with a translation of an article printed by an alleged communist newspaper in New York City to the effect that a large communist demonstration is planned in the United States on the 6th of March and that it is being financed with money from Moscow. Apparently, the Department of Justice is not in possession of the same information as is the acting president of the Civic Federation.

Mr. President, it is a grave injustice to the millions of American men and women who are, through no fault of their own, thrown out of employment and are asking for an opportunity to earn their daily bread, to drag across this trail the red herring of another "red" baiting campaign.

Mr. President, every intelligent man and woman in the United States knows that to-day the communists in this country are absolutely negligible not only in numbers but in influence. It is quite natural that those misguided individuals, anxious to find an opportunity to carry forward their propaganda, should avail themselves of a situation of this character, where a great many men and women are in desperate circumstances.

But, Mr. President, it is also perfectly obvious that a campaign is being carried on to attempt to paint as "reds" the honest American men and women who are seeking employment in this industrial crisis, and I for one protest against those tactics.

The organized labor movement of America has maintained practically a united front against the activities of the communists; but if you want to break down the solid front of American labor against the importunings of communist agents and against the effectiveness of communist propaganda, the surest way to do it is to brand as "reds" the men and women who are seeking employment in this country, and to break up the quiet, orderly demonstrations of these honest American men and women with blows from the billy clubs of police.

Mr. President, this problem of unemployment, as so well and ably set forth by the Senator from New York [Mr. WAGNER], is a serious economic problem. It can not be solved by hysterics or by "red" alarms. It is a problem which must have serious consideration; and it is a problem which must receive constructive solution.

In spite of the denial made by the Department of Justice that it has no information concerning any so-called "red" plans for unemployment demonstrations on the 6th of March, I notice that the police, particularly in Chicago, are continuing their raids upon these alleged communist headquarters; and it seems to me perfectly evident that the purpose of that campaign is to give the impression to the great body of American people that all those who are unemployed are communists and "reds," and therefore that their pleas are not worthy of serious consideration. We have been given this talk about prosperity so long that apparently a great many people in the United States have come to the conclusion that it is something of a crime for a man or woman to be out of employment in the United States and asking for a job.

I believe that the time has come when we should stop a "hush! hush!" ostrichlike policy toward the present economic situation in the United States. We have tried the methods of the psychologists referred to by the Senator from Michigan [Mr. COUZENS] when the tax reduction joint resolution was under consideration. We have attempted to wave aside this problem by "sunshine" statements and by denial of its existence. The time has come when we should face the problem, and, to the best of our ability, solve it in a constructive and a calm manner.

When the stock-market crash occurred the President of the United States called in the leaders of business and industry in this country. They had conferences at the White House. They issued statements concerning their development program. They also issued certain statements concerning their policy toward labor, which was to be a policy of not reducing wages. Evidence is coming to me that those pledges are not being kept; that wages are being reduced in the United States; that men and women are being laid off in great numbers, and that those who are retained upon the pay roll are being afforded only part-time employment.

One can call up the Department of Agriculture and get a statement almost down to the minute as to the hog, sheep, or cow population in the United States. One can find out from the Department of Commerce how many toothpicks were made in the United States during the past year. We know how many locomotives were made. You can get statistical information about practically every problem concerning the major industries of the United States; but you can not get any accurate information concerning this great, pressing human problem of unemployment.

As chairman of President Harding's unemployment conference, the present President of the United States, then Secretary of Commerce, reported that there were no accurate statistics upon unemployment. The very comprehensive investigation conducted by the able senior Senator from Michigan [Mr. COUZENS], when chairman of the Committee on Education and Labor, reported to the Senate that there were no accurate figures upon unemployment. The Senator from New York [Mr. WAGNER] has had pending in this Chamber for many, many, many months bills providing for the gathering of accurate current unemployment statistics. The least we can do in this situation, immediately, is to provide for the gathering of accurate unemployment statistics, so that we may know what problem confronts us—how much of this unemployment is seasonal, how much of it is psychological, how much of it is technological, as the economists call it; or, in other words, how much of it is produced by the tremendous development of the mechanization of industry which has taken place since the war.

Mr. President, we might just as well face the fact that so far as technological unemployment is concerned, that problem is growing apace in the United States; and unless an intelligent survey is made of this situation, and unless we study and work out a constructive program for its solution, we shall have within a few years' time a permanent problem of unemployment in this country which will compare with the terrific problem which Great Britain has had to deal with since the war.

I was told the other day that a certain steel plant had recently installed machinery which did the work of 40 men. I was told also that a certain glass factory had recently installed a machine which would do the work of 35 or 40 men. Let us recognize that mechanization of industry is going on at a terrific rate in this country. I am not protesting against it. Do not misunderstand me. I am not criticizing it. I believe that our industries should be efficient; and be it said to the credit of the American Federation of Labor, they are not opposing this mechanization of industry. But while this mechanization of industry is going on are we, like the ostrich, going to bury our heads in the sand, and refuse to recognize that it is creating a great human problem, and one which in many of its aspects is a most appealing problem?

Mr. President, there is something wrong with an economic condition which does not afford to the honest men and women in the United States who want to work an opportunity to do that work and to earn their daily bread.

We are in the same situation, so far as the present unemployment problem is concerned, in which we were in 1921, and again in 1927. We have the wildest kind of statements concerning how many men and women are out of work. We should pass immediately the bill introduced by the Senator from New York [Mr. WAGNER], providing for the gathering of accurate statistics on unemployment.

The President of the United States carries a large measure of responsibility in this situation. I recognize that this problem is a very serious and complex one. Nevertheless, the industrial leaders who were present at these conferences which were held at the White House following the stock-market crash did make certain statements to the public as to what would be their policy concerning labor. The President of the United States, of course, has no means of forcing those industrial leaders to live up to those promises if they are not being kept; but at least in justice to the several millions of men and women who are out of work the President of the United States should ascertain whether the letter and the spirit of those promises made to American laboring men and women are being kept. And if those pledges are not being kept the President should fix responsibility publically upon those who are violating them.

In conclusion, Mr. President, I should like to say that I hope the Federal Government, the State governments, and the governments of our municipalities will not fall into the error of attempting to meet this serious situation by starting another "red" baiting campaign, and by clubbing the men and women who are endeavoring to draw attention to their plight by orderly demonstrations. A most serious situation may develop if such methods are employed. Inevitably, if the endeavor of the men and women who are out of work in the United States is met by force and by an unintelligent attitude toward their plight, it will create a feeling of discontent among the men and women who are now out of employment.

The leaders of the open-shop movement in America recognize that this handful of misguided communists in the United States have no influence, and that their numbers are negligible.

I quote from the annual report of the open-shop committee of the National Association of Manufacturers for the fiscal year ended August 31, 1928. After summarizing the record, this report declares:

In view of this record we are in full accord with the following statement by President Edgerton, of the National Association of Manufacturers:

"The real menace to our American institutions does not come from the relatively small number of communists who make a great deal of noise but from that organization which proclaims its right to speak for labor and which places itself above all public regulation."

It will be seen, Mr. President, that Mr. Edgerton, in making that statement, recognized that the influence and the numbers of these communists in the United States were negligible. He makes his attack upon the American Federation of Labor, that serving his purpose, but, nevertheless, it is significant that the president of the National Association of Manufacturers should declare a fact which, as I said before, practically every intelligent person in the United States recognizes, that the influence of this handful of communists is infinitesimal.

Mr. WAGNER. Mr. President—

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

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. I was going to ask the Senator if he could suggest any other way in which men and women who are hungry, jobless, and destitute can call public attention to their misfortune except by some sort of a mass meeting, particularly if the Government is indifferent to their problem?

Mr. LA FOLLETTE. Exactly; in the present situation, when the Federal Government has no accurate statistics concerning unemployment, and when we are engaged in what, so to speak, might be termed a "guessing contest" concerning the number of unemployed in this country, there is no other way for men and women who are out of work to draw attention to their plight except by orderly mass meetings and demonstrations.

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. ROBINSON of Indiana. I have been very much interested in what the Senator has said. I came into the Chamber late, and therefore missed some of his earlier remarks.

I am wondering, however, in the event the situation is all as bad as the Senator from Wisconsin suggests it may be, whether he has a plan, whether he has some constructive suggestion for improving the situation; whether, even if statistics bear out the contention he has made, he himself has thought through a constructive program; and if so, whether he has introduced any bill to remedy the present situation.

Mr. LA FOLLETTE. Mr. President, I will be glad to answer the Senator's question. In the first place, I stated that we never could get an intelligent treatment of this problem until we knew what the problem was.

Mr. ROBINSON of Indiana. I am assuming that if the Senator says it he means he knows what the problem is.

Mr. LA FOLLETTE. I will answer the Senator's question, if he will just be patient.

In the first place, we can not solve this problem until we know what it is. We have no way of knowing, may I say to the junior Senator from Indiana, how much unemployment there is in the United States, how much seasonal unemployment, how much periodic unemployment, and how much technological unemployment due to the mechanization of industry exists in this country to-day.

As I stated before, Secretary of Commerce Hoover, as chairman of President Harding's unemployment conference, reported that we had no accurate statistics concerning this problem, and at that time there were the wildest sort of discrepancies between so-called estimates concerning the number of people who were out of work. To-day we are in the same situation. In other words, eight years have gone by, and even the mild recommendations made by Secretary of Commerce Hoover, as chairman of President Harding's unemployment conference, have not been enacted into law.

The junior Senator from New York has had pending in this body for, I think, upwards of two years a bill providing for the gathering of accurate unemployment statistics, and he has been unable to secure a report from a committee controlled by the Republican majority of the Senate, or a consideration of that measure on its merits.

Mr. JOHNSON. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON. Let me correct one misapprehension of the Senator in that regard. Very recently the Commerce Committee changed its personnel. Immediately upon becoming chairman of that committee I told the Senator from New York, whose bill was then pending before the committee, that I was wholly sympathetic with it, and suggested to him that he begin his activities, or come before the committee, in order that the bill might be acted upon. The Senator from New York, I presume in the multiplicity of his engagements and because of his activities here upon the tariff bill, has not seen fit to avail himself of that opportunity.

I may say to the Senator from New York now that on Thursday the committee will meet again. I am sympathetic with his measure, and I would be very glad if he would come before the Committee on Commerce and have that measure before the committee on Thursday.

Mr. WAGNER. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. WAGNER. I refresh the Senator's recollection to this extent, that the Senator stated to me that he would appoint a subcommittee, and that what I should do would be immediately to secure a hearing before that subcommittee. The Senator did say to me that he was entirely sympathetic with my proposal.

Mr. JOHNSON. Yes; and if the Senator will come before the Commerce Committee on Thursday we will take up his bill. I will be delighted, if it be the sort of measure I believe it to be—though I have not gone into the technical phases of the bill—to endeavor to have it reported to the Senate. I wanted to state that in justice to the Committee on Commerce.

Mr. LA FOLLETTE. Mr. President, if anything I have said was an unjust criticism of the manner in which the Commerce

Committee has handled this matter since the meeting of Congress in December, I am very glad to be corrected about it; but that was the case when the bill of the Senator from New York was pending before the Committee on Education and Labor of the Senate.

I return to the interrogatory of the junior Senator from Indiana. First of all, we must know what this problem is. In the second place, the Senator from Washington [Mr. JONES] introduced what was known as the prosperity reserve bill, a bill providing for the speeding up of the development of public works during times of depression. That bill, it was understood, was an administration measure, but it has been impossible even to get that proposition passed through the Congress.

Mr. ROBINSON of Indiana. Mr. President, is that the bill the Senator has in mind that will alleviate the present condition? What I am trying to find out from the Senator, and what I have not learned thus far, is what he proposes to do about it. His statement is that millions of men and women are out of employment. Assuming that to be true, for the sake of the argument, what does the Senator propose constructively to do to cure the situation? I am wondering if the Jones bill he has just mentioned is the cure he has in mind.

Mr. LA FOLLETTE. Mr. President—

Mr. ROBINSON of Indiana. Just one word more, and then I will try not to interrupt the Senator.

I understand the Senator to blame the President of the United States for the situation. I say to the Senator that it is the responsibility of Congress, of the Members of the Senate and of the House, to initiate legislation, and I say that the President of the United States is supposed to be the Executive of the United States, to execute the laws after Congress enacts them. Therefore it is up to the Senator from Wisconsin, to the Senator from Indiana, and the Senators from the other States of the Union, if this situation is so bad as is suggested by the Senator from Wisconsin, to initiate legislation to cure it. I hope the Senator has some legislation of that kind in mind.

Mr. JOHNSON. Mr. President, may I say to the Senator from Wisconsin there is no evil which exists, so far as I have been able to discern from utterances which have come from the White House. I have read, and read with the utmost interest, aye, with an enthusiasm which I could not adequately describe, the statements of gentlemen who came here from various parts of the United States—multimillionaires—who told us that there was nothing but prosperity in the country, that everything was all right; and the men who had lost their all in the stock market walked the streets afterwards with their heads high, perfectly confident in the assurances that were given in Washington that they were all right, that they were entirely mistaken when they had thought they had lost their fortunes.

Mr. LA FOLLETTE. Mr. President, I would like to have just a moment in my own right now.

In the first place, I have not said that there were millions of men and women out of work.

Mr. ROBINSON of Indiana. I understood the Senator from Wisconsin to say that.

Mr. LA FOLLETTE. I do not know how many men and women in the United States are out of work. I say that estimates are that there are several million men and women out of work.

In the second place, I have not said that this problem was the sole responsibility of the President, but I have said that in view of his calling these conferences of the business leaders of the Nation following the stock-market crash; and in view of certain pledges which those business leaders made in the presence and under the aegis of the President of the United States, he bears a certain responsibility to the workers to insist that those pledges be fulfilled.

Mr. ROBINSON of Indiana. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. In just a moment I will.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. LA FOLLETTE. The President of the United States, when chairman of President Harding's unemployment conference, made certain recommendations concerning this important question. In the second place, the Jones prosperity reserve bill was introduced, and it was announced that it had the approval of the President. Yet there has been no activity upon the part of the Republican leaders as I have been able to ascertain to secure the passage of that measure.

I stated before the junior Senator from Indiana came into the Chamber that this is a very serious and a very complex problem. I believe that serious consideration should be given by the Congress to the able report made by the Committee on Education and Labor, and there has been no serious consideration given to that report. May I say that their investigation was one of the most carefully conducted and one of the most informing investiga-

tions which has been conducted by any committee of the Congress upon this subject.

Mr. VANDENBERG. Mr. President—

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

Mr. LA FOLLETTE. In just a moment. The only recommendation which has been made by the President of the United States in his several messages to Congress concerning the unemployment problem is for the enlargement of the United States Employment Service. This is a proposition which almost any person would be willing to support. But in a situation of unemployment, when men and women are out of work, the enlargement and the development of the United States Employment Service will not remedy the situation.

When the stock market crash came the President of the United States initiated a tax refund and reduction which amounted to \$160,000,000. It was for the purpose of reassuring business in the country and pegging the stock market. It was also stated authoritatively that if any business recession occurred expenditures for public works would be tremendously increased and that the Government of the United States would endeavor to take care of the depression by an expansion of its public-works program. Only recently, however, we were informed through the press by the President that the tax cut of \$160,000,000 threatened a deficit in the Treasury and that appropriations must be cut to the Budget estimate. If the danger of that Treasury deficit is realized and if the expansion program can not be carried out in its entirety, then I say that the responsibility rests upon the Executive, because he initiated and asked for the passage of the tax refund and reduction of \$160,000,000.

I agree with the Senator from Indiana [Mr. ROBINSON], however, that this is a joint responsibility. I am not endeavoring to place the sole responsibility upon the Executive. I think Congress has been derelict in its duty in failing to take up the recommendations made first by President Harding's unemployment conference; and second, the recommendations made by the Committee on Education and Labor, of which the senior Senator from Michigan was then chairman. But I do say, and this is the point that I desire to make, that we can not solve this problem of unemployment by starting another "red" scare in the United States. We can not solve the problem by hysteria and by a "red" alarm. If the attempt is made to solve it in that manner, the situation will only be aggravated. I am appealing for a calm and a constructive solution of the problem of unemployment.

Mr. VANDENBERG. Mr. President—

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

Mr. LA FOLLETTE. I yield.

Mr. VANDENBERG. I understand that one of the Senator's prime criticisms is that the Jones prosperity reserve bill was not passed, and I quite share his viewpoint toward that bill, as he knows. But I want to ask him whether or not the Elliott-Keyes public buildings bill, which is here in the Senate waiting for Senate action, will not realize more public works than the Jones prosperity reserve bill would have realized even if we had enacted it into law?

Mr. LA FOLLETTE. I do not agree with the Senator about that, because if we had passed the Jones prosperity reserve bill the authorizations would have been provided and there would not have been anything left to do except to make the appropriation.

Mr. VANDENBERG. Nothing is left now except for the Senate to attend to its business and clear the track and pass the bill.

Mr. LA FOLLETTE. That might be true, but nevertheless I say that it is a strange thing that the Congress, controlled by the Republican organization, should have failed to enact the prosperity reserve bill. If that had been done, we would have been in a different situation so far as the inauguration of an expanded public-works program is concerned.

Mr. ROBINSON of Indiana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I yield.

Mr. ROBINSON of Indiana. I would observe that if there has been any dereliction it has been on the part of Congress and not on the part of the President. I would suggest further that surely the Senator from Wisconsin has some other constructive measure in mind besides this one when he talks about the bad conditions that exist. Has not the Senator himself some constructive plan for curing the situation? That is what I would like to know. It is easy to criticize; it is difficult to construct. It is easy to destroy; it is difficult to build up. But I want to know what the Senator proposes to do about it. Here is the

Senate. Over at the other end of the Capitol is the other body. We are prepared for action. We should do something, I gather from what the Senator said. That being true, what does the Senator propose that we should do, and let us get about it?

Mr. LA FOLLETTE. I propose, first of all, that we should find out what the problem is, because I say that we can not propose a constructive and far-reaching solution for it until we know what the problem is.

Mr. ROBINSON of Indiana. But assuming that it is as bad as the Senator said it is, the quicker we do something the better. Has the Senator something to do? What is his plan? Then let us all fall to and assist the Senator in correcting the situation.

Mr. LA FOLLETTE. Mr. President, the Senator from Indiana points out a very important phase of the question. When we are in an era of inflation, when we have comparative prosperity, we can not get any attention to this question. That is evidenced by the fate of the bills introduced by the Senator from New York [Mr. WAGNER], by the fate of the recommendations made by Secretary of Commerce Hoover as chairman of the Harding unemployment conference in 1921, and also by the fate of the recommendations made in the report by the then chairman of the Committee on Education and Labor, the Senator from Michigan. As was pointed out by the Senator from New York [Mr. WAGNER], we are in another critical situation, and we are trying to cure it by the conference method instead of the program method.

What I am appealing for in the first place is that we shall enact legislation so that we may know what the problem is. The Senator from Indiana said let us assume that it is as bad as I say it is. I have said that I do not know how serious the situation is. It is not a question of how many men and women are out of work at any particular time. It also, as I pointed out before, involves the question of seasonal unemployment, of cyclical unemployment, and of unemployment due to business depression, and of unemployment due to the mechanization of industry, which is creating an army of permanent unemployed in the United States.

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

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

Mr. LA FOLLETTE. I yield.

Mr. GLASS. I might suggest to the distinguished Senator from Wisconsin that the way to solve this question is the same way we have solved other problems since this Congress met, and that is by appointing a commission to investigate and handle it. Why not?

Mr. ROBINSON of Indiana. Mr. President, if the Senator from Wisconsin will yield to me I will answer that question.

Mr. LA FOLLETTE. I will say to the Senator from Virginia that so far as I am personally concerned I am not opposed to the appointment of commissions when they are appointed for the purpose of doing a legitimate piece of work. I am, however, opposed to commissions when they are appointed for the purpose of playing the old Army game of "passing the buck" and delaying the consideration of important pieces of legislation and of important governmental problems.

In conclusion, Mr. President, I hope that the appeal which the Senator from New York [Mr. WAGNER] made for the consideration of these various pieces of legislation will fall upon receptive ears in the Senate and in the House of Representatives as well.

I also hope, Mr. President, that authorities will not aggravate the situation by starting another "red" baiting campaign in the United States.

Mr. COUZENS. Mr. President, it seems to me appropriate at this time, as long as we have spent two hours discussing the distress of the unemployed, to bring to the attention of the chairman of the Finance Committee and other members of the committee and of the Congress a bill which was introduced by the Senator from Iowa [Mr. BROOKHART] in May last with respect to the condition of World War veterans. We may lack statistics as to the extent of the unemployment among the veterans, but it is safe to say that there are hundreds of thousands of veterans in distress. They are, perhaps, no more in distress than the other unemployed, but I submit that the Congress owes a greater obligation to them than even to the other unemployed, great as this may be.

In May of last year the Senator from Iowa introduced a bill providing for the payment of the bonus which was granted by the Congress to the World War veterans. I think the bill needs some modification with respect to limitations as to the relief that should be given to the veterans in the way of discharging our obligations to them at this time.

The bill was pending before the Finance Committee when in its magnanimity it granted \$160,000,000 of tax refund to those who did not need it. However, when the Senator from North

Carolina [Mr. SIMMONS] and the Senator from Mississippi [Mr. HARRISON] and the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] and some of the Members of the House get before the great Secretary of the Treasury, of course, they are overawed by his greatness and submit immediately to his recommendations. They immediately submitted a recommendation that we refund taxes to those who had already paid them and who did not need a refund, and immediately we rushed through the Congress a bill refunding taxes as a Christmas gift to those who did not need it.

While all this was going on there were over 3,000,000 known unemployed in the United States. It is true, as the Senator from Wisconsin [Mr. LA FOLLETTE] said, that we do not know the exact figures, but from the highest administrative authority I have received word that there are some 3,100,000 known unemployed, and I submit that when that many known unemployed exist there are probably many more unknown, because there is no way of ascertaining the exact number of unemployed. We do know, however, to some extent how far it goes.

Instead of refunding this money to those best able to pay, we should have provided, and we can now, even if we have to repeal the joint resolution refunding the taxes, provide for the payment of the bonuses to the veterans who are in distress. It does not follow that every bonus has to be paid at this time. Congress can help the situation by making adequate appropriations now to be paid out through the Veterans' Bureau to the World War veterans who are unemployed.

I remember when I was commissioner of police of Detroit during the time the boys were marching off to war; the whole populace stood on the street curbs and cheered and the bands played. There was not a man, woman, or child who did not stand on the curb and say "Go to it, boys. Let us fight for democracy. When you come back there will be nothing too good for you. The world will be yours. Everything you want you shall have." I think in many respects the Nation has been generous in providing certain facilities and certain relief for the veterans; yet we do not seem to be able to remedy the unusual situation which now exists.

I commend the chairman of the Finance Committee [Mr. SMOOT] and the Congress to the immediate consideration of the bill introduced by the Senator from Iowa [Mr. BROOKHART] so that adequate appropriations may be made for the payment of bonuses already granted to the World War veterans who are unemployed and in distress.

Mr. SMOOT. Mr. President, two and one-fourth hours have passed this morning, and not a word about the tariff bill. The Senator from Indiana [Mr. ROBINSON] asked what we shall do to help the situation. Allow me to suggest to the Senate that the best thing we can do now is to pass the tariff bill and get it out of the way, so that other legislation may be considered and acted upon by the Senate.

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

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

Mr. SMOOT. I yield.

Mr. COUZENS. Instead of criticizing those of us who are interested in the unemployment situation—

Mr. SMOOT. I have not done that.

Mr. COUZENS. I submit that if the Senator will go through the RECORD for the last three or four months he will find that he has consumed hours and hours and hours in irrelevant discussion for the maintenance of high tariff rates which are entirely unjustified.

Mr. SMOOT. Mr. President, in that connection I send to the desk and ask that it may be printed in the RECORD the result of an examination of the CONGRESSIONAL RECORD from September 4, 1929, the date on which the pending tariff bill was reported to the Senate by the Finance Committee, to February 25, 1930. That examination discloses approximately 2,638 pages containing the actual debate on the tariff bill. Of this total, the space in the RECORD is divided approximately as follows:

Democrats, 1,108 pages.

Republicans, 791½ pages.

Insurgents, 738½ pages.

The official reporters of the Senate state that each page in the CONGRESSIONAL RECORD represents approximately 12 minutes of debate. Thus expressed, the relative amount of time consumed by each group during the period mentioned is set forth in the statement, which I ask to be printed entire in the RECORD at this point.

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

The statement entire is as follows:

An examination of the CONGRESSIONAL RECORD from September 4, 1929, the date the pending tariff bill (H. R. 2667) was reported to the

Senate by the Finance Committee, to February 25, 1930, discloses that approximately 2,638 pages contain the actual debate on the tariff bill.

Of this total, the space is divided approximately as follows:

	Pages
Democrats	1,108
Republicans	791½
Insurgents	738½

The official reporters of the Senate state that each page of the CONGRESSIONAL RECORD represents approximately 12 minutes of debate. Thus expressed, the relative amount of time consumed by each group during the period above mentioned is as follows:

Democrats, 221 hours, or 42 per cent.  
 Republicans, 158 hours, or 30 per cent.  
 Insurgents, 148 hours, or 28 per cent.

Mr. SMOOT. Mr. President, I take it for granted that the Senator from Michigan has criticized me for the time I have spent on the floor of the Senate in defending the tariff bill. I am chairman of the Finance Committee, I was instructed by that committee to report the bill, I have tried to defend it in the best way I could, and I have taken just as little time as I could. That is all I care to say about that matter.

Mr. COUZENS. Mr. President—

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

Mr. SMOOT. I yield.

Mr. COUZENS. I should like to ask the Senator if he will insert in the RECORD the names of the insurgents to whom he referred? I should like to know what Senators are included in the list of the insurgents who consumed 738 pages of the RECORD.

Mr. SMOOT. I can have that information supplied. I can give the Senator the names.

Mr. COUZENS. I should like to have them, because I should like to know who they are.

Mr. SMOOT. I will be glad to furnish that information to the Senator.

Mr. SHORTRIDGE. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state his parliamentary inquiry.

Mr. SHORTRIDGE. I should like to know when, if ever, we are going to take up the tariff bill?

Mr. BLACK. Mr. President, I think I have the floor.

The PRESIDING OFFICER. The Chair does not feel called upon to make a decision on that question. The Senator from Alabama has the floor.

Mr. WALSH of Montana. Mr. President—

Mr. BLACK. Mr. President, I wish to place a letter in the RECORD and have it read.

Mr. SMOOT. I object; I am going to try to proceed with the tariff bill, if I can.

Mr. BLACK. I have the floor, and I will proceed in my own time.

Mr. SHORTRIDGE. Mr. President, will the Senator permit me to interrupt him?

Mr. WALSH of Montana. Mr. President—

Mr. BLACK. I yield to the Senator from Montana.

Mr. WALSH of Montana. Before we pass from the statement put in the RECORD by the Senator from Utah, I wish to observe that it is quite to be expected that there would be a greater amount of discussion of proposed tariff rates by the Democrats, so called, than by Republicans. This bill originated with the Republican majority in the House, without any opportunity to discuss it there by the Democrats; it came here, and it was revised by the Republican majority in the Finance Committee, so that the Republican view of the matter had an opportunity to express itself both in the action of the House and the action of the Finance Committee. The first opportunity the Democrats had really to say anything about the matter was when the bill came upon the floor. So it is really to be expected that a greater amount of time would be consumed in the expression of the views of the Democrats in respect to this matter than by the Republicans.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Alabama yield to the Senator from Virginia?

Mr. BLACK. I should prefer to proceed, but I yield to the Senator for a moment.

Mr. GLASS. I wish to call the attention of the Senate to the fact that the Democrats did not consume more time than the Republicans, but very much less. The Democrats have taken up 1,108 pages of the CONGRESSIONAL RECORD and the Republicans 1,530 pages, unless the Senator from Utah means to exclude from the Republican Party all the Senators whom he designates as insurgents. Is that the purpose of the Senator?

Mr. SMOOT. The purpose was to indicate the time consumed by the so-called coalition in connection with—

Mr. BLACK. I do not yield to the Senator from Utah.

Mr. SHORTRIDGE. Mr. President, will the Senator permit a suggestion?

Mr. BLACK. I should like first to use about five minutes of the Democratic time.

Mr. SHORTRIDGE. I merely wish to make a suggestion. Under the unanimous-consent agreement—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from California?

Mr. BLACK. I yield for a question.

Mr. SHORTRIDGE. Certainly. Under the unanimous-consent agreement entered into several days ago an amendment, deeply affecting the Senator's State as other States, was to be taken up immediately after the vote on the proposed oil amendment. For various reasons the consideration of the amendment pending has been delayed. I hope we can take it up early to-day.

#### RESTRICTION OF IMMIGRATION

Mr. BLACK. Mr. President, I think I know what the amendment is to which the Senator refers. If there had been no objection raised to the inserting in the RECORD of the letter to which I have referred, it would have been placed in the RECORD or could have been read 10 minutes ago, and those who are so exceedingly anxious to proceed with the tariff bill could have proceeded. However, since objection has been raised I shall read the letter.

The PRESIDING OFFICER. Is there objection to the Senator inserting the letter in the RECORD?

Mr. BLACK. Mr. President, I have the floor, and if there is any objection to my reading the letter, I shall talk.

The PRESIDING OFFICER. Is there objection?

Mr. BLACK. Mr. President, no one has a right to object to my reading a letter in my own time.

The PRESIDING OFFICER. The Chair understood the Senator to inquire whether there was any objection to inserting the letter in the RECORD.

Mr. BLACK. I am not asking for such permission; I am going to read the letter. The question has been asked as to what are the remedies for unemployment. The letter I desire to read is from a gentleman who suggests one. If those who were so anxious to increase the price of sugar to the consumers of this country will listen to this letter, and will appreciate the situation of distress which they have brought about by insisting upon defeating measures prohibiting immigration from Mexico, I think they will aid in bringing about some relief to the unemployment situation. The letter is from Detroit, Mich., is dated February 22, 1930, and it is addressed to me. It reads as follows:

EAST DETROIT, MICH., February 22, 1930.

Senator HUGO BLACK,  
 Washington, D. C.

DEAR SENATOR: I notice from press reports that a bill on immigration will be submitted to Congress and Senate next Tuesday, the 25th inst., and hope that you can see your way clear to support the bill.

This country is in a terrible condition. There are over 125,000 men in Detroit alone out of work, and have been for six months. The city is doing all it can for them, but still there is real suffering among the people.

I am 56 years old and am a close observer. I have mingled with the people, and I know from personal experience that there is real suffering among the people.

If something is not done to reduce the quota of immigrants to this country, God only can help us. Indeed it's serious.

I believe Canada and Mexico should have some restrictions, but, of course, not so heavy as other countries.

There are hundreds of Canadians working in Detroit every day, and there are thousands of Detroit taxpayers out of work.

We people are helpless, the only hope for relief is through you and other Members of the Senate and Congress.

Trusting that you will consider very seriously this bill, and that you can see your way clear to support it,

I am, yours very truly,

MARTIN FLOWERS, P. O. Box 402.

I want to call the attention of the Senate to the fact that although there have been numerous bills pending in this body for the restriction of immigration, they have not received favorable consideration. I want to call further attention to the fact that reams and reams of paper have been used in sending propaganda to Senators by the growers of sugar seeking to create the impression that sugar can not be successfully grown in America if we restrict immigration from Mexico.

I call the attention of those who have sought to burden the consumers of this Nation with an unfair price for sugar to the fact that one of the reasons the people of this country will not tolerate it is that the sugar producers insist that sugar can not be raised without importing Mexicans in order to raise it.

I say if that industry is dependent upon the importation of foreign labor, instead of using American labor, then it should not be fostered by a tariff. If it is a hothouse industry, and one that can only be aided and be carried on by permitting the work to be done by keeping open the doors to foreign immigration, to take the employment that should be given to Americans, then the Senate and the House of Representatives are right in keeping the doors shut.

I desire to have the letter which I have read referred to the Committee on Immigration. While I heartily approve the suggestion made by the Senator from New York [Mr. WAGNER] and the other suggestions with reference to unemployment, which every man who is not blind knows exists in this country to-day, I want also to suggest that one of the methods of relief for unemployment is to stop bringing in more mouths to be fed with jobs that are not now sufficient to go around for the people who are in this country.

The PRESIDING OFFICER. The letter presented by the Senator from Alabama will be referred to the Committee on Immigration.

#### UNEMPLOYMENT AND ALLEGED COMMUNIST ACTIVITIES

Mr. BROOKHART. Mr. President, before we proceed with the tariff bill, I desire to take a few moments. I have no apologies for taking the time, for I think I have consumed as little time in connection with the consideration of the tariff bill as has any Member of the Senate. I wish to say a few words about the "red" propaganda that is springing up to camouflage and cover up the unemployment situation. I wish to give the Senate a specific instance as to how that propaganda is manufactured.

A subcommittee of the Committee on Post Offices and Post Roads of the Senate has been investigating patronage in the Southern States. Down in Mississippi there was a man named Perry Howard, a colored man, who was national committeeman of the Republican Party; he was the referee who dispensed the patronage of that State. Before anybody could get an appointment to office he had to have the O. K. of Perry Howard.

The subcommittee found that he had deposited some \$31,000 over and above his salary; he was an assistant attorney general of the United States also, at a salary of \$6,000, as I recall, but over and above that in 18 months he deposited some \$31,000. Then his clerk deposited some \$14,000 more, nearly all of that \$14,000 being in bills. That looked bad, especially as it came about the time appointments were being made for United States marshals and for post offices.

Then his colored brethren in the Pullman labor organization of the United States got into some trouble with the Pullman Co. They attempted to get better wages. We found that included in the \$31,000 was a fee of some \$4,000 that Mr. Perry Howard received from the Pullman Co. to fight the members of his own race. This is the way he fought them: He put out inspired statements to the effect that the organization of Pullman employees, who were asking for higher wages, was a communist organization and was supported from Moscow, and because of that fact was not entitled to consideration.

Of course, finally the boys in the Pullman organization, with our assistance, succeeded in driving him out of the Department of Justice. He was suspended and finally forced to resign. That, however, is a concrete example of the way communist propaganda is poured out over the United States. There is nothing in it worth while, as the Senator from Wisconsin showed from the reports of leading industrialists in the country; but every individual who wants to cover up labor's calamities or who wants to discredit them in any way does so by calling their activities the work of communists.

Now, Mr. President, just a word about the soldier situation.

Since introducing the last of the bills to which the Senator from Michigan [Mr. COUZENS] referred, I have received from the Veterans' Bureau the exact figures, showing that there are 7,000 soldiers in the hospitals of the United States disabled so that they are entitled to hospitalization who are not drawing any compensation, for the reason that they do not have the technical medical proof to connect their diseases with their war service.

I visited the tubercular hospital at Tupper Lake, up in New York. It is the newest and latest of hospitals—a fine, magnificent hospital, so far as that goes. I found that there are about 350 inmates there at this time, and that 212 of them are not drawing compensation. I went in and talked with a soldier perhaps dying with tuberculosis. He happened to be a single

man, and he was drawing his \$100 a month compensation because he had the technical medical proof that his tuberculosis was caused by the war. In the next bed, however, I talked to another soldier in worse condition. There hung a picture of his wife and four children, dependent on charity, with nothing to sustain them; and he was not drawing one cent of compensation from the Government, although he was in worse condition than the other soldier and drew no compensation because he did not have the technical medical proof that would connect his tuberculosis with the service.

Mr. President, those soldiers answered the call of the Government when they were needed for the life of the Government itself. Those soldiers are entitled to the support of the Government when they need that support for the life of themselves and their families. I have had this matter up for a long time. I am sorry the Republican leader, the Senator from Indiana [Mr. WATSON], is not here. He promised me that he would get through a resolution amending the rules and creating a Veterans' Committee, so that we could get these bills out and acted upon; but it has not been done. Nothing of the kind has happened.

As for the other suggestion of the Senator from Michigan, it certainly is a valuable suggestion—that we pay the bonus now to these unemployed soldiers who need it at this time.

The 7,000 disabled in the hospitals are only a small percentage of those that are disabled in the United States; and the unemployed amount to a good many thousand more, without any doubt. We could do those things. They would help a little.

In answer to the junior Senator from Michigan [Mr. VANDENBERG], I will say that on Saturday I offered a further resolution to appropriate \$50,000,000 more to relieve all the acute cases of unemployment. That would be a temporary relief, at least; and if the Senator from Indiana [Mr. ROBINSON] were here I would give him some definite ideas that I have worked out, and that are pending in bills before the various committees of the Senate, to relieve permanently this condition of unemployment.

I think the economic crime of the ages, the economic crime of our country, is that when it comes to unemployment the profiteers of the country sit back and hold on to their profits, discharge their labor, and leave them to carry the burden of every industrial calamity that strikes our country.

Mr. WHEELER obtained the floor.

Mr. VANDENBERG. Mr. President—

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

Mr. WHEELER. I yield to the Senator from Michigan for a question.

Mr. VANDENBERG. I just want to submit some figures. It will take me but a moment, if the Senator will yield.

Mr. WHEELER. I yield.

Mr. VANDENBERG. In the course of my colloquy with the senior Senator from Wisconsin [Mr. LA FOLLETTE] this morning in respect to unemployment, I suggested that the pending Keyes-Elliott public buildings bill means vastly more in reality, if the Senate would only attend to business and pass it, than possibly could have been brought to the advantage of the unemployment situation by the Jones prosperity reserve bill.

The Jones bill—

Mr. WHEELER. Mr. President, I am perfectly willing to yield for the purpose of having the Senator submit some figures, but I do not want to yield for a speech.

Mr. VANDENBERG. Just a brief statement. I beg the Senator's pardon.

The Jones bill would have provided \$150,000,000 to be released for public works in certain unemployment emergencies. The Keyes-Elliott bill, which has been on the Senate Calendar since January 31 waiting for Senate action, will release \$230,000,000. I submit that we can do more for unemployment to-day by passing this measure which awaits our action than by mourning over some prior failure to pass some prior bill.

I repeat that I believed, and still believe, in the stabilization of employment so far as possible through reserve programs for deferred public works. I shall support the same type of legislation whenever I get the chance.

But, Mr. President, the Jones bill, to which the Senator from Wisconsin so feelingly referred, could only have released an ultimate expenditure of \$150,000,000 in various types of public improvements. The Keyes-Elliott bill, which is now on the Senate Calendar, will release an ultimate total of \$230,000,000 in just one branch of public work, namely, in public buildings. It will be spent just as rapidly as the much lesser sum could have been spent under the Jones bill. It will do much more for contemporary unemployment.

This has no bearing on the merits of the Jones bill, which I again indorse; but it has decided bearing on the criticism offered by my able friend the senior Senator from Wisconsin

against the Republican administration for its failure to pass the Jones bill. This failure, by the way, preceded the inauguration of President Hoover.

I make the point that the Keyes-Elliott bill, which the Senate has a chance to pass, is far more important to alleviate unemployment than the Jones prosperity reserve bill, which a previous Senate declined to pass. I make the point that the Keyes-Elliott bill—already approved by the House—has been on the Senate Calendar awaiting Senate action since January 31. I make the point that this and kindred practical legislation to aid employment is already knocking at the Senate's door—and knocking thus far in vain. I therefore make the point that the Senate will contribute more to national employment by less oratory and more legislation; by less challenge to the President and more attention to its own business.

Mr. WHEELER. Mr. President, I am glad to have the statement of the Senator from Michigan.

I realize that the President of the United States is not wholly to blame for the situation that confronts the country with reference to unemployment; but I do want to call attention to the fact that every time we have had unemployment when a Democratic President has been in power the Republican orators and Members on the other side have always laid the blame on the Democratic President and the Democratic administration. They have always gone out on the hustings and said, "Give us a high tariff and we will stop this unemployment, and conditions will be prosperous." But here, upon this occasion, we have more unemployed in this country than at any time that I have ever known of in my life.

Mr. President, I am glad to have this matter called to the attention of the country; and notwithstanding the fact that there has been some criticism because of the amount of time that has been expended this morning in calling attention to the unemployment that exists, I think this body could not do any better than to devote some of its time to discussing this situation.

First of all, we have been here for something like a year discussing one of the most sordid pieces of legislation ever presented to a legislative body. I say that advisedly. The majority party have come here and have thrown down the bars, and every individual who is seeking some special favor has been rapping at the doors of the Congress of the United States asking that he be permitted to reach his hands into the public coffers or to ask for some special favor of the Government of the United States in the way of a higher tax upon the people of this country. We have had individuals and corporations coming here asking for increased tariffs in the name of labor. That is the familiar cry, the familiar plea from the other side of the Chamber, "We want this higher tariff because of the necessities of labor." Yet, Mr. President, if we analyze the facts we find that the industries paying the lowest wages are invariably getting the highest tariff protection.

Take the cotton industry; take the rayon industry. Both of them are getting enormously high tariffs and at the same time paying miserable, miserable wages; and, if you please, we find the cotton manufacturers moving their plants into States where they can get cheap labor and work the laboring men long hours.

Mr. President, I was perfectly shocked when I picked up the New York Times this morning and read this statement by Matthew Woll, the letter that he sent out to Members of Congress and to commercial bodies. He makes the statement here, according to the New York Times, that William Z. Foster, communist candidate for President in 1908, is returning, or has returned, from Russia with \$1,250,000 for the purpose of carrying on propaganda in this country.

If that statement is correct—and it ought not to go unchallenged—that Mr. Foster has brought back to this country \$1,250,000 for the purposes that have been stated by Matthew Woll, then the Department of Justice ought to investigate the matter immediately. For my own part, I can not conceive of the Soviet Government—which to-day, according to all reports, is practically bankrupt, or at least is in a deplorable economic situation—turning over \$1,250,000 to William Z. Foster for the purpose of carrying on propaganda of that kind in the United States. If that statement is not true, then Matthew Woll ought to be called to account. As vice president of the American Federation of Labor, he ought to be ashamed of spreading that kind of propaganda throughout the United States for the purpose of arousing the American people to the danger of a great "red" revolution, and practically charging, if you please, that all of the unemployed in the United States are under the domination and influence of Foster and the little handful of communists in this country unless he has the facts to back it up.

Mr. HEFLIN. Mr. President—

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

Mr. WHEELER. I do.

Mr. HEFLIN. I suggest to the Senator that it would be a good idea to request the Senator from Arkansas [Mr. CARAWAY], the chairman of the lobby investigating committee, to summon this gentleman down here.

Mr. WHEELER. Matthew Woll?

Mr. HEFLIN. Yes; Matthew Woll.

Mr. WHEELER. It might not be a bad suggestion; but, of course, it should be remembered also that while Matthew Woll is giving out this statement, he is likewise engaged in circularizing the Members of Congress in the interest of the manufacturers of this country to get a high tariff upon everything that the consumers of America use. It might be well to summon Matthew Woll to find out upon whose pay roll Mr. Flynn has been, and to find out where Mr. Woll has gotten his money to carry on this propaganda, and whether Mr. Flynn is receiving any money from the Republican National Committee at the present time, or has received such money in times gone by.

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

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

Mr. WHEELER. Yes.

Mr. WAGNER. Does not the Senator think there is something to the suggestion that this red herring is dragged across the trail primarily to divert public attention from the existence of the economic depression to-day?

Mr. WHEELER. I do not believe there is any question of doubt about it. I might say to the Senator from New York and to the other Members of the Senate that I had some experience, while I was United States district attorney, with this matter of communists. I recall distinctly one investigation that I carried on. I found, to my amazement, that the leading communists and the head of the communist movement in one of the industrial centers in my home city were on the pay roll, if you please, of the Thiel Detective Agency and of the Pinkerton Detective Agency. A Pinkerton detective agent and a Thiel detective agent were the leaders of the communist movement in that city at that time; and I have no doubt but that if we would go ahead and carry out the investigation in accordance with the resolution which I introduced to investigate these detective agencies in the United States, we would find that a large portion of the leaders of this so-called communist organization are on the pay roll of the detective agencies of the United States, and that they are there for the purpose of stirring up trouble for the American manufacturer in many instances. Sometimes they are in his employ, but generally they are being used for the purpose of discrediting organized labor throughout the United States.

Let me say that I am surprised that Mr. Woll should lend himself to a thing of this kind, and try to frighten the American people and to draw a red herring across the trail, as he apparently is trying to do in this article that he is sending out.

Some time ago I received a communication from a gentleman in Montana telling me that this propaganda was going to be started from one end of the country to the other.

Mr. Jung, of a detective agency in the city of Chicago, was one of the heads of this propaganda organization, and he was not only going to work with the idea of discrediting labor throughout the United States but he wanted to get as much information as he could with reference to the activity of the "progressive" Senators down here in the Senate of the United States for the purpose of including them, charging them also with being tied up in some way with the communist movement throughout the United States.

I want to call the attention of the Senator from New York to a deplorable situation in his own city. I picked up the New York American this morning, and I found that the police of the great democratic city of New York are using their clubs, and clubbing the workingmen who are out of employment in that city, and I understand that while this great amount of unemployment exists in the city of New York, the commissioner of police has been for some time down in Miami, or at some other place in Florida, hobnobbing with some of the millionaires who are sojourning down there for their health after the stock-market break. Not only are the police of the city of New York resorting to this practice of going out and clubbing these men who are protesting because of the fact that they can not get employment but the same thing is going on in many of the other cities throughout the United States. I am indeed glad to learn that the Department of Justice, under the present Attorney General, is not going to be a party to that sort of thing.

I think the Attorney General is to be commended for his attitude.

The question has been asked as to what should be done, and it is said that the President has not anything to do about it at all, but that it is a matter for the Congress of the United States. Let me call attention to the fact that when the stock market broke in New York, when a lot of people lost their market money in Wall Street, the President did not wait for the Congress to act. He came to the Congress of the United States and asked that we relieve the great taxpayers of the country of the payment of \$160,000,000 in taxes. When there was a Wall Street panic he called into conference all of the great leaders of the country and tried to talk to them about their problems, but we have not heard of him coming to the Congress of the United States and asking that the Congress appropriate any money to take care of the unemployed of this country.

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

Mr. WHEELER. I yield.

Mr. WAGNER. I would like to call the Senator's attention to the fact that, although this much-heralded conference was called, and the newspaper headlines announced the great achievement through the resolutions passed at the conference, in the month of January building construction in the United States was \$86,000,000 less than in January a year ago. That was right after the conference, immediately after the promises were made.

Mr. WHEELER. As I said on the floor of the Senate last Saturday, my understanding is that a great many of the men who came down to that conference with the President of the United States immediately went back to their homes and laid off some men in addition to those they had already laid off. So that as far as taking care of the unemployed of the country is concerned, the conference that was had by the President at the White House with the leaders did nothing at all, and apparently the only result of it was that the President came to Congress and got the Congress to relieve the big taxpayers of the payment of \$160,000,000.

I am wondering how much of that \$160,000,000 the workers of this country will see, how much of that \$160,000,000 is going to be used by these people for the relief of unemployment in this country.

Mr. President, of course, the President of the United States should not be held responsible for the unemployment in the country, but he should share, and the party in power should share, some of the responsibility. We have been here a year talking about this tariff bill, which, as I said a moment ago, is one of the most sordid bills that has ever been presented to a legislative body, and yet when we get up here for a few moments in the Congress of the United States to talk about the relief of unemployment, we are criticized for doing so, and we are told that we are consuming too much time, and that we ought to stop and let the tariff bill be passed without any interruption. Let the workers of the country go hungry; let the workers of the country meet and be clubbed by the policemen; let them take the working girls and the working women and drag them through the streets, as was done in New York, where two great big policemen dragged a little girl through the streets and had her picture taken. Yet the Congress of the United States must be silent in order that we may pass a bill to further enrich the manufacturers of the country and the selfish interests of the country. That, of course, is the program of the administration and of the party in power. Nothing must be said of unemployment; we must only try to relieve the rich and enrich them further.

Mr. President, I am glad to see this question debated upon the floor of the Senate, and I want to serve notice now that unless the administration does something to relieve the unemployment in this country, they will hear a great deal more discussion upon the floor of the Senate with reference to the matter.

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

Mr. WHEELER. I yield.

Mr. WAGNER. With respect to the attitude of the President, the Senator will remember that on January 6 the President made a statement, which was reported in the newspaper columns all over the country, that "we have turned the corner; unemployment is on the decline, and we are moving forward." Yet at the end of that very month, January, although the statistics are very inadequate, the statistics of the Department of Labor show that the falling off of employment was greater in January, 1930, than in the month of December of last year, and greater in the month of January of this year than in January of the previous year; in fact, greater than in the month of January in any year since 1921.

Mr. WHEELER. I am very grateful to the Senator for presenting those facts.

#### 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.

The PRESIDING OFFICER. The clerk will report the next amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. SHORTRIDGE. Mr. President, for the information of Senators present I ask that the clerk report the pending amendment.

The VICE PRESIDENT. Let the amendment be again reported.

The LEGISLATIVE CLERK. On page 146, after line 8, insert a new paragraph, as follows:

PAR. 781. Cotton having a staple of 1½ inches or more in length, 7 cents per pound.

Mr. SHORTRIDGE. I crave the attention of the Senate to the consideration of this item, this suggested proposed amendment, taking cotton thus described from the free list and giving it what I consider adequate protection. I realize that Senators have many duties to perform and are called from the Chamber. I also realize that the discussion has become wearisome and hence we are not disposed to listen. I promise, however, that if they will do me the courtesy not to interrupt me I shall not long detain the Senate in presenting certain facts and suggesting certain conclusions which I venture to think fully justify the protection which the amendment proposes.

Let me I forget, permit me to say to Senators present that I am not speaking and shall not speak or argue for or on behalf of any one State. What I shall say is in behalf of and I think for the benefit of many of the great States of our Union, and wherein I shall fail to present the cause I trust that other Senators better qualified will supply what in me is lacking. As I look into the faces of certain Senators I feel like some poor subaltern or humble foot soldier talking of war in the presence of Hannibal. I know there are Senators now present who are far better qualified to discuss this question than I am. But I cheerfully go forward in the hope that I can suggest some facts and conditions which call for protection of this great agricultural product.

I shall not take up the time of the Senate in enlarging upon the importance of the great cotton industry in our country, what it has been, what it is, and what it may be. It would be an idle waste of time, and while it might betray some industry on my part, the time consumed may be better employed in looking to the present immediate condition of the industry and the proposed remedy.

But I will say that the industry, which for brevity I speak of as the cotton industry, affects not only great States of the Southland, but of the Southwest and the far West, for we raise this agricultural product from the Atlantic to the Pacific. Not Mississippi, not Texas, not New Mexico, not Arizona, not California, alone, are interested, but other great States—Missouri, Arkansas, Oklahoma, and many of the other southern and southwestern States. They are all interested, and I undertake to say, and I am warranted in saying to the Senate, that each and every one of the cotton-growing States is in favor of this amendment. I shall point out somewhat in detail their position in a few moments.

To clarify, to make plain what this amendment applies to, when we speak of long-staple cotton permit me to explain in a



word what is long-staple cotton. For brevity, and that the amendment may be understood by Senators present and by gentlemen yonder in the press gallery, some of whom have not understood and have unconsciously misstated the fact, there are two classes of cotton of various lengths of fiber, which may be classed in two categories: First, cotton of a fiber length of less than 1 1/8 inches; and, second, cotton of a fiber length of 1 1/8 and more inches. It is this second type which is mentioned in this amendment and is understood to be long-staple cotton. To the end that all may understand I repeat that this amendment applies to cotton with a fiber length of 1 1/8 inches and more. As to that type of cotton we are asking a protective tariff of 7 cents on the imported article.

I am prompted to explain the scope of this amendment because I read in a newspaper an article written by a very intelligent and certainly a very courteous reporter that cotton had always been on the free list—an error shared in perhaps by a great many people. But cotton has not always been on the free list, as I shall point out in a moment. I wish Senators to understand at the outset—those who are now present and those who may come in—that this amendment deals with cotton of a fiber length of 1 1/8 inches and more—long-staple cotton.

It has been suggested—and, indeed, many favor the proposition—that there should be a graduated increasing duty on imported cotton beginning at 1 1/8 inches in length and increasing to 1 5/8 inches or longer. But upon reflection and study it has been considered wise to suggest a flat rate of 7 cents on 1 1/8 inches and longer fiber cotton. I repeat that there are those who proposed a graduated duty on imported cotton which took on this form: That cotton shorter than 1 1/8 inches should bear a duty of 6 cents a pound; cotton of 1 1/8 inches, 7 cents; and then on upward until cotton of 1 5/8 inches length should carry a duty of 24 cents a pound. After study and after examination it was deemed wise not to submit such a proposed amendment, but to limit the tariff asked to a flat rate of 7 cents, beginning with cotton at 1 1/8 inches in fiber length, and apply that rate to all lengths of cotton longer than 1 1/8 inches.

It may be asked of me, Why is cotton of this type, long-staple cotton, entitled to consideration, or rather, why is it entitled to a protective-tariff rate, or entitled to any tariff protection, assuming, as I do, that a tariff will give protection? Mr. President, we produce a domestic cotton of a fiber length less than 1 1/8 inches far in excess of domestic demands and hence we export vast quantities of that type of cotton. The price, it may be regretted, is fixed abroad. In other words, we export millions of bales of cotton, but it is what may be called short-staple cotton or cotton of a fiber length of less than 1 1/8 inches. But as to long-staple cotton the condition is just the reverse. We import long-staple cotton and in vast quantities, and those quantities are increasing. It is imported from cheap-labor countries, chiefly Egypt; to a considerable extent from Peru—from cheap-labor countries with which the American farmer of Mississippi or of Alabama or of Texas or of California can not compete, and for reasons which are manifest. We produce a vast amount of cotton in America, but not so very much of the long-staple cotton with which and as to which we are brought into competition with the foreign cheap-labor producer.

Mr. President, I hold in my hand a table showing the production of long-staple cotton in the United States. I shall not take the time of the Senate to do more than refer to it, asking permission that it may be incorporated in my remarks.

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). Without objection, it is so ordered.

The table is as follows:

Raw cotton: Long staple—Domestic production by staple lengths, principal producing States, crop of 1928 (Running bales)

Producing States	Long staple					Total long staple
	Upland			American Egyptian		
	1 1/8 and 1 1/2	1 3/8 and 1 7/8	1 7/8 and over	Less than 1 1/8	1 1/8 and over	
Alabama.....	564	130	20			714
Arizona.....	3,895	24		26,476	1,834	32,229
Arkansas.....	70,179	17,923	2,254			90,356
California.....	10,763		9			10,772
Florida.....	87	43	7			137
Georgia.....	1,356	546	137			2,039
Louisiana.....	26,913	7,867	676			35,456
Mississippi.....	255,019	110,080	20,962			386,061
Missouri.....	1,675	413	30			2,118
New Mexico.....	5,652					5,652
North Carolina.....	5,010	2,211	395			7,616

Raw cotton: Long staple—Domestic production by staple lengths, principal producing States, crop of 1928—Continued

Producing States	Long staple					Total long staple
	Upland			American Egyptian		
	1 1/8 and 1 1/2	1 3/8 and 1 7/8	1 7/8 and over	Less than 1 1/8	1 1/8 and over	
Oklahoma.....	10,436	1,876	60			12,372
South Carolina.....	23,418	9,589	2,484			35,491
Tennessee.....	1,459	572	51			2,082
Texas.....	29,109	5,961	502			35,572
Virginia.....						
All other.....	938	672	249			1,859
Total.....	446,473	157,907	27,836	26,476	1,834	660,526

Mr. SHORTRIDGE. My attention naturally is directed to California, where we produce some 10,772 bales of cotton of 1 1/8-inch fiber length.

But what is that amount compared to what is produced in the great State of Mississippi? That fertile State produced in 1928 more than 386,061 bales of long-staple cotton.

Referring further to this table, the great State of Arkansas produces this long-staple cotton to the extent of 90,356 bales. That was the production in 1928, and my information is that the crop of 1929 will equal, and to some extent exceed, that of the preceding year.

The imperial and historic State of Texas produced of this type of cotton in the year named, 1928, 35,572 bales. Let me remind the Senate what a great cotton-producing State is the State of Texas. She is big enough for an empire, and it is up to her whether or no she will always remain as one State; I trust in God she will, but it is for her to determine whether or no she shall divide herself up into four States of the Union, which, of course, would give her a greater representation in the Senate. The State of Texas, in whose soil my brother sleeps the long sleep, and for which State I have an affectionate regard, produced 4,901,883 bales in one year.

Nor should I overlook Alabama, which has soil and climate and people and energy and ability to raise long-staple cotton if it shall be given the protection it needs and must have; and I am sure that the learned Senator from Alabama [Mr. HEFLIN] who does me the honor to listen, will corroborate my statement that if appropriate protection is given to long-staple cotton, the soil, the climate, the people, the energy, and the industry of that great State will turn to and develop the raising of long-staple cotton, which yields, of course, a better price than the short type now raised in that State.

I think I have stated, Mr. President, that we produced in this country in all of this type of cotton 660,526 bales during the year 1928, and the table to which I have referred gives the details showing the amount named.

It is this type of cotton which has to meet competition, and that competition comes, as I have stated, from Egypt. That competition will be more serious during the years to come because of what is going on in Egypt, the bringing under control of vast areas of cotton land to be irrigated, and the enterprises to be carried on by great, gigantic English capital. The fertility of the soil there is such and the climate is such and the labor price is such and the production per acre of cotton is such that no American cotton raiser of this type of cotton can compete with the Egyptian. Hence, if there ever was a case where the doctrine, the philosophy, the theory of a protective tariff applies, it is here, and it should be applied to this product of agriculture.

Mr. VANDENBERG. Mr. President, will the Senator permit me to ask him a question for my information?

Mr. SHORTRIDGE. Yes; certainly.

Mr. VANDENBERG. Was this commodity canvassed by the Senate Finance Committee?

Mr. SHORTRIDGE. In a measure, yes.

Mr. VANDENBERG. And was it not the committee's conclusion that there should be no tariff levied upon it?

Mr. SHORTRIDGE. As the bill indicates, the Finance Committee reported it with this type of cotton on the free list; but I will perhaps come to that in a moment. How some Senators on the committee stood may not be entirely proper for me to state; but my views may be inferred, for I have endeavored to make it plain by voice and by vote that I believe in the doctrine of protection, just as the early Democratic statesman believed in it, and just as many present great Democratic statesmen believe in it to-day. I use the word "Democrat"; I use the word "Republican"; but upon a proposition such as this I

forget partisanship. I know indeed that the man serves his party best who serves his country best. If there was not one pound of cotton raised in California, not one pound, I should stand here and take the position I do, because to me there is no chasm between us; there is no dividing line.

With me North Carolina, where my grandfather was born, or Alabama, where my name is not unknown, or in Tennessee, one of whose beautiful ladies my brother captured for life, or in Texas, where he sleeps—those States are to me dear and their interests and the welfare of their people are just as precious in my contemplation as is the welfare of California. Of course, I plead for my State to-day, but I digress to say that it is not alone because we raise cotton in California that I am urging this amendment, which might well have been offered and urged by others. It so came about that I offered the amendment and had it laid before the Senate, and I am urging its adoption in behalf of California and all the cotton-growing States.

I alluded to the Egyptian cotton industry. It is a fact which may be of interest to the Senate and to those outside this Chamber who are deeply concerned with this product that the average yield per acre in Egypt, according to the Tariff Commission's report, is 395 pounds per acre, whereas in the United States thus far the average yield is but 153 pounds. In California, I am happy to say, the average yield has been very great compared to that in certain other States. It has been and is some three hundred and seventy-odd pounds per acre. That is due to the fact that much of our cotton land is irrigated and the soil is virgin; and, with irrigation, the sunlight, intelligent development, and the selection of seed of the highest grade or quality, there has been brought about this high yield. However, the average yield in Egypt is 395 pounds per acre, whereas in our country it is 153 pounds. The point, therefore, is—and it fortifies what has been suggested as touching our ability to compete—that the Egyptian raises more cotton at, of course, a far less cost than we can raise it. Hence, the fierce and destructive competition between them and us.

Raw cotton is imported into the United States, although that fact is not generally known. In 1928 we imported 344,000 bales of cotton of an average weight of 500 pounds. In the first nine months of 1929 we imported 457,804 bales; but note this: Of the 457,804 bales of imported cotton, some coming from China, some coming from Peru, some from Mexico, some from Egypt—of this sum total of 457,804 bales, 315,225 bales were of the long-staple variety.

The mere statement of that fact is, perhaps, altogether sufficient. I call these statistics to the attention of Senators in order to further emphasize the fact that the American raisers of long-staple cotton are brought into competition with the imported article; in other words, of the 457,804 bales, the total imports, 315,225 bales were of the long-staple variety, which would be affected by the amendment pending before us were it adopted. Of all the long-staple cotton that is consumed in America, fully one-third or more—in some years more than one-third, approaching closely to one-half—comes from abroad, and, of course, affects the price which the cotton grower gets for his product.

I hold in my hand a table showing the imports of cotton, including long staple, from the year 1919 down to and including the first nine months of the year 1929, showing the number of bales and the values, which I ask may be incorporated in the RECORD for the information of the Senate.

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

The matter referred to is as follows:

Raw cotton, United States imports by producing countries for crop years 1918-19 to 1928-29

Crop year ended July 31—	Total	Produced in—					
		Egypt	Mexico	China	Peru	India	All other
1918-19	201,585	100,000	54,434	10,871	25,230	2,893	8,151
1919-20	700,214	485,004	65,343	57,185	63,426	14,358	14,898
1920-21	226,341	87,168	88,155	14,722	22,597	8,489	5,210
1921-22	363,465	233,729	53,637	15,563	38,753	10,348	11,435
1922-23	469,954	329,335	45,679	50,239	21,186	22,124	1,391
1923-24	292,288	164,152	27,062	45,118	19,628	34,419	1,609
1924-25	313,328	190,313	44,384	33,703	13,389	28,147	3,392
1925-26	325,511	238,620	23,553	22,452	16,637	22,143	2,106
1926-27	400,983	231,767	93,272	33,466	20,877	18,892	2,709
1927-28	338,226	201,856	22,843	62,888	23,319	25,663	1,657
1928-29	457,808	297,750	52,009	34,862	15,636	53,260	4,291

Mr. SHORTRIDGE. I have stated that our imports come mainly from Egypt, Mexico, China, Peru, and India; but over and over again I say, because of some things I have read in some quarters, that our chief competitors are Egypt and Peru. The amounts imported from the countries are set out in the table just referred to.

I have a vast amount of detailed information touching this industry, but I do not purpose wearing the Senate or delaying it by going into the details of statistics; nor is it necessary to do so.

A Member of the House, Mr. WHITTINGTON, of Mississippi, recently delivered an address on this subject which will be found in the January 25 number of the CONGRESSIONAL RECORD. I should be proud indeed if I were the author of that address. I invite the attention of Senators to it. He, coming from the great cotton State of Mississippi, furnishes us with much authoritative, detailed information; and I am happy to say that he and his people are heartily back of the pending amendment.

Mr. VANDENBERG. Mr. President, may I ask the Senator one question?

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

Mr. SHORTRIDGE. Yes.

Mr. VANDENBERG. Is it the Senator's judgment that if this duty were put upon long-staple cotton it would be necessary to return through the bill and adjust compensatory rates on any other products?

Mr. SHORTRIDGE. Mr. President, I want to answer the Senator frankly. I do not think it will be necessary, for reasons which I shall hereafter suggest; but, if it shall be necessary, be it so. Senators will understand my position. For reasons which I shall briefly state, in view of the increase of the duties upon all the articles into the making of which long-staple cotton enters, I do with great sincerity believe that the suggested tariff on long-staple cotton will not unjustly cast any burden upon the manufacturers of tires, or of thread, or of the various textiles which use cotton in their manufacture.

Mr. VANDENBERG. Mr. President—

The VICE PRESIDENT. Does the Senator from California further yield to the Senator from Michigan?

Mr. SHORTRIDGE. I do.

Mr. VANDENBERG. The commodities which the Senator has just mentioned are the type of commodities upon which compensatory duties would be necessary if any are necessary?

Mr. SHORTRIDGE. Yes; and, of course, anticipating what I shall hereafter say, assuming that the cotton grower would receive the full additional suggested rate, and that it would add just so much to the price of the article to be purchased by the tiremaker or the threadmaker—assuming all that, I shall still contend that the rates already afforded those manufactured articles are such as not to call now for any additional so-called compensatory duties.

Mr. President, there is a notion prevailing among fairly intelligent and well-informed people that cotton has always been on the free list. Such is not the case. It was, indeed, on the free list in the first tariff bill, signed by George Washington on July 4, 1789; but the very next year, in 1790, in the second tariff bill, cotton was put upon the protected list, and carried a rate of 3 cents a pound. After Washington came Adams, and then the great Thomas Jefferson, and after him Madison and Monroe.

The tariff of 3 cents a pound under the act of 1790 continued in force until the act of 1816. Cotton bore the same rate under that act which was in force until 1842. In that year the great economist and great statesman, Walker, was here in the Senate. The Walker tariff bill carried a duty of 3 cents a pound on all grades of cotton, and that rate was in force until 1862. Senators who are familiar with the history of our country know that Walker submitted a report on tariff and related subjects which has been compared favorably with that of Alexander Hamilton. Of course I would not have wholly agreed, perhaps, with Senator Walker; but I dwell a moment upon the act of 1842 to impress upon Senators on the other side of the Chamber, and friends on this side, that cotton was on the protected list from 1790 down to and including 1842 at 3 cents a pound.

In 1862, during the tragic and unhappy condition that then existed in our country, cotton still remained on the protected list at one-half cent a pound. In 1864, however, for reasons which must have been persuasive and conclusive, the rate was raised to 2 cents a pound. Then what happened in 1865? All cotton was placed on the protected list at 5 cents a pound. Under legislation of 1866, perhaps due to changing conditions,

the rate was 3 cents a pound; and cotton continued through the years a protected agricultural product at 3 cents a pound up to 1883, when conditions were such, or the complexion of Congress was such, as to take it off the protected list and place it upon the free list.

But what happened in May, 1921? The emergency tariff act of May, 1921, placed long-staple cotton on the protected list at 7 cents a pound, and there it should have remained, and there it should be now placed.

I do not know that erroneous information spread throughout the country is reflected back into this Chamber and affects the actions of Senators, but for the information of the country the disseminators of news should remind the people that cotton has not always been on the free list; that it was protected during the administrations of Washington, and Jefferson, and Madison, and Monroe, and on down through the years; and that as late as 1921, in the emergency tariff act, it was given a protection of 7 cents a pound, all that I ask now; and if there was emergency then, there is emergency now.

What was the effect of putting this cotton on the protected list? The official figures show that the imports from Egypt immediately dropped off, and the figures show that from 485,004 bales of cotton imported from Egypt in 1920 there were but 87,108 bales imported in 1921. When the duty was removed—as, unwisely, it was—immediately imports increased, and are continuing, and will continue unless we apply what I think is the wise doctrine of protecting this industry.

Reiteration and emphasis, I realize, do not add to a fact. A fact is a fact; a truth is a truth, however feebly or energetically expressed; but there are some things that perhaps should be impressed upon the thoughtful minds of thoughtful Senators.

One of these facts, I repeat, is this, that cotton was protected up to 1883. During the early administrations, then during the Democratic administrations, during the Republican administrations, on down through the century, cotton was on the protected list, where every cotton-growing State to-day is asking that it again be placed. I have hundreds of letters and telegrams from practically every cotton-growing State urging this amendment. Some go further, as I have suggested. Many of them suggested a graduated rate, but it was thought wise to ask for the flat rate of 7 cents on all cotton of 1½ inch or longer fiber.

I hold in my hand here a speech made by Representative DOUGLAS of Arizona, a very thoughtful and instructive address. He calls attention to all these matters, and particularly he invites attention to the fact that when the emergency tariff act was in effect, the imports of Egyptian cotton fell, and that when the protection expired, the importations began immediately to increase. He sets forth the figures showing the imports of Egyptian cotton for the last 10 years. I will ask that that portion of his remarks be incorporated in the RECORD.

The VICE PRESIDENT. Is there objection?

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

While the emergency tariff act of 1921 was in effect the imports of Egyptian cotton fell from 485,000 bales in 1920 to 87,000 bales in 1921.

The following gives imports from Egypt for the decade from 1919 to 1928:

IMPORTS OF EGYPTIAN COTTON FOR LAST 10 YEARS

Department of Commerce figures, in 500-pound bales, for fiscal year ending July 31:

1928	201, 856
1927	231, 767
1926	238, 620
1925	190, 313
1924	164, 152
1923	329, 335
1922	233, 729
1921	87, 168
1920	485, 004
1919	100, 006
Total	2, 261, 950

The marked decline in 1921 is significant. The marked increase since the removal of the emergency tariff is equally significant.

Mr. SHORTRIDGE. Mr. President, I will trespass upon the patience of the Senate a moment longer, inviting attention to this industry as it affects California. I hold in my hand a statement furnished by the department showing the acreage and production of cotton in California from the year 1919 down to and including the year 1928, which I ask to have incorporated in the RECORD.

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

Acreage and production of cotton in California, 1919-1928

ACREAGE (PICKED)

Year	San Joaquin Valley	Riverside County	Imperial County	Total, California
1919	5, 500	19, 500	60, 000	85, 000
1920	21, 000	25, 000	104, 000	150, 000
1921	3, 500	14, 000	37, 500	55, 000
1922	2, 500	16, 000	48, 500	67, 000
1923	9, 000	21, 200	52, 800	83, 000
1924	37, 800	25, 000	65, 200	129, 000
1925	96, 600	23, 340	48, 600	172, 000
1926	109, 300	23, 100	26, 300	162, 000
1927	79, 800	22, 600	23, 600	128, 000
1928	151, 900	24, 400	32, 300	218, 000

PRODUCTION (500 POUNDS GROSS BALES)

Year	San Joaquin Valley	Riverside County	Imperial County	Total, California
1919	2, 788	15, 885	27, 926	46, 599
1920	9, 302	18, 257	39, 124	66, 683
1921	1, 791	10, 460	13, 745	25, 996
1922	1, 575	8, 005	11, 513	21, 093
1923	9, 189	17, 196	27, 988	54, 373
1924	35, 621	15, 469	26, 389	77, 479
1925	79, 440	18, 733	22, 614	121, 795
1926	98, 631	17, 441	13, 756	130, 590
1927	69, 106	13, 120	8, 317	91, 103
1928	140, 094	13, 472	15, 542	172, 230

<sup>1</sup> 1925: 3,500 acres of cotton were harvested in the Sacramento Valley, with a production of 1,000 bales (500 pounds gross), which are included in the totals of the above table.

<sup>2</sup> 1926: 3,300 acres of cotton were harvested in the Sacramento Valley, with a production of 762 bales (500 pounds gross), which are included in the totals in the above table.

<sup>3</sup> 1927: 2,000 acres of cotton were harvested in the Sacramento Valley with a production of 560 bales (500 pounds gross), which are included in the totals in the above table.

<sup>4</sup> 1928: 9,500 acres of cotton were harvested in the Sacramento Valley, with a production of 3,122 bales (500 pounds gross), which are included in the totals in the above table.

Mr. SHORTRIDGE. Mr. President, I merely point out to the Senate that in 1919 the total production in California was 85,000 bales, and that production had increased to 172,230 bales in 1928.

In 1910, when we commenced raising cotton in California, 9,000 acres were planted, which yielded 6,300 bales. In 1928 we devoted 210,000 acres to this product and produced 172,430 bales. Of that total of 172,430 bales, 10,772 were bales of long-staple cotton, and just as Mississippi, just as any or all of the Southern and Southwestern States desire, so California desires to raise long-staple cotton, which carries a premium, which yields a better price, and in order that we may turn our attention to the cultivation, the raising, the producing of this higher-grade, higher-priced type of cotton, called here, for brevity, long-staple cotton, which is brought into competition with the foreign, this relief, this encouragement, this protection is asked by way of 7 cents a pound tariff duty.

I pass over many details, Mr. President, and inquire, who is appealing for this protection? Perhaps I have indicated that already, but I may be permitted to advise the Senate that not California alone is appealing to us. Even if it were California alone, I should ask for this protection. But in California not only the cotton growers, but chambers of commerce, business men, bankers, farm bureaus, and other organizations, newspapers with unanimity, merchants of every type, engaged in all branches of merchandizing, all our industrial life in California, are united in favor of this proposition, and what I say is true in every one of the cotton-growing States, as I am sure other Senators will corroborate.

I hold in my hand telegrams from these several groups of our people. I do not wish to burden the RECORD with having them all incorporated, but if agreeable, I would ask to have incorporated one or two of each group as indicative of the import of them all.

The VICE PRESIDENT. Is there objection?

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

CORCORAN, CALIF., May 28, 1929.

Senator SAMUEL M. SHORTRIDGE,

Washington, D. C.

I have seen the effect of the removal of the 7-cent tariff on staple cotton and now, as a grower of cotton in the great State of California, realize more than ever the necessity of restoration of this tariff and urge you to do all within your power to bring this about.

GEORGE M. DICK,

Mr. SHORTRIDGE. Telegrams of like import have come to me from many California cotton growers, among them the following:

C. W. Fancher, H. Peterson, John Roland, A. P. Howe, E. R. McClellan, Forrest Howes, Leonard A. Dibble, J. H. Smith, R. C. Slaybaugh, T. M. Boyd, C. F. Burns, A. R. Van Antwerp, Erwin E. Cooper, B. F. Gilbert, Henry Anderson, Ray G. Wallace, E. W. Caddell, C. D. Clute, P. M. Howes, E. Jones, John Jones, E. E. Johnston, W. J. Hotchkiss Ranch, D. M. Biancucci, A. M. Falloner, Ernest Northcote, W. S. Allen, B. E. Lester, John Stone, Paul P. Butler, Bruce E. Denaiels, G. McAbee, John Stevenson, J. N. Stark, and W. A. Swall.

Also the following telegram:

HON. SAMUEL M. SHORTRIDGE,  
United States Senator, Washington, D. C.:

The Delano Chamber of Commerce, representing one of the largest cotton-growing districts in the San Joaquin Valley, recommend sufficient tariff be placed on import long-staple cotton to protect the home-grown products. Your support solicited.

Thanking you for past favors in support of agriculture,  
Most sincerely yours,

DELANO CHAMBER OF COMMERCE,  
W. S. ALLEN, *President*.  
J. M. BOWHAY, *Secretary*.

Like telegrams have reached me from the Corcoran, the Tulare, and other chambers of commerce.

Also, the following:

HANFORD, CALIF., May 28, 1929.

Senator SAMUEL M. SHORTRIDGE:

We are told removal 7-cent emergency tariff on staple cotton in 1922 has materially injured growers. Cotton industry in San Joaquin Valley and State assuming large proportions, and urge your influence in restoring said tariff.

FIRST NATIONAL BANK.

Many telegrams and letters to the same effect have come to me from other banking houses and organizations, among which are California-Arizona-New Mexico Cotton Association, California Cotton Mills Co., American Legion Post 346, Kings County, Central Committee, First National Bank of Hanford, and Tulare County Republican Central Committee.

I have also received the following telegrams:

BERKELEY, CALIF., February 5, 1930.

Senator SAMUEL M. SHORTRIDGE,  
Senate Office Building:

Cotton-growing counties urge that you do everything possible to secure 7-cent tariff on long-staple cotton. All other counties join in this request as all farmers affected by prosperity of our cotton growers and need acreage to continue in cotton.

ALEX JOHNSON,  
Secretary California Farm Bureau Federation.

FIREBAUGH, CALIF., June 1, 1929.

Senator SAMUEL M. SHORTRIDGE,  
Washington, D. C.:

In the interest of the cotton growers of this section we trust that you will support the 7-cent tariff on long-staple cotton, and do what you can to bring about the passage of this bill.

ALBERT MYER,  
Commander American Legion Post 346.

The Board of Trade of Hanford, the Kings County Farm Bureau, the Kern County Farm Bureau, the Farm Bureau of Colusa County, the Tulare County Farm Bureau, and many other farm organizations urge the adoption of this amendment.

Not only from California but from many other States come to me earnest requests that this agricultural product be given adequate tariff protection.

Mr. President, I do not wish much longer to detain the Senate, but I pause to say that many of these telegrams and these letters and these resolutions set forth the argument in favor of this tariff far better than I have been able to present it. They put their finger upon perhaps the fundamental, controlling fact, namely, the cost of raising this type of cotton here and the cost of raising it in Peru and in Egypt and other foreign countries. I take it that those are the controlling, outstanding facts.

They also impress us with the desirability of increasing in the United States the production of this higher grade of cotton.

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

Mr. SHORTRIDGE. With pleasure.

Mr. RANSDELL. I have not had the pleasure of hearing all of the Senator's address. Has he produced evidence to show how much of this long-staple cotton is now imported into this country?

Mr. SHORTRIDGE. Yes, Senator.

Mr. RANSDELL. About how much is imported?

Mr. SHORTRIDGE. I have given that information with accuracy.

Mr. RANSDELL. It is not necessary to repeat it, then. It was several hundred thousand bales?

Mr. SHORTRIDGE. Yes.

Mr. RANSDELL. How much cotton in the United States would receive the benefit of this duty if we merely continued to produce the same quantity we are now producing and did not increase the production of that quality of cotton?

Mr. SHORTRIDGE. Let me repeat, in answer to the Senator's question, as to the cotton imported. The total amount of imported cotton, including all types—

Mr. RANSDELL. That is, short staple and long staple?

Mr. SHORTRIDGE. Short staple and long staple; the amount was 457,804 bales.

Mr. RANSDELL. What year?

Mr. SHORTRIDGE. 1928. It was substantially the same, I am told, for last year, though increasing. Of that amount, 315,225 bales were of the long-staple variety, and, as the Senator knows, my amendment and our thought is applied to the long-staple variety.

Practically all of that comes from the two countries, Egypt and Peru, the greater percentage, of course, from Egypt. As I have suggested, we can not raise that type of cotton in the United States and compete with the foreign article. Therefore, answering the Senator, my contention is, and the contention of all who have studied the problem is, that this will be a substantial, direct benefit to the raisers of long-staple cotton, for reasons which need not be repeated.

Mr. RANSDELL. I think there is no doubt about the truth of the Senator's statement. I am anxious to know whether the Senator has figures showing how much cotton is now produced in the United States, which would come under the description of "long staple." The Senator said about 10,000 bales in his own State.

Mr. SHORTRIDGE. I gave that information in a detailed statement a moment ago, and can turn to it. It shows exactly the amount of long-staple cotton produced in the United States, State by State. If necessary I will give the exact figures again before the discussion is over.

Mr. RANSDELL. A considerable quantity is already produced in this country.

Mr. SHORTRIDGE. Yes.

Mr. RANSDELL. I will ask the Senator if it is not important for the United States to try to produce a greater percentage, not necessarily of the long-staple cotton, but of a much better cotton than we are now producing?

Mr. SHORTRIDGE. I have indicated that that would be wise.

Mr. RANSDELL. Has there not been a deterioration in the grades of cotton we are producing in the United States?

Mr. SHORTRIDGE. I fear that is so.

Mr. RANSDELL. I know it is urged—whether it is true or not I do not know—that foreign countries are producing a little better cotton than they were producing years ago, and that our cotton to some extent has deteriorated. I can not state whether that is true or not, but it is said to be true.

Mr. SHORTRIDGE. We are endeavoring—and when I say "we," I know California is, I know Arizona is, I know New Mexico is, and I venture to say Texas and other States are—we are endeavoring to improve the quality as well as increase the quantity of the higher and better grade cotton by the selection of seed, by the cultivation, and in many sections by irrigation.

Mr. RANSDELL. Does the Senator know any reason why the agriculturists in the United States should not produce just as fine cotton as is produced in Egypt or Peru or anywhere else on earth?

Mr. SHORTRIDGE. I make answer by saying—and it is not pride, it is not patriotism, it is not American egotism, it is my dispassionate opinion—that we can raise as fine cotton in the United States as can be raised anywhere on God's earth.

Mr. RANSDELL. Provided we have the same aid from Government or from nature which those countries enjoy. They have cheaper labor, I take it, than we have.

Mr. SHORTRIDGE. Certainly.

Mr. RANSDELL. They have advantageous conditions in regard to costs of production which we do not enjoy.

Mr. SHORTRIDGE. Certainly.

Mr. RANSDELL. And the Senator's amendment is an attempt to put us on terms of parity with them?

Mr. SHORTRIDGE. Yes.

Mr. RANSDELL. That is the whole purpose of the amendment?

Mr. SHORTRIDGE. That is the whole purpose of my amendment.

Mr. RANDELL. That is in strict accordance with the policies of both political parties?

Mr. SHORTRIDGE. Yes; beyond question.

Mr. RANDELL. And it is in aid of agriculture, for which this bill is supposed to be passed.

Mr. SHORTRIDGE. Beyond any question.

The sun showers down his gold and the moon flings down her silver in the United States as generously as they do in Egypt or in Peru.

Our soil is as rich, our climatic conditions are as good, and all we need is to be protected from competition such as the Senator suggests. I said before, and I repeat, that if there be an item in the tariff bill which calls for a protective tariff rate, that item is now before us.

But the Senator from Louisiana asked me a question as to our production. We raised here, according to statistics, some 660,526 bales of long-staple cotton in 1928, but we can increase the acreage, we can increase the output, and we seek to do so by being adequately protected.

Mr. RANDELL. Mr. President—

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Louisiana?

Mr. SHORTRIDGE. With pleasure.

Mr. RANDELL. If I may be permitted, we can change the variety of much of the cotton that is now short staple and make it long staple, without increasing acreage.

Mr. SHORTRIDGE. Unquestionably.

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

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

Mr. SHORTRIDGE. With pleasure.

Mr. HEFLIN. I was called from the Chamber a moment ago and did not hear the Senator's response to the Senator from Louisiana about the sources from which this cotton is coming. The long-staple cotton, I understood the Senator, comes from Peru and Egypt. From what countries does the short-staple cotton come?

Mr. SHORTRIDGE. I think the greater percentage of the short-staple cotton imported to-day comes from China.

Mr. HEFLIN. Some of it comes from India, does it not?

Mr. SHORTRIDGE. Yes, also; but as suggested, and I think it should never be lost sight of, our great competitor is Egypt and to a lesser degree Peru. We have authoritative information as to prices of labor in those two countries. I shall not trouble the Senate to go into details or seek to prove what I must assume every Senator fully realizes.

Arizona, New Mexico, Texas, Mississippi, Arkansas, and all the other Southern and Southwestern States, I have said and I repeat again and yet again, are deeply interested. It is not a political question. It is not a partisanship question. It is a question of what will be of aid to our respective States, and therefore I speak with a certain frankness and certainly with freedom and kindness of feeling. I have only to repeat myself, however, that I believe and I am quoting a former President when I say that I serve my party best when I serve my country best. I do not think of partisanship when I am favoring a tariff on this article for the benefit of Mississippi.

I have called attention to the address made by Mr. WASHINGTON, of Mississippi, which was published in the RECORD of January 25. It is a very, very instructive and, to my mind, conclusive argument in favor of the proposition which I am advancing. I may with propriety call attention to a letter from a prominent citizen of Parksville, S. C., in which the writer urges the adoption of the amendment. He is good enough to say:

I will be glad to support in every way possible the proposed Shortridge amendment of 7 cents per pound on 1½-inch long-fiber cotton.

Mr. President, I hope it will be deemed proper for me to invite the attention of the Senate to the action of the legislature of a great State represented in this body by two great Senators. I premise by saying that I am quite sure it was not necessary for the legislature of that State to urge their Senators to take the action advised, but the legislature deemed it proper to express themselves and I assume that they voiced the sentiment of that State and of other States. It is House Concurrent Resolution No. 14 adopted by the legislature of the State of Mississippi. The resolution, among other things, recites:

Whereas the overwhelming sentiment of the Nation is for a protective tariff on all commodities, whether manufactured products or raw materials; and

Whereas two state-wide cotton-growers' conventions have within the past few years without a dissenting vote adopted resolution favoring a tariff on cotton; and

Whereas it is the opinion of all thoughtful business men of the cotton-growing States and of a majority of the citizens of such States, in view of the purpose of all the other States of the Union, to secure a tariff upon agricultural products that it is imperative that the cotton-growing States protect themselves by securing an adequate tariff on cotton; and

Whereas there is a tariff levied—

And I call the attention of my friends to this point—

Whereas there is a tariff levied on all manufactured articles consumed by the cotton growers while cotton is on the free list, which makes an unjust discrimination against the cotton growers; and whereas it is the sense of the legislature of the State of Mississippi that it is necessary to protect the southern cotton growers and the business interests of the cotton-growing States of the South that a strong tariff be placed on all cotton, short staple and long staple, imported into the United States of America and on all American cotton which may have been shipped out of the United States and reimported into this country.

With those "whereases," which are statements of fact and conclusions, with those clear statements by thoughtful men, without a dissenting vote in either the House of Representatives or the Senate of the State of Mississippi, they conclude as follows:

Therefore, be it resolved by the House of Representatives of the State of Mississippi (the Senate concurring therein), That the Senators and Representatives in Congress from the State of Mississippi be and they are hereby requested to use their best efforts to secure a strong tariff upon all foreign-raised cotton and upon all American cotton shipped out of this country which may be reimported into this country.

That resolution was adopted as late as January 17, 1930, by the house of representatives, the speaker of the house, I observe, being Hon. Thomas L. Bailey, and it was passed by the senate of that State on January 23, 1930, Hon. Bidwell Adams, I observe, being president of the senate. But yesterday that great State spoke and it speaks to-day the opinion and the views of every cotton-growing State in the Union.

Here I might rest the case and here I am inclined to rest it by merely suggesting that if there be argument advanced that because of this tariff on long-staple imported cotton there should be a reconsideration of the rates on imported articles in the making of which here in America this type of cotton is used, then I hold myself ready to argue and I think persuade and convince that there is no necessity whatever to reform or reframe or reduce the rates which have been thus far agreed upon here in the Senate. I allude, of course, to the so-called compensatory duties or compensatory rates. As Senators know, every article manufactured in America which uses long-staple cotton has been protected as against a rival imported article. If that argument is advanced in opposition to this amendment I trust that I or others will be amply able to meet and answer it.

So, Mr. President, perfectly conscious that I have not presented the matter with any great force, for the moment I am willing to submit the amendment to the consideration of the Senate. I assume that other Senators will desire to speak and I am sure they can supply what in me is lacking to fortify and strengthen the position I have taken.

Mr. HEFLIN. Mr. President, there is very little more to be said; the Senator from California has so thoroughly discussed the subject. I am in hearty agreement with him in what he has said. I propose to vote for his amendment. I propose to offer an amendment to his amendment to include short-staple cotton, so as to make his amendment read as follows:

PAR. 781. Cotton having staple of 1½ inches or more in length, 7 cents per pound; having a staple of less than 1½ inches, 4 cents per pound.

And on page 255, line 12, strike out "cotton and cotton waste" and insert in lieu thereof "cotton waste."

I wonder if the Senator from California would not accept my amendment to his amendment.

Mr. SHORTRIDGE. Mr. President, I have given some thought to the suggestion. I think perhaps we had better dispose of the pending amendment and then have the Senator offer his amendment.

Mr. HEFLIN. Very well. I am ready to vote on the amendment of the Senator from California.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from California [Mr. SHORTRIDGE].

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. SMOOT. Mr. President, I wish merely to say that if the Senate shall agree to this amendment I shall then have to offer amendments clear through the cotton schedule providing for compensatory duties.

Mr. HAYDEN. Mr. President, I did not hear the remark just made by the Senator from Utah.

Mr. SMOOT. I stated that if this amendment were agreed to we should then have to provide compensatory duties upon articles embraced in the schedule, which would include yarn, thread, and cloth.

Mr. SHORTRIDGE. We shall attend to that proposition later.

Mr. HARRISON. Mr. President, if the Senator from Utah will yield, let me suggest that we take a vote now? Then we may later discuss the question of compensatory duties. That is another proposition.

Mr. SMOOT. I know it is another proposition, but I merely wanted to say what I have, because I did not wish it to be understood that this would be the only vote that would have to be taken.

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The question is on agreeing to the amendment. [Putting the question.] The ayes seem to have it.

Mr. HEBERT. Mr. President, I desire to have a yea and nay on the amendment; but, first, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Allen	George	McKellar	Smoot
Ashurst	Glass	McMaster	Steak
Barkley	Glenn	McNary	Stelwer
Bingham	Goff	Metcalf	Stephens
Black	Goldsborough	Moses	Sullivan
Blaine	Greene	Norbeck	Swanson
Blease	Grundy	Norris	Thomas, Idaho
Bratton	Hale	Nye	Thomas, Okla.
Brock	Harris	Oddie	Townsend
Brookhart	Harrison	Overman	Trammell
Broussard	Hastings	Patterson	Tydings
Capper	Hatfield	Phipps	Vandenberg
Caraway	Hawes	Pine	Wagner
Connally	Hayden	Pittman	Walcott
Copeland	Hebert	Ransdell	Walsh, Mass.
Couzens	Heflin	Robinson, Ind.	Walsh, Mont.
Cutting	Johnson	Robson, Ky.	Waterman
Dale	Jones	Schall	Watson
Dill	Kean	Sheppard	Wheeler
Fess	Keyes	Shorridge	
Fletcher	La Follette	Simmons	
Frazier	McCulloch	Smith	

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The question is on the amendment proposed by the Senator from California [Mr. SHORTRIDGE].

Mr. HEBERT. Mr. President, I was not present during the discussion of the amendment proposed by the Senator from California, so I rise especially to say that, from the information which comes to me, the amendment, if adopted, will not effectuate the purpose the Senator has in mind. I am told by men who have given a life's study to the cotton-textile industry, and, incidentally, to the question of raw cotton, that the imposition of a duty upon cotton imported from abroad will not change the consumption of it in this country; that, notwithstanding a duty should be imposed upon it, an equal amount will still have to be imported here, in order to meet the demands of the manufacturers who need the imported cotton for their particular products.

This question was pretty thoroughly discussed, Mr. President, in the hearings before the Committee on Ways and Means of the House of Representatives as well as before the Committee on Finance in the Senate. I have before me a copy of the statement of a former Member of this body, Hon. Henry F. Lippitt, who has been engaged in the cotton-textile industry for practically all his life, and I wish to quote briefly from it. Among other things, he said:

The real point at which this proposed duty is aimed is to exclude the 165,000 bales of "uppers" now imported, with the expectation that American staple cotton will be used in their place and that, thereby, its price will be materially raised. This result is unlikely. It might happen if there was an American market for all the staple cotton grown in this country, but that is not the case and would not be even if a demand could be created to replace the 165,000 bales proposed to be excluded.

Again, in the course of his argument, ex-Senator Lippitt said:

If, therefore, all of these 165,000 imported bales were shut out and replaced by American staples, it would still leave the substantial quantity of 150,000 bales or so to be exported. These 150,000 bales would have to compete abroad with an Egyptian supply that had been increased by the 165,000 bales excluded from America. The result would be that the world relations of supply and demand would not be changed by the

operation of this duty and, therefore, it is not probable that there would be any increase in the domestic price even if the increased demand here for the American staple equaled the full amount of Egyptian cotton excluded.

I am informed, Mr. President, that if this amendment were to prevail it would merely increase the cost of the products of some of our manufacturers, and they would have to pay greater prices for the cotton which they use, and, in turn, naturally would expect—and I should say, would be entitled to have—a compensatory duty upon the cloth which they produce from those importations.

Mr. SHORTRIDGE. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from Rhode Island yield to the Senator from California?

Mr. HEBERT. I yield.

Mr. SHORTRIDGE. I understand the Senator to state that Mr. Lippitt says there are 165,000 bales of long-staple cotton imported. Is that correct?

Mr. HEBERT. I read from his argument to the effect that that quantity of long-staple "uppers" is imported.

Mr. SHORTRIDGE. He is right just to this extent: Instead of being 165,000 bales there were last year imported 315,225 bales of long-staple cotton, which information I get from the report of the Tariff Commission.

Mr. HEBERT. I think, Mr. President, that a distinction should be made as to the length of staple of the cotton that is imported and whether it is upland.

Mr. SHORTRIDGE. My amendment applies to 1½-inch length of fiber.

Mr. HEBERT. From the best information I have been able to obtain, Mr. President, I doubt that the Senator's amendment, if adopted, will effectuate its purpose, but I am convinced that it will increase the price of the finished product to the citizens of this country, because our manufacturers will have to pay more for their raw material, and it will, to all intents and purposes, create an embargo against the importation of these materials which are essential, as I understand, for the needs of some of our cotton manufacturers.

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

The VICE PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Washington?

Mr. HEBERT. I yield.

Mr. DILL. Do I understand the Senator to claim that we can not produce the necessary long-staple cotton in this country?

Mr. HEBERT. Mr. President, it is my understanding that for certain purposes the American-grown long-staple cotton is not what is required by our manufacturers.

Mr. DILL. Is it a very large part of the long-staple cotton necessary for those purposes that the domestic-grown article will not supply?

Mr. HEBERT. No; it is relatively a small quantity, but, then again, the total importations of long-staple cotton into this country, as I understand, are only about 1 per cent of the cotton that is used here.

Mr. DILL. Not of the long staple?

Mr. HEBERT. No; of the entire cotton consumption of this country.

Mr. DILL. I will say to the Senator that I have no interest whatever in this item, except as a matter of protection to the cotton producers. I am under the impression in this case, as in others, that the producer should be given protection; everybody else is getting it, except certain lumber producers.

Mr. HEBERT. Mr. President, I do not want to be placed in the position of opposing a tariff upon the products of this country. I have favored protection for American industry, and I shall continue to do so. I merely wish to make the observation that the imposition of a duty in this instance will not change the imports into this country if the information which comes to me be correct.

Mr. HARRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Georgia?

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

Mr. HARRIS. Let me say to the Senator from Rhode Island that the people of my State, and other Southeastern States, are very much interested in what is called sea-island cotton, which is a long-staple cotton, and in the agricultural appropriation bill for this year there is authorized an appropriation of \$20,000,000, of which I was the author, to aid in the effort to restore the sea-island cotton industry.

It will be remembered that during recent years the boll weevil destroyed this industry in the southeast part of the country. Now we are trying to have it reestablished, so as to give employment to our people, and so as to have long-staple cotton pro-

duced in this country, and not have to send abroad for many thousand bales of this cotton which is absolutely necessary for our industries.

The sea-island cotton was more profitable to the growers than the short-staple cotton, and it meant a great deal to the prosperity of our section. Our farmers need all the help we can give them.

Mr. HEBERT. Mr. President, I am told that certain of our industries can not make use of the long-staple cotton produced in this country, and have to use the foreign-grown long-staple cotton. The reason for that is because the staple of the imported cotton has a certain softness and silkiness which is required, for example, in the production of sewing threads and in the production of threads that are used in the manufacture of laces and similar products. I am relying upon the information that comes to me; and so I am led to make these observations for the consideration of the Senate.

Mr. HAYDEN. Mr. President, I should like to detain the Senate for about five minutes, if I may, before the vote is taken, in order to state the case as I see it in favor of the amendment offered by the Senator from California [Mr. SHORTRIDGE].

We have in the United States the capacity to consume approximately a million bales of cotton having a staple of an inch and an eighth and longer. There is produced in this country between 650,000 and 700,000 bales of that type of cotton, and we import annually about 300,000 bales from Egypt and Peru.

Mr. SMITH. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from South Carolina?

Mr. HAYDEN. I yield.

Mr. SMITH. Did I understand the Senator to say cotton of a staple an inch and an eighth in length?

Mr. HAYDEN. And longer.

Mr. SMITH. The class of cotton we import is of a staple different from an inch and an eighth, because we are producing in this country several million bales of cotton that is an inch and an eighth in length. The cotton to which the Senator refers is the class of cotton the parent of which was Egyptian cotton planted in his State and in California.

Mr. HAYDEN. I am also referring to American upland cotton, grown principally in the Delta region of the Mississippi Valley, of which the figures furnished me by the Department of Agriculture show that last year there were produced 632,200 bales. I am adding to that about 28,000 or 30,000 bales of American Egyptian or Pima cotton grown in Arizona. That is the total American production of cotton having a staple of an inch and an eighth or longer. Then we import, as reported last year, 296,000 or practically 300,000 bales of Egyptian cotton. So, all together the American market each year uses approximately a million bales of that kind of long-staple cotton.

If it is true that the American production is less than the American consumption, then this proposed tariff of 7 cents per pound should be effective, or partly effective, toward allowing the growers of this kind of cotton to obtain a better price for it.

To put a tariff on all cotton, to my mind, would be practically the same as putting a tariff on all wheat. It did not benefit all kinds of wheat; but it has been shown to the Senate that the United States does not produce enough wheat carrying a high content of protein. Since we do not produce enough of that kind of wheat in this country to supply the American demand, the price of that kind of hard wheat was affected by the tariff. Instead of levying a tariff on all wheat, if Congress wanted to make a wheat tariff effective, we would apply it only to wheat which has a high protein content; and it is the same way with cotton. Congress can differentiate between long-staple and short-staple cotton just as we can differentiate between wheats carrying or not carrying a high protein content.

In this case, therefore, if we do not produce in this country more than about three-fourths of what we need of long-staple cotton, the tariff should be effective.

The only question, then, that is raised by the chairman of the committee and the Senator from Rhode Island [Mr. HEBERT] is, if we impose an import duty of 7 cents per pound, is whether it is necessary to levy compensatory duties throughout the bill to make up to the manufacturer what this extra cost of his raw material might be?

My contention is that excessive duties on all manufactures of long-staple cotton are already contained in the bill, and that if we were to attempt to levy a compensatory duty it would be so small that it could hardly be calculated.

Take the case of thread. It is disputed as to whether American Pima cotton can be used in the manufacture of thread. The Department of Agriculture says it can be. Some manufacturers say they can not use it. Whether that is true or not, I do not know; but I do know that if Congress should add 7 cents a pound to the cost of the cotton used in a spool of thread,

it would affect the cost of that spool of thread by only 0.058 of a cent, which is so small that the rate of no kind of a compensatory duty could be calculated or levied upon it.

Mr. GEORGE. Mr. President, may I interrupt the Senator? The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Georgia?

Mr. HAYDEN. I yield.

Mr. GEORGE. The average ad valorem on thread under the present tariff act is 20.19 per cent, but under the Senate bill it is 25 per cent; so there has been an increase, anyway. And I call the Senator's attention further to the fact that while there is no increase in the duty of cotton yarns, by reason of the rebracketing of the yarn schedule there will be an actual increase in the amount of duty paid in dollars and cents. So there has been a slight reduction in the yarn and in the thread paragraphs.

Mr. HAYDEN. The other place where this cotton is used is in cord tires for automobiles. I should like to inquire of the Senator from Georgia what the rates are on tires.

Mr. GEORGE. There is an ample duty on them. There was no actual increase in the duty; but the duty was retained at the present rate, notwithstanding the House desired some increase.

Mr. HAYDEN. It is my understanding that about 4 pounds of long-staple cotton are used to make the ordinary automobile tire; and if the duty were fully effective at the rate of 7 cents a pound it would add 28 cents to the cost of a tire that retails for \$20. That is all there is to this compensatory suggestion, so far as I can see.

Mr. SMITH. Mr. President, may I ask the Senator how much of the American production of 1½-inch staple cotton was exported?

Mr. HAYDEN. There are no satisfactory figures. The only way that the exports could be calculated at all is to deduct from the production of 1928 the consumption of 1928, which shows a difference of about 94,000 bales. Either those 94,000 bales were carried over into the next season and not used because of the Egyptian importations or they were exported.

Mr. SMITH. How much of the American Egyptian cotton was exported?

Mr. HAYDEN. The only figures I have are for the past year—about 3,500 bales out of a production of about 28,000.

Mr. SMITH. So that we exported even some of the American Egyptian cotton?

Mr. HAYDEN. I understand that that was done for the reason that the cotton cooperatives in Arizona which produce this American Egyptian cotton became convinced that they were not receiving a fair deal from the New England spinners, and so they proceeded to sell some of their cotton abroad, which brought them, in that instance, a more satisfactory price. This was done so that the mills of New England might understand that they did not have complete control of the market. It was for trade reasons that it was done. Normally, all of the Pima or American Egyptian cotton produced in this country has been sold to and used by the American cotton mills. Over 60,000 bales a year have been thus produced and consumed.

The manufacturers say they can not use American long-staple cotton. We hear that talk particularly with respect to automobile tires, for which it is said that it is necessary to import Egyptian cotton. Look at the statistics of importations of Egyptian cotton as presented by the Senator from California. They average three or four hundred thousand bales a year. Everybody knows that there are twice as many automobiles in the United States now as there were when Egyptian cotton was first imported for that purpose. Automobiles have to have tires. The tires have to be made partly of cotton. It is just obvious common sense to say that they must use American cotton to make the automobiles tires, and do not use Egyptian cotton to do it. If that were not true, the importations of Egyptian cotton would have doubled, along with the doubling of the manufacture of tires.

It seems to me we have a perfectly simple case here. If we want to benefit the American farmer, if he is entitled to the same ratio and degree of protection as the manufacturer, this is the time and the place to do it.

I hope that the amendment offered by the Senator from California will prevail.

Mr. TRAMMELL. Mr. President, I want to join with those advocating this amendment.

In my State up to a few years ago we grew rather extensively this Egyptian or long-staple cotton, but on account of the competition during the last 10 years it has been largely driven from the market. We feel that with proper protection we can restore that industry in Florida, and this is true of many States throughout the Union. If this can be done, with its restoration a great many farmers in the belts where this cotton can be produced will retire from the production of short-staple cotton and engage in

the production of long-staple cotton, so in that way it will indirectly benefit the situation as far as the short-staple cotton producer is concerned.

This country could easily produce all the long-staple cotton that is consumed in America if our farmers were only given an opportunity. I know that the farmers in Florida are very eager to have the protection proposed by the Senator from California, or protection in an amount something like that. I hope, therefore, the amendment will be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California [Mr. SHORRIDGE].

Mr. HEBERT and Mr. COUZENS called for the yeas and nays. The yeas and nays were not ordered.

The amendment was agreed to.

Mr. GEORGE. Mr. President, have we reached the administrative provisions of the bill?

The VICE PRESIDENT. Not yet. We are still on the free list. Are there further amendments to the free list?

Mr. GEORGE. Mr. President, I observe that the Senator from North Carolina [Mr. SIMMONS] is in the Chamber. I understood it to be the purpose of the Senator from North Carolina to offer an amendment before we leave the free list.

Mr. SIMMONS. On what subject?

Mr. GEORGE. I understood that the Senator probably desired to offer an amendment on cigarette leaves or paper.

Mr. FLETCHER. Mr. President, if there is no other amendment to be offered, I wish to submit one.

On page 272, line 19, I move to strike out paragraph 1791, reading:

Turpentine, gum and spirits of, and rosin.

If that amendment is agreed to, I propose then to offer another amendment, on page 34, after line 7, to insert the following:

PAR. 90½. Turpentine, gum and spirits of, and rosin, 10 per cent ad valorem.

The VICE PRESIDENT. The first amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. On page 272, line 19, it is proposed to strike out paragraph 1791, reading as follows:

Turpentine, gum and spirits of, and rosin.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the senior Senator from Florida.

Mr. SMOOT. Mr. President, that amendment takes turpentine, gum and spirits of, and rosin off the free list and makes them dutiable. I think the turpentine, gum and spirits of turpentine, have been on the free list ever since the first tariff act.

Mr. FLETCHER. Mr. President, I think the Senator is mistaken about that. Some of the items have been on the free list, but I think the act of 1922 first put turpentine and some of those products on the free list. I realize that the imports of these commodities are not very excessive, but there are some imports, some of the material coming in from Mexico and some from France, and some of the gum from Germany. The industry is not in a prosperous condition now. The exports are very considerable, I grant, and have been for some years. Probably 45 per cent of the domestic production is exported. But I see no reason why we should not take these commodities off the free list, and if that should be agreed to—and it is a matter, anyhow, I want to have go to conference—then I would offer to put a duty of only 10 per cent ad valorem on. That is the second amendment. That is the only duty I would ask, 10 per cent.

Mr. SMOOT. Mr. President, our exports are ever so much greater than our imports. Our imports amount to hardly anything at all. Our exports in 1928 were 12,507,098 gallons. I can not see why these articles should be made dutiable. I would like to accommodate the Senator, but I do not see any justification for the amendment.

Mr. FLETCHER. Will not the Senator allow it to go to conference?

Mr. SMOOT. If we did that, we would have to go back and put them in their proper place, and put a duty upon them. If there were any reason whatever for the amendment, the Senator knows I would not be standing here and asking that this amendment not be agreed to, but really this is one of the items which I think presents very little justification for a duty. I hope the Senator will not press the amendment.

Mr. FLETCHER. I read from page 2630 of the Summary of Tariff Information, where it is said:

Imports of spirits of turpentine have amounted to about 1 per cent of domestic production in recent years and originate chiefly in Mexico.

Further down it says that Germany was the principal country from which turpentine gum was imported, and then it gives the statistics about the imports.

Mr. SMOOT. It states:

From 75 to 80 per cent of our exports of turpentine are shipped to Europe, principally to the United Kingdom and Germany.

In other words, we ship a greater part to England and Germany of all of our exports of turpentine and rosin. The figures are such that I do not believe we could justify this amendment, either as to rosin or turpentine. I hope the Senator will not ask for the amendment. I dislike to ask for a vote, but I wish he would not press the amendment.

Mr. FLETCHER. I do not think it is necessary to argue the question at very great length. We can not differ much about the facts. The statistics are all before us. I felt that it was time to take these commodities off the free list, particularly gum, and if that amendment is agreed to, I will submit a small ad valorem duty. But I am not going to argue the matter.

Mr. SIMMONS. Mr. President, what duty does the Senator from Florida suggest?

Mr. FLETCHER. Ten per cent ad valorem.

Mr. SIMMONS. I can see no reason why there should not be a moderate duty upon this product. It is very largely a product of the farm. Of course, it is not a very important item, but turpentine is produced as a crop. One man cultivates so many boxes, as they are called. The pine tree is boxed so that the turpentine runs into the box, and it is a farm product, just like any other product raised on a farm. The turpentine is cultivated under contract. The imports are small. My understanding is, though I have not looked at the statistics, that the imports are setting in. Anyway, I find that the people who are interested in turpentine, in naval stores, in my section of the country, are very much alarmed at the competition which is threatened to their industry. I do not see any reason why the Senator from Utah should be setting his face so hard against a small duty. It is asked for by the farmers.

Mr. FLETCHER. Referring to the imports of rosin, in 1919 the duty on rosin was 10 per cent, and in 1922 it was made free of duty. In 1919, 1920, and 1921 there was a duty of 10 per cent. The quantity imported in 1919 was 96,044 pounds, 25,008 pounds in 1921, in 1922 it went on the free list, and in 1928 there were imported 2,087,000 pounds, coming largely from France. That is the situation with reference to the rosin.

Mr. SMOOT. But the production of rosin in 1928 was 1,035,906,500 pounds. The importations do not amount to anything at all in comparison with the production.

Mr. SIMMONS. What was the amount of the imports the Senator from Florida just read?

Mr. FLETCHER. Two million pounds in 1928.

Mr. SMOOT. In comparison with a production of 1,035,000,000 pounds. It is about 0.01 of 1 per cent.

Mr. SIMMONS. Suppose we take a vote on the Senator's amendment.

Mr. TRAMMELL. Mr. President, I think the statistics offered by my colleague show the rapidity with which the importations have increased. Of course, 2,000,000 pounds in comparison with a billion of production is a small percentage, but it does forcefully convey the fact that there is a country from which these imports are coming, and that the importations are rapidly increasing.

Mr. SMOOT. I want to call attention to the latest figures. The imports are decreasing. In 1925 there were imported 7,083,382 pounds. In 1926 the imports amounted to 10,557,096 pounds. In 1927 they had dropped to 5,513,494 pounds, and in 1928 they had dropped to 2,087,601 pounds. The imports in that year were about one-fifth of what they were in 1926. So the importations have dropped immensely, and the production has immensely increased.

Mr. TRAMMELL. I was not aware of those figures. Of course, our producers feel that there is rather serious potential competition and that they should have a little protection. We are asking for a duty of only 10 per cent.

Mr. FLETCHER. The importations of spirits of turpentine in 1928 amounted to 342,528 gallons. That seems to be considerably on the increase.

Mr. SMOOT. That was an increase of 27,000 gallons over the year before.

Mr. FLETCHER. In 1919 the imports amounted to only 1,662 gallons.

Mr. SMOOT. That is correct.

Mr. FLETCHER. That has gone out up to 342,528 gallons. So that it seems that the importations of spirits of turpentine have increased quite considerably and the importations of the rosin and the gum amount to a considerable quantity.



Mr. SMOOT. We transferred pitch and tar from the free list to the dutiable list and gave them a duty of a cent a pound.

Mr. FLETCHER. I recall that.

Mr. SMOOT. That has already been done.

Mr. FLETCHER. That is made from the stumps, not from the live trees. These materials all come, as the Senator from North Carolina has said, by boxing the pine trees, and the gum is run into the boxes and then into stills, and we get the spirits of turpentine and the rosin as the result of the distillation. It is a great industry. I think Florida, perhaps, produces more naval stores than any other State. Our people feel that there is considerable depression in that industry. They claim that if there were a slight duty on these commodities and they were taken from the free list they could get some relief. I submit the matter without taking up further time. I hope the Senate will vote in favor of my amendment, and that the matter may go to conference.

The PRESIDING OFFICER (Mr. NORRIS in the chair). The question is on agreeing to the amendment offered by the senior Senator from Florida [Mr. FLETCHER], which will be reported.

The CHIEF CLERK. The Senator from Florida offers the following amendment: On page 272, in line 19, to strike out the word "turpentine, gum and spirits of, and rosin," and also on page 34, after line 7, to insert the words:

Turpentine, gum and spirits of, and rosin, 10 per cent ad valorem.

On a division, the amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, a few moments ago a very important amendment was adopted in the Senate, the request for the yeas and nays having been declared to be not sufficiently seconded.

This amendment affecting long-staple cotton involves a question of changing the compensatories all through the cotton schedule, and I therefore believe that the country is entitled to know what Senators are responsible for the adoption of that duty.

I ask unanimous consent for a reconsideration of the vote by which the amendment of the junior Senator from California [Mr. SHORTRIDGE] was agreed to, and I then shall suggest the absence of a quorum and request a record vote.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WALSH of Montana. The Senator is not dependent upon unanimous consent. There being no record vote, he is entitled to make a motion to reconsider the vote.

Mr. FLETCHER. Mr. President, will not the Senator let us finish this item of turpentine before he proceeds with that?

Mr. LA FOLLETTE. No, Mr. President; I would like to have this disposed of before we go any further.

Mr. WALSH of Massachusetts. Mr. President, I hope the Senator will press the matter.

Mr. LA FOLLETTE. I move to reconsider the vote by which the amendment of the junior Senator from California was adopted.

Mr. DILL. Mr. President, will the Senator yield for a question or statement?

Mr. LA FOLLETTE. I will yield for a question.

Mr. DILL. I want to call attention to the fact that in the argument which was made here it was claimed that the compensatory duties were not necessary. The argument was made to the effect that no change was necessary in the other rates. That was not substantially contradicted.

Mr. LA FOLLETTE. I understood the chairman of the Finance Committee to make a statement diametrically opposite to the one just made by the Senator from Washington, but it is not my purpose to reargue the question. I do feel that the country is entitled to a record vote upon this important question, and having made my motion I now suggest the absence of a quorum.

Mr. HARRISON. Mr. President, will the Senator withhold the suggestion for a moment?

Mr. LA FOLLETTE. I think we should have a quorum here if the Senator desires to discuss the matter.

Mr. WALSH of Massachusetts. Mr. President, will not the Senator from California agree that the vote be reconsidered?

Mr. SHORTRIDGE. Mr. President, it is not with me to consent or fail to consent. If it is necessary to have compensatory duties or to reconsider them, that will come next properly. The adoption of the amendment will not prevent that being done.

Mr. LA FOLLETTE. I understand that. It is inevitable, the amendment having been adopted, and I therefore want a record vote upon the question before the Senate proceeds to carry out the inevitable consequence of its action taken here a few moments ago.

Mr. HARRISON. Mr. President, will the Senator now permit me to ask him a question, and withhold his point of no quorum for that purpose?

Mr. LA FOLLETTE. I withhold the point of no quorum temporarily and yield to the Senator from Mississippi.

Mr. HARRISON. I am sorry the Senator was not on the floor when the matter was discussed. I heard the Senator from Utah, the chairman of the Finance Committee, in the beginning make the statement that the adoption of the amendment called for compensatory duties, but it was shown, I think very fairly, by the very able speech of the distinguished Senator from California [Mr. SHORTRIDGE], as well as the speech of the junior Senator from Arizona [Mr. HAYDEN], that it would not be necessary to increase any compensatory duty or to add any duty of that kind, for this reason—

Mr. LA FOLLETTE. That might be done in conference.

Mr. HARRISON. The rates could not go any higher in conference on the various propositions than the Senate or the House had gone on those rates. It was shown, for instance, that on sewing thread, one of the things into the manufacture of which the long-staple cotton goes, there is carried on the average a 5 per cent ad valorem increase over present rates. It was shown that on cotton cloth of the finer qualities, in some instances, the rate is increased 12½ per cent over the present law. It was shown that on tire fabrics, while the House decreased the rate from 25 to 17 per cent ad valorem, the Senate committee had restored the 25 per cent rate. It would not be necessary to increase those rates if the rate of 7 cents a pound on long-staple cotton were adopted.

The Senator from California [Mr. SHORTRIDGE] and certain organizations requested a 24-cent duty on long-staple cotton. That was discarded after some discussion. Some of us would not stand for it at all. Personally, I would not agree to go higher than 7 cents a pound. It was shown there were 900,000 pounds of this particular kind of cotton produced in the United States and 400,000 pounds annually imported, thus making a very clear case.

There were two votes taken upon the amendment. A vote was taken one time on a division which was not quite announced because some one raised the point of no quorum. The matter was discussed again and then we took another vote on it. I submit the Senator ought not to insist on it; but, of course, I shall make no objection if he does insist upon a record vote.

The PRESIDING OFFICER. Let the Chair state the question. The Senator from Wisconsin [Mr. LA FOLLETTE] moves that the vote by which the amendment offered by the Senator from California [Mr. SHORTRIDGE] was agreed to shall be reconsidered, and that is the question now before the Senate.

Mr. VANDENBERG. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. Certainly.

Mr. VANDENBERG. In further justification of the motion now submitted by the Senator from Wisconsin I desire to say that at least two of us were on our feet trying to suggest the absence of a quorum when the Chair announced that the motion was carried.

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

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I yield.

Mr. HEBERT. I wish to say further that I was one of those who was calling for a quorum when the Chair announced his decision. Further, I made the statement that if the tax were imposed upon cotton coming here from abroad, justice would require that there be a compensatory duty upon goods produced from that cotton here.

Mr. HARRISON. Yes; the Senator made that statement.

Mr. LA FOLLETTE. Mr. President, it is not my purpose to reargue the question or to get into any controversy concerning the votes. I will say, however, since the Senator from Mississippi addressed his statement to me in the nature of a question, that with all due respect to the speeches made by the Senator from California and the others mentioned by the Senator from Mississippi, it is my information that it will be necessary to amend the compensatory rates in the cotton schedule affecting those products which are made from long-staple cotton.

Having made my motion, I now insist upon my point of no quorum.

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

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

Allen	George	McCulloch	Simmons
Ashurst	Glass	McKellar	Smith
Barkley	Glenn	McMaster	Smoot
Bingham	Goff	McNary	Steck
Black	Goldsborough	Metcalf	Stelwer
Blaine	Greene	Moses	Stephens
Bratton	Grundy	Norbeck	Sullivan
Brock	Hale	Norris	Swanson
Brookhart	Harris	Nye	Thomas, Okla.
Broussard	Harrison	Oddie	Townsend
Capper	Hastings	Overman	Trammell
Caraway	Hatfield	Patterson	Tydings
Connally	Hawes	Phipps	Vandenberg
Copeland	Hayden	Pine	Wagner
Couzens	Hebert	Pittman	Walcott
Cutting	Heflin	Ransdell	Walsh, Mass.
Dale	Johnson	Robinson, Ind.	Walsh, Mont.
Dill	Jones	Robson, Ky.	Waterman
Fess	Kean	Schall	Watson
Fletcher	Keyes	Sheppard	Wheeler
Frazier	La Follette	Shortridge	

NOT VOTING—14

Baird	Deneen	Kendrick	Shipstead
Barkley	Gillett	King	Thomas, Idaho
Blease	Gould	Reed	
Borah	Howell	Robinson, Ark.	

So Mr. SHORTRIDGE's amendment was agreed to.  
 The VICE PRESIDENT. Schedule 17 is still before the Senate as in Committee of the Whole and is open to amendment.

Mr. CONNALLY. Mr. President, I have an amendment pending to paragraph 1606, page 245.

The VICE PRESIDENT. The amendment of the Senator from Texas will be stated.

The CHIEF CLERK. In paragraph 1606, on page 245, line 10, after the word "country," it is proposed to strike out the remainder of the line; and in line 11 to strike out all down to and including the word "only"; and in line 13 to strike out the word "eight" and insert the word "three."

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Texas.

Mr. CONNALLY. Mr. President, I should like to inquire of the Senator from Utah [Mr. SMOOR], in view of our conference on this matter, if he can not accept the amendment?

Mr. SMOOR. I should like to have the Senator from Texas make a short statement as to just what the amendment is intended to accomplish before we take a vote on it.

Mr. WALSH of Montana. Mr. President—

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

Mr. CONNALLY. I yield.

Mr. WALSH of Montana. I should like to inquire how this amendment differs from the amendment that has heretofore been voted on dealing with the same subject.

Mr. CONNALLY. I will say to the Senator that we did not reach a vote on the amendment. We had the amendment up, but the unanimous-consent agreement prevented a vote on it at that time.

Mr. WALSH of Montana. Am I to understand that it is the same as the amendment which has heretofore been tendered?

Mr. CONNALLY. It is the same amendment which I offered some days ago.

Mr. President, under the existing law, in paragraph 1606 it is provided that horses, mules, cattle, and other livestock may be carried from the United States into a foreign country and returned within eight months duty free when they are carried into another country for temporary pasturage or where they stray into another country. By this amendment I propose to limit that period to three months instead of eight months, to eliminate the temporary pasturage feature, and to limit the privilege to cases in which animals stray across the border into a foreign country.

In the case of cattle along the Mexican border this provision of the existing law has been greatly abused. Ranchmen who own ranches both in Texas and in Mexico are in the habit of having their cattle carried into Mexico, pasturing and conditioning them there, and then bringing them back into the United States free of duty. The livestock associations and others interested have requested that this amendment be offered in order to limit to three months the period within which cattle may be brought back and that the privilege may be extended only when livestock stray across the border. I ask the Senate to adopt the amendment.

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

Mr. SMOOR. Mr. President, I see no particular objection to the amendment. Its object, of course, is as the Senator from Texas [Mr. CONNALLY] has just stated.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. CONNALLY]. The amendment was agreed to.

The VICE PRESIDENT. Schedule 17 is still before the Senate as in Committee of the Whole and is open to amendment.

Mr. COPELAND and Mr. SMOOR addressed the Chair.

The VICE PRESIDENT. The Chair recognizes the Senator from New York.

Mr. COPELAND. I yield to the Senator from Utah.

Mr. SMOOR. There are some corrections which I desire to make, but I can do so after the Senator from New York shall have concluded his remarks.

Mr. COPELAND. Mr. President, a few days ago, on motion of the Senator from Texas, vegetable oil, cake, and cake meal were taken from the free list and taxed at 0.3 of a cent a pound. I wish to make a similar motion with respect to fish scrap and meat, now covered by paragraph 1780 of the free list.

The VICE PRESIDENT. Will the Senator state his amendment?

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present. The question is on agreeing to the motion of the Senator from Wisconsin.

Mr. WALSH of Massachusetts. Mr. President, I ask for the yeas and nays on the motion.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, I ask unanimous consent that we vote direct on the adoption of the amendment of the Senator from California and not on the question of reconsideration of the vote by which the amendment was agreed to. I ask unanimous consent that the vote by which the amendment of the Senator from California was agreed to may be reconsidered.

The VICE PRESIDENT. Is there objection to the reconsideration of the vote by which the amendment of the Senator from California was agreed to? The Chair hears none, and it is so ordered. The question now is on the amendment proposed by the Senator from California.

Mr. McKELLAR. I demand the yeas and nays.

The yeas and nays were ordered.

Mr. LA FOLLETTE. I ask that the amendment be reported.

The VICE PRESIDENT. The clerk will report the amendment for the information of the Senate.

The CHIEF CLERK. On page 146, after line 8, insert a new paragraph, as follows:

PAR. 781. Cotton having a staple of 1½ inches or more in length, 7 cents per pound.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). I have a pair with the junior Senator from New Jersey [Mr. BAIRD]. Not knowing how he would vote, I withhold my vote.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. DENEEN]. I transfer that pair to the junior Senator from South Carolina [Mr. BLEASE] and vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. GILLETT]. I am advised, however, if he were present he would vote as I shall vote. I therefore am at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Maine [Mr. GOULD] with the Senator from Utah [Mr. KING].

The result was announced—yeas 49, nays 33, as follows:

YEAS—49

Allen	Fletcher	McKellar	Shortridge
Ashurst	Frazier	McMaster	Steck
Black	George	McNary	Stelwer
Bratton	Glenn	Norbeck	Stephens
Brock	Harris	Nye	Sullivan
Brookhart	Harrison	Oddie	Thomas, Okla.
Broussard	Hatfield	Phipps	Trammell
Capper	Hawes	Pine	Waterman
Caraway	Hayden	Pittman	Watson
Connally	Heflin	Ransdell	Wheeler
Copeland	Johnson	Robinson, Ind.	
Couzens	Jones	Schall	
Dale	Kean	Sheppard	
Dill	Keyes		
Fess	McCulloch		

NAYS—33

Bingham	Grundy	Norris	Tydings
Blaine	Hale	Overman	Vandenberg
Copeland	Hastings	Patterson	Wagner
Couzens	Hebert	Robson, Ky.	Walcott
Dale	Kean	Simmons	Walsh, Mass.
Glass	Keyes	Smith	Walsh, Mont.
Goff	La Follette	Smoot	
Goldsborough	Metcalf	Swanson	
Greene	Moses	Townsend	

Mr. COPELAND. Just a moment, Mr. President. The first line of paragraph 1780, page 271, reads:

Tankage, fish scrap, fish meal, cod liver oil cake, meal—

And so forth.

My motion is that fish scrap and fish meal be made dutiable at 0.3 of a cent per pound, just as vegetable oil was made dutiable at a like rate.

Mr. GEORGE. Mr. President, will the Senator suffer an interruption?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Georgia?

Mr. COPELAND. I yield.

Mr. GEORGE. Let me call the Senator's attention to the fact that fish scrap and fish meal are used extensively in the manufacture of commercial fertilizer, and the policy of the Congress as heretofore declared and as repeated and emphasized during this session is to put substances used chiefly in the making of fertilizers upon the free list.

The Senator will note that the fish scrap referred to is that which is unfit for human consumption. I hope the Senator will not press his amendment to put it upon the dutiable list.

Mr. COPELAND. Does not the Senator from Georgia recognize that we should do exactly the same with this animal oil, cake, and meal that we have done with vegetable oil, cake, and meal?

Mr. GEORGE. Mr. President, I was addressing myself to fish scrap and calling the Senator's attention to the fact that fish scrap is used exclusively in the manufacture of fertilizers, and the cake meal to which he refers is not used, as I recall, in fertilizer. Cottonseed meal, of course, is used in the making of commercial fertilizer, but the others are used for chicken feed and other feeds.

Mr. COPELAND. Fish meal is used for the same purpose, is it not?

Mr. GEORGE. Fish meal is used as a feed for poultry, as I understand.

Mr. COPELAND. Is fish-scrap meal used in that way?

Mr. GEORGE. Yes, as I understand; and fish-scrap meal is used in the same way, but also it is used as a source of one of the principal elements of commercial fertilizer.

Mr. COPELAND. Mr. President, according to the Summary of Tariff Information, fish meal and fish scrap are manufactured from fresh fish by cooking it, by extracting the oil, if any is present, and draining or drying. Green scrap and acidulated scrap are used for fertilizer.

The fish meal to which I refer, and which is covered by the paragraph referred to, is used for poultry and animal feed, as well of course for fertilizer, as the Senator has said; but it does seem to me that these two products, which have been interchangeable in their use, should be treated in exactly the same way. I have no disposition to continue the discussion, but that is my feeling about it. I see no reason why they should not be treated alike.

Mr. WALSH of Massachusetts. Mr. President, we have been unable to hear the able argument of the Senator from New York, and we have not even been able to hear his motion. May it be stated from the desk?

The VICE PRESIDENT. Let the Senate be in order, and let the amendment again be stated.

Mr. COPELAND. I have offered an amendment taking from the free list fish scrap and fish meal, now in paragraph 1780 of the free list, and putting it at the appropriate place in the bill, and giving it a rate of 0.3 of 1 cent per pound.

Mr. SMOOT. Mr. President, I desire to call the Senator's attention to the fact that this material is unfit for human consumption and only goes into fertilizer. Why should we take it off the free list and put it on the dutiable list, when all that it is used for is fertilizer purposes, and everything else in the bill that goes into fertilizer is on the free list? I do not think we ought to take this material off the free list.

Mr. COPELAND. The Senator is mistaken about its being used exclusively for fertilizer. It is also used as a poultry feed; and I take it that that, of course, will defeat the project.

Mr. SMOOT. This material is unfit for human consumption. I do not know whether any of it is used for poultry feed or not.

Mr. COPELAND. It is unfit for human consumption; yes. Is vegetable-oil poultry feed used as a human food? No.

Mr. WALSH of Massachusetts. What is the value per pound of this fish scrap?

Mr. SMOOT. Even if it is used for feeding poultry, I do not see why it should be taken from the free list and made to pay a duty.

Mr. COPELAND. Why did we take the corresponding vegetable product from the free list? Because it is a farm product?

Mr. WALSH of Massachusetts. Mr. President—

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

Mr. COPELAND. I yield to the Senator.

Mr. WALSH of Massachusetts. What is the value of this fish scrap? Will the Senator from Utah inform us?

Mr. SMOOT. I will tell the Senator exactly what it is.

Mr. COPELAND. We produced of it last year 90,000 tons, of a value of something over \$4,000,000.

Mr. SMITH. How much was imported?

Mr. COPELAND. We imported 12,000 tons.

Mr. WALSH of Massachusetts. What is the Senator's duty of 0.3 of a cent a pound in ad valorem terms? It represents about 120 per cent, does it not?

Mr. SMOOT. It is more than that. There are only 68,495 tons, of the value of \$3,700,834. That would be approximately \$60 a ton.

Mr. WALSH of Massachusetts. And the duty is to be 0.3 of a cent per pound?

Mr. COPELAND. It sells at about \$50 per ton. That is the price of it—\$50 per ton.

Mr. GEORGE. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Georgia?

Mr. COPELAND. I do.

Mr. GEORGE. The price varies, of course; but I should say the average price of fish scrap would run around \$45 to \$50 a ton.

Mr. SMOOT. I am speaking of the importations.

Mr. GEORGE. It depends entirely upon the amount of ammonia, or the ammonia content, when it is used as a source of ammonia in fertilizer; and the fish scrap unfit for human use is used almost exclusively in making commercial fertilizer. The fish meal is used for the same purpose and as a poultry feed.

Mr. COPELAND. And for other animals?

Mr. GEORGE. Mainly for poultry feed.

Mr. COPELAND. It is valued at about 2½ cents a pound; and I am asking the same rate as vegetable product, 0.3 of 1 cent per pound. A great deal can be brought in from the Alaskan fisheries and from the New England fisheries; and it is a product of tremendous interest to the Senator from Massachusetts because of the fishery industry of his State.

Mr. SMITH. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield.

Mr. SMITH. If the Senator will allow me, there is no ingredient that enters into the composition of what is known as commercial fertilizer that is of as much importance to the planters of the country as fish scrap. There are three sources of ammonia which by practical experiment have proven themselves superior to any other—blood, fish scrap, and tankage. These three are the most satisfactory forms of ammonia or nitrogen that can be used in the composition of fertilizer; and, beginning a comparatively few years ago, this ingredient has been used in increasing quantities. To such an extent is it now used that there are trawlers going up and down the Atlantic coast catching fish for the purpose of using them in the composition of fertilizer. I do not know any greater imposition that could be placed on those who are trying to farm than to add this tax to their present almost unlimited source of ammoniated or nitrogenous form of fertilizer.

Mr. COPELAND. Mr. President, in answer to what the Senator from South Carolina has said I desire to quote from the Summary of Tariff Information:

As the imports of fish meal are used mainly on the Pacific coast for feeding, they compete principally with the Pacific coast production of fish meal and with similar protein materials used for the same purpose.

Apparently the cost of transportation is an important factor in determining the distribution of fish meal, because almost all of the Atlantic coast production is sold locally and almost all of the Pacific-coast production is sold along the Pacific coast. Relatively small quantities of fish meal are sold in the mid-West because of the large production in that area of animal tankage.

There is practically no competition between the domestic and imported fish meal and fish scrap intended for use as fertilizer.

But the fish meal that is used for poultry feeding is a matter of concern to those who live on the Pacific coast, because there can be brought in from our Alaskan fisheries quantities of this fish scrap which now comes from Japan.

I have no desire to continue the discussion, except to say that it seems to me eminently unfair to take from the free list the corresponding vegetable product and make it dutiable at 0.3 of 1 cent per pound and deny exactly the same protection to fish meal.

**THE VICE PRESIDENT.** The question is on agreeing to the amendment offered by the Senator from New York [Mr. CORN-  
LAND].

The amendment was rejected.

**MR. LA FOLLETTE.** Mr. President, I offer the amendment which I send to the desk.

**THE VICE PRESIDENT.** The amendment will be stated.

**MR. SIMMONS.** Mr. President—

**THE VICE PRESIDENT.** Does the Senator from Wisconsin yield to the Senator from North Carolina?

**MR. LA FOLLETTE.** I yield to the Senator.

**MR. SIMMONS.** May I ask the Senator if he will not allow me to take up another matter at this time? I do not think it will take long. I make the request because I can not stay here for these night sessions.

**MR. LA FOLLETTE.** I withdraw my amendment, Mr. President, and yield the floor.

**THE VICE PRESIDENT.** The Senator from Wisconsin withdraws his amendment. The Senator from North Carolina is recognized.

**MR. SIMMONS.** Mr. President, on page 239 I move to strike out, in paragraph 1552, beginning in line 15, the words "cigarette books, cigarette-book covers, cigarette paper in all forms, except cork paper."

**THE VICE PRESIDENT.** The question is on the amendment offered by the Senator from North Carolina.

**MR. SIMMONS.** Mr. President, this amendment covers what may be called and is generally called bobbin paper. It is used extensively and almost entirely for wrapping cigarettes.

None of this paper used in wrapping cigarettes is to-day produced in the United States. During the years just following the war, and probably beginning a little before that time, several factories engaged in making paper in this country attempted to make this particular paper. One of the larger tobacco companies—the British-American, I think is the name of it—spent considerable money in an effort to encourage and establish the manufacture of this paper in this country. They were unsuccessful. Their investment was lost. The two factories that at one time made this paper have ceased to make it, so I am advised not only by the users of this paper but by the representatives of the department. But when they did make this paper, they made only a very small quantity of it. I think the total output of 1927 of one of the factories was \$156,000 worth and that of the other factory \$192,000 worth.

I think it is indisputable that there is not any of this paper made in America at this time. It is imported. It is a peculiar character of paper. It is necessary for this use that the paper should have a certain burning quality and a freedom from certain odors that attach to burning paper as a rule.

This paper is produced almost entirely in France. The duty imposes a burden upon the cigarette business in this country amounting to something like \$3,000,000 a year. There is no industry to be protected by the 60 per cent duty which is proposed in the bill to be levied on this product. The only possible purpose and effect of it will be revenue. The question, therefore, arises whether, under all the circumstances accompanying the tobacco industry, and especially the cigarette industry, this additional burden should be placed upon that industry.

Last year the Government received in taxes from tobacco something over \$500,000,000, or from that single industry nearly as much revenue as it derived from the taxes on all articles taxed at the customhouse. Six hundred million dollars is about the amount we receive in custom revenues in this country, and the amount the Government realized last year from this one industry amounted to over \$500,000,000.

Of that large amount last year the cigarette industry paid \$449,000,000 into the Federal Treasury, and of that \$449,000,000, the industries located in the State of North Carolina paid \$226,000,000. In other words, industries of the State of North Carolina paid more than one-half the entire amount of the money the Government received from the manufacture of cigarettes. The industry in the State of North Carolina paid 51 per cent of all the tobacco taxes paid in this country. The State of North Carolina is the largest single producer of the raw material of this product.

It is said that this tax upon cigarettes and tobacco is passed on to the consumer. For a long time the tobacco farmers of my State were misled into believing that contention, but they have changed their minds about it. They have seen that this tax so loads down the industry that in order to sell their products at a reasonable profit, the manufacturers of tobacco are compelled not only to pass this tax on to the consumer but to pass it on to the farmer in the lessened price which they pay for the raw material which they purchase from him.

I have a letter here from the representatives of one of the largest tobacco manufacturers of the United States in which he says that that result is inevitable. The tobacco farmers of my State, in their communications with me, have insisted that the time has arrived when the industry in which that State and the farmers of that State are so largely interested must come to Congress and demand, in the interest of their industry, that these tax burdens be taken off the industry.

The tobacco farmers of my section of the country are in the worst condition they have ever experienced. They have not gotten the cost of production for their crops for the last two or three years, and they believe in their hearts and in their minds that these high taxes are one of the causes.

Mr. President, the tobacco industry is paying the same tax to-day that it paid during the period of the war, when we had to raise \$3,000,000,000 of taxes in one year in order to carry on and finance that great struggle. Every other industry has been relieved. The only tax that has been reduced upon tobacco is upon the 5-cent cigar, and the result of taking off a part of the internal-revenue tax levied on the 5-cent cigar was an enormous increase in the sale in this country and the demand in this country for a cigar of that price, because as a result of the tax reduction it has improved in quality and therefore the volume of sales has likewise increased.

Under those circumstances, with this industry burdened as it is, with every other industry in this country relieved from the high and excessive taxes imposed during the war, is it just to impose a tax upon the cigarette paper which wraps our tobacco when not a pound of that paper is produced in this country?

Ordinarily, except where we think it is a proper subject for revenue tax, we do not tax products in this country through the tariff unless there are importations. In this case there are no importations, absolutely none, and this is a case where an industry is pressed down by a tax that is unnecessary, and which tax affects the farmer directly.

I do not think any Senator in this body will dispute the proposition that if we impose these heavy taxes on cigarettes, amounting to \$449,000,000, the manufacturers of those cigarettes will pass all the tax the trade will bear on to the consumer, and will pass the balance of it back to the farmer. Hence, I am asking this forbearance to-day because the farmers of my State are demanding it. We had a conference here some time ago between the tobacco growers and the tobacco buyers of the United States, and in that conference this very question was raised. There were probably 150 farmers here, and the demand was peremptory that this industry be relieved from these excessive taxes.

I earnestly hope the Senate will eliminate the tax and let this product go on the free list.

**THE VICE PRESIDENT.** The question is on agreeing to the amendment offered by the senior Senator from North Carolina [Mr. SIMMONS].

The amendment was agreed to.

**MR. SIMMONS.** Now, Mr. President, I desire to offer an amendment placing these articles upon the free list.

**THE VICE PRESIDENT.** The amendment will be stated.

**THE LEGISLATIVE CLERK.** On page 253, after line 5, to insert the following:

PAR. —. Cigarette books, cigarette-book covers, cigarette paper in all forms except cork paper.

**THE VICE PRESIDENT.** The question is on agreeing to the amendment.

**MR. SMOOT.** Mr. President, now that the vote has been taken on the other amendment, and the Chair has declared that the amendment has been agreed to, necessarily we shall have to adopt this amendment, but when this matter gets into the Senate I want another vote on it. I do not see any reason whatever for putting this cigarette paper on the free list. If there is anybody in the United States who is making a profit upon the business he is doing, it is the cigarette people.

**MR. SIMMONS.** Making a large part of it out of the farmer in this country.

**MR. SMOOT.** The farmer has nothing to do with paper.

**MR. SIMMONS.** He has everything to do with it.

**MR. SMOOT.** The farmer does not produce any paper at all, and there is none of this paper produced in the United States. The cigarette people can pay that little duty upon cigarette paper, and their profits will not be interfered with at all.

**MR. OVERMAN.** Mr. President, I did not know the Senator was attempting to pass a revenue tariff bill. I thought this was a protective tariff bill, but the Senator is proposing to raise revenue, and then to pass the tax on to the people, when there is no protection needed on this article, because there is none of this paper made here.

Mr. SMOOT. There never will be if it is on the free list.

Mr. SIMMONS. Mr. President, it has been on the dutiable list heretofore.

Mr. SMOOT. That is what I have said.

Mr. SIMMONS. And still, while it was on the dutiable list, none of this paper was produced in this country.

Mr. SMOOT. Cigarettes will not be sold for a single one one-thousandth of a cent less.

Mr. SIMMONS. The Senator knows better than the farmer who raises the raw material out of which the cigarettes are made.

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

Mr. WALSH of Massachusetts. Mr. President, I can not refrain from saying that, from my study of the paper schedule, I have found the facts to be substantially as set forth by the senior Senator from North Carolina [Mr. SIMMONS], and it seems to me this is a paper item which could very properly be put upon the free list.

Mr. SMOOT. I do not dispute any statement made by the Senator from North Carolina. There is one little factory here. I do not know how long it can live, perhaps not very much longer.

That is not the question I had in mind. We are trying to take care of a concern here that is making money not by the single million or by the five millions but by the tens and even hundreds of millions. Now it is proposed to take off a little duty on cigarette paper to help that octopus, and I hardly think it is right.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from North Carolina.

On a division, the amendment was rejected.

Mr. SIMMONS. I did not understand the statement of the Chair. I ask for the yeas and nays.

The VICE PRESIDENT. The request comes too late.

Mr. SIMMONS. Very well. I will take up the matter again when the bill reaches the Senate.

Mr. LA FOLLETTE. Mr. President, I offer the following amendment.

The VICE PRESIDENT. The amendment will be reported.

The LEGISLATIVE CLERK. On page 247, in lines 8 and 9, strike out the words "iron or steel drums" and insert in lieu thereof "drums of iron, steel, or other metal."

Mr. SMOOT. Mr. President, that amendment ought to be adopted. It is a clarification and takes in metal drums as well as those made of iron or steel.

The amendment was agreed to.

Mr. LA FOLLETTE. I now offer the following amendment.

The VICE PRESIDENT. The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 273, in line 25, after the word "effects," insert the following:

And in the case of any individual returning from abroad, all professional books, implements, instruments, and tools of trade, occupation, or employment.

So as to make the proviso read:

*Provided further,* That in case of residents of the United States returning from abroad, all wearing apparel, personal and household effects, and in the case of any individual returning from abroad, all professional books, implements, instruments, and tools of trade, occupation, or employment, taken by them out of the United States to foreign countries, shall be admitted free of duty, without regard to their value, upon their identity being established under appropriate rules and regulations to be prescribed by the Secretary of the Treasury.

Mr. LA FOLLETTE. The object of the amendment is to prevent the reimposition of a duty upon scientific instruments and paraphernalia which are taken abroad by engineers and other scientists from the United States for the purpose of carrying on their investigating work in other countries. If a piece of scientific apparatus is imported by an engineer, for instance, and a duty paid on it and he goes abroad, say to Canada, to conduct an investigation of some mining property and then returns to the United States, it is now necessary for him to pay a duty upon that implement or apparatus again. Therefore it seems to me, in view of the fact that we make provision for practically all other effects, such as wearing apparel and personal and household articles, that it is only fair that a provision should be made permitting scientists and others who go abroad to bring back their effects as provided in the amendment, which are used for scientific or other professional purposes.

Mr. SMOOT. I have no objection to the amendment.

Mr. COPELAND. Mr. President, I want to be clear about what the Senator has in mind.

Mr. SMOOT. I think the Senator from Wisconsin stated the case just as it is. For instance, a surveying instrument comes

into the United States. It pays its duty and a professional man buys it. He lives in the State of New York and is called over to Canada for the purpose of surveying or some special work. He takes to Canada that identical instrument which he purchased and upon which the duty has been paid. The amendment provides that in that case, returning to the United States with that instrument, he shall pay no duty upon it. That is all there is to it.

Mr. COPELAND. I suppose the context makes it clear that it is as stated in the bill?

Mr. SMOOT. Yes; in paragraph 1799.

Mr. COPELAND. It is a very meritorious amendment, and I hope it will be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I offer the following amendment.

The VICE PRESIDENT. The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 274, lines 24 and 25, strike out the words "lumber, planed on one or more sides and tongued and grooved" and insert in lieu thereof "articles or any of the articles enumerated in paragraph 1805"; also, on page 275, where it occurs in lines 3, 13, and 17, strike out the word "lumber" and insert in lieu thereof the word "articles."

Mr. HAYDEN. Mr. President, on last Thursday evening, February 27, I hastily offered an amendment striking out, in line 25, page 274, the words "planed on one or more sides and tongued and grooved." My intention in offering the amendment was to make the proviso appearing on that page and on page 275 apply to all lumber. There was a dispute as to whether my amendment would accomplish my purpose, and it was suggested by the chairman of the Finance Committee that the matter go over. I have since talked with the experts from the Tariff Commission and therefore offer this amendment as a substitute for the amendment which was then pending.

Mr. SMOOT. Mr. President, as I understand the Senator's amendment—I did not hear it read nor have I seen it before—he desires to strike out the last word on line 24, page 274, and the words in line 25, as follows:

Lumber, planed on one or more sides and tongued and grooved.

Mr. HAYDEN. Yes.

Mr. SMOOT. It includes those, as I interpret it, and then the countervailing duty would apply to all of paragraph 1804.

Mr. HAYDEN. Not only that, but also paragraph 1805. I also wish to insert in lieu of the word "lumber" the word "articles." That would apply to everything in paragraph 1804, or any articles enumerated in paragraph 1805.

The object I have in view is to do for all lumber now on the free list enumerated in paragraph 1804 and on posts, railroad ties, and telephone, trolley, electric light and telephone poles of cedar or other woods mentioned in paragraph 1805, what the bill now seeks to accomplish with respect to flooring only. It is my understanding that this provision relates solely to flooring and was placed in the bill at the instance of the maple flooring manufacturers of Michigan and Wisconsin. They asked that such a provision be included in the bill so that in the event Canada imposed a duty on flooring the President may remonstrate with the Canadians, and if they do not take off that duty then he may impose an equivalent duty.

It seems to me if it is fair and right and just to do that for the flooring manufacturers, it should be done for all manufactures of lumber. My reason for offering the amendment is that the Mexican Government is now preparing a new tariff bill designed to impose a duty on mine timber produced in the United States and sent to Mexico. At the same time the Mexican lumber interests propose to take advantage of the free American market for their high-grade timber.

Mr. VANDENBERG. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Michigan?

Mr. HAYDEN. I yield.

Mr. VANDENBERG. Do I correctly understand the Senator that the amendment does not affect the status of flooring in any respect?

Mr. HAYDEN. No; but it puts all other materials enumerated in paragraphs 1804 and 1805 on the same status as flooring. I want to treat them all alike.

Mr. JONES. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Washington?

Mr. HAYDEN. I yield.

Mr. JONES. Does the Senator think that in line 3, page 275, if the Senator strikes out "lumber" and inserts "articles," so

It reads "which imposes a duty upon such articles exported from the United States," that it would answer the purpose, or does he think it would be better to have it read "which imposes a duty upon any of such articles," and so forth? There are a good many different articles enumerated.

Mr. HAYDEN. I believe the Senator is correct. I think in the three places where the word "lumber" appears, instead of just inserting the word "articles" it ought to be "any of such articles."

Mr. JONES. Yes; I think so.

Mr. HAYDEN. I modify my amendment to that effect.

The VICE PRESIDENT. The question is on agreeing to the amendment as modified.

Mr. JONES. That would apply in lines 13 and 17?

Mr. HAYDEN. Yes.

Mr. WALSH of Massachusetts. Mr. President, is the Senator seeking by his amendment to put lumber and telephone poles and posts, which are now on the free list, on the dutiable list under certain circumstances?

Mr. HAYDEN. If any country—and primarily my amendment applies to Canada and Mexico—imposes a duty on any of the articles enumerated in these two paragraphs of the free list, the President of the United States is directed to negotiate with them and have them remove the duty. If the foreign country will not remove the duty the President is then authorized, in his discretion, to impose a similar duty so long as that Canadian or Mexican or other foreign duty remains in effect.

Mr. WALSH of Massachusetts. If we followed that policy, we would have no protective tariff duty in the bill at all. The practice of levying duties upon imports in other countries or goods shipped out of the United States is a very common one. The Senator is seeking to levy a duty upon lumber and telephone poles and railroad ties when they come into this country from Mexico or Canada because Canada and Mexico happen to have a duty on some one or more of those articles.

Mr. HAYDEN. It would apply only to the identical article.

Mr. WALSH of Massachusetts. It seems to me, if that is true, that I want a duty on boots and shoes. Nearly every country in the world has a duty on boots and shoes. Therefore I want to have a like provision placed in the bill, that the President shall have authority to levy a duty if some other country has a duty on boots and shoes. We can not construct a tariff bill upon that theory. It is inconceivable that we should seek to balance our tariff upon statutes enacted by other countries. It is an entirely different state of facts and circumstances that exist in foreign countries, and those countries might well feel justified in applying such a duty where we would not be able to justify it at all.

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

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Washington?

Mr. HAYDEN. Certainly.

Mr. JONES. I think I should make a correction in what I suggested a moment ago. The expert calls my attention to the language a little more particularly after the word "provided." In line 3 it should read "duty on any such article." I understand the clerk has it that way, so I modify my suggestion.

Mr. HAYDEN. Would that be true of line 13 and line 17 also?

Mr. JONES. Yes; the same, "any such article."

Mr. HAYDEN. Then let the amendment be modified accordingly to conform with the last suggestion made by the Senator from Washington.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. HAYDEN. Certainly.

Mr. WALSH of Massachusetts. The Senator's amendment is really seeking to nullify the action of the Senate the other day in refusing to put a duty upon lumber and telephone poles and telegraph poles and railroad ties. The effect of the amendment will be to prevent the levying of a duty under certain circumstances and to nullify the whole vote and discussion that we had the other day.

Mr. HAYDEN. I do not look at it that way. It seems to me as a matter of common sense that if Canada and Mexico—and those are the two countries that are most immediately concerned—are seeking to have the advantage of a free market in the United States for all their timber products, they should extend the same privilege to the American producers of lumber. I think they have so much more to gain than to lose by following that policy that if we establish this principle we will have a better and more equitable tariff situation existing between the several countries.

Mr. WALSH of Massachusetts. Those countries are lumber countries; one of their chief raw products is lumber; that is not the situation in this country. Our forests are rapidly be-

ing depleted, and we have got to go out in the world and seek timber for telephone poles, railroad ties, and other things. Other countries might well seek to protect their lumber by imposing duties upon what we attempt to export to them, but we want lumber with which to build up our own country; we want to conserve our depleted and diminishing forests by importing lumber, poles, and ties.

Mr. HAYDEN. The Senator concedes the fact, though, that Canada is a greater producer of lumber than is the United States, and therefore—

Mr. WALSH of Massachusetts. I certainly do not concede that; but I do concede that Canada exports more lumber to the United States than we export to Canada. Our production of lumber is tremendous.

Mr. HAYDEN. But not for export.

Mr. WALSH of Massachusetts. We export to the world more lumber than Canada sends to us, but we do not export as much to Canada as she send to us.

Mr. HAYDEN. I am referring to the trade between the two countries.

Mr. WALSH of Massachusetts. We export some southern lumber as far away as China, Japan, and South America.

Mr. HAYDEN. But this applies to specific countries when those countries levy a tariff rate; and it follows, therefore, that if Canada ships more lumber generally into the United States than the United States ships to Canada, it is to Canada's advantage to have free trade in lumber between the two countries. That is what I am seeking to accomplish, and I think that will be the net result of my amendment.

Mr. BARKLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Kentucky?

Mr. HAYDEN. I yield.

Mr. BARKLEY. While the Senator says his amendment is designed to apply to Canada and Mexico, as a matter of fact it applies to all countries which levy a duty upon similar products from the United States. Last week when we had under consideration the amendment offered by the Senator from Washington [Mr. JONES], his colleague from Washington [Mr. DILL] read a long list of nations that levy a tariff on lumber products coming from the United States and all other countries. Therefore, if the amendment is adopted, it will apply to all countries, although it may apply to Canada and Mexico more particularly. Has the Senator looked into the question of the constitutionality of such a provision?

Mr. HAYDEN. There is a straight countervailing duty on coal in this bill.

Mr. BARKLEY. I understand that.

Mr. HAYDEN. That is not even left to the option of the President; but if any country levies a duty on coal automatically that duty is applicable to any coal imported into the United States from such country.

Mr. BARKLEY. I have not looked into the question as to whether that provision has been declared to be constitutional under the provision that taxes shall be uniform throughout the United States, but I am wondering how we can have a duty on articles coming from Mexico at one figure and another duty on similar articles coming from Canada and from all other countries, at another figure, so that we could have no uniformity of taxation, and would have a different rate levied on an identical article coming from a half dozen or more countries.

Mr. HAYDEN. The countervailing duty on coal is in the existing law, and nobody has raised any such question. If Congress can provide, whenever a country levies a duty on coal, that any coal imported from that country to the United States shall automatically bear the same rate of duty, certainly it can enact the more modest provision in this instance that the President may make a protest before proclaiming any such duty.

Mr. BARKLEY. If Congress can do that, it certainly is not done under the taxing power, which is the power on which tariff bills are based.

Mr. WALSH of Montana. Mr. President—

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

Mr. HAYDEN. I yield.

Mr. WALSH of Montana. It occurs to me that we have not sufficient information to act on this proposal. We ought to know before we adopt a provision of the kind such as that suggested by the Senator from Arizona about what the effect of it will be; what countries do impose duties and how high are those duties; and, accordingly, how much of a duty are we thus going to impose upon the importations of lumber from various other countries.

I recall very distinctly that when this matter was under consideration by the Senate it was said that at least on some of the articles mentioned in this particular paragraph Canada imposed quite a substantial duty. That was all debated; that was all discussed in connection with the vote taken last week. A portion of the argument in favor of imposing the duty that was asked for on lumber was that Canada, from which country our importations come largely, imposes a duty upon the exportations of lumber from this country into Canada. Really, then, the proposal of the Senator from Arizona now in substance, whatever may be its language, is in the nature of a reconsideration of the vote taken last week.

Mr. HAYDEN. If the Senator will permit me if he will look in the CONGRESSIONAL RECORD of last Thursday he will find that the Senator from Washington placed in the RECORD the various rates of duty imposed by various countries on lumber. He will find also that I placed in the RECORD the Mexican rates. At page 4412 the Senator will find the table which was put in the RECORD by the Senator from Washington [Mr. DILL] showing the Canadian rates applying to only a few classes of lumber.

Mr. WALSH of Montana. Will the Senator give us those?

Mr. HAYDEN. The first is sawn boards, planks, and deals, planed or dressed on one or both sides, when the edges thereof are joined or tongued and grooved, 25 per cent ad valorem.

Manufactures of wood not specified, 25 per cent ad valorem.

Moldings—

Mr. WALSH of Montana. Lumber which is planed on one side and grooved is now taken care of in the bill as it stands. Omitting that, will the Senator give us the rates upon other particular commodities embraced in paragraph 1804? For instance, logs, what duty does Canada impose on logs?

Mr. HAYDEN. Canada does not impose any duty on logs, and, therefore, there would not be any countervailing duty provided.

Mr. WALSH of Montana. Take the next item:

Timber, round, unmanufactured, hewn, sided or squared otherwise than by sawing.

Mr. HAYDEN. Canada imposes no duty on that character of lumber.

Mr. WALSH of Montana. Very well; take pulp woods.

Mr. HAYDEN. Canada imposes no duty on them.

Mr. WALSH of Montana. Take round timber used for spars or in building wharves.

Mr. HAYDEN. No duty is imposed upon them by Canada.

Mr. WALSH of Montana. Take firewood, handle bolts, shingle bolts.

Mr. HAYDEN. I think it would be shorter for me to read to the Senator the articles on which Canada does not impose a duty.

Mr. WALSH of Montana. What they do is a matter of no concern so long as there is no duty upon the commodity.

Mr. BARKLEY. But, Mr. President, if the Senator will yield there—the Canadian Government might levy a duty at any time.

Mr. WALSH of Montana. Of course; but I want to find out the situation. In the first place, what we will be confronted with immediately, what the immediate effect will be. The next item is—

Gun blocks for gun stocks, rough, hewn, or sawed or planed on one side.

Mr. HAYDEN. Canada imposes no duty on that kind of lumber.

Mr. WALSH of Montana. Take—

Sawn boards, planks, deals, and other lumber, not further manufactured than sawed, planed, and tongued and grooved.

Mr. HAYDEN. On that character of lumber 25 per cent ad valorem is the Canadian rate.

Mr. WALSH of Montana. That is taken care of, however, in the bill as it now stands.

Mr. HAYDEN. Yes.

Mr. WALSH of Montana. Very well. Now take—

Clapboards, laths, ship timber.

Mr. HAYDEN. On that character of lumber Canada imposes no duty.

Mr. WALSH of Montana. Then the Senator is simply looking to the future, and whatever duty Canada may impose in the future—it might be 50 per cent—the President declaring that situation of affairs, and the country insisting upon a 50 per cent duty, automatically a 50 per cent duty would be imposed upon the importation of the same commodity into this country.

Mr. HAYDEN. Mr. President, the point I want to make is this: So long as Canada has upon her statute books duties first upon flooring of 25 per cent; second, upon manufactures of

wood, 25 per cent; third, upon moldings of wood, plain or gilded, or otherwise manufactured, 25 per cent; upon show cases of all kinds and metal parts thereof, 35 per cent; and even upon coffins and caskets made of wood the rate is 25 per cent—if those rates apply against the United States, the United States should make the same rates applicable against Canada.

Now, as to Mexico—

Mr. WALSH of Montana. And if Canada should double those rates, of course ours would be doubled.

Mr. HAYDEN. Yes. The ultimate effect would be, in my judgment, inasmuch as the Canadian exportations of lumber to the United States are so heavy that Canada will remove these duties and we will have free trade between the two countries, which will be fair to both countries.

Mr. WALSH of Montana. Let me ask the Senator why does he pick out lumber? There are a vast number of items on the free list; for instance, as suggested by the Senator from Massachusetts, boots and shoes. What is the difference between lumber and other commodities upon the free list? Why should we pick out lumber and impose countervailing duties upon its importation?

Mr. HAYDEN. The Senator should present that question to the Ways and Means Committee of the House and the Finance Committee of the Senate. I found such a provision in the bill, and I can not see why, if we are going to do this very thing with respect to flooring, we should not apply it to all lumber. Either that or this entire proviso should be stricken from the bill. There is a rank discrimination in favor of flooring and against all other lumber. I want to remove that discrimination either by having the same rule apply to all lumber or by striking out the provision now appearing in the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Arizona.

Mr. SMITH. Mr. President, I should like to ask the Senator from Arizona a question. I did not pay particular attention to the argument for retaining a duty on flooring. Would not the Senator come nearer to the purpose the Senate has in view by offering an amendment to the bill to put that commodity on the free list as well as the others?

Mr. HAYDEN. That may be accomplished by striking out the entire proviso.

Mr. SMITH. It seems to me the vote of the Senate when we had the lumber schedule under consideration was on the ground to which the Senator from Massachusetts has called attention, that, in view of the rapid depletion of our forests and our disappearing lumber supply, with the attendant evils of soil erosion, the overflow of our streams, and the destruction of farm lands, it was folly on our part to impose a duty on the very product that we were trying to reproduce and conserve.

In place of trying to offset what we have already done by an amendment involving the possibility of a countervailing duty, it seems to me it would be more in accord with the purposes of the Senate to move to put them all on the same footing, namely, on the free list.

Mr. HAYDEN. I find myself confronted with this situation: In Mexico a tariff is about to be imposed upon pine, fir, and spruce lumber, sawn or dressed in boards or beams, of \$3.36 per thousand; on common lumber, \$1.87 per thousand; on round or common timbers more than 15 centimeters in diameter, 6 cents, and on similar timbers up to 15 centimeters in diameter, 14 cents—those are mine timbers—on flooring, ceiling, and so forth, \$14.94 per thousand; and on wooden posts more than 15 centimeters in diameter, 1 cent, up to and including 15 centimeters, and if more than that, 3 cents.

That affects the market for the mine timbers produced in the Southwest and sent into Mexico. The Mexican lumber interests are trying to induce the Mexican Government to impose higher rates to interfere with the business that has been developed by reason of the proximity of the two countries; yet those same Mexican lumber interests want to take advantage of the free market in the United States, to ship their higher grade timber into this country.

It is true that one group of Americans are competing against another in Mexico in the sense that certain Americans have gone into Mexico and have invested their money in the lumber business and other Americans have gone into Mexico and invested their money in the mining business. Those engaged in the lumber business are trying to use the Government of Mexico to penalize those engaged in the mining industry in that country; I believe that if we had a provision in this bill for a countervailing duty, Mexico would not impose these high duties and there would remain, as there ought to be, free trade in lumber between the two countries.

Mr. SMITH. Mr. President, if the Senator will allow me, it seems to me that after the action of the Senate, based as it was

upon our desire to conserve our forests and our timber, it does not concern us what action other countries may take as to duties. What we are trying to do is to save our timber supply, and the imposition of a duty by a neighboring country strengthens our position, rather than weakens it, because they can ship their lumber in here but make it difficult for us to ship ours to them. We took the duty off for the purpose of encouraging the importation of lumber from other countries and in order to conserve and to save our own forests. It is not a question of injustice or unfairness; we simply do not care to enlarge our exports or to encourage any further destruction or use of our present forests. So it seems to me it does not concern us what duty any country may see fit to place on lumber.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Arizona [Mr. HAYDEN]. [Putting the question.] By the sound the noes seem to have it.

Mr. JONES. Mr. President, I desire to interrupt before the Vice President announces the result.

The VICE PRESIDENT. The result has not been announced.

Mr. JONES. Then 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	Keyes	Shortridge
Ashurst	George	La Follette	Simmons
Barkley	Glass	McCulloch	Smith
Bingham	Glenn	McKellar	Smoot
Black	Goff	McMaster	Steck
Blaine	Goldsbrough	McNary	Steiwer
Blease	Gould	Metcalf	Stephens
Borah	Grundy	Norbeck	Sullivan
Bratton	Hale	Norris	Swanson
Brock	Harris	Nye	Thomas, Idaho
Brookhart	Harrison	Oddie	Townsend
Broussard	Hastings	Overman	Trammell
Capper	Hatfield	Patterson	Vandenberg
Connally	Hawes	Phipps	Wagner
Copeland	Hayden	Pine	Walsh, Mass.
Couzens	Hebert	Pittman	Walsh, Mont.
Cutting	Heflin	Ransdell	Waterman
Dale	Howell	Robinson, Ind.	Watson
Dill	Johnson	Robison, Ky.	Wheeler
Fess	Jones	Schall	
Fletcher	Kean	Sheppard	

The PRESIDING OFFICER (Mr. Goff in the chair). Eighty-two Senators having answered to their names, a quorum is present.

Mr. WALSH of Massachusetts. Mr. President, before the vote is taken upon this matter I desire to point out its seriousness.

The amendment seeks to provide a countervailing duty on various forms and kinds of lumber and poles—telephone poles and telegraph poles—and railroad ties between this country and Canada and Mexico.

We do \$38,000,000 worth of lumber business with Canada. She buys \$22,000,000 worth of lumber and wood products from us. This amendment will suspend this business in the air. This amendment will leave the business interests of this country uncertain as to whether we have or have not and how much of a duty upon these various wood products. A large number of furniture manufacturers throughout the country import from Canada various kinds of lumber which they can not get in this country. Farm implements and automobile bodies are made from one particular class of lumber that comes from Canada alone. It is not produced in this country; and in all this business and all our relations with these countries the matter of wood or wood products is to be subjected to factors, waiting for a presidential proclamation! Let us put them on the dutiable list or keep them on the free list, but not let it be contingent upon something that may happen in the future. Let us not destabilize all the manufacturers of wood.

That is all I care to say, to call attention to the serious character of this countervailing duty proposal.

Mr. DILL. Mr. President—

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

Mr. WALSH of Massachusetts. I do.

Mr. DILL. I desire to call the Senator's attention to the fact that this amendment simply gives the President authority to negotiate about the matter, and gives him authority to issue a proclamation. It simply gives the President the power to do it without the recommendation of the Tariff Commission, which ordinarily is made first.

Mr. WALSH of Massachusetts. Does it not hold up in the air the lumber and wood-products business until another country may repeal or modify or change its duties on these products from time to time? And will not our duties and our business relations with these countries be dependent upon some action taken by other countries in the future?

Mr. DILL. Only in case the President saw fit to do that.

Let me remind the Senator further that nobody knows what the Russian menace may become. Here is a method whereby, if the Russian menace develops, it can be met, because the power is in the President. If there is no tariff on lumber, no Tariff Commission can make a recommendation for an increase in the duty on lumber. This amendment would give to the President the power to protect the country against any menace that may develop, and issue a proclamation to meet it.

Mr. WALSH of Massachusetts. All right, Mr. President. Now, let us be frank and honest about it. Let us really treat every industry and every commodity alike. Let us put a general countervailing proposition in this bill, and end this tariff bill right here and now. Let us put a general countervailing proposition in it; boots and shoes and leather, in which my State is particularly interested, would benefit by such a general provision in this bill. If it is going in as to lumber, it ought to go in as to all other things. It ought not to go in as to any of them, however, because it is a wrong principle and a wrong theory upon which to proceed. It is serious and dangerous to the business interests of the country.

Mr. LA FOLLETTE. Mr. President, I should like to suggest to the Senator from Massachusetts that perhaps a quicker way to get at this proposition would be to strike out the free-list schedule altogether, and put all the products under the dutiable list.

Mr. WALSH of Massachusetts. Exactly. That would be the result of a general amendment such as the Senator has suggested.

Mr. SMOOT. Mr. President—

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

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

Mr. SMOOT. I desire to call the Senator's attention to the paragraph covering the same subject in the law of 1922. I am not going to read it all:

And until such duty is removed there shall be levied, collected, and paid upon such lumber, when imported directly or indirectly from such country, dependency, province, or other subdivision of government, a duty equal to the duty imposed by such country, dependency, province, or other subdivision of government upon such lumber imported from the United States.

That is the existing law, Mr. President. I think the wording of the House went no further as to principle, but specifically stated the items, enumerating them, rather than giving the President the authority to declare them.

Mr. WALSH of Massachusetts. But the Senator's amendment includes other items than those named in this paragraph. He seeks to include the items in another paragraph. He seeks to broaden it by including the item in paragraph 1805—"posts, railroad ties, and telephone, trolley, electric-light, and telegraph poles of cedar or other woods." In other words, he is radically changing the existing law and indirectly placing a duty on lumber that we voted against a few days ago.

I hope the amendment will be defeated.

Mr. NORRIS obtained the floor.

Mr. BRATTON. Mr. President, I desire to ask the Senator from Massachusetts a question if the Senator from Nebraska will yield to me.

Mr. NORRIS. I have no objection, if the Senator wants to do so. I yield for that purpose.

Mr. BRATTON. I thank the Senator.

Paragraph 1804 does contain a countervailing duty as to flooring. Why should that system apply as to flooring and not apply as to other types of lumber?

Mr. WALSH of Massachusetts. I do not think it should apply to flooring.

Mr. BRATTON. So the Senator thinks the entire proviso should be stricken out?

Mr. WALSH of Massachusetts. I think so.

Mr. BRATTON. It seems to me it is wholly inconsistent to let it apply to flooring and not let it apply to other materials.

Mr. WALSH of Massachusetts. The Senator and I are in accord in that view.

Mr. NORRIS. Mr. President, I think something ought to be said about the danger of Russia overrunning us for some reason or other.

The other day the Senator from Oregon [Mr. STEIWER] had a great deal to say about the dangers coming to the United States on account of Russia sending over a lot of Bolshevik lumber and lumber materials and logs, and so forth; and we hear it to-day. Nobody knows what this great Russian bugaboo is going to do. It may drive us all into the ocean.



The argument made by the Senator from Oregon was a very peculiar argument. Coming from that source, it ought to be noted.

The reason why Russia was going to be able to drive us off the face of the earth, and wipe all our manufacturing establishments off into the sea, was because she would produce lumber so much cheaper, and transport it in Government-owned ships. The Government is doing the whole thing. The Government is cutting the lumber; the Government is sawing it up; the Government is hauling it to the seaport; it is shipped in Government ships; everybody is on the Government pay roll, and we are scared to death about it. Yet we have been listening here for the last 15 years to denunciations of a few of us who thought that municipalities ought to own their electric-light plants and their waterworks, because it was always said, "You get into that dreadful inertia. There is no private initiative. The Government never turns its hand to anything without increasing the expense. Efficiency is driven away." And now we are scared to death of government ownership of lumber!

Why, Mr. President, how can we think for a moment that there is any danger in the government doing these things? A government, mind you, has no private initiative. Government ownership, the decaying hand of the government, is going to drive our bright minds and our private initiative into the Pacific Ocean. It is a terrible calamity.

I wonder if we are properly frightened at this government-ownership proposition; and I wonder if we are going to be led now to vote for a tariff to protect private initiative against government ownership. I wonder.

Mr. JONES. Mr. President, just a word.

It was suggested a moment ago that this proposal was directly opposite from the proposition submitted the other day. I think it is entirely different. The proposition the other day was to put a tariff on lumber no matter what the action of the other country might be. This proposes that if, for instance, Canada should take its tariff off we would let its lumber come in free of duty, even though it might be produced at a cost of four dollars and odd cents per thousand cheaper than ours, that there would be no tariff upon that coming in. In other words, this cheap lumber will come into this market and compete with us on the same basis, and entirely upon the same basis, as at the present time.

I think the other plan is very materially different from what is proposed here, which simply is that if Canada wants her lumber to come into the United States free of duty, all she has to do is to take the tariff off of the lumber going into that country. And very little of our lumber goes into Canada.

Mr. BARKLEY. Mr. President, I want to say just a word before a vote is taken on this amendment.

It strikes me as hardly fair to ask Congress to legislate on a subject like lumber so as to make the legislation dependent upon the action of any other country. Canada does not need our lumber; we do need Canada's lumber. So that whatever tariff we levy ought to be based upon our own situation and not as a matter of retaliation against some country which levies a tariff on an article they do not need to import. The same thing is true as to Mexico.

It seems to me it is unwise to open up the whole subject because of any local situation which exists on a border, because this amendment applies to all countries, without regard to whether they are in the Western Hemisphere or anywhere else in the world.

In the next place, I do not like the idea of countervailing duties, because they do not make for uniformity of taxation. The same article will be coming in from Canada bearing one duty and coming in from Mexico bearing another duty, and from every other country which ships lumber into this country we will have a different duty levied on it. It strikes me that that is calculated to work unfairly toward the people who live in a section where the highest duty would be levied on an article.

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

Mr. BARKLEY. I yield.

Mr. HAYDEN. If the Senator will turn to page 253 of the bill he will find under "Coal" this provision:

*Provided*, That if any country, dependency, province, or other subdivision of government imposes a duty on any article specified in this paragraph, when imported from the United States, an equal duty shall be imposed upon such article coming into the United States from such country, dependency, province, or other subdivision of government.

And the articles mentioned in the paragraph are:

Coal, anthracite, semianthracite, bituminous, semibituminous, culm, slack, and shale; coke; composition used for fuel in which coal or coal dust is the component material of chief value, whether in briquets or other form.

I take it from what the Senator says that he is not only opposed to the adoption of my amendment but that he will also favor striking this provision out of the bill.

Mr. BARKLEY. What I say about countervailing duties and their unfairness may depend on conditions existing at the time. I am not willing to vote here to extend the field of these countervailing duties, regardless of their merits or what Congress has done heretofore, or what may be in this bill now, and I think the effect of the Senator's amendment would be to extend that practice.

I think also the effect might be to nullify precisely what we did last week in regard to the lumber schedule.

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

Mr. BARKLEY. I yield.

Mr. DILL. The difference is that the law now provides a countervailing duty against coal, and this simply gives the President authority to negotiate to determine whether or not he will announce it.

Mr. BARKLEY. I understand; but if he negotiates and fails to bring about a provision in the statute of the foreign country lifting this duty from American importations, then he is under a moral if not a legal obligation to put into effect the same duty levied in the foreign country, and if the foreign country wishes to double its duty, or to treble it, then he, of course, must follow suit and levy the same tariff.

Mr. DILL. But we have a countervailing duty on coal. Why would the Senator limit it to coal?

Mr. BARKLEY. That is largely inoperative now; and besides the Senate has already eliminated these countervailing duties. Very little coal is coming in.

Mr. DILL. It would come in in great quantities if it were not for the duty.

Mr. BARKLEY. I am not governed by local conditions in my attitude toward a tariff. If I were, my votes would have been considerably different from what they have been up to now. It would be impossible to tell how high or how low a duty might be. You would have a different duty in every port of entry under this provision, because of the different character of the articles covered by it.

Mr. DILL. You would have different duties from different countries, and you have that situation in regard to coal now, and you have it with regard to calcium now.

Mr. BARKLEY. That is not operative now.

Mr. DILL. It is operative.

Mr. BARKLEY. I do not agree with the Senator.

Mr. DILL. In my State, along the Canadian border, it is operative all the time.

Mr. BARKLEY. Under this amendment it will be possible for the President, by presidential proclamation, to fix duties even higher than those attempted last week in the amendment offered by the Senator from Washington of \$2 a thousand feet, board measure, in the amendment which we defeated, and for that reason I do not feel at liberty to take the chance. However much I like to vote for any amendment offered by my friend, the Senator from Arizona, I do not feel at liberty to take the chance in voting to nullify what we did here last week in the defeat of the amendment to which I have referred, and even go further and do worse, because under this amendment the President might fix the tariff even higher than the figure fixed in the amendment offered by the Senator from Washington last week.

Mr. SHEPPARD. Mr. President, I want to ask the Senator from Kentucky or the Senator from Arizona if either of them can tell us why the President has not put into operation the present countervailing duty on lumber.

Mr. BARKLEY. I am not able to answer. I do not even know whether there has been any negotiation in regard to it.

Mr. HAYDEN. My information comes from the Tariff Commission that this provision, which is in the bill, was inserted at the instance of the maple-flooring manufacturers of Michigan and Wisconsin. Whether the President of the United States has ever taken the matter up with Canada or not I do not know. All I know is that I found what appeared to me to be a discrimination in favor of flooring and as against all other lumber, and I wanted to remove that discrimination, which I believe my amendment would do.

Mr. SHEPPARD. The Senator referred to the bill. The bill merely repeats the provisions of existing law. The act of 1922 contains provision for a countervailing duty on lumber, and I would like to know why the President has not put it into operation.

Mr. STEIWER. Mr. President, in answer to the question just asked by the Senator from Texas, the weakness of the present law is that the language limits the retaliatory right of this country to just one kind or possibly two kinds of lumber—that is, lumber that is planed on one side and tongued and

grooved; in other words, the existing law includes flooring and ceiling. I can not conceive that it covers anything else.

There is not a very great amount of that particular material brought into this country, and there was no adequate reason why the President should have entered into negotiations under that law.

The effect of the amendment offered by the Senator from Arizona is to take away that narrow restriction and broaden the retaliatory provisions, so that the President may, where he finds discrimination against American products, enter into negotiations and make the proclamation that the law permits.

Mr. BARKLEY. Mr. President, I should like to inquire whether these tariffs against which this amendment is aimed are levied as a matter of discrimination against the United States, or are they levied on importations from all countries? We keep hearing the expression "discrimination against the United States." Do Canada and Mexico levy a tariff specifically on products coming from the United States and no other country, or do they levy a general tariff law, fixing rates upon commodities coming from all countries?

Mr. STEIWER. I hold in my hand the Canadian act, and I find that with respect to certain kinds of lumber—so far as that is concerned, with respect to all other commodities—they have three kinds of tariff, a British preferential tariff, an intermediate tariff, and a general tariff. The countries of the British possessions come under the first, and take the lowest rate.

Mr. BARKLEY. Is that the Canadian law?

Mr. STEIWER. Yes. Certain other countries of the world come under the second or intermediate tariff. Our country, which has been accepting from Canada over a billion and a half feet of lumber for a number of years, comes under the application of the third or general tariff, which is the highest tariff rate under the Canadian law.

Mr. BARKLEY. But we are in the same category with all other countries coming under that general tariff?

Mr. STEIWER. With only two or three countries in the world.

Mr. BARKLEY. With reference to the countervailing duty, of course, there is a difference, I think, in the situation where a country has a surplus and desires to send that surplus to a foreign country and finds that that foreign country is discriminating against the exportation of the surplus; and a condition where a country does not have a surplus, as we do not have a surplus of lumber. If we had a surplus of lumber in the United States, regardless of the surplus which may exist in any community—taking the country as a whole, if we had a surplus, and were seeking a market in the countries of the world for that surplus, and they discriminated against the importation of that product from our country into their countries, I would then say that purely as a matter of retaliation it would be proper to levy a countervailing duty. But that situation does not exist as to lumber. We do not have a surplus, do not have enough for our own needs, and therefore are importing lumber from other countries. It so happens that Canada and Mexico are near to us. As I see it, to use an old expression, we should not cut off our nose to spite our face, and retaliate against Mexico and Canada on a product where we have an insufficiency for our own needs, based upon any duty they might levy upon the importation of a product from our country into their country of which they themselves have a surplus and do not need to import.

Mr. STEIWER. If I might make a brief answer to the Senator's suggestion before I yield to my friend the Senator from Washington—

Mr. DILL. I just wanted to interject this, that when my friend from Kentucky says there is not a surplus of lumber the Senator is not informed.

Mr. BARKLEY. For the United States as a whole there is not a surplus.

Mr. DILL. There is a surplus. The timber is dying because it can not be used.

Mr. STEIWER. If the Senator from Kentucky had paid a little closer attention to the argument made upon the floor the other day, he would have noted that there is actually a surplus.

Mr. BARKLEY. I suppose one might say that if we wanted to cut all our timber down and saw it into lumber there would be a surplus of lumber, but taking the needs of the country over a period of years, there can not now be said to be a surplus of timber and lumber in the United States. Otherwise, why has the Government taken measures to restrict the destruction of our forests? Why not wipe out all laws for conservation and let everybody go in and cut down all that fine timber?

Mr. STEIWER. I wish there were not a surplus. Under my own conception of the proper handling of the lumber question there would not be a surplus. I would be willing to forego the foreign market and limit our lumber cut to our domestic needs,

a situation which, I think, would be most helpful in this country, but unfortunately there is a surplus. Our importations are less than 5 per cent of our total cut. Our exports are over 8 per cent of our total cut. There is a surplus by reason of the fact that in order to provide the amount of lumber necessary for the local market of certain classes it is necessary to saw up more logs than otherwise would be necessary, therefore there is cast upon our market each year in certain of the grades more lumber than we can use. It is an unfortunate condition.

It would be far better if the American producers of lumber could have the American market and would cut only sufficient to answer the requirements of the American market. But the fact of the matter is that economic pressure upon our timber people, with the necessity for forced cutting in order to get money for liquidation—for the payment of taxes and the payment of interest and overhead generally is so compelling that we do actually cut more timber than we use, and we are on the world market now seeking an outlet for these certain grades of timber.

Our Canadian friends deny us their market. They take our market, to the extent of a billion and one-half board feet, but they deny us their market. This is not just an idle theory. This is a trade fact well recognized by the people who have studied the lumber situation. When times are good up on the Canadian prairies, when their crops are bountiful and prices favorable, the Canadians enjoy their own market themselves, but they do not permit us to participate in that favorable market, except by payment of a 25 per cent ad valorem duty. They take it for themselves, and then when times become less good in their own area they dump the surplus down in the prairie States of the United States, and so far as that is concerned in very many other places.

I do not want to get into an extended discussion concerning the matter. I merely rose to explain briefly my view of the nature and purpose of the amendment itself and to state what I thought to be sound reason why it should be adopted. The suggestions made by my friend the Senator from Kentucky [Mr. BARKLEY] rather tend to raise the whole question of the lumber tariff, which I hope we will not have to debate over again here to-night. I most earnestly feel that a better condition would be brought to our people if we could be put on a reciprocal parity with Mexico and with Canada and be given an opportunity to dispose of our surplus lines of wood products whenever the economic situation creates that surplus just as we permit Canada to do in our country.

I can assure Senators there is nothing we can do for the lumber industry that would be so helpful in avoiding waste of our natural resources as enacting a law that will increase a little the total returns of the industry. The timber that is cut now is largely a forced cut. It is a necessity for liquidation. It is no violation of confidence to say that I have gone to the mills and have asked the lumbermen why it is that their production runs on a certain basis, why it is that they are cutting in the way they do. They take a pencil and a piece of paper and say "Our taxes are so much. Our mortgage is so much and the interest is so much. We have to keep together the skeleton of our organization, our office organization, our foremen in the woods, and our superintendents, and that creates an overhead of so much. With the present market prices it takes a certain number of board feet to enable us to liquidate those obligations." There is no other way they can make liquidation.

Undoubtedly, Mr. President, if we could somewhat fortify this industry by a little increase in economic level they would decrease their cut because, as a matter of fact, most of them are conservationists, most of them do not want to make the cut they are now making. Most of them are selling at so narrow a margin of profit and, in some cases, really at a loss, and they prefer not to cut. If we could give the industry just a little aid it would develop, as I have said, that most of them are real conservationists. They do not want to destroy the timber. They live in the hope that they will some day realize more for it if they can keep it.

To get back to the amendment proposed by the Senator, I do not feel that its adoption or rejection is a matter of gravest importance to the lumber industry, but I do feel that its adoption will open up a field. It will either compel our neighbors to take off their tariff or else it will give our products protection against their products. It will do one or the other, and in either case it will be helpful. If it opens up the field, as I assume it would, because I think our neighbors to the north and south would probably amend their laws to meet the situation, it would merely mean that as to those grades and kinds of lumber of which we have a surplus in any event we would have a little broader market in which to dispose of that surplus and a little

better condition for our producers and for the laboring people engaged in the industry.

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

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. STEIWER. I yield.

Mr. PITTMAN. I would like to ask the Senator a question. The Senator does not, I assume, question the propriety of Canada granting a preferential rate to Great Britain?

Mr. STEIWER. I do not question the propriety of it or the right to do it; but if that kind of tariff arrangement is had, it certainly operates to the disadvantage of our own people.

Mr. PITTMAN. Undoubtedly. But as far as Canada and Great Britain are concerned, there is somewhat the same relation as that which exists between the United States and the Philippine Islands.

Mr. STEIWER. That is true.

Mr. PITTMAN. Now, how many countries have the benefit of the intermediate duty?

Mr. STEIWER. I can not answer that question exactly. There is a considerable number. I have seen the list.

Mr. PITTMAN. Are those rates granted to the countries under the intermediate rates much lower than those granted under the third rate, which the United States has to pay?

Mr. STEIWER. Appreciably lower. I do not know what the Senator means by the phrase "much lower." Against our rate of 25 per cent on certain manufactures of wood the intermediate rate is 22½ per cent. It is enough lower to give to the other countries an advantage in the market.

Mr. LA FOLLETTE. Mr. President, I certainly hope the amendment now before the Senate will be defeated. It involves in large measure the same question that was debated at great length when the amendment offered by the Senator from Washington [Mr. JONES] relating to a duty on lumber was under consideration. The effort is now made to secure by indirection a tariff duty on certain lumber products which could not be obtained directly. It sounds very plausible that because some other country imposes a duty against a commodity produced in the United States we should therefore impose a like duty against the products of that country. As suggested by the Senator from Massachusetts [Mr. WALSH], if we are to legislate upon that theory, certainly all efforts to frame a scientific tariff must be abandoned. The economic considerations upon which the Canadian people impose a duty may justify the imposition by that country of a duty upon certain woods and lumber products, but those same arguments can not be made so far as the imposition of a like duty upon the same commodity is concerned in this country.

I realize there are certain Senators interested in a duty upon flooring, but let us examine the situation. If the amendment is adopted and Canada does not yield to the diplomatic negotiations and the duty is not repealed which they now impose upon flooring, then a 25 per cent duty will be imposed upon flooring imported into the United States. There is not a Senator who would rise in his place and attempt to justify an amendment to this bill proposing a 25 per cent ad valorem duty upon flooring. As a matter of fact, the provision in the bill on flooring was stricken out, and it provided for a much lower duty than 25 per cent.

If the articles contained in this paragraph are entitled to a duty, then the duty should be proposed in the form of an amendment and Senators should offer facts and arguments to justify the imposition of such a duty by this Government. This attempt should not be made to secure by indirection duties which can not be secured by presenting the propositions upon their merits.

I wish to point out that all of the countervailing duties, as I understand it, contained in the bill have been stricken out by the Senate. That was done for two reasons: First, because it is considered by those who have made a study of the question of the tariff that countervailing duties are unscientific in their character. In the second place, a request has come from the State Department because the provisions for countervailing duties now carried in the 1922 law have caused the Department of State difficulties and friction with other countries.

It is true that Senators have discussed the question of duties which are imposed by Canada and Mexico on the articles in these two paragraphs; but, as has already been pointed out, there are other countries which impose duties upon lumber and wood products. To adopt this amendment will create a confused condition in the trade, because those engaged in it will have no information at what moment a duty may be made necessary upon some of these numerous commodities by the action of some other country with which we have trade relations.

I sincerely hope that in the consideration of the amendment Senators will realize the implications which are involved in it. Let us not impose by indirection duties upon lumber and wood products which could not be obtained if the proposition were presented directly to the Senate upon its merits.

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

Mr. LA FOLLETTE. Certainly.

Mr. DILL. I want to call the Senator's attention to the fact that while the countervailing duties were stricken out, the Senator from Utah [Mr. SMOOT] has stated that he would have the matter reopened and recommend that they be kept in the bill. It is hardly fair to say that the countervailing duties are all out of the bill.

Mr. LA FOLLETTE. They were stricken out by action of the Finance Committee itself, and the Senate confirmed that action. I am aware of the fact that the Senator from Utah has called a meeting of the committee with the object in mind of reversing that sound policy and reintroducing into the bill all of the countervailing duties that prevail in the existing law, but even so that action has not yet been taken by the Senate and it remains for the Senate to decide whether it will take that backward step or not, even if the Finance Committee recommends it.

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

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

Mr. LA FOLLETTE. Certainly.

Mr. SMOOT. The Senator is mistaken about the committee striking out the amendment covering countervailing duties. I received a letter from the State Department after the bill was reported to the Senate, asking that they be stricken out, and I asked the Senate then to strike them out, and that was done without a word of discussion, at the request of the State Department. Following that, I suppose probably a dozen Senators came to me and said that they hardly thought that was fair and wanted to have another vote upon it. Immediately next day I gave notice to the Senate that when the bill reached the Senate I would ask for a reconsideration of these particular provisions, four or five in number. That is the history of it. Not only that, but I will say to the Senator that I have a number of letters now, even after that statement was made, from the State Department, and I have called a meeting of the Finance Committee for to-morrow morning. I want the committee to be advised of just what the letters from the State Department contain. After the committee hears the letters, then I would like the committee to say what they want us to do.

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

Mr. LA FOLLETTE. I will yield in just a minute. I am glad to have the correction made by the Senator from Utah, but nevertheless the fact remains that the State Department has requested the elimination of these countervailing duties, and the Senate has responded to that request. Until the Senate itself reverses that position, I assume that it is the position of the Senate. Now I yield to the Senator from Ohio.

Mr. FESS. The Senator from Utah stated that when that was done there was not a word said about it. The Senator from Utah overlooked the fact, however, that I raised the question at the time that we took the vote, asking him why this action was to be taken, and I stated then that the State Department had asked for it because the existing condition created a great deal of confusion.

Mr. SMOOT. I think the Senator is right. When I recall the facts, I now remember that the Senator from Ohio did say what he has just stated, but that was all that was then said.

Mr. LA FOLLETTE. I ask for the yeas and nays upon the amendment.

Mr. WALSH of Montana. At this hour so many Senators are out of the Chamber at dinner, that I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Allen	Fletcher	La Follette	Sheppard
Ashurst	Frazier	McCulloch	Shortridge
Barkley	Goff	McKellar	Smoot
Black	Goldsborough	McMaster	Steck
Blaine	Grundy	McNary	Steiwer
Borah	Hale	Metcalf	Sullivan
Bratton	Harris	Norbeck	Swanson
Brock	Harrison	Norris	Thomas, Idaho
Brookhart	Hastings	Nye	Thomson
Broussard	Hatfield	Oddie	Trammell
Capper	Hawes	Patterson	Vandenberg
Connally	Hayden	Phipps	Wagner
Copeland	Hebert	Pine	Walsh, Mass.
Coutzens	Hedlin	Pittman	Walsh, Mont.
Cutting	Howell	Ransdell	Waterman
Dale	Jones	Robinson, Ind.	Watson
Dill	Kean	Robison, Ky.	Wheeler
Fess	Keyes	Schall	

The VICE PRESIDENT. Seventy-one Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Arizona [Mr. HAYDEN].

Mr. JONES. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FESS (when Mr. BINGHAM's name was called). I have been requested to announce that the Senator from Connecticut [Mr. BINGHAM] is unavoidably detained from the Chamber. He has a general pair with the junior Senator from Virginia [Mr. GLASS]. If the Senator from Connecticut were present and permitted to vote, he would vote "yea."

The roll call was concluded.

Mr. McMASTER. I have a pair with the junior Senator from Connecticut [Mr. WALCOTT]. I transfer that pair to the Senator from Maryland [Mr. TYDINGS] and vote "nay."

Mr. WATSON (after having voted in the affirmative). I have a pair with the senior Senator from South Carolina [Mr. SMITH]. I am unable to obtain a transfer, and, in his absence, I withdraw my vote.

Mr. STECK (after having voted in the negative). I have a pair with the senior Senator from New Hampshire [Mr. MOSES], but I understand he has not voted. I transfer that pair to the Senator from Georgia [Mr. GEORGE] and will permit my vote to stand.

Mr. FESS. I wish to announce the following general pairs: The Senator from Massachusetts [Mr. GILLET] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Maine [Mr. GOULD] with the Senator from Utah [Mr. KING];

The Senator from Illinois [Mr. DENEEN] with the Senator from North Carolina [Mr. OVERMAN];

The Senator from New Jersey [Mr. BAIRD] with the Senator from Arkansas [Mr. CARAWAY];

The Senator from Illinois [Mr. GLENN] with the Senator from South Carolina [Mr. BLEASE];

The Senator from Indiana [Mr. ROBINSON] with the Senator from Mississippi [Mr. STEPHENS];

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Vermont [Mr. GREENE] with the Senator from Oklahoma [Mr. THOMAS].

The result was announced—yeas 34, nays 35, as follows:

## YEAS—34

Ashurst	Hastings	Patterson	Steiwer
Broussard	Hatfield	Phipps	Sullivan
Dill	Hayden	Pine	Thomas, Idaho
Fess	Hebert	Pittman	Townsend
Fletcher	Jones	Ransdell	Trammell
Goff	Kean	Robson, Ky.	Vandenberg
Goldsbrough	McCulloch	Sheppard	Waterman
Grundy	McNary	Shortridge	
Hale	Oddie	Smoot	

## NAYS—35

Allen	Connally	Heffin	Nye
Barkley	Copeland	Howell	Schall
Black	Couzens	Keyes	Steck
Blaine	Cutting	La Follette	Swanson
Borah	Dale	McKellar	Wagner
Bratton	Frazier	McMaster	Walsh, Mass.
Brock	Harris	Metcalf	Walsh, Mont.
Brookhart	Harrison	Norbeck	Wheeler
Capper	Hawes	Norris	

## NOT VOTING—27

Baird	Glass	Moses	Smith
Bingham	Glenn	Overman	Stephens
Bleuse	Gould	Reed	Thomas, Okla.
Caraway	Greene	Robinson, Ark.	Tydings
Deneen	Johnson	Robinson, Ind.	Walcott
George	Kendrick	Shipstead	Watson
Gillett	King	Simmons	

So Mr. HAYDEN's amendment was rejected.

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

The VICE PRESIDENT. The Senator from New York offers an amendment, which will be stated.

The CHIEF CLERK. On page 269, after line 3, it is proposed to insert the following new paragraph:

PAR.—Spices and spice seeds: (1) Cassia, cassia buds, and cassia vera; cloves, clove stems; cinnamon and cinnamon chips; ginger root, not preserved or candied; mace; nutmegs; black or white pepper; and pimento (allspice); all the foregoing, if unground;

(2) anise; caraway; cardamom; coriander; cummin; and fennel.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New York.

Mr. WAGNER. Mr. President, this amendment simply carries forward an amendment which has already been adopted by

the Senate—I think without a dissenting vote—putting certain enumerated spices upon the free list, because it was manifest that none of these spices are produced in this country, and they had been put on the dutiable list only for revenue purposes. The Senate has already agreed to take them off the dutiable list, and now I am simply following up its action.

Mr. SMOOT. Mr. President, this amendment is simply to carry out the former action of the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, before the result is announced I desire to ask whether the amendment includes vanilla beans?

Mr. SMOOT. No; it does not.

Mr. McKELLAR. I ask the Senator from New York whether he will not include vanilla beans?

Mr. SMOOT. I should not want to have that done. I suggest to the Senator that he wait until the bill gets into the Senate.

The VICE PRESIDENT. The Chair has already declared the result.

Mr. WAGNER. I hope the Senator will offer a separate amendment on that subject if he desires to do so.

Mr. McKELLAR. I offer an amendment, then, to put vanilla beans upon the free list. The amendment of the Senator from New York has been agreed to. This is a separate amendment.

Mr. WAGNER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. WAGNER. I should like to know whether the amendment I offered has been adopted.

The VICE PRESIDENT. The amendment was declared to have carried.

Mr. McKELLAR. The Senator's amendment has been agreed to; and now I am offering another amendment to put vanilla beans on the free list.

Mr. SMOOT. If we put vanilla beans on the free list, we certainly ought to put tonka beans on the free list, too.

Mr. McKELLAR. I do not know about that; but vanilla beans are not raised in this country. They come from abroad. They are used in exactly the same way that these spices are used, and ought to be in the same category. Such is my amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee, which will be stated.

The CHIEF CLERK. The Senator from Tennessee offers the following amendment as a new paragraph:

PAR.—Vanilla beans.

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

Mr. SMOOT. Mr. President, vanilla beans have always been dutiable at 30 cents a pound. It is true they are not produced in the United States. They are used for making vanilla extract. I do not see why they should go on the free list.

Mr. McKELLAR. They are used in manufacturing these extracts; that is true; but why should we put a tariff on them at all? It is not to protect anything that is produced in this country. They all come from abroad. They are not produced in this country, and they ought to come in free.

Mr. SMOOT. Of course, if we take the beans off the dutiable list and put them on the free list, the duty on vanilla extract will have to be decreased.

Mr. McKELLAR. I have no objection to that. My amendment relates to the vanilla beans.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee.

On a division, the amendment was rejected.

Mr. McKELLAR. Mr. President, I will offer the amendment again when the bill is in the Senate; and I give notice right now that I am going to have a roll call on it.

Mr. SMOOT. I have not any objection.

Mr. WALSH of Massachusetts. Mr. President, I offer the amendment which I send to the desk.

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

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

Mr. WALSH of Massachusetts. I yield to the Senator from New York.

Mr. COPELAND. I think it is a pity that the amendment offered by the Senator from Tennessee was not agreed to.

The other day, as I understand, we put mustard seed on the dutiable list. This was done on the theory that because the wild

mustard grows in America it could be used for the purpose of making prepared mustard, which is not the case at all.

Mr. WALSH of Montana. Mr. President—

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

Mr. WALSH of Massachusetts. I do.

Mr. WALSH of Montana. The Senator from New York is quite in error about that. The wild mustard, of course is a noxious and pestiferous weed; but the growth in this country of the mustard out of which the condiment is prepared is a new venture, and it is entitled to consideration as such. I think that was a very wise provision.

I quite agree with the Senator, though, with respect to the matter before us. I can see no reason at all why vanilla beans should not be on the free list. They are not produced in this country at all.

Mr. SMOOT. They are raising some mustard seed in New England. California has been producing over 4,000,000 pounds of mustard seed for the last 20 years or more. I can not see why it should be on the free list.

Mr. COPELAND. I regret that I have not my documents here.

The VICE PRESIDENT. Notice has been given that the amendment will be reoffered in the Senate.

Mr. COPELAND. If the Senator from Massachusetts will yield a moment, I would like to say that it is a great mistake from the standpoint of those who buy mustard—and tremendous quantities of it are used on every table and in every farmhouse in America—to place a tariff upon mustard seed. This will mean a material increase in the cost of prepared mustard; and the quantity of American mustard seed which is used in the preparation of prepared mustard is infinitesimal. I think that both vanilla beans and mustard seed should be upon the free list, and when the times comes I shall be glad to vote to place them there.

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

Mr. WALSH of Massachusetts. I yield.

Mr. McKELLAR. Just one moment. As I understand, all of these extracts have a tariff on the manufactured article. Every one of the manufactured articles has a duty on it, and the manufacturers should be allowed to have their raw product absolutely free, it seems to me; and there ought not to be a tariff on them.

Mr. WALSH of Massachusetts. Mr. President, my amendment is to paragraph 1716, on page 261. It strikes out of line 25 the period, and adds the words "in sheets, rolls, laps, or bales," so that paragraph 1716 will read:

Mechanically ground wood pulp, chemical wood pulp, unbleached or bleached in sheets, rolls, laps, or bales.

Mr. President, this is a very important amendment. Wood pulp comes into this country in bales, rolls, and sheets, and is sold to our paper manufacturers. It comes in free of duty. There has grown up on the St. John River a practice of sending wood pulp in liquid form through pipes under the river into the United States, so that one manufacturer of paper located on the border has the advantage over all the other manufacturers of paper by getting his wood pulp under the river across the boundary line into this country free of duty and ready to be manufactured into paper. The other mills must reconvert the pulp bales and rolls into liquid pulp in order to make paper. Liquid wood pulp as well as wood pulp in sheets is free of duty. The result is that that one manufacturer has the advantage of \$7 to \$8 a ton in the manufacture of paper over the 102 paper manufacturers in this country who have to ship their pulp in sheets, it being impossible to transport it to distances in a liquid state. This one border mill gets its pulp in the most perfect condition to make paper.

The amendment which I seek to have incorporated in the bill would exclude liquid pulp from being imported free of duty, would subject it, in another paragraph and section, to a duty of 10 per cent, and permit the wood pulp that is imported in sheets to come in free.

Unless this practice is stopped all the paper mills of the country may be forced to go to the border and run pipe lines across the border into the border States and destroy the manufacturing of paper in every other part of the country. It will be impossible to build a paper mill anywhere else, because they will be able to get this wood pulp in liquid form as they are now getting it in one case and going to get it in other locations now being considered. It is proposed now to do the same thing at the Soo, Sault Ste. Marie.

This situation automatically established a differential of \$7 to \$8 per ton advantage over the paper mills not so fortunately located.

In my own State there are 48 paper mills. There are paper mills in every other State of the Union; and this is a very serious disadvantage to them. This border mill gets its raw material in a better state for paper making. It is a question if it is not an infringement of treaty rights between the States; but this material being on the free list, there is probably no violation of any international right. So the question arises now whether we will take this liquid pulp that comes in pipes from Canada to the mill upon this side and place a duty on it so as to protect the other mills, or whether we will allow all our paper industries to move to the border and have pipe lines run across the border and manufacture paper there.

Let me tell you how serious this situation is. The wood pulp that comes in in the form of sheets, after it comes here, has to be transformed back to a liquid state; so the American paper manufacturer who buys the wood pulp in sheets is at a great disadvantage compared to the one who purchases it in Canada in liquid form. The one who buys it in sheets has to have it transported over to the mills here, and then put back into liquid form. The result is that the American who builds his mills along the Canadian border and puts in his pipe line, gets his wood pulp in liquid form and makes paper immediately therefrom and has an advantage of \$7 or \$8 a ton. So, it seems to me that that situation should be remedied, and it can be remedied by providing that the duty-free product shall be the wood pulp which is bleached in sheets, rolls, laps, or bales, and, inferentially, provide for a duty on wood pulp in the liquid form at 10 per cent.

Mr. HALE. Mr. President, I can not understand the reasoning of the Senator, as to why this one particular mill, which pumps its pulp in, should be put out of commission. All of these exceptions the Senator is putting in would come in under the free list, would they not?

Mr. WALSH of Massachusetts. Of course, the Senator is in a delicate political position. I am not seeking to put this mill out of commission. I am trying, however, to prevent this one mill from putting 102 other paper mills out of commission.

Mr. HALE. No, I am not in a delicate position.

Mr. WALSH of Massachusetts. Yes; the Senator is. He has to choose between one mill in his State and against other mills in his State. It so happens that the one mill in his State which gets this liquid pulp is a mill owned by Canadian interests, but there are other paper mills in the Senator's State suffering as a result of the evasion I have pointed out, to the extent of a disadvantage of \$7 or \$8, and I suggest that the Senator inquire from those other paper mills in his State as to what they think about the matter.

Mr. HALE. I am not in the least influenced by that. It seems to me that all wood pulp, however produced, should be on the free list if wood pulp is to come in on the free list. It does not make any difference whether it is pumped in or comes in in sheets. If one is on the free list, the other should be on the free list. I think it is only fair to the people who have this mill that they should have the same privilege that others have.

Mr. WALSH of Massachusetts. Let me read one statement before the Senator from Maine defeats this amendment:

Already Fraser Companies (Ltd.), operating pulp mills, located in Canada, with an output of more than 400 tons daily of mechanical and chemical pulp, has availed itself of the loophole above mentioned, which exists by reason of the Canadian embargo on pulp wood and the American tariff on book paper.

That is another important thing. If this Canadian concern stayed in Canada and made its paper there, instead of locating in Maine, they would have to pay a duty upon the paper when it comes into the United States, and now they avoid paying a duty upon the paper.

Mr. ASHURST. Mr. President, is there any other State than Maine which receives its pulp sluiced through a conduit under the river?

Mr. WALSH of Massachusetts. No other State. No liquid pulp can be transported and therefore this company has an advantage that is destructive to other mills. Of course, other paper mills will resort to the same methods.

Mr. HALE. Why the pulp that comes in in that way should be taxed any more than in any other form, I fail to see.

Mr. WALSH of Massachusetts. I read further:

Their Edmundston pulp plant is located on the St. John River opposite the most northerly point of the Maine boundary, and on the opposite side of the river in the State of Maine a new company organized under the name of Fraser Paper (Ltd.), has established a paper mill.

They avoid the paper duty by doing that. They just take their liquid pulp, run it through a pipe, make the paper over the boundary line, and escape all paper duties, putting every other paper mill in the country at a very serious disadvantage.

The pulp of Fraser Companies (Ltd.), was formerly sold in dry rolls as a standard article of commerce, and mostly in the United States markets; but now the pulp mills on the Canadian side and the new paper mill on the American side are connected by pipe lines and liquid pulp is pumped from the one mill to the other. Each of these pipe lines are about 5,000 feet long buried in the ground, except for that part which is suspended on the International Highway Bridge.

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

Mr. WALSH of Massachusetts. I yield.

Mr. COPELAND. Is the Senator worried about what those pipe lines may be used for other than pulp? Is he anxious to leave them free for other uses?

Mr. WALSH of Massachusetts. I am afraid if they were used for the purpose the Senator indicates we probably would have some treaty complications.

Mr. COPELAND. I want to ask the Senator, seriously, what is the difference between mechanical and chemical wood pulp?

Mr. WALSH of Massachusetts. Mechanical wood pulp is the wood pulp which has not been treated chemically, and chemical wood pulp is the wood pulp treated chemically.

Mr. COPELAND. Would they be interfered with by the adoption of the Senator's amendment?

Mr. WALSH of Massachusetts. No; they would not. The only way wood pulp can be transported is in sheets or rolls. The water is squeezed out of the pulp, it is hardened and put in rolls and transported to our paper mills, and then returned to the water spigot before being made into paper.

Mr. HALE. Mr. President, where is the work performed on wood pulp that is brought into this country in rolls or sheets? Is not that work done outside of this country?

Mr. WALSH of Massachusetts. It is all done out of the country.

Mr. HALE. And less work is done on the liquid pulp made outside of the country, is it not?

Mr. WALSH of Massachusetts. Yes; I should say less work was done on that. But the work done in Canada to put pulp in condition for transportation has to be undone when the other mills purchase their pulp in sheets.

Mr. HALE. So the Senator's amendment is in the nature of protection to Canadian or other foreign labor?

Mr. WALSH of Massachusetts. My amendment seeks to prevent wood owned by the Canadian company, which is capable of being and is made into pulp, from being made into liquid pulp and carried in a pipe under the river into the United States and made into paper in competition with the 150 other paper manufacturers without bearing the duty levied upon paper.

Mr. BARKLEY. Mr. President, does the Senator say that this water or liquid is squeezed out of the pulp in Canada?

Mr. WALSH of Massachusetts. Yes.

Mr. BARKLEY. And then pumped through a pipe into the United States under the river?

Mr. WALSH of Massachusetts. Yes.

Mr. BARKLEY. Then is it hardened after it gets into this country?

Mr. WALSH of Massachusetts. No; it does not have to be hardened, but when brought into the other mills hardened, it has to be returned to the liquid form.

Mr. BARKLEY. Where is it hardened when it comes into other mills; is it hardened in Canada?

Mr. WALSH of Massachusetts. It can not be shipped otherwise. You can not ship liquid pulp in a freight car by train, but you can ship it by pipes across the border, and this means that all our paper mills will go along the border.

Mr. BARKLEY. It might be shipped in tank cars, I suppose.

Mr. SMOOT. No; in the case of this liquid pulp there is 99 per cent water and 1 per cent pulp.

Mr. BARKLEY. What becomes of the water after it gets into the United States?

Mr. SMOOT. They just take the 1 per cent out.

Mr. BARKLEY. It is watered stock when it comes here, and it is dehydrated and becomes pulp.

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. This amendment is in the interest of the one hundred and forty-odd manufacturers of paper in this country, and if we want to do what they think is fair for them and prevent the injustices under which they are now suffering, we will adopt this amendment. Otherwise, we will say to them that they had better do likewise, go and get the Canadian pulp, and get a pipe line from Canada.

Mr. SMOOT. Mr. President, this is the first time in the history of tariff making that the less-manufactured article bears a higher duty than the manufactured article, or partly manufactured article.

Mr. WALSH of Massachusetts. The Senator appreciates the disadvantage. It is ruinous, unfair, and if continued and it

expands means all paper mills must go to the border and obtain liquid pulp in pipe lines.

Mr. SMOOT. I have had the best attorneys of the United States call on me for the last year on this very matter.

Mr. WALSH of Massachusetts. The Senator knows that the American paper manufacturers are as a unit in favor of this amendment.

Mr. HALE. What does the Senator mean by "as a unit"?

Mr. WALSH of Massachusetts. Except this Canadian concern, of course, they are not anxious to surrender their powerful advantage.

Mr. HALE. Mr. President, if a duty should be put on in this way, on the liquid pulp which comes in, that would probably lead later on to a general duty on wood pulp, and probably a duty on paper, would it not?

Mr. WALSH of Massachusetts. There is a duty on paper now, of course. That is what these people avoid.

Mr. HALE. On certain kinds of paper only.

Mr. WALSH of Massachusetts. But this liquid pulp importation is a very serious disadvantage, seven or eight dollars a ton, to the 102 other paper mills.

Mr. HALE. Clearly this would put this particular mill out of commission.

Mr. WALSH of Massachusetts. To answer the remark of the Senator from Maine, the mill in Maine would not go out of business. They would simply get their pulp in bales, the same as the other paper mills.

Mr. COPELAND. Mr. President, will the Senator from Massachusetts yield to me?

Mr. WALSH of Massachusetts. I yield to the Senator from New York.

Mr. COPELAND. We have large paper mills in my State, the Mohawk Paper Makers, at Cohoes, the Carthage Pulp & Board Co., at Carthage; the Mumford Paper Mills, at Mumford; the Robert Sair Co., of New York City; and the Defiance Paper Co., of Niagara Falls. They all use pulp from Canada. I assume from what the Senator says that they get it in sheets.

Mr. WALSH of Massachusetts. Absolutely.

Mr. COPELAND. And that this factory is the only one that has the advantage of a pipe line, and that is quite an advantage in these days, since they can pump it direct. What does the Senator propose?

Mr. WALSH of Massachusetts. They have the advantage of two things—first, of getting liquid pulp without having it put into sheets. After it is put into sheets it has to be converted back into the liquid state. This plant in Maine with the pipe line has that advantage. Secondly, they have the advantage, instead of building their paper factory in Canada, of building their factory on this side and escaping the duties upon paper.

Mr. COPELAND. What does the Senator propose?

Mr. WALSH of Massachusetts. I propose to limit the importations of wood pulp on the free list to those that come in in sheets. I ask the Senator from Utah what his attitude is toward this amendment. I am only concerned in the interest of the paper industry. I have no personal interest.

Mr. SMOOT. It is a radical change from any tariff legislation that was ever proposed, I think, in any country. I will say to the Senator that the representatives of the paper mills from Wisconsin and Michigan and most all the Central States which have paper mills have been in my office time and time again with their attorneys, and I told them I did not know how on earth the matter could be taken care of.

Mr. WALSH of Massachusetts. They have found a way through this amendment, if the Senator wants to help them.

Mr. SMOOT. It is a radical change from a protective tariff.

Mr. WALSH of Massachusetts. It is limiting the privilege of bringing in goods duty free.

Mr. SMOOT. I admit this, that 90 per cent of the wood pulp which comes into the United States to-day from Canada comes in in the form covered by the amendment. I did not think it was that much, but it is. It comes in in this form.

Mr. WALSH of Massachusetts. In the form covered by my amendment?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. Exactly.

Mr. SMOOT. Are we going to say that a raw material shall be taxed 10 per cent and that the article made from it shall be duty free? That is a different proposition from anything we have ever had.

Mr. WALSH of Massachusetts. It is possible for minerals when first mined to require certain processes of elimination of all other products which may be embodied in the minerals before they are shipped into this country without a duty.

Mr. SMOOT. They can ship without duty in that form, and then the article made from it would carry a duty. This is just

the reverse. I will say to the Senator that it is the only way it can be reached.

Mr. WALSH of Massachusetts. The Senator says there is an injustice being done to the other paper manufacturers, but because there is some condition about this liquid happening to be in a state that has not gone through the process that pulp in bales has gone through we can not adopt the amendment. That is his theory.

Mr. SMOOT. It is a change from all tariff practices, all tariff ideas, and it is now for the Senate to say whether they want to do it or not. What the Senator has stated is absolutely correct; there is no doubt about that.

Mr. WALSH of Massachusetts. It really gets down to whether we want the paper mills to go up along the St. John or St. Lawrence River, or wherever there happens to be on the other side some timber which may be made into pulp.

Mr. SMOOT. I think we had better have a vote on it.

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

On a division, the amendment was rejected.

Mr. WALSH of Massachusetts. Mr. President, I shall duly notify the American paper industry where to locate.

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

The PRESIDING OFFICER. The clerk will report the amendment offered by the Senator from Missouri.

The LEGISLATIVE CLERK. On page 432, strike out lines 1 to 10, inclusive, and insert the following—

Mr. SMOOT. Mr. President, that relates to an administrative feature, and the free list is under consideration now under the unanimous-consent agreement. When the bill gets into the Senate the Senator can offer his amendment.

Mr. HAWES. I brought this matter up once before and discussed it at some length. My understanding at that time was that it should be brought up in the Committee of the Whole before the bill was reported to the Senate.

Mr. SMOOT. Not if I understand the amendment.

The PRESIDING OFFICER. The Chair will state that the amendment is not in order at this time.

Mr. HAWES. Let the amendment stand as offered.

The PRESIDING OFFICER. It will be printed and lie on the table.

Mr. COPELAND. Mr. President, I wish to make reference to paragraph 1812, page 279. I am sorry the junior Senator from Michigan [Mr. VANDENBERG] is not here at the moment. He was greatly interested in this subject, as it relates to antiques. I want to ask the Senator from Utah why we made the amendment in line 8? By the way, would this be a proper amendment now to consider?

Mr. SMOOT. It would not.

Mr. COPELAND. I realized that as I spoke, so I shall bring it up at a later time.

The PRESIDING OFFICER. Has the Senator from New York any other amendment?

Mr. COPELAND. I want to ask the Senator from Utah about free diamonds. Of course, I know that the amendment was adopted to prevent smuggling; but would not the same end have been served if a very small duty had been left on diamonds?

Mr. SMOOT. There is a small duty.

Mr. COPELAND. On diamonds? Paragraph 1668 is the paragraph to which I refer.

Mr. SMOOT. Rough diamonds are free, but cut diamonds carry a duty of 10 per cent. This is the theory of the duty on cut diamonds. All smugglers of diamonds into the United States are paid about 6 per cent of the value of the diamonds they smuggle. That is the general percentage paid. When they were paid 20 per cent, there was something in it for the merchant who desired smuggled diamonds brought into the United States. The committee decided that it was very much better to have a 10 per cent duty, and then it would not pay.

Mr. COPELAND. But is that the rate?

Mr. SMOOT. Yes; that is the rate we have recommended on cut diamonds.

Mr. COPELAND. I am referring to paragraph 1668, page 256. The old number was paragraph 1667, diamonds in rough or uncut.

Mr. SMOOT. They are on the free list. We just moved them out of the other paragraph and put them here on the free list.

Mr. COPELAND. This is the criticism which comes to me. Should this paragraph become a law, it will place the American importer of these diamonds at a great disadvantage because the foreign sellers will be in a position to send consignments of stones to ultimate American buyers who may retain them as they desire and return to the foreign sellers, together with a

check for the stone selected. There would be no charge upon the income tax upon the foreign seller and no advantage except the one mentioned by the Senator in regard to smuggling, which I fully recognize. But would not the same purpose be served if we placed a very low rate, say, 2 or 3 per cent, upon such diamonds?

Mr. SMOOT. The department thought not, and so did the committee.

The PRESIDING OFFICER. Will the Senator from New York permit the Chair to state that the amendment would not be in order at this time?

Mr. COPELAND. Will the Senator from Utah oblige me by giving thought to the question of whether this small rate might not be adequate?

Mr. SMOOT. Yes; when the bill gets into the Senate we will consider it.

Mr. HATFIELD. Mr. President, I wish to offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 252, line 7, strike out the words "acetate or chloride," and insert "chloride;" and also on page 7, line 2, after the word "pound" where it occurs the second time, insert "calcium acetate, crude, 2¼ cents per pound."

Mr. HATFIELD. Mr. President, the wood-chemical industry of our Nation is an industry that is to-day supplying 95 per cent of the hardwood charcoal and 85 per cent of the acetate of lime consumed and one that has until recently furnished all the methanol used in our country.

Previous to the late war we were able to supply not only the requirements of our own country for the above products, but exported large quantities of methanol and acetate of lime. The rapid development of the chemical industry of Europe since the war has changed this situation and to-day great chemical cartels of Europe are in alliance with their wood-chemical manufacturers whose surplus products are being exported to the United States in increasing quantities.

A statement taken from the tariff summary shows that the exports in 1923 were 21,951,287 pounds. The imports in 1929 were 24,583,610 pounds, and our exports for 1929 amounted only to 101,198 pounds, showing the depreciation. I might say for the information of the Senate that these products are made from sawdust, waste wood taken from the lumber mills of our country. The States which are interested in these duties are Tennessee, Kentucky, West Virginia, Mississippi, Pennsylvania, New York, Michigan, and Wisconsin. The products that are produced by the distillation of wood and sawdust are represented in acetate of lime, methanol, and charcoal. The acetate of lime is made by taking the lime, mixing it with the distillate taken from the wood, and then later if treated with sulphuric acid, results in the formation of acetic acid. The acetic acid is the main product of the chemical production from this industry in the country at the present time. The acetic acid is used in the manufacture of silks and the rayon products.

Unless something is done, according to the record disclosed by the Tariff Commission, the industry will soon go out of business in America. The synthetic products that are being sold in the markets here from Germany in synthetic acetic acid are rapidly taking the American trade, because of the inability of the American industry to compete with synthetic products shipped here from Europe. The industry is largely an agricultural one, belonging to rural sections of the State where these industries are located, and is one which directly affects the farmers of the country by giving them an opportunity to sell their wood, their sawdust and waste from the mill which otherwise would decay and become worthless. The imports justify a transfer of this product to the dutiable list. I hope it will be the pleasure of this body to protect the industry. Unless it is protected it will, in my judgment, fail altogether.

Mr. VANDENBERG. Mr. President—

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from West Virginia yield to the Senator from Michigan?

Mr. HATFIELD. I yield.

Mr. VANDENBERG. I rise merely to concur in the last statement the Senator from West Virginia made. The State of Michigan has had considerable experience with this product and with its production. The undisputable evidence is that unless it can be taken from the free list and adequately protected, the domestic production is going to disappear entirely. I rise simply to concur in the Senator's statement and in his presentation of it.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from New York?

Mr. HATFIELD. I yield.

Mr. COPELAND. I think the Senator is right. We have here a product which is put into an airtight chamber—that is, wood refuse—and out of it comes charcoal, methanol or wood alcohol, and acetate of lime. Methanol is taxed at 18 cents a gallon. It is made by exactly the same process as the acetate of lime, and at the same rate, 18 cents a gallon, would be 2¼ cents a pound on the solid lime. If methanol should be taxed and is taxed at 18 cents a pound, it is perfectly clear to me that acetate of lime should be given the same protection, which would be 2¼ cents a pound. I agree fully with what the Senator says. It is a matter of concern to every State in the Union where hardwood lumber is found and is a means of salvaging that waste material.

Mr. SMOOT. Mr. President, I would like to say to the Senator that his amendment calls for 2¼ cents per pound.

The National Wood Chemical Association brings this to the attention of the committee and asks for a duty of 1½ cents per pound. They figure out just why they ought to have 1½ cents. Their statement also shows that in 1925 there were imported 4,973,475 pounds, and in 1929 there were imported 24,658,843 pounds. As to the exports, the situation was just the opposite. In 1925 we exported 22,038,213 pounds, and in 1929 the exports dropped to 101,198 pounds. Of course, the mere showing is enough to demonstrate that they need a protection; and the association in its request made of the Finance Committee asked that the article be taken off the free list and given a duty of 1½ cents a pound.

Mr. HATFIELD. Mr. President, I might say to the Senator from Utah that the reason the American producer can not compete with the European producer is largely because acetic acid is made in Europe synthetically; there it is a by-product; and any price which may be obtained for it represents a saving so far as their ledgers are concerned.

Mr. COPELAND. Mr. President, will the Senator from West Virginia yield to me?

Mr. HATFIELD. I yield to the Senator from New York.

Mr. COPELAND. Mr. President, apparently the only question is the question of the rate per pound. I desire to say to the Senator from Utah that methanol at 18 cents a gallon would be 4½ cents a quart and 2¼ cents a pint, and a pint is a pound the world around; so that the rate to correspond with the methanol rate should be 2¼ cents a pound. I do not know why they reach the conclusion that the rate should be 1½ cents; but they ought to know with what they are satisfied.

Mr. SMOOT. They state:

In our opinion, a duty of 1½ cents a pound will afford necessary protection. We respectfully request that this rate be established.

Mr. COPELAND. Mr. President, will the Senator from Utah accept that rate?

Mr. SMOOT. This paper is signed "Monta C. Burt, president National Wood Chemical Association."

Mr. HATFIELD. Will the chairman of the committee accept that rate?

Mr. SMOOT. I think we ought to accept it.

Mr. HATFIELD. Will the chairman of the committee approve of the rate of 1½ cents a pound?

Mr. SMOOT. Yes; I think that rate ought to be accepted, and I am perfectly willing to accept it and let it go to conference.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The question is on agreeing to the amendment.

Mr. SMOOT. The amendment provides a rate of 2¼ cents a pound. Is the Senator going to modify the amendment?

Mr. HATFIELD. I will accept the modification suggested by the chairman of the Committee on Finance.

The PRESIDING OFFICER. The question is on the amendment as modified.

Mr. FLETCHER. As I understand the modification makes the rate 1½ cents a pound?

Mr. HATFIELD. It makes it 1½ cents a pound.

Mr. FLETCHER. I have no objection to that.

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

The amendment, as modified, was agreed to.

Mr. FLETCHER. I offer an amendment, on page 482, to strike out lines 24, 25, and 26.

Mr. SMOOT. Let the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 482, it is proposed to strike out lines 24, 25, and 26, as follows:

(4) Section 2804 of the Revised Statutes, as amended (relating to limitations on importation packages of cigars).

Mr. SMOOT. Under unanimous consent are we only acting on items on the free list?

The PRESIDING OFFICER. The Chair will state that the amendment is not now in order under the unanimous-consent agreement.

Mr. FLETCHER. I had not understood about there being such a unanimous-consent agreement; that was evidently entered into when I was absent. Are we now confined to the free list?

Mr. SMOOT. We are still considering items on the free list.

Mr. FLETCHER. And no other amendment?

Mr. SMOOT. I do not know whether there are any other amendments or not to be offered to the free list.

Mr. FLETCHER. Is the Senator going on with the free list until that shall be finished?

Mr. SMOOT. I desire that we shall continue with the free list until it shall be finished.

Mr. FLETCHER. I withdraw the amendment. I was not aware of the existence of the unanimous-consent agreement referred to.

The PRESIDING OFFICER. Are there further amendments to be proposed to the free list?

Mr. COPELAND. Mr. President, I have what I regard as a very important amendment. It relates to creosote. That article is now on the free list. I desire to point out what is the situation in that industry.

The VICE PRESIDENT. Has the Senator sent his amendment to the desk?

Mr. COPELAND. I have the amendment, but it is complicated, and, if the Chair will bear with me, I will state my case and then present the amendment. My amendment involves taking certain items from the free list and then adding rather an extensive amendment to the body of the bill.

Creosote is made from coal tar and is very largely made in Great Britain and Germany.

Mr. WALSH of Massachusetts. It is a preservative of wood.

Mr. COPELAND. It is a preservative of wood. It is made abroad and sold so cheaply in America that there is almost no sale for our domestic creosote. It does not pay our people to distill the coal tar to make the creosote.

The reason why it is made so extensively in Europe is because of the high price of coal, particularly in England, where the coal may be \$20 or \$25 a ton. So all the coal dust that is produced by the handling of the coal is made into briquettes. Therefore there is a demand for coal tar there which we do not have. On that account the creosote becomes a cheap by-product of the distillation of the remaining quantities of coal tar.

In our country coal is so cheap that there is not that particular use for the coal tar. Consequently, most of the coal tar is burned in the furnaces.

We imported year before last nearly 96,000,000 gallons of creosote. Our domestic production was 97,000,000 gallons; in other words, we imported practically the same amount of creosote that we produced in the United States. While we were importing that tremendous quantity of creosote, we were burning in the furnaces 323,000,000 gallons of tar, from which this valuable chemical could be made.

We had a very interesting debate here the other day about oil and the importance of having a sale for oil. If we could make use of the coal tar which we now burn under the furnaces, there would be a demand for oil to replace it to the extent of about 323,000,000 gallons. Stated in another way, if we did not burn this tar under the furnaces there would be a demand for 323,000,000 gallons of crude oil. If we did not burn this tar, we could make use of that much more oil and could make use of the tar for making creosote. That quantity of tar would make something over 100,000,000 gallons of creosote, which is practically the amount we import into this country.

So much for the situation as regards the possibilities of production and the advantage to our country of using the tar. Creosote is used in creosoting or preserving timber and almost all of that timber is in the form of crossties, piles, poles, cross arms, and construction timber.

Now, I want to point out that the amendments which I shall present do not involve creosote used on the western plains for dipping or disinfecting cattle.

The amendments have been carefully drawn by the legislative counsel, and I trust they will receive the attention and favorable consideration of the Senate. I am proposing a 20 per cent ad valorem duty and a specific duty of 3 cents per gallon.

Mr. WALSH of Massachusetts. Does the Senator from New York know what is the attitude of the committee toward the amendment?

Mr. COPELAND. I should like to ask what is the attitude of the Senator from Utah regarding this amendment.



Mr. SMOOT. Mr. President, I wish to call the attention of the Senate to the fact that if we put a duty upon creosote every farmer's fence post, every telegraph pole, every tie, every barn—I could enumerate many other things, but those are the principal ones—would be affected by it.

Mr. COPELAND. Let me say in reply, before the Senator goes further, if he will permit me, that out of the timber creosoted, amounting to a total of 230,000,000 cubic feet, only 6,000,000 cubic feet, or one-fortieth of the amount of timber creosoted, is such timber as the Senator has just mentioned.

Mr. SMOOT. But the amendment would affect all the creosoted timber that is used for the purposes I have mentioned. Then, great quantities of the material are used for disinfecting purposes. I have not the figures as to the quantity so used, but I can get them and put them in the RECORD.

Mr. COPELAND. Let me call the Senator's attention to the fact that I have excepted material used for disinfecting purposes; and that is not involved.

Mr. SMOOT. Then, how could the provision be administered; how could the officials of the Government tell whether an importation would go into a disinfecting preparation or would be used for creosoting a tie? It could not be done.

Mr. COPELAND. I want to call attention to the prices. In the United States during the last two or three years creosote oil sold at a price of from 13½ cents to 14½ cents per gallon. At present the creosote-oil price in Europe is approximately 8 cents; transportation charges to Atlantic and Gulf ports are one-half of 1 cent to 1½ cents. In other words, the foreign creosote oil is sold here at a profit of 5 cents a gallon. That is to say, it can be brought in, all the charges paid, and sold at a profit of 5 cents a gallon. If we were to have the rate I propose placed upon it, it would increase the cost of the foreign article from 8 cents a gallon to about 12 cents a gallon.

The present price is about 14½ cents. That is, the foreign article brought in would still be under the price at which the article is now sold in this country.

Mr. SMOOT. Mr. President, among the items for which this product is used is the treating of wood, the wood-preserving industry. That industry in 1929 used, according to the Forest Service, a record total of 220,478,409 gallons. I do not know of an article in the whole bill where the protests were any stronger against an increase of duty upon creosote.

Mr. COPELAND. Of course, and where do the protests come from? They come from the railroads, the telephone lines, the telegraph lines. That is where they come from.

Mr. SMOOT. Oh, no; Mr. President.

Mr. COPELAND. They are the ones who buy the creosote. All you have to do is look at the figures to know that that is the fact.

Mr. SMOOT. They buy great quantities of it. There is not any doubt about that.

Mr. COPELAND. Let me point out that of 230,000,000 cubic feet creosoted last year, 116,000,000 cubic feet represented cross-ties. One-half of the total amount of creosoted timber was in the form of cross-ties. Piling amounted to 13,000,000 cubic feet; telephone poles, 63,000,000 cubic feet; cross arms, 1,205,000 cubic feet; and construction timbers, 17,000,000 cubic feet.

The railroads are the ones who are finding most fault about this. In the large quantities they buy creosote there will be a demand here for our American creosote. It can be made at a price that will make it possible for the railroads to creosote their articles with American creosote without any suffering on their part.

I am very confident that it means a whole lot to our country to increase the possible sales of crude oil by 300,000,000 gallons. The sale of soft coal, the operation of our soft-coal mines, now distressed, and the development of an industry of vital interest to every community in our country are involved in this amendment. The possibilities of making creosote are widespread, reaching into every State.

I hope that the Senator in charge of the bill will look kindly upon this amendment and permit us to accept it. I send forward the amendment. It is so complicated that I should like to have this assurance from the Senator from Utah before I take the time of the Senate to go into the details regarding it. It involves a dozen changes, all worked out by the Legislative Drafting Bureau and the chemical experts who know about these things.

What is the attitude of the Senator?

Mr. SMOOT. I could not agree to put any duty upon creosote without a vote of the Senate.

Mr. COPELAND. Well, let us have a vote of the Senate.

Mr. SMOOT. I am willing to have a vote of the Senate. If the Senator desires, I will suggest the absence of a quorum and we will have a vote.

Mr. COPELAND. All right. Would the Senator be willing to take it to conference?

Mr. SMOOT. I do not want to do that, Mr. President, because I know that the conferees of the House would not agree to it.

Mr. COPELAND. Very well.

Mr. SMOOT. 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	Goldsborough	McMaster	Smith
Barkley	Grundy	McNary	Smoot
Black	Hale	Metcalf	Steck
Blaine	Harris	Norbeck	Stephens
Borah	Harrison	Norris	Sullivan
Bratton	Hastings	Nye	Swanson
Brookhart	Hatfield	Oddie	Thomas, Idaho
Broussard	Hawes	Overman	Townsend
Capper	Hayden	Patterson	Trammell
Connally	Hebert	Phipps	Tydings
Copeland	Heflin	Pine	Vandenberg
Couzens	Johnson	Pittman	Walsh, Mass.
Dale	Jones	Robinson, Ind.	Walsh, Mont.
Fess	Kean	Robison, Ky.	Waterman
Fletcher	Keyes	Schall	Watson
Frazier	La Follette	Shepard	Wheeler
George	McCulloch	Shortridge	
Goff	McKellar	Simmons	

The VICE PRESIDENT. Seventy Senators have answered to their names. There is a quorum present. The question is on the amendment of the Senator from New York, which will be stated.

The LEGISLATIVE CLERK. On page 253, line 20, after "centum," insert "and more than 15 per centum."

On page 253, line 25, after "centigrade," insert "and more than 65° C."

On page 253, line 25, strike out all after "xylene," down to and including "oil," on page 254, line 1.

On page 254, line 3, strike out all after "water-gas tar," down to and including "pitches" in line 8 and insert:

All tar acids and tar-acid oils containing 50 per cent or more of tar acids by volume and not provided for in paragraph 27 or 28.

On page 254, line 11, strike out "or 28" and insert "28, or 99."

On page 35, after line 2, insert:

PAR. 99. Dead or creosote oil; anthracene, and anthracene oil, containing 15 per cent or less of anthracene; naphthalene and naphthalene oil, which after the removal of all the water present has a solidifying point of 65° or below; all distillates (not provided for in paragraphs 27, 28, or 1651) of coal tar, blast-furnace tar, oil-gas tar, or water-gas tar; all mixtures (including solutions) of any of the foregoing; all mixtures (including solutions) of any of the foregoing with any tar or tars or mixtures thereof or pitches therefrom; and all mixtures (including solutions) of any of the foregoing with petroleum or its distillates or residues; all the foregoing, 20 per cent ad valorem and 3 cents per gallon.

On page 11, line 6, after "paragraph," insert "99 or."

On page 11, line 8, after "paragraph," insert "99 or."

On page 11, line 18, after "28," insert "99."

On page 12, line 7, after "paragraph," insert "99 or."

On page 13, line 20, after "27," insert "99."

On page 14, line 1, after "27," insert "99."

On page 17, line 8, after "28," insert "99."

On page 17, line 10, after "28," insert "99."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. COPELAND].

The amendment was rejected.

The VICE PRESIDENT. The schedule is still before the Senate as in Committee of the Whole and open to amendment.

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

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Wisconsin offers the following amendment:

On page 267, after line 24, insert the following new paragraph:

"PAR. —. Scientific instruments, apparatus, and devices of a kind not offered for sale in the United States by domestic producers, and imported for research purposes by any college or university, and not for sale, subject to such rules and regulations as the Secretary of the Treasury shall prescribe."

Mr. LA FOLLETTE. Mr. President, I can state very briefly the purpose of this amendment.

The objective of the amendment is to permit colleges and universities in the United States to import, free of duty, instruments, paraphernalia, and apparatus intended to be used for research purposes, and not for sale, when articles of a similar kind are not offered for sale in the United States. In other words, as the amendment is now drawn it would not affect any

of the scientific instruments which are offered for sale in commercial quantities in the United States manufactured by domestic producers, but it would relieve colleges and universities of the necessity of paying a high duty upon instruments and scientific apparatus intended to be used for research purposes which are not manufactured in this country in commercial quantities.

The purpose of the amendment is so obvious, and it seems to me that its merit is so clear, that I do not desire to take any further time of the Senate in discussing it.

Mr. COPELAND. Mr. President, I desire to be clear about what the Senator has in mind, and what the real significance of the amendment may be. Do I understand that it does not apply to any instrument which is made in the United States, or which might be purchased here?

Mr. LA FOLLETTE. I could not say that it would not apply to any instrument which might be produced in this country; but, as the amendment is now drawn, a college or university desiring to import certain scientific instruments could not import them free of duty under this amendment if they are offered for sale in the United States in commercial quantities.

Mr. COPELAND. Suppose a university desired to purchase a dozen microscopes. Could they go to Zeiss, in Germany, and buy those microscopes, and import them without duty?

Mr. LA FOLLETTE. I am not familiar with microscopes, but I assume that they are produced in the United States. The microscope is a very common article.

Mr. COPELAND. Yes.

Mr. LA FOLLETTE. Under my amendment as it has been modified since I originally had it printed and ordered to lie on the table, they could not import those foreign-made microscopes free of duty if microscopes were manufactured in the United States in commercial quantities.

Mr. COPELAND. Just what does the Senator mean by "in commercial quantities"? There are scientific instruments which are made on order which are not in popular demand, but which could be made, an instrument which could be made in an instrument house in the United States. Suppose that some instruments were made in Berlin or Vienna, perhaps not in commercial quantities, as the Senator says, but instruments which are kept in stock over there but which could be made here. Would it mean that the Senator would permit the university to bring in that article from abroad, even though it might be made here—an instrument of equal scientific worth?

Mr. LA FOLLETTE. Mr. President, the language of the amendment, I believe, is plain, and I think the terminology would not be difficult to interpret. If the instrument is offered for sale in the United States, it would not come within the purview of this amendment. If, however, it were some special piece of apparatus which could possibly be made in the United States, but which is not offered for sale in the United States, a university desiring to import such an article from a foreign country could do so without paying a duty upon it. The Senator sees, of course, that the objective of my amendment is to relieve the universities and colleges, where they are importing these articles for purely scientific research purposes, and not for sale, from having to pay a high duty upon instruments or apparatus of a scientific character which is not offered for sale in the United States.

Mr. COPELAND. Mr. President, if I understand the Senator and the purpose of his amendment, I think I have no objection to it, but I want to be clear about it. Did the Senator originally intend to permit the importation of any scientific instrument by universities without the payment of a tax?

Mr. LA FOLLETTE. The amendment as it was originally introduced and printed and ordered to lie on the table did provide that any instrument imported for research or scientific purposes by a college or university should come in free of duty, but I have discovered that a great many Senators have objections to the amendment in that form, and therefore I have modified it to meet those objections.

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

Mr. LA FOLLETTE. I gladly yield to the Senator from Ohio.

Mr. FESS. As I heard the amendment read, I interpreted it to cover the case where a college or university is compelled to buy a foreign product because it can not get it here.

Mr. LA FOLLETTE. Mr. President, I want to be perfectly frank about it. For instance, suppose the University of Ohio wanted to buy a certain very delicate scientific instrument for research purposes. If they did not find that it was manufactured in the United States and was not offered for sale here, they could go abroad, where the article was manufactured, and import it free of duty. But the Senator from New York raised the question as to whether it would apply to instruments

which could be made here. I do intend that it should apply to apparatus which is not manufactured and offered for sale in the United States, because it does not seem to me that we should penalize the research in our colleges and universities in order to give an opportunity to certain manufacturers to make at very great expense a special piece of apparatus, when it may be purchased abroad, where it is manufactured for sale.

Mr. SMOOT. Mr. President, I want to call attention to the wording of the act of 1913, and then tell the Senate what result followed. Paragraph 573 of the act of 1913 provided as follows:

PAR. 573. Philosophical and scientific apparatus, utensils, instruments, and preparations, including bottles and boxes containing the same, specially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any college, academy, school, or seminary of learning in the United States, or any State or public library, and not for sale, and articles solely for experimental purposes, when imported by any society or institution of the character herein described, subject to such regulations as the Secretary of the Treasury shall prescribe.

Mr. LA FOLLETTE. Mr. President, the Senator does not contend that my amendment is on all fours with that provision?

Mr. SMOOT. I wanted to call the Senate's attention to the difference, and also the result that followed this provision.

Under this paragraph the universities of the United States imported scientific apparatus and sold them to the students. A little over half of all the importations into the United States came in under that paragraph free of duty, and in checking the matter up the Government found that they came in and were sold direct to the students, or were sold direct to somebody who was interested in that particular class of instruments.

I do think that the amendment of the Senator from Wisconsin is a great improvement over the provision of the act of 1913. Of course, the original amendment, as the Senator had it printed, never would have done at all, because the same thing would have happened under that that happened under the act of 1913, and perhaps would have gone further.

I think this could be construed to mean just exactly what the Senator and perhaps every Senator in the Chamber would agree to; that is, that scientific instruments, apparatus, and devices of a kind not offered for sale in the United States by domestic producers and imported for research purposes by any college or university might be sold subject to the rules and regulations the Secretary of the Treasury might prescribe.

Perhaps the Secretary could provide rules and regulations which would obviate the very things which did occur under the act of 1913. I am quite sure that the Senator would not want that to happen again under any amendment.

What I say to the Senator is that if this can not be evaded, I am in full sympathy with the amendment. I am perfectly willing that it shall go to conference, and then I shall ask the Treasury Department to examine it carefully, and if the department feels that this wording is sufficient to guard against what happened under the 1913 act, I shall insist that it be agreed to in conference. But if there is any doubt about its administration I think the Senator would not object if I yielded on the item.

Mr. LA FOLLETTE. Mr. President, of course, I believe that the Senator will do his best to see that the amendment and the intent of the amendment are carried out in the conference report.

Inasmuch as the Senator has referred to the 1913 act, I would like to point out that this amendment is much more limited than the 1913 provision. This is limited to colleges and universities, in the first place, whereas the provision mentioned by the Senator includes all sorts of societies and organizations. The Treasury will be dealing with very responsible individuals when they are dealing with the heads of colleges and universities in this country.

I have sufficient confidence in the personnel of those educational institutions to believe they would faithfully live up to the regulations which were prescribed by the Secretary of the Treasury for the carrying out of this provision.

In the second place, it seems to me, it would not be at all difficult for the Treasury Department to promulgate rules and regulations which, if honestly lived up to, would prevent any violation of the intent of the provision.

Mr. SMOOT. That is why I say to the Senator that I think perhaps the Secretary of the Treasury, being authorized to make rules and regulations, could overcome just what happened under the 1913 act.

Mr. COPELAND. Mr. President, I am sure the Senator from Wisconsin will not take it amiss if I suggest a little change in the language. In his amendment it is provided:

Scientific instruments, apparatus, and devices of a kind not offered for sale in the United States.

We have two microscopes, one the Bausch-Lomb, made in the United States, and one, the Zeiss, made in Germany. This might be interpreted, where it says "of a kind not offered for sale," to mean that they might not offer the Zeiss, a particular "kind," for sale, but that is not what the Senator has in mind.

Mr. LA FOLLETTE. Mr. President, the Senator must assume that the law will have a reasonable interpretation and a reasonable enforcement, and the provision gives to the Secretary of the Treasury full authority for the promulgation of rules and regulations under which importations are to be made under this provision. Therefore the Senator certainly must assume that the Treasury Department will promulgate rules and regulations which are reasonable in character, and if those rules and regulations are reasonable in character, such an evasion of the intent of the provision as the Senator suggests could not take place.

Mr. COPELAND. Mr. President, would the Senator consider this language?—

A scientific instrument or piece of apparatus intended for a specific scientific use, and not offered for sale?

That would cover what he has in mind.

Mr. LA FOLLETTE. Mr. President, it would seem to me that it would be much better for the amendment to express the general intent of the Congress, and then permit the Secretary of the Treasury to issue rules and regulations which would carry out that intent. If the Senate attempts now to write haphazard phraseology on the floor of the Senate, we will simply get into a mystic maze which even the conference committee will not be able to unravel.

Mr. COPELAND. That will not be the only thing the conference committee will have to unravel.

Mr. LA FOLLETTE. If the Senator will permit me, this amendment was drawn in collaboration with the legislative counsel, and I believe that if the Senator will permit it to go to conference, in view of the statement made by the Senator from Utah, we certainly can feel amply protected that this amendment will not be contained in the conference report unless first of all the Treasury Department approves the phraseology, and, in the second place, informs the Senator from Utah that it believes the amendment is workable in character.

I think that with that statement standing on the Record at the time the amendment is under consideration, the Senator from New York may feel assured that the violations of the intent of this paragraph which he now fears will not take place.

Mr. COPELAND. Mr. President, my purpose in speaking at all was to bring out the discussion which we have had, to make clear exactly what the Senator has in his mind. I could not have supported the amendment as it was first presented, before the Senator modified it this evening. But with the explanation which has been made, and with the understanding we have that, if a specific instrument used for a particular purpose can be found in the United States, one shall not be looked for in some remote part of the world, I have no objection. That, he assures me, is exactly what the Senator has in mind. That being the case, I am perfectly willing to have the amendment adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The VICE PRESIDENT. The schedule is still in Committee of the Whole and open to amendment. There being no further amendment—

Mr. LA FOLLETTE. Mr. President, I suggest that before the bill is reported to the Senate we should have a quorum present.

The VICE PRESIDENT. The administrative features of the bill are still open to amendment in Committee of the Whole. If there be no further amendment to be offered to Schedule 17, the administrative features are now in Committee of the Whole and open to amendment.

Mr. FLETCHER. Mr. President, the amendment I suggested a moment ago is in order.

The VICE PRESIDENT. The Senator from Florida offers the amendment which the Secretary will report.

The LEGISLATIVE CLERK. On page 482 strike out lines 24, 25, and 26 in the following language:

(4) Section 2804 of the Revised Statutes, as amended (relating to limitations on importation packages of cigars).

Mr. FLETCHER. That has reference to the provision in the bill as passed by the House which repeals—

Mr. SMOOT. Mr. President, we have already had up the administrative features and amendments thereto.

Mr. FLETCHER. This is under a separate section. It refers to repeals.

Mr. SMOOT. Yes; I know what it refers to.

Mr. FLETCHER. It is not a committee amendment. It is a provision in the House text which I am seeking to strike out.

Mr. SMOOT. I see it is not an amendment which has been acted upon by the Senate. It is an amendment to subsection (4) of paragraph 647 as passed by the House and also as reported to the Senate.

The VICE PRESIDENT. The amendment is in order. The Senator from Florida is recognized.

Mr. FLETCHER. Mr. President, section 2804 of the Revised Statutes has been in effect since July 28, 1866. Nearly 70 years ago that statute was written upon the statute books of the United States and it has been in force and effect ever since. Now it is proposed to repeal it. The House provision in the bill would repeal that section of the Revised Statutes which was enacted in July 1866. The effect of the repeal would be to do away with the requirement of the law which has been in effect all these years and about which we have heard no complaint until recently. The mail-order houses have taken it up and they wish to abolish it. It provides that manufactured cigars may not be imported into the United States in boxes containing more than 500 and in packages containing less than 3,000.

If the provision is repealed it will enable the importation of cigars from foreign countries in any sort of packages or any sort of boxes. A box of 25 cigars or 50 or 100 cigars could come in separately and distinctly. That, of course, means a direct drive on the box trade of the cigar manufacturers of the United States.

There is one cigar factory in Tampa making clear Havana cigars. There are various other factories in New York, Pennsylvania, Massachusetts, and other parts of the country, certainly in Key West and perhaps in Miami, Jacksonville, and Tampa, all manufacturing clear Havana cigars. Havana tobacco is imported into the United States from that choice belt where the finest tobacco in the world is grown, and nowhere else in that region in Cuba not far from Habana.

That identical tobacco is imported into the United States and purchased here by the cigar factories and manufactured into clear Havana cigars. The Government has gone so far as to provide Government inspectors, who inspect the tobacco when it comes in and follow it all the way through to the manufactured product, so that they are prepared to certify that the cigars contained in these boxes are made from clear Havana tobacco imported into the United States. There is no chance therefore for any fraud or any imposition, even if there was any disposition on the part of the manufacturers to impose upon the purchaser alleged Havana cigars that are not in reality Havana cigars. They are made here in bond.

The tobacco comes in bond. It is followed by the Government inspectors into the manufactured product, and then it is certified as having been made as represented of clear Havana tobacco. So we have in this country manufacturers of cigars who make as fine cigars as can be made in the world, out of as fine tobacco as can be produced in the world, and sold, of course, largely to the box trade; that is, they are ordinarily sold in boxes.

If the provision under discussion remains in the bill, people who have been accustomed to buying their Havana cigars manufactured in the United States, especially those who have a sort of hallucination that they can only get the choicest things to be had from some foreign country, will buy by the box of 25, 50, or 100 in the competing market of Habana. There is a large number of Americans manufacturing Havana cigars in Habana. They would like to have this section repealed, because they could then ship their cigars here in packages of less than 3,000, but it would seriously interfere, in my judgment—and I am saying this not so much at the instance of Tampa manufacturers as on my own responsibility—with the box trade of the cigar manufacturers in the United States. People would order their cigars by the box from Habana, whereas now they can only get them by taking packages of 3,000 cigars. That would take away from the American manufacturer the box trade to a large extent. In Key West and Tampa, especially, there are manufacturers in Florida of the clear Havana goods manufactured in bond and certified by Government inspectors, handmade by the most skillful labor under the choicest conditions of manufacture.

They are engaged in the industry and if we keep this provision in the bill we are going to take that trade away from the American manufacturers and pass it on to Habana. I think that is not right. We think we have had this statute on the books all these years and it has been giving satisfaction, and now,

very largely because Americans have gone to Habana and opened up factories of their own down there with local labor instead of employing American labor, and are manufacturing cigars there, they would like to have their cigars come in here and take this market.

There may be other reasons for it. The parcels-post business, the mail-order houses and people of that kind may want to have this done. But I am looking at it from the standpoint of our manufacturers. There is one cigar-manufacturing plant in Tampa that pays to the Government of the United States over \$460,000 in customs duties, in stamp taxes, income tax, and so forth. They pay to the Government out of their pockets \$460,000 every year. Is it worth while to have some regard for that industry? One factory does that, and there are other factories engaged in the industry in Tampa as well. Another factory pays over \$300,000, and another one over \$200,000 into the Treasury of the United States every year. Is it worth while to have some regard for their interests or shall we take care of the manufacturer in Habana of Cuba and say that we are going to change this law which has been in effect for over 60 years, and that we are going to allow them to ship into the United States their manufactured products, contrary to all policies which have prevailed in the past, at their own will and in any size package they may see fit to put up?

That is the whole story. I am not going to take the time to elaborate on it. I say it will take away from the American manufacturers of clear Havana goods the box trade to a very large extent and pass that trade on to Habana. I do not think it is fair; I do not think it is just; I do not believe it is considerate treatment of Americans who have invested their money and property in these plants and are paying American wages and are paying to the United States Government these large amounts of revenue every year, through the customhouse and through the special stamp tax and otherwise. I think the Senate, in view of these circumstances and out of a desire to treat fairly American institutions and American manufacturers, ought to agree with me that the provision of the bill ought to be stricken out and the statute left as it has been for all these years.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida.

Mr. SMOOT. Mr. President, the House bill repeals section 2804 of the Revised Statutes, which provides that cigars may not be imported in packages containing less than 3,000. Incidentally, through a ruling of the Treasury Department, the section has been construed to apply to cigarettes. The Senate committee concur in the repeal of the section. Because of the peculiar economic conditions the provision operates as a discrimination against the Republic of Cuba almost exclusively, although it is general in its application. This restriction has for years been the obstacle to the conclusion of a permanent parcel-post convention with Cuba. The Cuban Government, pursuant to the option contained therein, has abrogated the temporary parcel-post agreement negotiated November 2, 1925, and the postal as well as the customs revenues have been seriously affected by this action. The exchange of parcel post between the United States and Cuba should be restored, and it is believed that removal of this limitation will hasten that action.

This is based on a statement that was prepared by the Treasury Department and presented to the Finance Committee, and upon this statement, I will say to the Senate, was based on the action of the Finance Committee in refusing disagreement to the section as adopted by the House.

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

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

Mr. SMOOT. Certainly.

Mr. WATSON. Does the Senator think this practice is really inimical to the cigar interests of Florida? Is it injurious or is it not?

Mr. SMOOT. The existing law contains the provision that cigars may not be imported in packages containing less than 3,000. Three thousand cigars weigh more than the allotted weight which may be carried by airplane. The Cuban Government has taken the matter up with the Government of the United States, but of course our Government can not do anything until the law is changed.

Mr. WATSON. Certainly not.

Mr. SMOOT. It is only a question of policy. As to what the Senator said in relation to competition, if we agree to the provision reported by the committee, I am quite sure that there will be no more cigars imported into the United States than are imported at present. Based upon the request of the Post Office Department and upon the statement that came to the committee, if this section of the Revised Statute shall be repealed, then we will have a parcels-post convention agreed to

by Cuba and the United States. I do not know that I can say anything more about it.

Mr. FESS. Mr. President, I want to ask the Senator whether the provision in the bill is not in accord with the recommendation of the Postmaster General? He spoke to me about some provision having destroyed the parcels-post business with Cuba.

Mr. SMOOT. This is the matter he had in mind, I suppose, because that has been the position taken by the Postmaster General. I think it is a question for the Senate to decide whether it wants to repeal section 2804 of the Revised Statutes or not. I merely make the statement to the Senate as to what the effect will be because of the fact that the department called it to the attention of the Finance Committee and virtually made a statement similar to the one I have made.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Florida.

The amendment was agreed to.

Mr. McKELLAR. I offer an amendment, which I ask the clerk to read, and I call the attention of the Senator from Utah to it.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert, as a separate section, the following:

The Secretary of Commerce is hereby directed to cause to be collected for the several customs districts statistics showing the movement of commerce through the ports in such districts in such manner as will indicate whether industries enjoying high protection under the tariff laws of the United States are utilizing American vessels to the greatest possible extent or are preferring foreign vessels, and to submit a report thereon annually to Congress.

Mr. McKELLAR. Mr. President, I understood the Senator would have no objection to that amendment.

Mr. SMOOT. I wish the Senator would allow it to go over until to-morrow. I thought I had a report upon it, but I have not received it.

Mr. McKELLAR. Very well, that will be satisfactory to me, but I hope the Senator will accept the amendment.

Mr. SMOOT. The Senator can offer it when the bill reaches the Senate.

Mr. GEORGE. Mr. President, some time ago I proposed an amendment and had it printed, which I now wish to modify. On page 309, after the period in line 9, the amendment proposes the addition of the following sentence:

In designating the chairman, commissioners of different political parties shall be designated alternately.

I wish to modify the amendment by inserting, after the word "chairman," the words "and the vice chairman," so that the amendment will read:

In designating the chairman and the vice chairman, commissioners of different political parties shall be designated alternately.

The Senator will recall, as of course by reference it may be seen, that under section 330, subsection (c)—

The President shall annually designate one of the commissioners as chairman and one as vice chairman of the commission.

I wish by the amendment which I have proposed to require that the chairman and vice chairman of the commission shall be designated alternately between the political parties.

Mr. SMOOT. Does not the wording in subsection (c) provide for what the Senator desires? It reads:

The President shall annually designate one of the commissioners as chairman and one as vice chairman of the commission.

Mr. GEORGE. Yes.

Mr. SMOOT. What change does the Senator want to make in that provision?

Mr. GEORGE. I am proposing that the President be required to alternate between the two political parties. Section 330 as the Finance Committee has reported it and, indeed, under the present law, not more than three of the commissioners shall be members of the same political party, and in making the appointment the members of different political parties shall be appointed alternately as nearly as may be practicable.

I am proposing that in designating the chairman and vice chairman of the commission the appointments shall be made alternately between the members of the two political parties represented on the commission.

Mr. SMOOT. Mr. President, I have no objection to the amendment being agreed to at this time.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. COPELAND. I offer the amendment which I send forward to the desk.

The PRESIDING OFFICER. The Senator from New York offers the amendment, which will be stated.

The LEGISLATIVE CLERK. In paragraph 461, on page 364, after line 7, it is proposed to insert the following as a new section:

(b) If articles named under Title II of this act, loaded in railroad freight cars and imported from a contiguous foreign country, are subjected to inspection as provided in this section, all expense incident to the movement of the car to and from the place of inspection, unloading and reloading of the car, or expense otherwise made necessary by the inspection, shall be paid from funds appropriated for the administration of this act: *Provided*, That the inspection disclosed no evidence of an intention to evade the customs laws of the United States, or of a purpose to introduce articles the admission of which is punishable by law.

Mr. SMOOT. If I caught correctly from the reading the meaning of that amendment, it would provide that the Government of the United States shall pay the cost of the inspection, but nearly all the cases of the character referred to by the Senator's amendment are cases where the parties are undertaking to smuggle goods into the United States, and in those cases they ought to pay and the Government ought to make them pay the expense of the inspection.

Mr. COPELAND. Mr. President, the amendment provides for that. I wish to call attention to the fact that my amendment was introduced at the request of the New England Traffic League, of Boston, the Detroit Board of Commerce, the Shippers' Conference of Greater New York, the Merchants Association of New York, and a great number of chambers of commerce.

This is what is happening: Until 1928, whenever a carload of pulpwood or other cargo from Canada was stopped, the car put on a siding, and held for an inspection, unless something contraband was found the Government paid the expense. By a ruling of the customs officials in 1928 it was determined that the shippers should pay the cost.

This is what happens under the present ruling: A trainload of pulpwood comes down from Canada, crosses over at Buffalo or somewhere else. If the customs officials are suspicious that there may be liquor aboard, they take out of the train three or four cars, perhaps a half a dozen cars, and hold them upon the siding. They then open the cars, overhaul the contents, and then charge the cost against the shipper. It costs the shipper about \$27.

It can be seen that if there are four or five carloads held up, at \$27 each, all the profits of the business are gone. There can be no doubt in the world of the right of the Government to make the search; nobody questions that. There is no doubt of the power of the Government to make the charge against the shipper. But it certainly is an unfair thing for men engaged in legitimate business to be held up in this way, inconvenienced, and then charged for the entire cost of the inspection.

At the suggestion of the Senator from Georgia [Mr. GEORGE] and the Senator from Montana [Mr. WALSH], I added a proviso at the end of the amendment, that in the event any contraband or something which ought not to be brought into the country should be found in the car, then the charge should be made against the shipper. He would be liable, too, to the legal penalty that would follow.

As I have said, the New England Traffic League, the Detroit Chamber of Commerce, and other commercial bodies have asked for this amendment. I am sure the Senator from Utah will be glad to accept the suggestion.

Mr. SMOOT. No; Mr. President, I do not think I can do so. The right which the Government has is not now abused in any way, shape, or form. An inspection is never made unless there is strong suspicion of fraud, and when we take into consideration the countless entries of merchandise coming into the United States the investigations or inspections to which the Senator from New York has referred are so infinitesimal that they are hardly worthy of consideration; but when entries come in under circumstances which would lead the department to believe that there is fraud, then an inspection is made, but not until then.

Mr. COPELAND. The Senator knows I am not seeking to have the shipper under circumstances where evidence of fraud is discovered relieved of the expense. But suppose there is merely a suspicion that liquor is hidden in the car, or some other contraband—diamonds or something else—and on examination it is found that the customs officials were wrong about it, why should not the Government pay the expense the same now as it always did up to April, 1928?

Mr. SMOOT. In other cases when the officials of the Government make an investigation on suspicion and find that there is no necessity of arrest, although the party himself is incon-

venienced or otherwise put to expense the Government does not pay it.

Mr. COPELAND. I am going to give the figures exactly to show what it costs the shipper. The charge imposed by the Customs Service is \$4.50 a car for each movement. Taking a car out of a train, putting it on the siding, and moving it from the siding back to the train costs \$4.50 for each movement, or \$9 per car for the total movement to and from the place of inspection. To this is added \$1 per ton for loading and reloading the contents of the car. This aggregates \$27 for a car. This is charged against an innocent shipper on the mere suspicion that there is contraband in the car. That is not right.

Mr. SMOOT. The Government has very seldom been wrong; in nearly all the cases where there has been an inspection ordered the result has shown that the Government was right.

Mr. COUZENS. Mr. President—

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

Mr. SMOOT. I yield.

Mr. COUZENS. If that is true, it can not cost the Government much money, can it?

Mr. SMOOT. No, it will not cost the Government much money, I will admit that; it is the principle of the thing. I do not think that we ought to give notice here to the Treasury Department that there is a sentiment in Congress that they have gone too far and are making too many investigations, and they had better let up on them. If such an intimation is given out, great quantities of merchandise may come in in connection with the importation of which there is really fraud. I do not think that the Government ought to let up on such investigations as they have been making. As I understand, and as has been reported to me, there have been very few cases in the history of the department where the department was suspicious of fraud when fraud was not proven.

Mr. COPELAND. Mr. President, this Government is not going to lose a penny. It is not fair to legitimate merchants and manufacturers to have their cars taken off on a siding, unloaded and reloaded, and put back on the train at an expense of \$27, just on the suspicion that there might be liquor or contraband of some sort in the cars.

If there is found liquor, if the inspector is right and his suspicion is well founded, all right, then the charge is laid against the shipper. He pays, too, the penalty for his violation of the law. Certainly the innocent shipper ought not to be imposed upon and caused to pay these extraordinary sums merely because of a suspicion in the mind of the collector.

Mr. SMOOT. There are very few innocent shippers that have ever been inconvenienced under this law. I think that in not more than one in a hundred instances where an inspection is ordered is the shipper proven to be innocent.

Mr. COPELAND. Does the Senator believe that the New England Traffic League, representing the leading shippers of New England, the Shippers Conference of Greater New York, and the Detroit Board of Commerce, as well as other bodies in my city and State, are made up of a lot of crooks who are trying to bring in liquor? They are not; they are engaged in the legitimate transaction of business. It is not right for our Government to impose upon them this unnecessary expense.

Mr. SMOOT. Nobody who is engaged in legitimate business need have any fear of the Government making a charge or conducting an investigation. If the Senate wants to agree to the amendment, well and good; let us vote on it.

Mr. COPELAND. Certainly these men are in no fear of the Government, so far as going to jail is concerned, but they are suffering from the unjust imposition of \$27 a car and are paying thousands of dollars into the Treasury of the United States in consequence.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

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

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 432 it is proposed to strike out lines 1 to 10, inclusive, and in lieu thereof to insert:

Sec. 552. Importation and immediate transportation: Any merchandise, other than explosives and merchandise the importation of which is prohibited, arriving at a port of entry in the United States, may, under such rules and regulations as the Secretary of the Treasury may prescribe, be transported in bond, by a bonded carrier, without entry or appraisal, to any other port of entry, there to be entered in accordance with the provisions of this act. No entry paper, manifest, or other similar document shall be required to be filed by the importer or consignee in connection with such transportation.

Mr. HAWES. Mr. President, I do not desire to take the time of the Senate in discussing this amendment unless there is some objection to it.

Mr. SMOOT. I can not accept the amendment, Mr. President.

Mr. HAWES. Very well.

The amendment I have proposed relates to the transportation of imported goods from the seaboard port to the interior port where the importer makes the necessary entries to release the goods from the Customs Service.

Under the law as it now stands the importer is compelled to file at the port of arrival what is known as an immediate transportation entry. This entry is authorized under section 552 of the tariff act, which authorizes the Secretary of the Treasury to prescribe regulations for the movement of goods without appraisal to the interior ports.

The regulation promulgated under this provision reads as follows:

Any merchandise other than explosives and prohibited articles imported at any port of entry for immediate transportation without appraisal to any other port of entry designated by the consignee or his agent, to be transported by such bonded carrier as may be designated by either. The entry for immediate transportation without appraisal should be made in accordance with the present practice.

The act upon which this regulation is based was passed in 1880, when there were practically no importations to the interior ports of the country. Since that time, however, shipments to the interior ports have increased manifold, but the law has not been changed to meet the changed conditions, with the result that the same practice is in use to-day, so far as I have been able to learn, as was adopted at that time.

The result is that it works a hardship and injustice upon the importers located in the interior, and makes a discrimination against them in the matter of the payment of brokers' fees and other charges.

Under the law and the regulations as they now exist, an importer having goods sent to him at St. Louis, for example, is compelled to file with the customs authorities in New York, or other seaboard port, what is called an immediate transportation entry and manifest, which is nothing more than a brief description of the goods and a designation of the final port of destination and the carrier over which it shall be forwarded.

Prior to the war, a uniform charge of something like \$1.40 was made for this service by the customs broker at the port of arrival. Since that time, however, the charge has been gradually increasing, and the brokers are now making additional charges, and padding legitimate charges, until the cost of the filing of this paper sometimes exceeds the value of the article imported.

It will be recalled that a year or two ago the Senate authorized an investigation to determine the reasons for the diversion of commerce destined for the United States through Canadian ports. So far as I have been able to ascertain, the matter under discussion was not given consideration, because the resolution specifically referred to railroad rates, grain-inspection regulations, and preferential customs regulations.

However, the report of that investigation shows that in 1928 \$142,569,000 worth of imports to this country came through Canadian ports. This increase has been more or less gradual since 1921, according to that report.

I have communications from a number of business houses in St. Louis, and from brokers there, which explain a part of this diversion; and I have no doubt that these represent the experience of others who do business in the interior part of the country. When we consider that we have 250 cities which are designated as interior ports of entry you will appreciate the enormous amount of goods diverted.

I quote first from a letter of Ely & Walker Dry Goods Co., of St. Louis, who do a large import business. The president of that concern says:

The evil of clearing charges at outer ports is one which has been saddled upon the interior importer long enough. \* \* \* You may not be aware of the fact that over one-half of the European import freight destined for interior points comes through Canada because of the efficient and inexpensive clearing arrangements at the ports of Montreal, Quebec, and St. Johns.

The same citizen again writes:

ELY & WALKER DRY GOODS CO.,  
St. Louis, Mo., November 2, 1929.

Hon. HARRY B. HAWES,

United States Senate, Washington, D. C.

DEAR SENATOR HAWES: From a memorandum given me by our foreign department, I quote below facts which you requested in yours of October 30:

The Canadian ports of Montreal, Quebec, and St. Johns provide unloading from shipside to railroad cars. The loading cost is absorbed by the railroad company, and the only charge to the interior importer is a nominal \$1.50 for immediate transportation entry per shipment. In other words, the clearing charge on a shipment of 50 cases to any of these ports would be only \$1.50.

Compare this with clearing through New York City, where a broker must be retained to go to the steamship dock, locate your 50 cases, arrange immediate transportation entry, arrange to transport by truck or lighter to railroad cars, and tend to the inland bill of lading issuance. For this service his bill will average about \$1.25 per case, making a total charge on a 50-case lot of about \$62.50—some are more reasonable than others.

Under the Canadian plan, shipment moves by rail within two days of steamer's dock. Under the New York City plan, it sometimes takes 10 days, and the average would be about 5.

These advantages of the Canadian ports have not assisted our American steamship lines to get import business, for if sailing time, sailing frequency, and rates are the same, the importer is obliged to consider the saving in handling charges and in time through the Canadian ports. The exception to this comparison probably would be the port of Baltimore, where the railroads have an unloading arrangement very similar to Canadian ports. However, Baltimore is not at present favored with frequent fast incoming sailings to compare with the Canadian ports.

We trust that the above will be of assistance to you, and with our best wishes,

Yours very sincerely,

C. M. LAWSON, President.

On November 29, 1929, the chairman of the foreign trade bureau of the St. Louis Chamber of Commerce wrote me, as follows:

As you doubtless are aware, an increased number of shipments destined for inland ports of the United States are coming through the port of Montreal and over the Canadian railways, inasmuch as the Canadian Government has attacked this problem and has now arrangements whereby goods destined for inland ports can move with expedition through the seaboard point in bond to the inland port not only quickly but without the numerous charges and delays which characterize similar shipments coming to New York but destined for inland ports.

Wilfred Schade & Co., who are customs brokers, give the following information:

At the present time, upon issuing shipping directions, we are using the Canadian routes on 90 per cent of shipping entrusted to us, 10 per cent we are using the New Orleans route, this to take advantage of the barge line and on glass shipments to take advantage of a special rail rate on this commodity that only applies in southern classification territory all shipments via New Orleans in which time is not an element.

At present we are handling the largest single account on imports through this port, this account paying about one-fourth of the total duties paid. This one account paid for carriage from Montreal-St. Louis during the year \$15,000. Of this the United States rails were paid one-third. For the ocean carriage to Montreal \$9,000 was paid, all of which went to a foreign-owned steamship line.

If this account had been handled via New York on upward of 3,000 cases there would have been paid for cartage in New York not less than \$5,000; another \$5,000 would have been paid for various charges such as messenger, forwarding, I. T. fees, all this being saved the importer by handling via Canada, and also there was no delay to any shipment in getting the merchandise away from the port of disembarkation.

In addition to the above account, we paid for various other accounts an additional \$10,000 for rail and ocean also via Canadian ports.

Another letter from the foreign trade bureau of the St. Louis Chamber of Commerce gives the following interesting information:

A survey made among 25 of our larger importers developed the fact that some of them are bringing in over 80 per cent of their imports through Montreal, others 25 and 50 per cent, and some others state that they use New York only because it is necessary in the handling of their particular products.

Under the present arrangement, when a shipment arrives from any foreign country in the port of New York or other North Atlantic ports it is necessary to employ a customs broker or other agent to make the I. T. (immediate transportation) entry, arrange for the transfer of the merchandise from shipside to the railroad, etc. The charges made by these agents vary from a few dollars on upward, there being no standard fee set for this service.

These examples explain to a large extent the diversion of freight bound for the United States through Canadian ports.

In addition, the interior importers are subjected to many unjust charges for the small service of filling out a little blank.

I have in my possession photostat copies of bills for this service which are very illuminating.

For instance, I have bills from a certain New York broker for forwarding from New York to St. Louis three packages of furs, which arrived on the same ship, were handled by the same broker, and presumably by the same truckman, although consigned to different persons in St. Louis.

The bills show a charge of \$5 in each instance for the filing of the immediate transportation entry; \$1 for bonds in two of the cases, and \$2 in the other; \$1.20 for storage on two of the packages, and \$2.50 on the other. In each instance there was a charge of \$1.35 for cartage, although these three little packages were hauled to the same railroad by the same truckman, at the same time.

In other words, upon the three packages, valued at \$78.20, \$74, and \$102, the handling charges made by the broker, aside from the cartage, were \$7.20, \$7.20, and \$9.50, respectively.

I have copy of a bill for forwarding of 20 cases of chemicals by another New York broker, which shows a charge of \$3 for immediate transportation entry-fee and \$5 for customs entry fee; \$11.02 for cartage, \$2 for customs blanks and notary fee, recalls for permits; \$2 for warehouse bond, and \$26 for bill of lading bond.

If these packages could move in bond to the customs house in St. Louis without the interference of the broker at the port of arrival, all these unnecessary charges could be avoided.

Again, I have the original bills for like services performed by another New York broker for the forwarding of a shipment of books of a schoolgirl who was returning from abroad.

I shall not insert in the record the bills; but I wish to read a letter from Wilfred Schade & Co., of St. Louis, which describes the procedure in that case and compares it with what happens to a shipment when it comes through Canada:

WILFRED SCHADE & Co.,  
St. Louis, Mo., January 7, 1929.

MY DEAR SENATOR: Procedure in force at the present time in moving shipments routed in bond to an interior port.

In order that the matter of handling import shipments may be clearly understood by you, I am inclosing herewith two sample shipments, one routed via New York and one routed through Canada.

Shipment via New York of one case books steamship *Ile de France* \* \* \* this shipment belonged to Miss Martha Pettus, a young girl who had been in school in France for about a year. In sending these books to St. Louis, Miss Pettus directed the forwarding agent in Paris to ship them to Mr. Edward K. Love, care of our office in St. Louis. I am giving you these details so that you will understand why shipment is consigned to another than the owner. Miss Pettus advised the Paris forwarding agent to send the case direct to St. Louis, this under the present regulations of the immediate transportation act could not be done in shipping via an American seaport, hence the shipment was relayed by the Paris agent to a customs broker in New York. On arrival at New York of this shipment, the New York agent had to prepare the immediate transportation entry and a bonded manifest, the entry and manifest simply gives the steamer and the marks to identify the shipment. There is no figuring done whatsoever as to duties, if any. As the papers must carry some value, it is customary to place a value under \$100 on the immediate transportation entry. After the immediate transportation entry and the bonded manifest are made up, the broker in New York lodges these papers with the collector of customs there. As the bonded manifest shows the routing from New York to destination, it is now complete to be given by the collector's office to a customs inspector. The inspector goes to the pier at which the steamer docks and hands the cartman, who is bonded to the Treasury Department, the manifest, and sees that the cartman gets the right shipment. The cartman then drags the shipment to the railroad designated on the bonded manifest and gives the shipment and the manifest to the railroad for moving the shipment to destination.

Now, bear this in mind: The customs broker makes up these two papers—the immediate transportation entry and the bonded manifest—and takes these papers over to the customhouse. For this service he makes certain charges. In the case of the shipment noted the following were made:

Making customs entry, the I. T. entry, \$3; special messenger to take these papers over to the customhouse—generally across the street, \$1; making the bonded manifest, \$1; cartage from steamer pier to railroad depot; this cartage charge is based on a contract the bonded cartman has with the Treasury Department, and I understand that it now is 12 cents to 20 cents, depending on where the steamer docks, with a minimum of 50 cents per case; the custom broker raises this to \$2. Freight carriage to New York from abroad; in but exceptional instances does the custom broker charge the same amount the steamer charges, but raises these carriage charges to an amount that he thinks will pass muster; in the particular case in question the actual charges were \$7.92, this amount being raised to \$11.92 or overage of \$4, giving us a total charge for the shipment via an American seaport of \$11; against this the broker has to pay the cart-

man, say, 50 cents, so that the actual cost on this shipment valued at \$50 was \$10.50.

Shipment from abroad via a Canadian port:

The method in effect of moving a shipment from abroad via a Canadian port to an interior port in the United States is as follows: The Canadian Pacific or the Canadian National Railroad makes up an inward foreign manifest giving the details as to marks, etc., to identify shipment showing routing to destination, then takes this inward foreign manifest to the United States consul, say, at Montreal; the consul gives the manifest a number and certifies to the same; for this certifying the consul charges \$1.50 per manifest; this charge is carried forward against the shipment and is paid at destination. (My papers do not give you the actual freight bill to cover the shipment I have used as an example, but it does give you the one covering a shipment routed the same way and coming on the same steamer but at a later date.)

I think that these two samples on shipments to St. Louis will give you an idea as to why so many importers are using the Canadian route.

While on the subject may I emphasize: Take the shipment I used as an example: The carriage charge from abroad to Montreal was \$250; the freight charges Montreal to St. Louis were \$377.27; out of the latter amount the Wabash Railroad, an American railroad, received one-third, or \$125.45, leaving over \$500 to Canadian interests.

Yours, etc.

W. SCHADE.

The purpose of this amendment is to eliminate the discrimination which now exists against importers who desire to make their customs entries through the inland ports. It will eliminate the employment of a broker at the point of arrival and another at the port of entry.

Its effect will be the elimination of delays at outer ports, permitting the goods to go forward to destination automatically.

This will relieve the congestion at the seaboard ports; it will avoid the sending of goods to the general order warehouse; it will eliminate the unnecessary expense to importers because of the necessity of employing two brokers; and interior ports will gain in collection of import duties.

It will cause to be diverted back to United States ports millions of dollars in shipments now moving by way of Canadian ports on Canadian vessels and on Canadian rails.

I ask to have printed in the RECORD, without reading, several others letters relating to this subject.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WILFRED SCHADE & Co.,  
St. Louis, Mo., January 13, 1930.

MY DEAR SENATOR: Immediate transportation act of 1880.

Illustration in regard to lack of documents at outer seaport of the United States.

Within the last few days a shipment consisting of 116 bags wood shavings used in the manufacture of vinegar, imported by the F. A. Kaufmann Manufacturing Co., of St. Louis, from Germany, exported via Rotterdam, Holland. This shipment came forward under bankers' draft, being consigned to "Order," notify F. A. Kaufmann Manufacturing Co., St. Louis, on a through bill of lading from Rotterdam, via New Orleans to St. Louis.

As the through bill of lading was attached to a draft, to protect the foreign shippers, made against the importer, F. A. Kaufmann Manufacturing Co., St. Louis, the papers had to be sent direct to a bank in St. Louis so that the draft could be paid, this before any papers attached to said draft were released by the bank in St. Louis. In due time the draft arrived with the papers, and on presentation to the importers here was promptly paid. However, in the meantime the vessel carrying the shipment arrived in New Orleans, and according to the immediate transportation act regulations applying to seaports in the United States, the papers attached to the draft had to be sent down to the seaport before the shipment could be moved for transit to destination shown on the through bill of lading.

On the 10th of this month we received advices from the Mississippi Warrior Service, St. Louis, that the shipment had arrived in New Orleans, and as they were a party to the through lading, the shipment could not be entered for transportation to destination, shown on the lading, until the bill of lading covering the shipment was presented to customs at New Orleans. See copy of wire received by the St. Louis office of the Mississippi Warrior Service, attached hereto. Immediately on receipt of this advice, and in order to prevent this shipment of 116 bags from being placed in a warehouse at New Orleans, we transmitted the bill of lading to the general agent of the Mississippi Warrior Service at New Orleans. See our letter copy herewith.

Now to sum up: The Treasury Department has an arrangement in force via the Canadian seaports that any shipment destined for an interior port in the United States, that no papers need be filed with an entry that will allow a shipment to move from, say, Montreal, Quebec, Halifax, the St. Johns, to an interior port in the United States, simply

a description of the shipment on an inward transportation entry, duly certified to by the United States consul located at any of these Canadian ports.

From this you will see that while a shipment though consigned to order may be handled via a Canadian port without papers, the same procedure does not apply to our own seaports, thereby giving to shipments via a Canadian port an advantage that is not enjoyed by our own ports.

For this reason the banks are so interested in getting the immediate transportation act so amended that the handling of the papers at banks in the interior ports are not put to a disadvantage.

Now, in this particular shipment noted in this letter, had not prompt attention been paid to the matter of getting certain papers down to the port of New Orleans, this shipment would have been placed in a general order warehouse—bonded—at New Orleans and the cost of putting the shipment into this warehouse and the storage for one month and the cost of taking the same shipment out of the warehouse would have been assessed against the shipment.

I am very glad to be able to send you this data as it is a very vital element, showing that something should be done to at least place the seaports on our own borders on a parity with Canadian ports.

With kind regards, beg to remain,

Yours very truly,

HON. H. B. HAWES,  
Washington, D. C.

W. SCHADE.

ST. LOUIS CHAMBER OF COMMERCE,  
St. Louis, Mo., December 20, 1929.

HON. HARRY B. HAWES,  
Senator from Missouri, Washington, D. C.

DEAR SENATOR HAWES: With further reference to the difficulties encountered by St. Louis importers in bringing merchandise through American Atlantic ports, we are pleased to attach hereto a resolution passed by the board of directors of the chamber of commerce commending you on your work and offering their full cooperation.

You will be interested in the information resulting from a questionnaire sent out to 25 of the larger importers in the St. Louis district. In practically every case the replies received indicated that where Canada was given preference over American ports, it was due principally to the excessive charges in making the immediate transportation entry, the delays in handling the shipments, and the heavy charges for cartage from the wharves to railroads.

Some of our largest importers bring in only 15 to 25 per cent of their products through New York and Baltimore, and the balance of it through Montreal, where the only charge is \$1.50 to cover the entry fee. For your information, we are quoting from several of the answers to the questionnaire received.

One importer advises that they get deliveries from 6 to 10 days quicker via Montreal. The immediate transportation papers at Montreal cost \$1.50 as against a \$3 to \$5 average at any of the American ports.

Another reports bringing in only 25 per cent of the total imports through American ports. They have barred New York as an entry port entirely because of the excessive charges.

Still another reports that 40 per cent of their imports come via Montreal because of the smaller charges and better handling facilities, with less damage and claims.

Another reports they use the port of New York on all imports, but only because it is necessary to keep a warehouse stock. If this could be avoided, they would bring all merchandise in by way of Montreal.

The above will give you a fairly complete outline of the attitude of many of the St. Louis importers on the matter of routing of shipments. As we accumulate further data that we believe will be of value to you, we will take the liberty of passing it on to you.

Yours very truly,

W. F. GEPHART,  
Chairman Foreign Trade Bureau,  
St. Louis Chamber of Commerce.

RESOLUTION IN REGARD TO PLACING ST. LOUIS AND OTHER INLAND PORTS MORE NEARLY ON A PARITY WITH ATLANTIC ENTRY PORTS, PASSED BY THE BOARD OF DIRECTORS OF THE ST. LOUIS CHAMBER OF COMMERCE

Whereas the importation of commodities to St. Louis through New York and other Atlantic ports is subjected to delays and numerous charges under the present system of handling goods at these ports; and

Whereas an increasing volume of these goods, both in less than carload shipments and carload lots, is moving through Canadian ports and over Canadian railways to inland ports of the United States, because of the greater expedition and lower charge at Canadian ports; and

Whereas a splendid effort is being made in the Senate seeking to correct this situation through appropriate legislation: Therefore be it

Resolved, That the St. Louis Chamber of Commerce approves this legislation, urges its passage, and hereby offers its fullest cooperation in the continuing effort to correct this situation until St. Louis and other inland ports are placed more nearly on a parity with seaboard entry ports.

WILFRED SCHADE & Co.,  
St. Louis, Mo., December 5, 1929.

MY DEAR SENATOR: Immediate transportation act of 1880 \* \* \*. Have delayed writing you in re to the amendment to the I T act, as was informed that the chamber of commerce here was to have a meeting to discuss the matter which you have so kindly undertaken to sponsor.

Last Tuesday afternoon the meeting was held in one of the committee rooms at the chamber, there was only a small gathering with Doctor Gephart, of the First National Bank, in the chair. After discussing the matter pro and con, Doctor Gephart suggested that as he understood the matter, the trunk-line railroads would be interested and he thought that a later meeting with some of the heads of the railroads present might be advisable.

He also suggested that ammunition be supplied him so that when putting up the matter to the railroads he would be in a position to show them that considerable import shipments were now being shipped through Canadian ports to the detriment of the United States owned rails. It developed that Stix, Baer & Fuller were at present routing about 75 per cent of their import shipments via Canadian ports. Famous Barr about the same, our account showed about 90 per cent. I am inclosing a letter copy of one written to Doctor Gephart.

As I believe that anything seable is worth more than just talking about, am inclosing herewith photos of accounts of recent dating, showing in detail what the forwarders in the East are doing to import shipments destined for the interior, they may be of use to you to demonstrate what it's all about.

The other evening in talking with Mr. W. H. Danforth, president of the Ralston-Purina Co., who are importers and who understand what you are trying to do for the importers, he requested me to find out from you if you would like him to line up the Senator from Kansas, this Senator, Mr. Danforth tells me, goes abroad and he thinks would know something of the hardships that interior importers are now under; so, if you desire, let me know and I will pass the word on to Mr. Danforth to enlist his help.

I also suggested to Doctor Gephart that the chamber of commerce here to take up with other chambers of commerce at the various ports in the interior to enlist their aid in the movement.

Will keep you advised of the situation here from time to time, and I want to take this opportunity to thank you sincerely for standing back of this matter so strongly.

With kind regards, beg to remain, yours very truly,

W. SCHADE.

HON. H. B. HAWES,  
Washington.

ST. LOUIS, Mo., October 22, 1929.

HON. HARRY B. HAWES,  
United States Senate, Washington, D. C.

DEAR MR. HAWES: Please accept our thanks for your letter of October 19, and the clipping from the CONGRESSIONAL RECORD.

We surely agree with you in everything you said in regard to the brokerage fees which are to be paid at the ports of debarkation of our merchandise. It is a useless fee and puts a burden on the importers who happen to live in the inland cities.

Thanking you again, we remain cordially yours,

STIX, BAER & FULLER CO.,  
JOHN S. MEYER,  
Manager Foreign Department.

TREASURY DEPARTMENT,  
UNITED STATES CUSTOMS SERVICE,  
St. Louis, Mo., October 29, 1929.

HON. HARRY B. HAWES,  
United States Senator, Washington, D. C.

DEAR SENATOR HAWES: I am in my office to-day for the first time in 10 days, having had a touch of the "flu," otherwise your letter of October 19 would have been answered more promptly.

I appreciate immensely your bringing this matter to my attention. I have never understood why our importers in St. Louis have to pay brokers in New York and also St. Louis, and if I can assist you in any way to get an amendment which will eliminate this practice I will be very much pleased to do so. I will write to all the importers here and endeavor to get their support and am sure they will be glad to give it and to write the necessary letters to their Senators and their Congressmen.

If you have any other suggestions in the matter let me have them.

Sincerely,

SOPHIE MCCORD.

ST. LOUIS, November 19, 1929.

HON. HARRY B. HAWES,  
United States Senate, Washington, D. C.

SIR: We note you have introduced a bill in the Senate, which would do away with the paying of brokerage fees at the outer port.



We never could see why we had to pay two brokerage fees just because we happen to do business in an inland port, and sure would be interested in having this petty charge at the outer port done away with.

Wishing you success in having the above bill passed, we remain,  
Very truly yours,

RICE STIX DRY GOODS CO.,  
F. J. HEITMAN, Import Department.

ELY & WALKER DRY GOODS CO.,  
St. Louis, October 24, 1929.

Hon. HARRY B. HAWES,  
United States Senate, Washington, D. C.

DEAR SENATOR HAWES: We appreciate your thoughtfulness in forwarding to us with your letter of October 19 an extract from the CONGRESSIONAL RECORD covering a discussion of brokerage fees in connection with the proposed tariff bill.

The evil of clearing charges at outer ports is one which has been saddled upon the interior importer long enough, and you are to be commended on your efforts to simplify the handling of inbound merchandise to eliminate this expense. You may not be aware of the fact that over one-half of the European import freight destined for interior points comes through Canada because of the efficient and inexpensive clearing arrangements at the ports of Montreal, Quebec, and St. Johns.

Yours very sincerely,

C. M. LAWSON, President.

ST. LOUIS, October 22, 1929.

Hon. HARRY B. HAWES,  
Washington, D. C.

MY DEAR SENATOR HAWES: I desire to acknowledge your letter of October 19 inclosing a printed copy of the colloquy which took place in the Senate a few days ago. I congratulate you on your position in the matter.

It is almost unbelievable to me that any representative group of legislators could possibly ask the importer to pay a duty at the port of entry and an additional duty at the port where the package is received.

I sincerely hope you will be successful in your efforts to have only one port of entry.

Very sincerely yours,

I. F. BOYD.

DETROIT BOARD OF COMMERCE,  
Detroit, Mich., May 17, 1929.

Hon. HARRY B. HAWES,  
Senate Office Building, Washington, D. C.

DEAR SENATOR: We have noted with some concern that the House Ways and Means Committee in its report H. R. 2667, has failed to incorporate in its recommendations a change in section 552 of the tariff act, such as proposed in your bill S. 822. For your ready reference there is attached a copy of the statement which we prepared and filed with the Committee on Ways and Means, under date of February 22, indicating to you our interest in this phase of the administrative section of the act.

Under the circumstances we would appreciate advice from you whether it will be your purpose to follow through on this matter and endeavor to get the provision incorporated in the tariff legislation at this session.

Yours very truly,

L. G. MACOMBER, Director.

IMMEDIATE TRANSPORTATION OF IMPORTED MERCHANDISE TO INTERIOR PORTS OF ENTRY

DETROIT BOARD OF COMMERCE,  
Detroit, Mich., February 22, 1929.

To the Committee on Ways and Means of the House of Representatives:

The Board of Commerce, after study by its foreign trade committee and approval by its board of directors, urges the enactment of legislation to amend section 552 of the tariff act of 1922, governing the immediate transportation of imported merchandise from the first port of entry into the United States to destinations in the interior. House bill 5539, introduced in the House of Representatives December 5, 1927, by Representative DYER, and Senate bill S. 822 introduced December 6, in the Senate by Senator HAWES, proposes legislation in accordance with our views. To support our position, the following reasons are submitted:

The present customs requirement places at a disadvantage interior importers of the United States, requiring them to employ some one to act for them at the seaboard for the purpose of entering goods for immediate transportation to be finally cleared at a customs port at or near the location of the importer, causing expense and delay greater than that borne by the importer located at the seaboard.

That this condition on imported goods destined to a border city such as Detroit places American ports at a disadvantage in favor of Canadian

ports because goods arriving from abroad through a Canadian port and traveling thence by rail over Canadian rail lines, crossing the border at Detroit or any other point, are subject only to one entry requirement, whereas if the same goods are imported through American seaports and thence by American rail lines to Detroit for the final clearance of customs in Detroit, two entry requirements operate in connection with the handling of the shipment.

In the handling of similar transactions by the Canadian customs, no such double entry requirement is made an obligation of the owner of the goods. The authority under which goods arriving at a Canadian border point from a foreign country, destined to an interior point in Canada is a very simple provision under which the Customs Division, Department of National Revenue for Canada acts. This is embodied in an Order in Council dated March 19, 1883, paragraph 4 of which reads, as follows:

"All goods received at frontier ports, to be forwarded under bond to other ports in Canada, shall be forwarded to the points of destination under manifest."

Acting under this provision the Canadian customs officers at the border port of entry simply manifest goods destined to an interior port to the customs officer at the interior port, and the rail carrier is bonded to insure the transportation and safe delivery of the manifested goods to the customs officer at the interior point.

The Canadian procedure is not only much simpler but the United States importer is required to assume the expense of preparing the customs entry and manifest, whereas the Canadian importer is not. This expense does not result in revenue to the United States but accrues to an agency that must be employed by the owner of the goods if he is not in a position to perform the work himself.

Respectfully submitted.

L. G. MACOMBER, Director.

PORT TRIBUTE IN NEW YORK

The discrimination to which the Chamber of Commerce's Foreign Trade Bureau directed attention at its late meeting is an old one. Protests, though coming far apart, have been more than a few since before the war, but the handicap has not been mitigated.

On goods shipped via New York for export, it is possible to obtain a through bill of lading that renders unnecessary attention to any other formalities until the consignment is on shipboard. No similar convenient, money-saving plan prevails as to imports. A shipment from abroad arriving at New York must be duly entered, must have the services of customhouse brokers and perhaps an agent and must be reconsigned by rail to St. Louis, with payment of heavy fees that often make up a considerable percentage of the value of small imports.

Nothing as intricate and costly prevails at Montreal. There, an import on being landed from a vessel is forwarded as a matter of course, by rail across the border in bond, with little of red tape or fees.

The unnecessary tribute New York levies on foreign trade, especially on imports, has for years been a cause of complaint. That, as long as outgoing goods have a free course, impediments imposed on goods coming from abroad are a minor matter, may even be a benefit as tending to keep money at home, has been the view of some, but is a mistaken view. Many things will be, must be, purchased abroad and the principal effect of port tolls of various kinds levied by New York is to add to the prices, already increased by high tariffs, which the interior consumer must pay.

The task of the foreign trade bureau and Senator HAWES in laboring for a change will be much simplified by a plan just announced by Irvin T. Bush, of the great Bush Terminal Co. in New York. A sort of incorporation of forwarding agencies, the Bush Service Corporation, will make possible a through bill of lading under which a St. Louis shipment going abroad will be intrusted to responsible hands from the moment it leaves this city until it arrives at its foreign destination, whether a seaboard or interior town.

This will facilitate exports and an important part of the plan is that it is to be a 2-way service, Mr. Bush says. The transit of imports will be "equally accelerated" under a bill of lading operating from the bonded shipment's point of origin in foreign parts to St. Louis.

A movement for the use by interior shippers of ports other than New York has made progress, but with the great number of vessel lines centering in New York and the daily arrival there of steamships, transit through that city is often more convenient and speedier. If legal formalities afford excuse for New York exactions, the local foreign trade bureau and Mr. HAWES will engage in a worthy cause in seeking to abolish the tribute forever by removing all foundation for it.

Until repeal or amendment can be brought about the Bush plan apparently will enable such legal requirements as exist to be complied with conveniently and at the very minimum of cost.

Mr. HAWES. The Government does not get the benefit of these fees. The shipper is compelled to pay them. The broker is the only beneficiary; and in addition to his being the only beneficiary there is long delay—unnecessary delay. I can read the cost to the inland shipper, showing what it amounts to. I

have here exhibits in the form of waybills. We have tried to stop the practice; and now we are asking for this amendment so that the Treasury Department and the customs officials in the city of New York may have their attention attracted to this matter, and this practice may be abandoned.

I have heard no complaints from New Orleans or from Boston or from the Pacific coast. The one place from which complaints come is the city of New York. It seems to me that where the Government of the United States creates an inland port, creates the office of customs commissioner, and provides an appraiser, the goods should move freely from their point of origin to their point of destination without being controlled in their transportation by some broker in New York.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. HAWES. I yield.

Mr. NORRIS. I do not quite understand what the Senator means when he says a shipment made from Europe to St. Louis can not leave New York, where it lands, until the consignee at St. Louis pays a broker in New York a commission. In substance that is the statement of the Senator.

Mr. HAWES. That is correct, Mr. President.

Mr. NORRIS. What excuse is given? What law is there, and what is the object in paying the commission man in New York a fee?

Mr. HAWES. The excuse is that the shipment leaving a boat must be routed in some way to the city of St. Louis, so a broker is provided there to direct its passage.

Mr. NORRIS. Does the Senator mean the goods, the merchandise?

Mr. HAWES. The merchandise.

Mr. NORRIS. Who selects the broker?

Mr. HAWES. He usually selects himself, so far as I can ascertain.

Mr. NORRIS. What authority of law is there for a man to do that?

Mr. HAWES. There is no authority of law that I know of.

Mr. NORRIS. I do not yet understand just exactly why such a procedure is indulged in. What is claimed on the other side? What is the defense for the procedure?

Mr. HAWES. That is what I should like to know from the chairman of the committee.

Mr. SMITH. Mr. President—

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from South Carolina?

Mr. HAWES. I yield.

Mr. SMITH. Under the law, does not the Secretary of the Treasury designate someone to receive these goods at the port of entry and see them routed or directed to their final port of destination? Does not the law provide for that?

Mr. HAWES. No; it does not. This is merely a practice that has grown up there. Instead of the United States Government or the clerks in the customhouse forwarding this freight, it is necessary for the consignee in St. Louis to write to a brokerage firm in New York and arrange with them to make this transfer from the boat to a railroad or an express company, and they charge a fee for it, as I have already explained, and stated the amount of some of the fees.

Mr. SMITH. Let me understand. Does that mean that though the goods are routed from the point of origin to the point of destination, it is taken as though they were to arrive in New York, and there must be accounted for as to customs duties? Where are the duties collected?

Mr. HAWES. The duties are collected in St. Louis; but a charge is made for the services of a broker in New York, and then a second brokerage is paid for in St. Louis and in all these inland cities.

Mr. SMOOT. Mr. President, whom does the Senator want to take charge of the goods?

Mr. HAWES. I want the Government to take charge of them.

Mr. SMOOT. As soon as the goods are taken off the boat and landed on the pier, the steamship company that brings in the goods is through. It can not be held responsible.

Mr. SMITH. Is not a Government agent supposed to take charge of them?

Mr. SMOOT. Has the Government agent any right to say what train they shall go on? Does the Government agent say what transportation company shall take them from the landing wharf to the railroad? Who is going to do it? Who is going to be responsible?

Mr. McMASTER and Mr. PHIPPS addressed the Chair.

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

Mr. HAWES. I yield to the Senator from South Dakota.

Mr. McMASTER. Suppose the goods were consigned from Europe to St. Louis, and the purchaser in St. Louis had given instructions as to how they should direct the goods going down to New York over a certain railway system, for example, to St. Louis. Then, would those goods have to be intercepted and attended to by a broker in New York?

Mr. HAWES. That is my understanding.

Mr. McMASTER. I wish some one would explain the procedure.

Mr. SMOOT. I will tell the Senator just what they do. In a case like that cited by the Senator, when those goods are landed on the wharf at New York, who is responsible for them? The boat which brought them over is not. Somebody has to be responsible for those goods. They have to be transferred from the wharf to some railroad. Who is going to do it?

Mr. McMASTER. Then I understand that the responsibility of the steamship company accepting goods directed to St. Louis, to be transported over a certain railroad to St. Louis, ceases when they land the goods?

Mr. SMOOT. Just as soon as they land at the port of New York, and not only that, no one is authorized, unless he is authorized by the consignee, to move those goods. The brokers are the only ones who can move them from the wharf to a railroad.

Mr. PHIPPS. Mr. President, will the Senator from Missouri yield?

Mr. HAWES. I yield.

Mr. PHIPPS. We have a port of entry in the city of Denver, and I have had more or less experience with shipments there. When goods are bought in Europe and routed by the shipper through to Denver, the steamship line is cautioned in advance that Denver is a port of entry and that that shipment is not to be interfered with in the city of New York. The transportation agents route the shipment through to Denver, and New York has nothing to do with it. The transportation agents in New York have the documents, they have copies of the entries, copies of the declarations, and yet a broker interferes, and, without doing a hand's turn, sends in his bill for services, which the consignee must pay.

Mr. SMOOT. What are those services?

Mr. PHIPPS. The services are never rendered. There are no services. It is simply a graft that has grown up through years in New York. Those brokers are kept informed by some agent of the steamship companies, or perhaps by agents of the Government, that certain shipments are manifested on a particular boat for certain destinations, and they simply dip in, get a copy of the manifest, if they can, and render their bill for services.

Salt Lake City may not be a port of entry, but if it is, and the Senator has imported articles, I know he has paid duplicate brokers' fees right along on everything he has imported. It is a bad practice, and this is the way to head it off and cure it.

Mr. SMOOT. Who pays the transportation charges from the dock to the railroad?

Mr. HAWES. The consignee.

Mr. PHIPPS. The consignee pays them.

Mr. SMOOT. He pays them only through his broker.

Mr. PHIPPS. I beg the Senator's pardon.

Mr. SMOOT. How does he pay them?

Mr. PHIPPS. He pays them to the transportation company, which sends him a bill. In other words, if I am buying for delivery in Denver, all charges are paid through. If I am buying for delivery in London, I am billed by the transportation company for all charges, including transfer charges at New York City, and the broker's fee is entirely an outside matter. That has been my experience over and over again. I do not know what the Senator's may have been.

Mr. SMOOT. I am talking about what the Government pays as to goods that are shipped through to St. Louis.

Mr. PHIPPS. What the Government pays it ought to be recompensed for, but when a broker does nothing and sends you a bill he has no right to collect it.

Mr. SMOOT. The Government to-day does not designate the road over which the goods are to go.

Mr. PHIPPS. Of course not.

Mr. SMOOT. The Government to-day does not provide for transportation to the railroad.

Mr. PHIPPS. No one claims that it does.

Mr. SMOOT. Somebody has been there to attend to it.

Mr. PHIPPS. The shipper has his transfer agent, who arranges with the transportation company for delivery at destination. Whether the charges are paid by the consignee in advance or whether they are collected at destination is no matter; the Government has nothing to do with it. But we want to get rid of that practice, and the purpose of the Senator's amend-

ment is to wipe out an abuse that has crept in through years of use and abuse, and it should be stopped.

Mr. SMITH. Mr. President, I would like to ask the Senator from Colorado who appoints this broker?

Mr. PHIPPS. He appoints himself, as far as anyone can find out. I have contested their claims at times, and I have been told by the customs officers that the claim must be paid.

Mr. COUZENS. Mr. President, will the Senator from Missouri yield?

Mr. HAWES. I yield to the Senator from Michigan.

Mr. COUZENS. The Senator from Utah is very much disturbed about the transportation from the boat to the cars. The situation is no different, and need be no different, from the transportation from rail to boats in domestic business. It is perfectly absurd to say that there is any difference between having goods transported on a through bill of lading from an ocean steamship and having goods shipped from a car coming in on the railroad at Detroit and transferred to the Detroit and Cleveland steamship line. There is not a bit of difference in the world if the goods are manifested and billed properly. Just as the Senator from Colorado said, it is merely a graft by a set of brokers in New York who collect a fee for doing something when they do not have to do it under any circumstances.

Mr. SMOOT. All I know is that the steamship company will not pay the railroad charges. The steamship company will not assume any responsibility for the goods after they are delivered on the dock at the port of entry, and somebody has to make arrangements that they shall be transferred from the dock to the railroad, and he is often called a broker.

Mr. COUZENS. Mr. President, the steamship company will certainly take care of the goods until it gets a signed release.

Mr. SMOOT. That is, when they are on the dock.

Mr. COUZENS. If somebody is not there to sign for them, they will see that they are delivered to the transportation company. If goods are shipped from Chicago to Detroit and then by the D. & C. Line to Buffalo, who looks after them at Buffalo? Is there a middleman there to collect the brokerage charge at Buffalo because a shipment is sent from Detroit to New York by Buffalo? What is the difference? The only difference is that we have allowed this custom to grow up for 50 years. There is absolutely no excuse for it. The situation with respect to international traffic can be handled as it is handled in the matter of interior traffic when it goes by boat and rail.

Mr. SMOOT. Whenever goods are landed at the port of entry, the broker, or the transfer man, or whatever you call him, has to sign a receipt for the goods to the steamship company, and he does that, and the steamship company is through with the goods as far as the steamship company is concerned.

I do not care, if the Senator wants his amendment put in. Let it go to conference.

Mr. HAWES. Very well.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. HAWES]. The amendment was agreed to.

Mr. HEBERT. Mr. President, I call up my amendment to paragraph 902.

Mr. SMOOT. That can not be done now. We are on the administrative features.

The VICE PRESIDENT. The vote by which the first amendment in that paragraph was agreed to was reconsidered so that the Senator from Rhode Island may offer an amendment. The clerk will state the amendment.

The CHIEF CLERK. On February 21 the Senator from Rhode Island moved that the vote by which the amendment in paragraph 902, page 151, line 19, was agreed to should be reconsidered, and the motion was agreed to, the vote was reconsidered, and the Senator from Rhode Island offered as a substitute for the numerals "30" the numerals "37," so that it would read:

Cotton sewing thread, 37 per cent ad valorem.

Mr. HEBERT. Mr. President, I would like to perfect my amendment.

The VICE PRESIDENT. The Senator has that privilege.

Mr. HEBERT. I offer the amendment in the form in which I send it to the desk.

The VICE PRESIDENT. This is a substitute for the section?

Mr. HEBERT. Yes.

The VICE PRESIDENT. The clerk will read.

The CHIEF CLERK. In lieu of the House text and the committee amendments on page 151, lines 19 to 23, both inclusive, the Senator from Rhode Island proposes the following in paragraph 902:

PAR. 902. Cotton sewing thread, one-half of 1 cent per hundred yards; crochet, darning, embroidery, and knitting cottons, put up for

handwork, in lengths not exceeding 840 yards, one-half of 1 cent per hundred yards: *Provided*, That none of the foregoing shall pay a less rate of duty than 20 nor more than 35 per cent ad valorem. In no case shall the duty be assessed on a less number of yards than is marked on the goods as imported.

Mr. HEBERT. Mr. President, what has just been read is the existing law affecting this particular item; in other words, the law of 1922.

It will be observed that while the duty provided in this amendment is somewhat more specific, yet it is lower than that which I proposed in my original amendment.

At the time we had this amendment up for discussion before the Senator from Georgia [Mr. GEORGE] desired to give it his attention, and for that reason it was passed over temporarily. I may say that I have since conferred with the Senator from Georgia, and it is my understanding that the amendment as now presented is satisfactory to him.

Mr. SMOOT. Mr. President, I have no objection to the amendment. Taking the whole paragraph together, the duties are a little less than the rates of duty provided for in the amendments as the Senate agreed upon them.

Mr. GEORGE. It is a further reduction.

Mr. SMOOT. It is just a slight reduction. I suppose the duties on certain items falling within the paragraph are better arranged.

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

The amendment was agreed to.

Mr. SMOOT. Mr. President, I send to the desk the following perfecting amendment.

The VICE PRESIDENT. The Secretary will report the amendment.

The CHIEF CLERK. On page 441, line 9, to strike out "loss, theft, injury," and insert in lieu thereof "injury."

The amendment was agreed to.

Mr. SMOOT. The next clarifying amendment to be called to my attention by the Treasury Department is on page 485, line 11, to strike out "1929" and insert in lieu thereof "1930."

The amendment was agreed to.

Mr. SMOOT. It will be 1930 before the bill passes, so that we had better make it "tariff act of 1930."

Mr. NORRIS. We may have to change that again.

Mr. SMOOT. On page 441, line 11, I move to strike out all after the word "importation," through the word "customs" in line 14.

The amendment was agreed to.

Mr. SMOOT. There is one other amendment to be made in two places, simply to insert a hyphen. It makes a difference, however.

The VICE PRESIDENT. The Secretary will report.

The CHIEF CLERK. On page 167, line 14, strike out "plain woven" and insert "plain-woven."

The amendment was agreed to.

Mr. NORRIS. What is the difference?

Mr. SMOOT. As it was, we had the words "plain woven," and the amendment is to put a hyphen between those words.

Mr. NORRIS. Was there a comma between them?

Mr. SMOOT. No; there was no comma.

The next amendment I propose is on line 19, page 206, where we have the words "fish scale," to insert a hyphen between the words "fish" and "scale."

The amendment was agreed to.

The VICE PRESIDENT. The bill is still in Committee of the Whole and open to amendment.

Mr. JONES. Mr. President, on page 129, line 20, I move to strike out "1" and insert "3."

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 129, line 20, to strike out "1 cent" and insert "3 cents," so as to read:

(4) herring and mackerel, whether or not boned, in bulk or in immediate containers weighing with their contents more than 15 pounds each, 3 cents per pound net weight.

Mr. WALSH of Massachusetts. Is that in order at this time?

Mr. JONES. I think so. The Chair said the bill was still as in Committee of the Whole and open to amendment.

Mr. WALSH of Massachusetts. I supposed we were taking the bill up schedule by schedule. I have not any file on the fish schedule with me, or the file on any other of the schedules.

Mr. JONES. I am perfectly willing to let it go in that way.

Mr. WALSH of Massachusetts. I wish the Senator would do so. There is information which I have on the subject which is not available now.

Mr. JONES. Very well.

The VICE PRESIDENT. Does the Senator withdraw the amendment for the time being?

Mr. JONES. I am glad to do so.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment.

Mr. WALSH of Massachusetts. Mr. President, to-day the Senate adopted an amendment putting a substantial duty on long-staple cotton. I want to ask unanimous consent to offer, when the bill is in the Senate, such compensatory duties as may be found to be necessary in view of the action on that matter. I simply want to reserve the right to do so.

The VICE PRESIDENT. Unanimous consent is not required. The Senator can offer the amendment in the Senate without obtaining unanimous consent for that purpose.

Mr. WALSH of Massachusetts. It is new subject matter, and I think unanimous consent would be required.

The VICE PRESIDENT. Not when the bill is in the Senate.

Mr. SMOOT. I have already prepared an amendment providing an ad valorem equivalent, and I will submit it to the Senator in the morning.

Mr. WALSH of Massachusetts. I shall be very glad if the Senator will do so.

Mr. SMITH. Mr. President, can the Senator indicate what would be the additional compensatory duty?

Mr. SMOOT. Yes; I can figure it out to 0.01 of a cent.

Mr. SMITH. Has the Senator that rate now?

Mr. SMOOT. Yes.

Mr. SMITH. About how much will it be?

Mr. SMOOT. It will increase it about 10 cents a pound.

Mr. SMITH. Let me get that clear now. I have asked the Senator what will be the additional duty in the form of compensatory duty required on cotton goods made from long-staple cotton under the imposition of the 7 cents per pound duty on long-staple cotton adopted by the Senate to-day.

Mr. SMOOT. The actual figure is 9.98 cents per pound; in other words, 10 cents a pound.

Mr. WALSH of Massachusetts. Is that on yarns or cloth?

Mr. SMOOT. It is on all there is in the paragraph.

Mr. WALSH of Massachusetts. We will have to increase the duties on all commodities 10 cents?

Mr. SMOOT. I can read the amendment to the Senator.

Mr. WALSH of Massachusetts. I wish the Senator would do so.

Mr. SMOOT. It reads as follows:

PAR. 924. All the articles enumerated or described in this schedule shall be subject to an additional duty of 10 cents per pound on the cotton contained therein having a staple of  $1\frac{1}{2}$  inches or more in length.

Mr. WALSH of Massachusetts. At the proper time the Senator will present that amendment?

Mr. SMOOT. Yes. That is the only way to cover the situation as I see it.

Mr. DILL. Mr. President, is the Senator going to take that up now? If so, we ought to have the Senator from California [Mr. SHORTRIDGE] here.

Mr. SMOOT. I am not going to take it up now.

Mr. DILL. He contended to-day that it was entirely unnecessary to have compensatory duties.

Mr. SMOOT. I think that is a mistake.

Mr. NORRIS. Mr. President, of course the Senators who obtained the adoption of the amendment, by their very forceful argument convinced a majority of the Senate that a compensatory duty would not be necessary. The Senate was convinced of that, I presume, when it voted upon the amendment. I take it that the Senators who advocated the amendment and convinced the Senate that no compensatory duties would be necessary will certainly be ready to convince the Senate by the same kind of logic that the amendment proposed by the Senator from Utah is entirely unnecessary and that we will therefore be called upon by the same Senators to vote down this amendment; otherwise it would put them in the attitude here of obtaining something by misrepresentation. If it is discovered that the compensatory duties are necessary and that those Senators were wrong in their argument, of course they will say so and ask for a reconsideration of the vote by which the other amendment was agreed to, and then ask the Senate to vote it down.

Mr. WALSH of Massachusetts. Mr. President, from whom did the Senator from Utah get his information as to the ad valorem rate?

Mr. SMOOT. From the Tariff Commission.

Mr. WALSH of Massachusetts. They said that the compensatory rate stated by the Senator would have to be levied in order to recompense the manufacturers of cotton goods who import?

Mr. SMOOT. Yes; 9.98 cents.

Mr. WHEELER. Does the Senator contend that the figures on cotton manufactured goods show the difference in the cost of production here and abroad?

Mr. SMOOT. I have the report of the Tariff Commission on nearly all the articles.

Mr. HARRISON. Mr. President, as I understand the Senator, even the Senator himself only proposes a compensatory duty on cotton, not all cotton, but on cotton of  $1\frac{1}{2}$  inches or more in length.

Mr. SMOOT. That is all,  $1\frac{1}{2}$  inches or more in length. All cotton that is in the goods that is less than that in length does not carry any compensatory duty at all.

Mr. WALSH of Montana. Mr. President, I should like to inquire of the Senator whether practically it is possible to determine in any fabric the amount of long-staple cotton as distinguished from the ordinary standard grade?

Mr. SMOOT. Of course it is, in a piece of cloth. It is very easily determined.

Mr. SMITH. I doubt it.

Mr. SMOOT. I have not any doubt of it.

Mr. WALSH of Montana. It would seem to me that it is a very doubtful question.

Mr. SMOOT. Oh, no; it can be done. It would have to be done even if we had a compensatory duty on each particular product named in all the paragraphs of the schedule.

Mr. WALSH of Montana. But there is levied a specific duty or an ad valorem duty upon cotton goods, no matter whether the staple is long or short.

Mr. SMOOT. That is true, and therefore these fall in every paragraph in which the goods fall.

Mr. WALSH of Montana. I understood the Senator to say that under the bill as it now stands it becomes necessary to distinguish between the long-staple cotton in the goods and the ordinary grade of cotton in the goods.

Mr. SMOOT. Yes; and that can be distinguished very easily.

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

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

Mr. SMOOT. I yield.

Mr. HARRISON. There is no question as to this bill, so far as cotton sewing thread is concerned of long fibers, carrying an approximate increase of 5 per cent ad valorem upon the present rate of duty?

Mr. SMOOT. That is true.

Mr. HARRISON. Is it not true also, so far as cotton yarns are concerned of the greater lengths, the finer grades, the ad valorem increase is  $12\frac{1}{2}$  per cent in some instances?

Mr. SMOOT. In some of them there is no increase whatever over the present law.

Mr. HARRISON. If the Senator will confer with his experts on cotton, he will ascertain that on the finer fabrics in the long yarns and on cotton cloths the rate goes as high as  $12\frac{1}{2}$  per cent over the present law.

Mr. SMOOT. I have a full list here of all the grades of yarns and the yarns within the cloth.

Mr. SMITH. Mr. President, may I ask the Senator from Utah this question? If it be true as the Senator from Mississippi has indicated, and granting for the sake of argument that these increases have been put in the present law, nevertheless, they were based upon free cotton?

Mr. SMOOT. Certainly.

Mr. SMITH. Now when we add 7 cents a pound on the little handful of 362,000 bales which we import, then on all the cotton goods we will have a protective duty of an additional 10 cents a pound based on the added cost of the raw material?

Mr. SMOOT. Goods into which the long-staple cotton enters.

Mr. SMITH. I am not taking for granted that the Senator can do what he said he can do as to differentiating between 1-inch and  $1\frac{1}{2}$ -inch cotton. I have never seen it done.

The VICE PRESIDENT. The bill is still as in Committee of the Whole and open to amendment.

Mr. SMOOT. Mr. President, the Senate placed ammonium sulphate on the free list last Friday night. I send to the desk the following amendment and ask its adoption. It is striking out ammonium sulphate as found in paragraph 7.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 5, line 5, strike out "ammonium sulphate, one-fourth of 1 cent per pound."

The amendment was agreed to.

Mr. JONES. Mr. President, the Senator from Massachusetts [Mr. WALSH] would like to have passed over until to-morrow the amendment which I proposed a short time since. If I can offer it when the bill gets into the Senate I am perfectly willing to have that done.

The VICE PRESIDENT. The Senator may offer it when the bill is in the Senate.

Mr. COUZENS. Mr. President, I send to the desk an amendment. I was first informed I must wait until the bill got into the Senate before I could offer it, but I am now informed that it can be taken up at this time.

Mr. SIMMONS. Mr. President, I wish to submit a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SIMMONS. Where a vote has been taken as in Committee of the Whole, will it be necessary to reserve another vote upon the matter in the Senate?

The VICE PRESIDENT. If the amendment was agreed to, it will be necessary.

Mr. SIMMONS. But if the amendment was not agreed to?

The VICE PRESIDENT. A separate vote need not be reserved if the amendment was not agreed to. The amendment may be renewed in the Senate if it was not agreed to as in Committee of the Whole.

Mr. SIMMONS. Then I desire now to reserve the right to offer again the amendment which I offered to-day to put certain paper upon the free list.

The VICE PRESIDENT. It is not necessary to do so where the amendment was offered and rejected. The Senator is at liberty to offer the amendment again when the bill is in the Senate and he does not have to reserve the right.

Mr. SIMMONS. That is the parliamentary inquiry I wished to make.

The VICE PRESIDENT. Let the amendment submitted by the Senator from Michigan [Mr. COUZENS] be reported.

The CHIEF CLERK. On page 120, line 22, after the word "valorem," insert a comma and the words "wood moldings and carvings to be used in architectural and furniture decoration, 40 per cent ad valorem."

Mr. COUZENS. Mr. President, this is an amendment to paragraph 411, to include these articles under the rate of 40 per cent ad valorem, which is the rate that was agreed to in the paragraph covering the other articles mentioned there. It appears that the woodworkers or carvers are not protected in these architectural designs for moldings. The amendment is for the benefit of the woodworkers who are suffering from importations of these articles from other countries. The designs are used in the furniture business and should carry the same rate as furniture.

Mr. WALSH of Massachusetts. What is the present rate of duty?

Mr. COUZENS. Forty per cent.

Mr. WALSH of Massachusetts. The Senator seeks to fix the rate at what figure?

Mr. COUZENS. At 40 per cent.

Mr. WALSH of Massachusetts. What rate did the House fix?

Mr. COUZENS. At 40 per cent.

Mr. WALSH of Massachusetts. At what figure did the Senate Finance Committee leave it?

Mr. COUZENS. At 40 per cent. My amendment does not propose any change in rate. It is merely to include certain articles in the rate.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment was agreed to.

Mr. METCALF. Mr. President, I send to the desk an amendment which I ask to have read.

The VICE PRESIDENT. Let the amendment be read.

The CHIEF CLERK. On page 201, line 2, after "thousand," insert "; tubes wholly or in chief value of paper, commonly used for holding yarn or thread, if parallel, 5 cents per pound and 25 per cent ad valorem; if tapered, 10 cents per pound and 35 per cent ad valorem."

Mr. METCALF. Mr. President, there is a continuous growing importation of these goods, which compete very much with our local products, so much so that it is very difficult for the manufacturers in this country to compete with them at all. I am unable to state the amount now imported, as the products are not in a separate item.

Mr. GEORGE. Mr. President, may we have the amendment read again?

The VICE PRESIDENT. The amendment will be read again for the information of the Senate.

The Chief Clerk again read Mr. METCALF's amendment.

Mr. GEORGE. Mr. President, I should like to ask the Senator from Rhode Island what is the present duty on these products?

Mr. METCALF. The duty on the tapered, in paragraph 1413, is 35 per cent ad valorem.

Mr. GEORGE. I do not think the Senator ought to ask the Senate to make these increases in duty without furnishing any information as to what the increases amount to and what the imports are, but merely upon vague generalities.

Mr. METCALF. I will say to the Senator it is now impossible to get the figures as to exports, as they have not as yet been separated.

Mr. GEORGE. What is the present rate which the Senator wishes to increase?

Mr. METCALF. It is 35 per cent.

Mr. GEORGE. How much does the Senator wish to increase it?

Mr. METCALF. I wish to change it so that the items will be separated, providing on the tapered tubes a duty of 10 cents per pound and 35 per cent ad valorem, and on the parallel 5 cents per pound and 25 per cent ad valorem. The increase is 10 cents a pound on the tapered and 5 cents on the parallel.

Mr. COUZENS. If the Senator will yield, let me inquire what is the total ad valorem rate?

Mr. GEORGE. Mr. President, 10 cents per pound does not mean very much unless the Senator gives us the ad valorem equivalent.

Mr. SMOOT. I think I can give the figures to the Senator.

Mr. METCALF. Very well.

Mr. SMOOT. As nearly as I have figured it out, the total rate would be about 45 per cent ad valorem.

Mr. METCALF. It is merely a slight increase.

Mr. NORRIS. Does the Senator mean that both the specific and ad valorem rates amount to 45 per cent?

Mr. METCALF. Both rates together amount to about 45 per cent.

Mr. LA FOLLETTE. Mr. President, I should like to know on just what basis the Senator from Utah figures that out?

Mr. SMOOT. They are worth about 15 cents a pound.

Mr. LA FOLLETTE. From 15 cents to 30 cents.

Mr. SMOOT. I am speaking now of the first bracket in which a duty is proposed of 5 cents a pound and 25 per cent ad valorem. On the tapered tubes the duty proposed is 10 cents per pound and 35 per cent ad valorem.

Mr. LA FOLLETTE. What is the ad valorem equivalent of that?

Mr. SMOOT. According to the price—

Mr. NORRIS. What is the value—15 cents a pound?

Mr. SMOOT. The article in the first bracket has a value of—

Mr. NORRIS. Of 15 cents. If we increase the duty by 10 cents a pound—

Mr. SMOOT. No; it is the article in the second bracket upon which it is proposed to levy a duty of 10 cents a pound.

Mr. NORRIS. What is the value of the article in the first bracket?

Mr. SMOOT. The duty on that, in addition to the ad valorem, is 5 cents a pound.

Mr. NORRIS. It is now proposed to increase it to 10 cents a pound?

Mr. SMOOT. No; there are two items in the paragraph. On the parallel tubes the specific duty proposed is 5 cents a pound, and on the tapered tubes it is 10 cents a pound.

Mr. NORRIS. Take the first one. On the value of the item in the first bracket what is the ad valorem?

Mr. SMOOT. The ad valorem would be between 45 and 50 per cent.

Mr. NORRIS. That is just the increase, but in order to get the total duty there would have to be added to that the 25 per cent ad valorem duty.

Mr. SMOOT. No; I am referring to both duties—the compound duty.

Mr. NORRIS. Let us see as to that. If the value is 5 cents a pound—is that right?

Mr. SMOOT. The amendment reads:

Tubes, wholly or in chief value of paper, commonly used for holding yarn or thread, if parallel, 5 cents per pound and 25 per cent ad valorem.

Of course, they may run from 5 to 7 cents a pound; but if we take 7 cents a pound—

Mr. NORRIS. Suppose the specific duty is 5 cents a pound and the value runs from 5 cents to 7 cents, that would be 5 cents on an article worth from 5 to 7 cents, which would be a very high duty.

Mr. METCALF. The only increase is the specific rate of 5 cents a pound. The whole duty would only be about 40 or 45 per cent ad valorem.

Mr. NORRIS. The Senator proposes to add to the present duty a specific rate of 5 cents a pound.

Mr. SMOOT. In addition to the 25 per cent ad valorem that is on the first bracket.

Mr. NORRIS. It is 25 per cent ad valorem under existing law, is it not?

Mr. SMOOT. It is 35 under existing law.

Mr. NORRIS. The ad valorem rate has been lowered?

Mr. SMOOT. Yes. I think the equivalent ad valorem will run about 47 per cent.

Mr. METCALF. The increase is very slight.

Mr. JONES. Mr. President, I understood that these articles have a value of 7 cents a pound.

Mr. SMOOT. The value runs all the way from 15 cents a pound to 22 cents a pound, we will say an average of 20 cents a pound, and 5 cents a pound on that would be 25 per cent ad valorem.

Mr. JONES. That is true; on a value of 20 cents a pound, 5 cents would be one-fourth of that or 25 per cent.

Mr. SMOOT. Then, in addition, there is a rate of 35 per cent ad valorem.

Mr. JONES. The Senator does not know on just what value that is based?

Mr. SMOOT. It must be based on a value of about 22 cents.

Mr. NORRIS. That would make the rate 50 per cent.

Mr. SMOOT. No; it would not make it that much.

Mr. GEORGE. Mr. President, I do not think the Senate ought to adopt a rate like this with no more information in regard to it. I really think the Senator from Rhode Island ought temporarily to withdraw the amendment. As a matter of fact, if these articles are now made dutiable under his amendment at 5 cents apiece and 25 per cent ad valorem, we will have a rate of duty not far from 68½ per cent ad valorem, and we will have practically the same rate on the tubes tapered, without any showing as to the cost of producing or as to imports or any real intelligible showing as to the actual increase in the rate of duty. I do not think the Senator ought to ask the Senate to vote on this amendment at this time.

Mr. METCALF. Very well, I will let it go over and ask that it may be considered later.

Mr. GEORGE. I hope the Senator will let it go over temporarily.

Mr. COUZENS. Mr. President, I desire to draw the attention of the Senator from Utah to paragraph 922.

The VICE PRESIDENT. Does the Senator from Rhode Island withdraw his amendment for the present?

Mr. METCALF. I withdraw it for the present.

Mr. HEFLIN. If the Senator will permit me for just a moment—

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

Mr. COUZENS. Yes.

Mr. HEFLIN. I should like to suggest to the Senator from Rhode Island that he can offer his amendment when the bill goes into the Senate, just as I am going to do in the case of another amendment because of the parliamentary situation which exists.

Mr. COUZENS. Mr. President, on page 160, paragraph 922, there seems to be a confusion with respect to the rags used for paper-making purposes and those used for wiping purposes. In a statement on the floor of the Senate on November 19, the Senator described these rags in a manner which seems to have been misunderstood or to have been inaccurate. I have taken it up with the Senator, and I understood he was going to propose an amendment.

Mr. SMOOT. I will say to the Senator, I have taken up the question involved with the department, and they are trying to draft a provision that will differentiate between wiping rags and rags used for paper making. I am told that it is one of the most difficult tasks that has ever been presented to the Treasury Department to designate the two classes of rags so that they may be differentiated.

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

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Indiana?

Mr. COUZENS. I yield.

Mr. WATSON. Did we not have this question up before the committee, and was it not referred to the experts, and is not this just what they worked out?

Mr. SMOOT. No.

Mr. WATSON. That is the way I remember it.

Mr. COUZENS. It was not worked out at all.

Mr. WATSON. At least they pretended to work it out.

Mr. COUZENS. What I want to ask the Senator is, does he propose to offer an amendment at some time; because I want this matter clarified before we get through?

Mr. SMOOT. As soon as the bill gets into the Senate and the wording is submitted to me, I am going to offer an amendment which I hope will clear up the matter in such a way that there will be no question about it, if it is possible to do so; but I do not think that wording can be provided that will clarify the provision so that there will be absolutely no ques-

tion about it. However, we are going to see if we can not make it better than the provision in the present law and better than the provision in the pending bill.

Mr. COUZENS. I want to say to the Senator unless he does propose an amendment to segregate the rags that appear in paragraph 922 and those on the free list in paragraph 1751, I am going to propose to strike out paragraph 922 entirely, which will eliminate the 3 cents duty.

Mr. SMOOT. I will say to the Senator, I am just advised that the proposed wording was mailed to me this afternoon, and will reach me to-morrow morning.

Mr. COUZENS. And the Senator will see that the amendment is offered?

Mr. SMOOT. If it is at my office to-morrow morning—and I have no doubt that it will be—I will then bring it over here.

Mr. COUZENS. And the Senator will see that at some time the amendment is offered so that it will not be forgotten?

Mr. SMOOT. Yes; and I will also submit it to the Senator.

The VICE PRESIDENT. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. GEORGE. Mr. President, some time ago I presented an amendment to section 906 in the form of a proviso. For the time being I will not press that amendment, unless the Senator from Utah is willing to accept it and let it go to conference. I really think it ought to be accepted and go to conference, in view of the amendment offered by the Senator from Idaho [Mr. THOMAS] to the wool schedule, because there is a confusion now that ought to be clarified, and if this amendment were accepted, it seems to me, the whole matter then would be in conference and clarification of the language could be effected. The Senator will recall that my proviso was, in substance, this: Following section 906, which makes cotton cloth containing any part of wool dutiable at 60 per cent ad valorem, the proviso is that if the cloth contains not more than 15 per cent of wool and is of a value of not more than 25 cents a pound, which would exclude all but the very cheapest grade of lining cloth, then it shall be dutiable not at the ad valorem rate of 60 per cent but the cotton rate of 40 per cent. I think the Senator ought to accept the amendment, and when he gets the bill into conference he will find it helpful to enable the conferees to clarify the language. It will not interfere with any other provisions of the bill.

Mr. SMOOT. We can not very well get through with amendments to the bill to-night.

Mr. GEORGE. Oh, no.

Mr. SMOOT. We can not get the bill into the Senate to-night.

Mr. GEORGE. I thought we might get it into the Senate to-night.

Mr. SMOOT. There are a number of Senators who have asked me to let it go over until to-morrow, on account of one or two amendments which they desire to offer, and if there is not any other amendment to be offered to-night, I would rather take a recess now.

The VICE PRESIDENT. The amendment proposed by the Senator from Georgia will be printed and lie on the table.

Mr. BARKLEY. Mr. President, when we voted on the tariff on cement in schedule 2 we struck out the words "or cement clinker." In the amendment which the Senator offered to the free list, to comply with that, I think he left out the words "or cement clinker." I wonder if he ought not to correct that now, so that when the bill gets into the Senate the amendment will be complete?

Mr. SMOOT. I will ask the clerk to read the amendment as it was adopted.

The VICE PRESIDENT. Upon what page is the amendment?

Mr. BARKLEY. On page 252, in the amendment which has been inserted at line 21, after the word "cement," wherever it appears in that paragraph I was going to suggest that the words "or cement clinker" be inserted.

Mr. SMOOT. That ought to have been done.

The VICE PRESIDENT. Will the Senator send his amendment to the desk?

Mr. BARKLEY. It is an amendment to an amendment which has been agreed to by the Senate. When it was inserted in the free list I did not have the language, but it will be sufficient if after the word "cement" in the amendment wherever it appears the words "or cement clinker" be inserted.

Mr. SMOOT. That is right.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

The VICE PRESIDENT. Will the Senator send his amendment to the desk?

Mr. BARKLEY. This is an amendment to the amendment agreed to by the Senate when it inserted cement in the free

list. I have not the language; but it will be sufficient if, after the word "cement" in that amendment, wherever it appears, the words "or cement clinker" are inserted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

The VICE PRESIDENT. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. HARRIS. Mr. President, I give notice that I reserve the right, when the bill comes into the Senate, to offer an amendment with regard to jute.

The VICE PRESIDENT. That is not necessary. The Senator has that right.

Mr. NORRIS. Mr. President, I have an amendment which has been printed and on the desk for quite a long time. I had it printed early, because it was a new provision of a tariff bill, and I wanted as many Senators as possible to read it and see it and think about it.

I should prefer not to debate the amendment to-night. I think probably it will lead to considerable debate; but I am perfectly willing that it should be offered and be pending, and I will make just a few remarks in explanation of it, so that Senators can in the meantime think about it, and debate it in the morning, if that is agreeable to the Senator from Utah.

Mr. SMOOT. Does the Senator from Nebraska desire to speak on it to-night?

Mr. NORRIS. Just briefly. I do not want to do that if other Senators have other amendments they want to dispose of to-night.

Mr. SMOOT. I know of two amendments that are ready to be taken up to-night.

Mr. NORRIS. Then I send to the desk the amendment, which I offer.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from Nebraska offers the following amendment:

At the end of the bill insert the following:

(1) That in effectuating the purpose of this act to encourage domestic industries, etc., by the imposition of duties upon imports from other countries, it is also the purpose to protect domestic purchasers and consumers against the exaction of excessive or artificial prices in respect to any and all the articles, commodities, and things subject to such duties by the maintenance of full conditions of unrestrained competition among domestic producers and distributors. That in order to assure the maintenance of such conditions of competition any citizen of the United States or the people's counsel established in this act shall be entitled to file a complaint in the Court of Customs alleging that such conditions of competition do not prevail with respect to the production, distribution, or sale of any such dutiable article or commodity and setting forth the facts and circumstances supporting the allegations in such complaint, which shall be verified by the oath of the complainant or others.

(2) Upon the filing of such complaint the said Court of Customs shall have jurisdiction to hear and determine the truth and merit of such complaint and shall immediately cause public notice to be given by publication in the Treasury Decisions of the Department of the Treasury and the Commerce Reports of the Department of Commerce to all persons and corporations or associations concerned in the domestic production, distribution, or sale of such article that it will hold a hearing on the questions of fact and law contained in such complaint upon a day to be named therein when relevant testimony and argument may be offered to determine whether such full conditions of domestic competition prevail and to what extent if any price-fixing agreements or practices, or production-limiting agreements or practices obtain in the production, distribution, or sale of such article or commodity—and following such testimony and hearing the said court shall report its findings to the President.

(3) That upon the receipt of such findings if it be shown thereby that the full conditions of competition contemplated by this act do not prevail with respect to the dutiable article, commodity, or thing described in such complaint then it shall be the duty of the President within one month to issue a proclamation suspending the imposition and collection of the duty or duties levied in this act upon such article, commodity, or thing and declaring such duty or duties inoperative until and unless it shall be established before such court, and such court shall make findings to the effect, that the full conditions of competition aforesaid do prevail and shall report such findings to the President who shall then proclaim a cessation of the suspension of such duty or duties.

(4) The said court shall be governed by the preponderance of the evidence in making its findings and shall have power to make reasonable rules and regulations to govern its procedure in such cases: *Provided*, That nothing herein and no proceeding brought hereunder shall be held to weaken or otherwise adversely affect the laws of the United States applicable to conspiracies in restraint of trade or the enforcement thereof.

Mr. NORRIS. Mr. President, let me say, briefly, that I think it is quite apparent that the object of this amendment is to preserve competition and prevent monopoly, agreements, and so forth, on the part of the manufacturers or the distributors of any of the articles that are given protection under the bill. In other words, one of the objects of the bill is to sustain and improve the condition of the manufacturers and distributors of goods; and another one ought to be—this amendment specifically states that it is one of the objects of this legislation—to keep up competition.

It is well known that sometimes, behind the high tariff wall, monopoly forms, agreements are made, competition is killed, competition is dead, and the consumers are required to pay an exorbitant and unreasonable price for the goods.

I do not know that this has been attempted before. I am not sure that in every case the language is what it ought to be. I am simply trying, as I believe every Senator is anxious to do, to preserve competition and to prevent monopoly.

It is true that we have other laws and other tribunals. We have the antitrust laws. We have the Federal Trade Commission, whose duty it is to look into these things. None of them, however, has any power to suspend a duty that makes a tariff wall so high that behind it these things can occur. This amendment does not repeal any antitrust law or any law giving to the Federal Trade Commission the power that it possesses with reference to unfair competition, and so forth; but it adds another remedy.

If the Court of Customs finds that behind the tariff wall a monopoly has grown up, that an illegal agreement has been made, and thus competition has been killed, the court simply reports that fact to the President of the United States. Then the President issues a proclamation suspending the duties that have enabled this bad condition to exist; and until competition is reestablished, and this court so certifies, these duties are abolished. When a condition of competition is again brought about, another proclamation is issued that permits the rates of duty provided in the bill to become effective.

Senators will remember that in one of the administrative provisions of this bill we have provided for a people's counsel. Heretofore there has not been any one, as those of us thought who were in favor of a people's counsel, to appear in behalf of the people before the Tariff Commission. We have now put into this bill an amendment which provides for such a counsel, whose duty it shall be to protect the consumers of the country before the Tariff Commission, so that they will always be represented in that tribunal by an attorney. This amendment gives to that counsel in particular, and incidentally to any citizen of the United States, the right to make a complaint, verified on oath, setting before the Court of Customs the fact that competition has ceased by virtue of illegal agreements or combinations or monopolies formed on account of the tariff levied on some specific article.

As far as I am able to see, I can find no objection to the proposal. It seems to me that it fills out a link here that ought to be filled out; that there ought to be some way that would give relief against a tariff that has enabled a monopoly to be formed by eliminating the very cause of the monopoly—something that now under our law can not be done.

Mr. WALSH of Massachusetts. Mr. President—

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

Mr. NORRIS. I do.

Mr. WALSH of Massachusetts. The Senator is seeking to prevent exorbitant prices being charged to American purchasers of foreign goods. Is that correct?

Mr. NORRIS. Yes; that is one of the principal objects of the amendment. Of course it must appear that those unreasonable prices come about from the elimination of competition.

Mr. WALSH of Massachusetts. The Senator seeks to set up some governmental machinery that will tend to control the levying of exorbitant charges upon Americans who purchase imported goods?

Mr. NORRIS. Yes.

Mr. WALSH of Massachusetts. I hope the Senator will press his amendment.

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

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. NORRIS. I yield.

Mr. HEBERT. I did not so understand the amendment of the Senator as it was read. I was about to propound a question as to whether his amendment should not include a provision to reach the importers who charge what have been represented here as unconscionable prices for goods imported.

Mr. NORRIS. I will say to the Senator that I have an amendment of that kind.

Mr. HEBERT. Precisely. The amendment which has just been read, as I understand, does not cover that subject.

Mr. NORRIS. Not directly. The way I think it would bring about the effect suggested by the Senator from Massachusetts is that it would prevent combination and monopoly by virtue of a particular tariff on a particular article; and if the competition were restored it would logically follow, I think, that exorbitant prices could not be charged, so that it would have that effect.

Mr. HEBERT. Mr. President, will the Senator yield further?

Mr. NORRIS. I yield further; yes.

Mr. HEBERT. As I listened to the reading of the amendment, it seemed to me that it affected domestic articles rather than imported articles, and, in fact, did not reach imported articles.

Mr. NORRIS. It does affect domestic articles.

Mr. HEBERT. And it does not reach imported articles?

Mr. NORRIS. It reaches any kind of an article. If the tariff is so high, for instance, that it results in an embargo up to a certain point, so high that it would keep out all imported articles, let us say, unless the price charged here was away above a reasonable one, and behind that protective wall a monopoly by virtue of an illegal agreement between the manufacturers of the domestic articles would raise the price, then the law would become operative upon the showing of those facts and an adjudication to that effect by this court.

Mr. HEBERT. Against the domestic producers?

Mr. NORRIS. Against the tariff. In other words, the judgment would be that the President should issue his proclamation to remove the tariff.

Mr. HEBERT. Which would affect domestic manufacturers and producers?

Mr. NORRIS. Which would affect domestic manufacturers and producers; and it would continue to be removed until competition had been restored.

Mr. HEBERT. And, in effect, would permit the importation of goods free of duty?

Mr. NORRIS. It would; the object of that being to bring about competition. That importation of foreign goods free of duty would continue, then, until the same court found that competition had been restored.

Mr. KEAN and Mr. SWANSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from New Jersey.

Mr. KEAN. I should like to ask whether the Senator thinks it fair that the President should take off this duty and give the trade to a monopoly abroad?

Suppose there is a monopoly in both countries; does the Senator think it would be fair to throw American labor out of a job in order to aid a foreign monopoly?

Mr. NORRIS. The effect of the amendment would be temporary if these illegal agreements were made to accomplish that very thing. It would only last, however, as long as those illegal agreements lasted. In other words, here are some American manufacturers behind a tariff wall that is built so high that it enables them to form a monopoly by an illegal agreement and charge an exorbitant price to the consumers. The object is to break down that monopoly, and it is broken down by virtue of taking away the tariff protection under which it was built up. It stays down until competition is restored.

If the American manufacturers do not want to have foreign competition, all they have to do is to refuse to enter into illegal agreements and price-fixing arrangements with others who are engaged in the same business. It is in their hands; it is under their control.

Mr. KEAN. Suppose the tariff is so low on those goods that they come in, and that then the foreigners charge an enormous price, make an unconscionable profit, as in the cases which we have had exhibited here during the tariff debate?

Mr. NORRIS. If the tariff is low, combination is not going to be made. They can not make an illegal agreement that will raise a price very high unless they have a high tariff wall through which they can make the agreement.

On the other hand, does the Senator object to saying to the American manufacturer, "Here is a tariff to protect you. Within the limits of this duty we are going to protect you from foreign importations; but if you make an agreement between yourselves, an illegal agreement, by which you fix the price, by which you kill competition, then we are going to take down that tariff wall, and we are going to keep it down as long as you are guilty of that kind of illegal conduct."

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

Mr. NORRIS. I yield.

Mr. SWANSON. I want to make a suggestion to the Senator from Nebraska. His amendment to the flexible provision of the tariff bill is wise, it has my complete and full approval, and, as I understand the amendment, the Tariff Commission is directed to investigate with regard to all the rates.

Mr. NORRIS. The investigation is to be made by the Court of Customs Appeals.

Mr. SWANSON. The Senator's amendment is to the flexible provision of the tariff. They are to report to Congress, and Congress will determine what rates shall be fixed. As I understand this amendment, the Customs Court is to determine whether there is a monopoly or not. It is tried before the Customs Court, and when the Customs Court finds that fact, the protection is withdrawn from that article.

Mr. NORRIS. Yes.

Mr. SWANSON. It is put on the free list.

Mr. NORRIS. Yes.

Mr. SWANSON. We will not have a vote to-night, and I would like to have the Senator consider if it would not be wiser for him to pursue this course in his amendment, which is wise, and which ought to be enacted into law under certain conditions, namely, to direct the Tariff Commission to ascertain the facts covered by his amendment and let them report to Congress. I believe we would get speedy action. Action would be left to Congress. I believe that would be more effective and more in accord with the other provisions contained in this tariff bill and adopted by the Senate in connection with the flexible provision.

It seems to me the better course to pursue would be to have the Tariff Commission ascertain whether such conditions as those at which the Senator aims existed in connection with the customs duties. After they ascertain those facts, they can report to Congress, and Congress might think the duties ought to be reduced, or that the article ought to be on the free list. Why is it not wiser to leave it to Congress than to the court? I would like to have the Senator between now and to-morrow, when this provision will come up, consider whether that is not the most effective way to accomplish what he desires, rather than try to reach the relief through the Customs Court. My experience is that courts take years and years to decide matters.

I would like to have the Senator consider that thought, and see if that is not the most effective way to accomplish what he desires. I do not want to argue the matter to-night. I am simply making the suggestion to him.

Mr. NORRIS. Mr. President, of course the Senator's suggestion may be a wise one; in fact, I wanted to bring out criticisms and suggestions, and to have Senators think about it, because I realize we are taking a new step when we legislate on the matter at all.

At first blush, however, I doubt the wisdom of providing that the report shall be made to Congress. It may be better, instead of having a trial before the court, to have the investigations made by the Tariff Commission; but my idea was that it would go into a tribunal which would treat it like any other lawsuit, and we would get an adjudication, without any possibility of any party matters or partisanship or different theories of tariff being taken into consideration. I do not believe it would be wise, as I look at it now, for them to report to Congress, because that would result in too much delay.

Mr. SWANSON. If the Senator will permit me, the same complaint was made against a revision of the tariff under the flexible provision, but the Senator very wisely and ably eliminated that complaint by providing that the commission should report a specific rate, and then, when that rate was reported to Congress, it should not be amended by including other rates.

Mr. NORRIS. Yes.

Mr. SWANSON. It seemed to me when I heard the Senator's splendid speech and the discussion, that that method would be effective, that it would be prompt, and would get rid of the evil complained of and proven; and it appears to me that the same principle, if applied to these conditions, would be more effective.

Mr. NORRIS. The Senator may be right, of course.

Mr. SWANSON. I would like to have the Senator think of it. I know it is necessary to have a specific statute defining what monopoly is, defining the conditions which will sustain a charge of monopoly, because a court simply interprets the law; Congress can not delegate its power of making the law; it must make it specific. Unless we had a law guiding the Interstate Commerce Commission, they could not fix rates.

I believe if the Senator would take his amendment and modify it and make it a part of the flexible provision which the Senate



has passed, and leave as he has it that splendid amendment, the flexible provision, which impressed me very profoundly when I heard it discussed, he would make it possible to get rid of all delay; I believe he would solve the problem through a provision wise, quick, prompt, and effective.

I have not thought of the matter except in a desultory way to-night, but I would like to have the Senator consider the proposition to offer his amendment to the flexible provision of the tariff, and have the law operate that way instead of leaving the matter to the Customs Court. I am satisfied that he would find it more effective than if he should leave it to the court.

#### LEGISLATIVE SITUATION IN CONGRESS

Mr. WHEELER. Mr. President, I ask leave to have published in the RECORD an article from the Sacramento (Calif.) Bee of Tuesday, February 25, 1930, entitled "Hoover to Blame for the Legislative Jam."

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

[From the Sacramento (Calif.) Bee of Tuesday, February 25, 1930]

#### HOOVER TO BLAME FOR THE LEGISLATIVE JAM

President Hoover has been holding a number of consultations with regular Republican leaders with respect to the legislative situation in Congress.

These have been getting considerable space in the newspapers. And the purpose of them seems to be, if possible, to convince the country that the progressive Republicans and the Democrats, who control the Senate, to the embarrassment and chagrin of the Republican regulars, are doing a very ill service in not forthwith and without debate accepting the rates fixed in the House tariff bill.

This same sort of dishonest propaganda was attempted last fall during the stock-market collapse when a New York banker made the ridiculous statement that if the Senate had passed the tariff bill the collapse would not have occurred.

If the present situation is not to the liking of President Hoover, he has only himself to blame.

Neither in his campaign speeches nor in the Republican platform was there any pledge that a general revision of the tariff was to be undertaken by his administration.

There was no general demand that it should receive the attention of the special session of Congress except that some further protection should be extended to certain restricted agricultural products.

But the President not only permitted, but he encouraged the Republican machine in the House to reopen the whole subject. And when that machine prepared and put through a bill which contained more indefensible increases, more bounties to the great trusts and syndicates, and more shameful raids on the pocketbooks of the American consumer than any previous tariff bill in American history he lifted not so much as a single whisper or a little finger in protest.

The Republican progressives in the Senate refused to swallow this outrageous holdup of the American citizenry.

And, with the aid of the Democrats, they have rewritten the bill in the interests of the farmer and the citizenry generally.

Its rates remain sensibly protective.

But they no longer smack of brigandage.

Mr. Mellon and his Aluminum Trust and many other like greedy grabbers of tariff favors have had their noses peeled and their eyes more or less blackened; but the public generally is not weeping any tears for them, even although the White House itself has been made unhappy thereby.

Instead, therefore, of deserving censures the Republican progressives merit the warmest praise.

They have saved their party, too, from the stigma of betraying the people once more into the hands of their exploiters.

#### DEATH OF REPRESENTATIVE JAMES ANTHONY HUGHES

A message from the House of Representatives by Mr. Chaffee, one of its clerks, communicated to the Senate the intelligence of the death of Hon. JAMES ANTHONY HUGHES, late a Representative from the State of West Virginia, and transmitted the resolutions of the House thereon.

Mr. GOFF. Mr. President, I ask that the resolutions of the House be laid before the Senate.

The PRESIDING OFFICER (Mr. FESS in the chair). The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The Chief Clerk read the resolutions, as follows:

#### IN THE HOUSE OF REPRESENTATIVES,

March 3, 1930.

*Resolved*, That the House has heard with profound sorrow of the death of Hon. JAMES ANTHONY HUGHES, a Representative from the State of West Virginia.

*Resolved*, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That, as a further mark of respect, this House do now adjourn.

Mr. GOFF. Mr. President, words mean so little in the hour of sorrow—and all because they are so inadequate—and yet in the stress and pathos of life, when the heart is bruised and the soul is crushed, and the hand reaches out into the hush and the shadow, the fact that friends and colleagues feel and sympathize, because they, too, have suffered, will be a consolation and a comfort to the family of Mr. HUGHES. Many Members of the Senate served for years with the deceased in the House of Representatives. They know that he was always a man of charm and courage, and that he will be remembered always for his splendid fortitude and his unselfish, manly character. Therefore, Mr. President, I offer the following resolutions, and request that they be read by the clerk and considered by the Senate.

The resolutions (S. Res. 223) were read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES ANTHONY HUGHES, late a Representative from the State of West Virginia.

*Resolved*, That a committee of six Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 11 o'clock a. m. to-morrow.

Thereupon the Senate (at 10 o'clock p. m.) took a recess until to-morrow, Tuesday, March 4, 1930, at 11 o'clock a. m.

## HOUSE OF REPRESENTATIVES

MONDAY, March 3, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us and bless us; and cause His face to shine upon us, that Thy way may be known upon the earth, Thy saving grace among all nations. Let the people praise Thee, O God; let all the people praise Thee. O let the nations be glad and sing for joy; for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God; let all the people praise Thee. Then shall the earth yield her increase; and God, even our own God, shall bless us. God shall bless us; and all the ends of the earth shall fear Him. Again, our Heavenly Father, our flag is at half-mast. Again the shadows of death have fallen across our pathway. Graciously remember those who are in mourning, and may they hear the voice coming down through the skies saying, "Learn of me; for I am meek and lowly in heart; and ye shall find rest unto your souls." Amen.

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

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3193. An act to authorize the State Roads Commission of Maryland to construct a highway bridge across the Nanticoke River at Vienna in Dorchester County to a point in Wicomico County.

#### SPECIAL ORDERS FOR TO-MORROW

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the special orders made for to-morrow go over until Thursday and be in order on that day.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the special orders for to-morrow be in order on Thursday next. Is there objection?

Mr. GARNER. Reserving the right to object, is the gentleman going to substitute some day for this?

Mr. TILSON. I am trying to clear to-morrow for to-day's business.

Mr. STAFFORD. Reserving the right to object, what order will the address of the gentleman from New York [Mr. SROVICH] take? Are the addresses of to-morrow to follow his address on Thursday?

Mr. TILSON. I will incorporate in my request that the special orders for to-morrow be in order on Thursday to follow the address of the gentleman from New York [Mr. SROVICH].

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### POSTPONEMENT OF BUSINESS TO-DAY UNTIL TO-MORROW

Mr. TILSON. Now, Mr. Speaker, I ask unanimous consent that the business in order to-day be in order to-morrow.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that the business for to-day be in order to-morrow. Is there objection?

There was no objection.

#### EXTENSION OF REMARKS

Mr. GARBER of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and incorporate therein resolutions and declarations of policy on the flood control conference recently held in McCook, Nebr.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. UNDERHILL. Reserving the right to object, who are these resolutions by?

Mr. GARBER of Oklahoma. Resolutions from the Nine States Conference held at McCook, Nebr.

Mr. UNDERHILL. Well, Mr. Speaker, there is a place in the RECORD for such resolutions, and I object.

#### LEAVE TO ADDRESS THE HOUSE

Mr. WALKER. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes after the disposition of business on the Speaker's table on next Friday on the question of the tobacco tax.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BACHMANN. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House on next Friday for 45 minutes, following the remarks of the gentleman from Kentucky, on the question of the congestion in the Federal courts because of prohibition.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

#### EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of veterans' relief.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in connection with my request, I have received a great many communications, appeals, and petitions from ex-service men, and I ask unanimous consent to quote from those communications. I do not want to burden the RECORD, but I ask unanimous consent that I may insert those quotations.

Mr. UNDERHILL. Reserving the right to object, I think the gentleman should state how much material he proposes to insert.

Mr. RANKIN. I would like to insert the names of the veterans, the widows, and the other people who have appealed to me.

Mr. SNELL. Well, Mr. Speaker, I object.

Mr. RANKIN. Then, Mr. Speaker, I ask unanimous consent that I may quote from those petitions in leaving off the names.

Mr. UNDERHILL. We all recognize the interest the gentleman has in veterans' legislation. If we inserted in the RECORD all of our letters, telegrams, and extraneous matter of that sort, we would fill the RECORD up, and I feel obliged to object.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. GARNER. I do not know that I am in sympathy with the particular thing that the gentleman from Mississippi [Mr. RANKIN] is doing, but if the gentleman from Massachusetts will look at the RECORD of last Friday, he will see that 10 pages were used by a Member of another body to insert statements from newspapers and everything else. It seems that no Member of this body can have the opportunity to present his views in the way in which he wants to, but that in another body a Member may encumber the RECORD with anywhere from 10 to 100 pages of extraneous matter, without any objection from anyone.

Mr. UNDERHILL. And may I say that it is an outrage upon the public and the taxpayers of this country to do so?

Mr. GARNER. And some one ought to take the responsibility of trying to keep out such extraneous matter in another body. The Joint Committee on Printing has that power.

Mr. UNDERHILL. And they ought to exercise it.

Mr. GARNER. It looks as if the gentleman ought to bring pressure to bear upon the members of his own party.

Mr. RANKIN. Mr. Speaker, while I would prefer to put in the names of these disabled men, their mothers, and so forth, if the gentleman from Massachusetts objects to it, of course, I shall have to withhold those names, but in quoting from these communications all I expect to do is to quote sufficient to show the trend, and all of the quotations that I shall make will probably not cover one page of the CONGRESSIONAL RECORD.

Mr. UNDERHILL. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

#### VETERANS' RELIEF

Mr. RANKIN. Mr. Speaker, under the leave just granted me to extend my remarks in the RECORD on the subject of soldiers' relief and to quote from letters, appeals, and petitions sent me, imploring Congress to do justice to our uncompensated disabled veterans of the World War, I desire to first call the attention of the House to the parliamentary situation.

Early in the session I introduced my bill, H. R. 7825, to extend the presumptive period for tubercular veterans and those suffering from other chronic constitutional diseases to January 1, 1930. To my surprise, opposition to this measure developed in the committee. We called for a hearing. It was granted, but instead of calling witnesses in favor of the bill they called the witnesses opposing it, and when the time came to hear those favoring the measure the administration's forces on the committee sidetracked my bill and took up what is known as the Johnson bill, which has been reported and numbered 10381.

Had it not been for our fight on the Rankin bill (H. R. 7825), even the Johnson bill would never have been reported, and I seriously doubt if it would ever have been taken up in the committee. The Johnson bill brings the presumptive period for diseases other than tuberculosis up to January 1, 1925, but does not extend the presumptive period for tuberculosis.

We are not opposing the main provisions of that bill. It is good as far as it goes, but it does not go far enough.

Therefore we have a petition on the Speaker's desk which Members are signing to bring the Rankin bill out of the committee in order that it may be considered by the House. That bill meets with the approval of the veterans throughout the country. It also meets with the approval of the American people.

If any of you doubt that, get a copy of it and send it home and ask any civic organization to take it up and discuss it, and nine times out of ten you will receive a reply giving it hearty support.

It has been intimated that the service organizations are not behind it. That is a mistake. The Disabled American Veterans, which is an organization composed exclusively of disabled veterans of the World War, are 100 per cent for it. Their representative, Hon. Thomas Kirby, who has labored for the disabled ex-service men day in and day out ever since I have been a Member of Congress, has given the measure his whole-hearted support from the very beginning. A short time ago Hon. William J. Murphy, national commander of the Disabled American Veterans, came to Washington and gave it his unqualified indorsement. He had just gone the rounds of the veterans' hospitals of the country and knew the conditions first hand. He not only indorsed this measure then, but everywhere he has been since he left Washington he has raised his voice in support of it.

It has been intimated that the American Legion is against the bill. That is not true. There may be a few leaders temporarily in power who have withheld their indorsement, but the rank and file of the American Legion from one end of the country to the other are whole-heartedly behind it, as I will show before I conclude these remarks. While some of the would-be leaders are talking about taxing the profits of the next war, the rank and file believe, as I do, that we should tax some of the profits of the last war, if necessary, in order to get money to care for our uncompensated disabled veterans of that conflict who are now disabled and whose wives and children are in want.

Rumors have been circulated around the Capitol that this bill would cost hundreds of millions of dollars annually. How absurd!

According to the testimony of the Director of the Veterans' Bureau, it would not cost more than \$44,000,000 for the first year, and I seriously doubt if it would cost that amount. But

even if it does, this Congress has just given back to the large income taxpayers of the country one hundred and ninety millions of dollars on their taxes for last year, and the President indicated in his message to Congress, if I remember correctly, that he hoped to make a similar reduction every year from now on.

Hundreds of millions of dollars have already been appropriated by the present Congress that could have been better applied to compensating our disabled veterans. Nothing would do more, in my opinion, to insure the future peace of mankind, than to let those who have made money out of the war, coining their millions out of the blood and tears of the suffering men, women, and children of the world, understand that those profits in the future are going to be taxed to take care of the disabled victims of the conflict. I for one am ready now to tax the profits of the last war in order to get money to take care of those who offered their lives in the defense of their country and who are now unable to defend themselves.

Of course, I know that these men can be hospitalized under the present law if there is room in the hospitals for them, but in the first place there is not room for all of them. Besides, they can not afford to leave their wives and children without the necessities of life.

It is estimated that these uncompensated disabled veterans are dying at the rate of 50 a day. We began hearings on the Rankin bill, I believe, on the 22d of January, 40 days ago. Since that time approximately 2,000 of these unfortunate boys have passed away, if the estimate to which I have referred is anything like correct.

Of course, when one dies we erect a monument to his memory, and if there is an outfit convenient we give him a military funeral—fire a few rifles over his remains, frighten his children, and remind his wife of the ingratitude of republics.

Under the Johnson bill we would also give a flag with which to drape his coffin.

Why the necessity for this legislation? Because many thousands of our worthiest soldiers who tried to carry on after the war closed, and who finally broke down, find that they were too late in making their application.

I will just cite a few of the hundreds of cases that are on my table now.

I have in my hand a letter from a soldier boy in Pennsylvania, which was sent to me by an officer of the American Legion of that State.

By the way, while I am on that subject, I desire to say that the American Legion of the State of Pennsylvania has indorsed this Rankin bill.

But the letter to which I refer is from a poor boy who has been denied compensation on the ground that his disability, that of a nervous breakdown, was not service connected. In reply to that he says:

I laid in the mud in the German prison camp, not even a board to lay on, and the food, if you would like to call it that, was of middlings and rotten cabbage and nettles and weeds, and maggots crawling around your wounds, and the stink was worse than on the battle field. Then your condition ain't due to service. I could write a book on it.

He seems to have recovered from his wounds, but the horrible experience through which he passed gradually wore his nerves, until to-day he is a total wreck; but he is denied compensation on the ground that his disability is not service connected. Of course, his service record does not show treatment, for he was in a German prison at the time.

I have here a letter from a disabled veteran from the State of Florida, who tells me that he is 41 years old, married, and wholly dependent upon his daughter for support.

In other words—

He says—

I exist by the grace of charity.

He enlisted on April 7, 1917, the day after the war was declared, and was honorably discharged on October 19, 1919. He was a member of the crew on active duty and a survivor of the ill-fated U. S. S. *San Diego*—armored cruiser—

Sunk by mine off the coast of Fire Island July 19, 1918.

In speaking of his experience he says:

I received no physical injuries other than shock and exposure, as we were in the water for three and one-half hours.

He came home and attempted to carry on until 1925, when he suffered a breakdown and became partially paralyzed. He is now a hopeless invalid, and the bureau informs him that he is shut out because of the limitation of the law.

I have before me the case and picture of a young man in a wheel chair. He writes me from Chicago, Ill., and I presume he is a citizen of that State. He asks me to show this picture to

Congressmen and ask them if they would like to see a son of theirs in that condition, and as he expressed it—

Not getting any compensation for the hell and fighting that I had to go through; also having a service-connected case, but having the grit and will power to stick it out and keep on going.

He tells me that he had developed trench feet and abdominal adhesions, but yet he did not complain except to first aid only, and then went back to the line again and joined his outfit. With that same patriotic determination he seems to have attempted to overcome his disabilities after the war closed to keep from calling on his Government for assistance. When he finally broke down and was compelled to do so, he found that he had passed the time limit of 1925 and was told that he was too late.

I have also before me a letter from California from a man who tells me that he is now 53 years old. He is a hopeless invalid, lying in a veterans' hospital without compensation, and thus separated from his family because of his inability to exist without the assistance of the Government. He is told that his claim came too late, or that his breakdown came too late.

Here is one of the disabled veterans from the State of Georgia suffering from tuberculosis, who tells me that he tried to carry on until after 1925 when he broke down and was compelled to go to the hospital and was told then that his application came too late.

I know some will say that he might have offered proof to show that he had this disability before the close of 1925, but the Veterans' Bureau has refused to accept even the evidence of physicians unless they were backed up by a clinical examination.

Here is a case, Mr. Speaker, of a poor tuberculosis victim in Fort Harrison, Mont. He enlisted in the United States Army in August, 1913, and served on the Mexican border five months prior to our entry in the World War. He then went overseas and served 18 months, sailing for France in October, 1917. Nine months of that time he spent in the trenches in all engagements in which his division participated. After the armistice he served on the Rhine. He was cited for bravery in action by both the French and American Armies for carrying a message under shell fire during which time he was under gas five hours. He was decorated with the distinguished-service cross and was awarded the *croix de guerre*. He returned to the United States and was discharged in May, 1919. He is a married man with a wife and a small child. He broke down with tuberculosis after the time limit of 1925 expired and is now told that he can not receive a dollar of compensation, because he can not prove that his disability is service connected.

I could pile these cases so high that it would take a volume, almost, of the CONGRESSIONAL RECORD to contain them all, but I am only citing a few that come under my personal observation at this moment in order that the Members of the House and those who read this RECORD may know that we who are waging this fight are engaged in a worthy cause.

With thousands of similar cases before the eyes of the country, some in practically every community in the United States, is it any wonder that the American people, and especially the ex-service men, are behind this bill that would take care of these uncompensated disabled men?

I have here a petition which seems to be about 20 or 25 feet long appealing to Congress to pass this bill. This petition comes from Outwood, Ky., and at first glance I see on it names of men from Pennsylvania, Mississippi, Maryland, Ohio, Alabama, Indiana, and I am sure if I went on down the list I would find men from every State in the Union. That is but one of the many petitions.

I see here a petition containing about 400 names, all from one district in New Jersey. Their petition states that—

Most earnestly request and urge your support of Rankin bill, H. R. 7825.

Here are 72 other petitions to Congress in favor of this bill. I wish I could read them into the RECORD with the thousands of names they contain. These are all in addition to the ones mentioned in my previous remarks and the ones inserted in the RECORD some time ago. They not only cover every State but they cover every congressional district. Many of them contain this expression, "A feeble effort reaching out from a sick bed." Many of them have this inscription:

Leave your frolie for a moment. Or rather, as you hear the martial air of the band, the blare of the bugle, the lilt of the song, the gay serenade of the singer, may those melodies commingle with these other lesser noises, the moan of the disabled, the cough of the tubercular, the groan of the utterly spent, of the men who are sick unto death. May these far less harmonious sounds rise in a mighty voice to speak

for us; and may it, through you, thunder our cry on the ears of the Nation, that those living may still live on, that the dying may be brought back to life.

I find several petitions here signed by war mothers alone appealing to Congress to pass this legislation before any more of these disabled boys go uncompensated to their graves. They have not forgotten those trying days of the World War when they were called upon to give their most precious earthly possessions to their country, and now when these boys are disabled and in need of help they can not understand why their Government is reluctant to respond to their needs.

I have in my hand a telegram signed by the Uncompensated Disabled Veterans of the World War at Fort Bayard, N. Mex., in which they say:

We, the Uncompensated Disabled Veterans of the World War, have for the past several years pleaded with you for greatly needed relief through just and undiscriminating legislation. The Rankin bill now before the Veterans' Committee is the only constructive measure under contemplation. We most respectfully request your whole-hearted support of this bill \* \* \*. To you this may be merely a question of dollars and cents; to us it is a matter of life and death \* \* \*.

This is typical of the messages pouring in from every section of the country. It would be impossible for me to even mention the thousands of letters, telegrams, and so forth, that have come to me appealing for this legislation.

Mr. Speaker, this is not a gesture. This is not even what might be termed a wave of popular feeling; but it is a rising tide of public sentiment which Congress can not afford to ignore.

I trust that every Member of the House will sign the petition now on the Speaker's desk to bring this measure to the floor of the House, for if we can ever get a vote of the membership of this body it will pass by an overwhelming majority.

These disabled boys did their duty when their country called for their service; let us in turn perform our duty toward them now.

#### ELECTION TO COMMITTEES

Mr. TILSON. Mr. Speaker, I send to the desk the following resolution, which I ask to have read.

The Clerk read as follows:

#### House Resolution 175

*Resolved*, That CHARLES FINLEY, of Kentucky, be, and he is hereby, elected a member of the following standing committees of the House, to-wit: Elections No. 3; Mines and Mining.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

#### THE LATE REPRESENTATIVE JAMES A. HUGHES

Mr. BACHMANN. Mr. Speaker, it is with deep regret that I inform the House of the death of our friend and colleague, Hon. JAMES A. HUGHES, Member of Congress from the fourth congressional district of the State of West Virginia, who passed away yesterday. I send to the Clerk's desk the following resolution and ask for its immediate adoption.

The SPEAKER. The gentleman from West Virginia offers a resolution, which the Clerk will report.

The Clerk read as follows:

#### House Resolution 176

*Resolved*, That the House has heard with profound sorrow of the death of Hon. JAMES ANTHONY HUGHES, a Representative from the State of West Virginia.

*Resolved*, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following committee.

The Clerk read as follows:

Hon. HENRY ALLEN COOPER, of Wisconsin; Hon. GILBERT N. HAUGEN, of Iowa; Hon. WILLIAM H. STAFFORD, of Wisconsin; Hon. JAMES P. GLYNN, of Connecticut; Hon. B. CARROLL RNECE, of Tennessee; Hon. CARL G. BACHMANN, of West Virginia; Hon. FRANK L. BOWMAN, of West Virginia; Hon. THOMAS A. JENKINS, of Ohio; Hon. KATHERINE G. LANGLEY, of Kentucky; Hon. JOHN M. WOLVERTON, of West Virginia;

Hon. ELVA R. KENDALL, of Kentucky; Hon. HUGH I. SHOTT, of West Virginia; Hon. JOHN J. MCSWAIN, of South Carolina; Hon. LISTER HILL, of Alabama; Hon. JOE L. SMITH, of West Virginia.

The SPEAKER. The Clerk will continue the reading of the resolution.

The Clerk read as follows:

*Resolved*, That, as a further mark of respect, this House do now adjourn.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

#### ADJOURNMENT

Accordingly (at 12 o'clock and 15 minutes p. m.), in accordance with the resolution heretofore agreed to, the House adjourned until to-morrow, Tuesday, March 4, 1930, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Tuesday, March 4, 1930, as reported to the floor leader by clerks of the several committees:

#### COMMITTEE ON APPROPRIATIONS

(1.30 p. m.)

Navy Department appropriation bill.

#### COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To permit the admission as nonquota immigrants of certain alien wives and children of United States citizens (H. R. 2404).

To admit to the United States Chinese wives of certain American citizens (H. R. 5654).

#### COMMITTEE ON THE JUDICIARY

(10 a. m.)

Proposing an amendment to the Constitution of the United States (H. J. Res. 114, H. J. Res. 11, H. J. Res. 38).

Proposing an amendment to the eighteenth amendment of the Constitution (H. J. Res. 99).

Proposing an amendment to the Constitution of the United States providing for a referendum on the eighteenth amendment thereof (H. J. Res. 219).

Proposing an amendment to the eighteenth amendment of the Constitution of the United States (H. J. Res. 246).

#### COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To consider branch, chain, and group banking as provided in House Resolution 141.

#### COMMITTEE ON THE PUBLIC LANDS

(10.30 a. m.)

To amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right to homestead entry," approved February 14, 1920, as amended January 21, 1922 (H. J. Res. 181).

#### COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

To consider proposed legislation concerning Muscle Shoals.

#### COMMITTEE ON THE DISTRICT OF COLUMBIA

(10.30 a. m.)

To prevent professional prize fighting and to authorize amateur boxing in the District of Columbia (H. R. 9182).

#### EXECUTIVE COMMUNICATIONS, ETC.

354. Under clause 2 of Rule XXIV, a letter from the Acting Secretary of the Navy, transmitting draft of a bill for the relief of Frank M. Grover was taken from the Speaker's table and referred to the Committee on Claims.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WASON: Joint Committee on the Disposition of Useless Executive Papers. A report on the disposition of useless papers in the United States Fuel Administration (Rept. No. 808). Ordered to be printed.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HALE: Committee on Naval Affairs. H. R. 348. A bill to place Norman A. Ross on the retired list of the Navy; with

amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 752. A bill for the relief of Wesley B. Johnson; with amendment (Rept. No. 810). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 816. A bill for the relief of Lieut. Commander Cornelius Dugan (retired); without amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. DRANE: Committee on Naval Affairs. H. R. 851. A bill for the relief of Richard Kirchoff; without amendment (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 1155. A bill for the relief of Eugene A. Dubrule; with amendment (Rept. No. 813). Referred to the Committee of the Whole House.

Mr. HALE: Committee on Naval Affairs. H. R. 2335. A bill providing for the promotion of Chief Boatswain Edward Sweeney, United States Navy, retired, to the rank of lieutenant on the retired list of the Navy; with amendment (Rept. No. 814). Referred to the Committee of the Whole House.

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 2626. A bill for the relief of George Joseph Boydell; with amendment (Rept. No. 815). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 2793. A bill granting six months' pay to Lucy B. Knox; without amendment (Rept. No. 816). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 2951. A bill granting six months' pay to Frank J. Hale; without amendment (Rept. No. 817). Referred to the Committee of the Whole House.

Mr. SANDERS of Texas: Committee on Naval Affairs. H. R. 2984. A bill granting six months' pay to Mary A. Bourgeois; with amendment (Rept. No. 818). Referred to the Committee of the Whole House.

Mr. HALE: Committee on Naval Affairs. H. R. 3175. A bill to authorize Lieut. Commander James C. Monfort, of the United States Navy, to accept a decoration conferred upon him by the Government of Italy; without amendment (Rept. No. 819). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 5213. A bill for the relief of Grant R. Kelsey, alias Vincent J. Moran; without amendment (Rept. No. 820). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on Naval Affairs. H. R. 5824. A bill for the relief of George Campbell Armstrong; with amendment (Rept. No. 821). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. H. R. 6693. A bill for the relief of Stephen W. Douglass, chief pharmacist, United States Navy, retired; without amendment (Rept. No. 822). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7103) granting a pension to Maggie Clark; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 10399) granting a pension to Maria E. Browne; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARENTZ: A bill (H. R. 10449) to authorize the erection of a Veterans' Bureau hospital in the State of Nevada, and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. DICKINSON: A bill (H. R. 10450) to authorize the taking over and paying compensation for the Thayer West Point Hotel building located and situated on the grounds of the West Point Military Academy, and for other purposes; to the Committee on Military Affairs.

By Mr. GIBSON: A bill (H. R. 10451) to amend section 4(a) of the immigration act of 1924 as amended by Public Resolution No. 61, Seventieth Congress; to the Committee on Immigration and Naturalization.

By Mr. SIROVICH: A bill (H. R. 10452) to create in the Treasury Department a bureau of narcotics, and for other purposes; to the Committee on Ways and Means.

By Mr. HOWARD: A resolution (H. Res. 177) for the consideration of Senate Joint Resolution 3 proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; 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. CHASE: A bill (H. R. 10453) granting an increase of pension to Harriet Roach; to the Committee on Invalid Pensions.

By Mr. DUNBAR: A bill (H. R. 10454) granting an increase of pension to Isaac A. Chandler; to the Committee on Pensions.

Also, a bill (H. R. 10455) granting a pension to James M. Sanders; to the Committee on Pensions.

By Mr. FITZGERALD: A bill (H. R. 10456) granting a pension to Vidella Zehring; to the Committee on Invalid Pensions.

By Mr. HOWARD: A bill (H. R. 10457) to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

By Mr. HULL of Wisconsin: A bill (H. R. 10458) granting a pension to George W. Bryant; to the Committee on Pensions.

By Mr. FRANK M. RAMEY: A bill (H. R. 10459) granting a pension to Sarah Jane White; to the Committee on Invalid Pensions.

By Mr. SHORT of Missouri: A bill (H. R. 10460) granting a pension to Fannie McKinzie; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

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

5236. By Mr. BOHN: Petition of citizens of Grand Marais, Alger County, Mich., in favor of speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5237. By Mr. BRUNNER: Petition of the Women's Republican Club of Astoria, indorsing the La Follette-O'Connell Saturday half-holiday measure and urging Congress for early and favorable enactment of same; to the Committee on the Post Office and Post Roads.

5238. Also, petition of Sons of the Revolution in the State of New York, heartily indorsing the principle of military training in Reserve Officers' Training Corps and citizens' military training camps and in high schools with Government aid; to the Committee on Military Affairs.

5239. By Mr. CAMPBELL of Iowa: Petition of 71 citizens of Sioux City, Woodbury County, Iowa, urging the speedy consideration and passage of House bill 2562 and Senate bill 476 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.

5240. By Mr. CHALMERS: Statement from P. W. James, Toledo, Ohio, relative to independent domestic business; to the Committee on Interstate and Foreign Commerce.

5241. By Mr. CHRISTOPHERSON: Petition of citizens of Hudson, S. Dak., asking passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5242. By Mr. DEROUEN: Petition of citizens of Beauregard Parish, La., asking that Congress endeavor to secure speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5243. By Mr. DOWELL: Petition of citizens of Polk County, Iowa, regarding increased pensions for veterans of the Spanish-American War; to the Committee on Pensions.

5244. By Mr. DUNBAR: Petition of Edward G. Goodbub and many prominent citizens of New Albany, Ind., urging speedy consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5245. By Mr. FITZPATRICK: Petition signed by various residents of Bronx County, New York City, N. Y., 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.

5246. By Mr. GARBER of Oklahoma: Petition of citizens of Kay County, Ponca City, Okla., urging passage of House bill 2562 providing for increased rates of pension to men who served in Spanish War; to the Committee on Pensions.

5247. Also, petition of William Kurtz Post, No. 976, American Legion, United States Veterans' Bureau Hospital, Castle Point, N. Y., urging support of Rankin bill, H. R. 7825; to the Committee on World War Veterans' Legislation.

5248. Also, petition of C. E. Taylor, of Taylor Pharmacy, Ponca City, Okla., in regard to the Capper-Kelly bill; to the Committee on Interstate and Foreign Commerce.

5249. Also, petition of board of directors, Chamber of Commerce, of Lawton, Okla., urging support of legislation embodying recommendations of interdepartment board for increases in compensation paid officers and men, both active and retired, of the Army, Navy, Marine Corps, Coast Guard, Public Health, and Geodetic Survey; to the Committee on Military Affairs.

5250. Also, petition of citizens of Ponca City, Okla., urging support of House bill 9233; to the Committee on the Judiciary.

5251. By Mr. HALL of Illinois: Petition of G. H. Copeland and 16 other residents of Stanford, McLean County, Ill., advocating an increase of pension to veterans of the Spanish-American War; to the Committee on Pensions.

5252. By Mr. HESS: Petition of various citizens of Cincinnati, Ohio, urging the passage of House bill 8976; to the Committee on Pensions.

5253. By Mr. HULL of Wisconsin: Memorial of the Common Council of the City of Green Bay, Wis., memorializing Congress of the United States to enact House Joint Resolution 167 directing the President of the United States to proclaim October 11 of each year as General Pulaski memorial day; to the Committee on the Judiciary.

5254. Also, petition of Wisconsin Vocation Guidance Association favoring House bill 7138 and Senate bill 3340; to the Committee on Education.

5255. Also, petition of the international council representing the membership of the Amalgamated Lithographers of America, urging Congress for the passage of House bill 2562 and Senate bill 476 granting an increase of pension to Spanish-American War veterans; to the Committee on Pensions.

5256. By Mr. IRWIN: Petition of John W. Kelly and other citizens of East St. Louis, Ill., urging the enactment of Senate bill 476 and House bill 2562 in the Seventy-first Congress; to the Committee on Pensions.

5257. By Mr. JOHNSON of Texas: Petition of Thomas McSweeney, commander Herbert F. Watson Chapter, D. A. V. W. W.; Chester Borden, commander Avery W. Putnam Post, A. L.; and Louis Richards, chairman Uncompensated Veterans' committee, of Rutland Heights, Mass., indorsing Rankin bill, H. R. 7825; to the Committee on World War Veterans' Legislation.

5258. Also, petition of R. F. Keefe, commander Disabled American Veterans, and Edward Saunders, president Uncompensated Veterans, Summit, N. Y., indorsing Rankin bill; to the Committee on World War Veterans' Legislation.

5259. Also, petition of Hinds Welch, American Legion; Frederick Villio, Veterans of Foreign Wars; Albert Moriarty, Disabled American Veterans; and James Foy, Uncompensated Disabled Veterans, of Fort Bayard, N. Mex., indorsing Rankin bill; to the Committee on World War Veterans' Legislation.

5260. Also, petition of 600 inmates of veterans' hospital at Oteen, N. C., indorsing Rankin bill, H. R. 7825; to the Committee on World War Veterans' Legislation.

5261. By Mr. JOHNSTON of Missouri: Petition of sundry citizens of Salem, Dent County, Mo., praying for the passage of legislation granting increased pensions to Spanish War veterans; to the Committee on Pensions.

5262. By Mr. KEARNS: Petition of Preston Swiney and 54 other residents of Scioto County in the sixth congressional district of Ohio, requesting an early consideration of House bill 2562 to increase the rates of pension for Spanish War veterans; to the Committee on Pensions.

5263. By Mr. LANKFORD of Georgia: Petition of 100 citizens of Adell and Cook County, urging early enactment of legislation to increase pensions paid to Spanish War veterans and widows of veterans; to the Committee on Pensions.

5264. By Mr. LINDSAY: Petition of Local 251, National Federation of Post Office Clerks, Brooklyn, N. Y., with a membership of 900, urging support of the new Lehlbach retirement bill for postal employees; to the Committee on the Civil Service.

5265. Also, petition of Navy Yard Retirement Association, New York, urging support of the Dale-Lehlbach retirement bill; to the Committee on the Civil Service.

5266. By Mr. O'CONNELL of New York: Petition of the Ladies Auxiliary to the Coachmen's Union League Society (Inc.), of New York City, favoring the passage of the La Follette-O'Connell bill, H. R. 167, for Saturday half holidays for postal employees; to the Committee on the Post Office and Post Roads.

5267. Also, petition of Herbert F. Watson Chapter No. 12, Disabled American Veterans of the World War, United States

Veterans' Hospital No. 89, Rutland Heights, Mass., favoring the passage of the Rankin bill; to the Committee on World War Veterans' Legislation.

5268. By Mr. SPEAKS: Petition signed by 89 citizens of Columbus, Ohio, urging favorable action on Senate bill 476 and House bill 2562 proposing increased pension rates for veterans of the Spanish War; to the Committee on Pensions.

5269. Also, petition signed by 85 citizens of Columbus, urging favorable action on Senate bill 476 and House bill 2562; to the Committee on Pensions.

5270. By Mr. THATCHER: Petition signed by S. E. Nichols and others, of the fifth Kentucky district, in support of the bill to increase Spanish War veterans' pensions; to the Committee on Pensions.

5271. By Mr. WHITLEY: Petition of citizens of Rochester, N. Y., urging passage of legislation to provide increased pensions for veterans of the Spanish-American War; to the Committee on Pensions.

## SENATE

TUESDAY, March 4, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

The VICE PRESIDENT. The clerk will call the roll.

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

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

Mr. SHEPPARD. The junior Senator from South Carolina [Mr. BLEASE] is unavoidably detained on imperative business. This announcement may stand for the day.

The junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the London Naval Conference.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. I ask that this announcement may stand for the day.

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

### COMMITTEE TO ATTEND FUNERAL OF THE LATE REPRESENTATIVE HUGHES

The VICE PRESIDENT. Pursuant to Senate Resolution 223, as the committee on the part of the Senate to join the committee on the part of the House of Representatives to attend the funeral of the late Representative JAMES ANTHONY HUGHES, of West Virginia, the Chair appoints the senior Senator from West Virginia [Mr. GOFF], the junior Senator from West Virginia [Mr. HATFIELD], the Senator from Indiana [Mr. WATSON], the Senator from Mississippi [Mr. HARRISON], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Ohio [Mr. FESS].

### CRITICISM OF CONDITIONS IN NEW YORK

The VICE PRESIDENT. The Chair appoints the Senator from New Hampshire [Mr. MOSES], the Senator from Nevada [Mr. PITTMAN], and the Senator from North Dakota [Mr. FRAZIER] a committee authorized by the motion of the Senator from Mississippi [Mr. HARRISON] to consider and report to the Senate on the point made by the Senator from New York [Mr. COPELAND] on the question as to whether or not the letter inserted in the CONGRESSIONAL RECORD by unanimous consent by