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Congressional Record

SEVENTY-SECOND CONGRESS, FIRST SESSION

SENATE

FRIDAY, JUNE 24, 1932

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Z. Barney T. Phillips, D. D., LL. D., offered the following prayer:

Be merciful unto us, O God, be merciful unto us, for our soul trusteth in Thee, and under the shadow of Thy wings shall be our refuge until this tyranny be overpast. Deal tenderly with our land, the branch of Thy planting, the work of Thy hands; and though the eye of sinful man Thy glory may not see, grant unto us, Thy children, the abundance of Thy pardon as we humbly confess our sins unto Thee. In particular we beseech Thee to bless the Members of the Congress. Give them wisdom to discern and courage to do whatever is needful in these days, wherein the souls of men are sorely tried, that sorrow and suffering, want and distress being relieved in our midst, Thy people may again find peace and joy in serving Thee with a quiet mind. We ask it in the name and for the sake of Him who is ever our Exemplar and Redeemer, Jesus Christ, our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar days of Tuesday, Wednesday, and Thursday, June 21, 22, and 23, 1932, when, on request of Mr. Fess and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

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

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

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

Ashurst	Copeland	Jones	Robinson, Ind.
Austin	Costigan	Kean	Sheppard
Bankhead	Couzens	Kendrick	Shipstead
Barbour	Dale	King	Shortridge
Barkley	Davis	La Follette	Smoot
Bingham	Fess	Logan	Steiwer
Black	Fletcher	McGill	Stephens
Blaine	Frazier	McKellar	Thomas, Idaho
Borah	George	McNary	Thomas, Okla.
Bratton	Goldsborough	Metcalf	Townsend
Brookhart	Gore	Moses	Trammell
Broussard	Hale	Norbeck	Vandenberg
Bulow	Hastings	Norris	Wagner
Byrnes	Hatfield	Nye	Walcott
Capper	Hawes	Oddie	Walsh, Mass.
Caraway	Hayden	Patterson	Walsh, Mont.
Carey	Hebert	Pittman	Watson
Connally	Howell	Reed	White
Coolidge	Johnson	Robinson, Ark.	

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present.

REPORTS OF COMMITTEES

Mr. BLACK, from the Committee on Claims, to which was referred the bill (S. 4049) for the relief of John H. Day, reported it without amendment and submitted a report (No. 902) thereon.

Mr. COOLIDGE, from the Committee on Claims, to which was referred the bill (H. R. 2161) for the relief of Nelson E. Frissell, reported it with an amendment and submitted a report (No. 903) thereon.

He also, from the same committee, to which was referred the bill (H. R. 4885) for the relief of Kenneth G. Gould, re-

ported it without amendment and submitted a report (No. 904) thereon.

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 465) for the relief of William H. Holmes, reported it with amendments and submitted a report (No. 905) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

H. R. 3414. An act for the relief of Ellen N. Nolan (Rept. No. 906);

H. R. 3604. An act for the relief of Same Giacalone and Same Ingrande (Rept. No. 907); and

H. R. 3811. An act for the relief of Lela B. Smith (Rept. No. 908).

Mr. HOWELL also, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1738. An act for the relief of Catterina Pollino (Rept. No. 909);

S. 4327. An act for the relief of Lizzie Pittman (Rept. No. 910);

H. R. 756. An act for the relief of R. L. Wilson (Rept. No. 911);

H. R. 3693. An act for the relief of William Knourek (Rept. No. 912); and

H. R. 3812. An act for the relief of the estate of Harry W. Ward, deceased (Rept. No. 913).

Mr. STEIWER, from the Committee on Claims, to which was referred the bill (S. 2571) authorizing adjustment of the claim of the Pennsylvania Railroad Co., reported it without amendment and submitted a report (No. 914) thereon.

He also, from the same committee, to which was referred the bill (S. 2863) for the relief of Karim Joseph Mery, reported it with an amendment and submitted a report (No. 915) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2349) for the relief of the First Camden National Bank & Trust Co., of Camden, N. J., reported it without amendment and submitted a report (No. 919) thereon.

Mr. BARBOUR, from the Committee on Public Buildings and Grounds, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 8980. An act to provide for the sale of a portion of the site of the post-office and customhouse building in Newark, N. J., to the city of Newark for use as a public street (Rept. No. 916); and

H. R. 8981. An act to provide for the sale of an easement for a railway right of way over the post-office and customhouse site at Newark, N. J. (Rept. No. 917).

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2774) to amend an act to increase the efficiency of the Veterinary Corps of the Regular Army, approved June 28, 1930, reported it with an amendment and submitted a report (No. 918) thereon.

Mr. REED, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 179) authorizing the Secretary of War to receive for instruction at the United States Military Academy, at West Point, Tisheng Yen, a citizen of China, reported it without amendment and submitted a report (No. 920) thereon.

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

S. 4068. An act to authorize the award of a decoration for distinguished service to Harry H. Horton, formerly private, first class, Medical Detachment, One hundred and forty-eighth Field Artillery, American Expeditionary Forces, in the World War (Rept. No. 921); and

S. 4597. An act to restore to their former retired status in the Regular Army of the United States persons who resigned such status to accept the benefits of the act of May 24, 1928 (45 Stat. 735), and for other purposes (Rept. No. 922).

Mr. AUSTIN, from the Committee on Military Affairs, to which was referred the bill (S. 2283) for the relief of Otto Christian, reported it without amendment and submitted a report (No. 923) thereon.

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 1860) for the relief of Leonard Theodore Bolce, reported it without amendment and submitted a report (No. 924) thereon.

RELIEF OF PERSONS IN BALTIMORE AND HARFORD COUNTIES, MD.

Mr. HOWELL, from the Committee on Claims, reported a resolution (S. Res. 250), as follows:

Resolved, That the bill (S. 4415) entitled "A bill for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and the representations of the Government made in connection therewith and report to the Senate in accordance therewith.

EXECUTIVE REPORTS OF COMMITTEES

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably sundry nominations of postmasters.

Mr. HEBERT, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Walter C. Price to be postmaster at Huntington, W. Va., in place of C. R. Varnum.

Mr. REED, from the Committee on Military Affairs, reported favorably sundry nominations of officers in the Regular Army.

Mr. HALE, from the Committee on Naval Affairs, reported favorably sundry nominations of officers in the Navy.

Mr. NORBECK, from the Committee on Banking and Currency, reported favorably the nomination of Gardner Cowles, sr., of Iowa, to be a member of the board of directors of the Reconstruction Finance Corporation for the unexpired portion of the term of two years from January 22, 1932, vice Charles G. Dawes, resigned.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

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

By Mr. BORAH:

A bill (S. 4930) for the relief of Avery G. Constant; to the Committee on Claims.

By Mr. HOWELL:

A bill (S. 4931) granting an increase of pension to Sarah M. Williams; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 4932) to repeal section 2 of Public, No. 242, Sixty-fourth Congress, being an act making appropriations for the support of the Army, and approved August 29, 1916, and relating to the establishing of a council of national defense; to the Committee on Military Affairs.

By Mr. METCALF (by request):

A bill (S. 4933) to encourage and promote education; to the Committee on Education and Labor.

RESTRICTION ON EMPLOYMENT OF ALIENS

Mr. ASHURST introduced a joint resolution (S. J. Res. 184) proposing an amendment to the Constitution of the United States, which was read twice by its title.

Mr. ASHURST. Mr. President, I ask unanimous consent to address the Senate for two minutes upon the joint resolution.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Arizona will proceed.

Mr. ASHURST. Mr. President, the joint resolution reads as follows:

Nothing contained in Article XIV of the amendments to this Constitution shall interfere with the rights of the States to restrict the employment of aliens within their respective boundaries.

In 1914 the State of Arizona adopted a measure, the operative parts of which read as follows:

Any company, corporation, partnership, association, or individual who is or may hereafter become an employer of more than five workers at any one time in the State of Arizona, regardless of kind or class of work or sex of workers, shall employ not less than 80 per cent qualified electors or native-born citizens of the United States or some subdivision thereof.

This measure adopted by Arizona was, by the Supreme Court of the United States, in the case of *Truax v. Raich* (239 U. S. 33, et seq.), declared to be in conflict with the fourteenth amendment to the Constitution, and therefore invalid.

I do not, of course, expect action on the joint resolution at this session of Congress, but I ask the country, and especially the Senate, to study the same so that during the next session we may consider the resolution.

The PRESIDENT pro tempore. The joint resolution will be referred to the Committee on the Judiciary.

AMENDMENT TO CONSTITUTION—ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. COOLIDGE. Mr. President, I desire to introduce a joint resolution providing for an amendment to the Constitution of the United States. The proposed amendment provides for the election of the President and the Vice President of the United States by direct vote of the people.

I am sure that under the present system of electing the President and the Vice President, many of our people do not realize for whom they are voting. That there is a strong sentiment against the present party machinery is evidenced, in my opinion, by the lack of interest shown by the voters who fail to exercise their right of franchise on election day.

I appreciate the importance of the proposed change which is provided for in this joint resolution. Under the present system a voter has no choice in the selection of the candidate for Vice President; that is, if he should vote for the Democratic candidate for President his vote is counted for the Democratic candidate for Vice President.

This generation is taking a greater interest in candidates and political questions than ever before. Under the present system the voters have very little to say as to whom their candidates will be for these offices. If the election of President and Vice President were by direct vote of the people, greater independence would be enjoyed by the voter.

Mr. President, I intended to introduce this joint resolution earlier than this, but I did not have it prepared. I intended to send it to the platform committee of the Republican National Convention, and also to the platform committee of the Democratic National Convention, and have them consider it and possibly incorporate it in the platforms of those conventions.

This joint resolution is being introduced with an earnest desire on my part that it receive favorable consideration from the Congress.

The joint resolution (S. J. Res. 185) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, was read twice by its title and referred to the Committee on the Judiciary.

AMENDMENT TO DEFICIENCY APPROPRIATION BILL

Mr. KING submitted an amendment intended to be proposed by him to House bill 12443, the second deficiency ap-

appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 4, after line 25, insert the following new paragraph:
 "International economic conference: For payment of expenses of delegates from the United States to any conference called by any foreign nation during the fiscal year ending June 30, 1933, for the purpose of considering economic and world monetary questions, including restoring silver to a proper monetary status."

REMOVAL OF BOSTON & MAINE RAILROAD EMPLOYEES

Mr. WAGNER submitted the following resolution (S. Res. 251), which was referred to the Committee on Interstate Commerce:

Resolved, That the Interstate Commerce Commission be, and it is hereby, requested to investigate the circumstances surrounding an order issued by the Boston & Maine Railroad, which became effective on November 18, 1931, and which resulted in the removal of the switching, clerical, roundhouse, and other railroad employees from Rotterdam Junction, N. Y., to Mechanicville, N. Y., and the practical abandonment of the community of Rotterdam Junction, and that a report of the investigation, including an estimate of the losses suffered by the railroad employees and a determination of the effect of the order upon the general welfare of the community of Rotterdam Junction be submitted to the Senate on December 5, 1932.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 12445) to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by authorizing and expediting a public-works program and providing a method of financing such program; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COLLIER, Mr. CRISP, Mr. RAINEY, Mr. TREADWAY, and Mr. BACHARACH were appointed managers on the part of the House at the conference.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on June 23, 1932, the President approved and signed the following acts:

S. 1153. An act to provide for the incorporation of credit unions within the District of Columbia; and

S. 4614. An act to amend section 14 of an act entitled "An act to adjust water-right charges, to grant certain other relief on the Federal irrigation projects, and for other purposes," approved May 25, 1926 (44 Stat. 636), as amended (46 Stat. 249).

"CONGRESS AND THE COUNTRY"

Mr. ODDIE. Mr. President, I ask permission to have published in the RECORD an interesting and instructive radio address made by Senator CAPPER on June 22, 1932, over the National Broadcasting System.

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

Friends in the radio audience, before you and I start this little talkfest about Congress and the country, perhaps I should tell you a little about myself, so you may understand the background against which my impressions of things as they happen to be to-day are etched.

I am a native of Kansas. I started in business as a printer; still carry my union card. I became a newspaper reporter; then owner, editor, and publisher of newspapers and farm papers.

Economically, my background is strictly agricultural. Kansas is an agricultural State. After two terms as Governor of Kansas I was elected to the United States Senate in 1918. In the years that have followed I have been associated with the farm group in legislation pertaining to agriculture; have been chairman of the Committee on the District of Columbia, member of the Committee on Agriculture, member of the Committee on Foreign Relations.

I come of Quaker stock, and do not believe in war. Politically, I always have been a Republican; am now a Republican; expect to continue to be a Republican. I am a dry and believe in national prohibition.

Perhaps this background may explain some of the views which I hold. There are some who believe such views require explanation.

With the additional explanation that I am not much of a hand at speech making but am very fond of talking things over with other folks, I expect to get away from referring to myself during the few minutes that you and I are to spend together discussing

the present session of Congress. If you don't mind, there will be no speech. We will just talk things over, as if we were sitting on the front porch this warm evening—probably in our shirt-sleeves—trying to figure what all this trouble is about. We may not get anywhere, but we can get some ideas off our chest.

If the average citizen were asked point-blank what Congress has done in the last seven months he would probably say, "Nothing, except cause more grief." And he would be perfectly sincere in that statement.

He might add the pious wish that Congress would adjourn and go home and allow the country to right itself. And he would be perfectly sincere in that statement also. I know lots of folks feel that way about it. And you and I can not blame them. When we look at the fix the country is in, and figure out there is no excuse for its being in that fix, the first thing to be done is to place the blame. And as Congress is popularly supposed to run the country—under the direction of the President and the newspapers and with the guidance of the Supreme Court—what is more natural than to blame Congress?

Personally I do not believe Congress is entirely to blame for the world depression. But, then, neither do I believe that President Hoover brought on the world depression. As a matter of fact, my friends, no one person, no set of persons, brought on the world depression intentionally.

But something did cause the world depression. If we just knew for sure what it was, perhaps we could do something about it; certainly we would try—and we are trying. Right now the thing is as bad as the weather, about which, I believe, Mark Twain once commented that everyone talked about the weather but no one ever did anything about it.

However, as a matter of fact, men do not cause weather conditions; there is little doubt but that this depression is man made. And I do believe something can be done about it; some things have been done. A lot of things will have to be done when we get out of this one to prevent our tumbling into another one in the near future.

Now, just look at the United States, at its people, its natural resources, its wealth, the material progress it has made—and then look "where we are at," to use an inelegant but perfectly intelligible expression.

Let us start out with a few basic facts before we get down to brass tacks in discussing the relation of Congress to the country. Then take a look at our system—or lack of system, in the economic sense—and then search for some causes of our troubles. Seems to me that is the first thing to do in trying to remedy a bad situation. Figure out the situation, look for the causes, then search for a solution.

We think of the United States as a pretty big place. And it is. We think there are a lot of people in the United States. And there are—some 120,000,000 of us.

But, after all, only 6 per cent of the population of this world is in the United States. Only 6 persons out of 100; only 1 of every 16 in the world live in these United States of America.

But let us see what this 6 per cent of the world's population were doing—what they had—the year before the panic of 1929 started.

This 6 per cent of the world's population consume 15 per cent of the wheat consumed in the entire world, 23 per cent—nearly one-fourth—of all the sugar consumed in the world.

We drink 51 per cent—more than one-half—of the coffee drunk in the world, use 26 per cent of the cotton, 72 per cent of the silk, 17 per cent of the wool, 66 per cent of the rubber, 43 per cent of the pig iron, 36 per cent of the lead, 35 per cent of the zinc, 46 per cent of the tin, 39 per cent of the coal, 61 per cent of the petroleum, 35 per cent of the water power, 40 per cent of the electrical energy.

We—we 6 per cent of the population of the world—own three-fourths of the autos in the world; we use 60 per cent of all the telephones; we send 25 per cent of the telegrams; we mail 35 per cent of the pieces of mail delivered all over the world; we handle 38 per cent of the freight tonnage.

To-day there are in the United States enough foodstuffs in storage to last us about one year; there is enough clothing to last us a year; we apparently have inexhaustible sources of heat and light and power.

But in the face of these facts, with all this wealth, with all these commodities, with all these things—

We have surplus foodstuffs; we have breadlines in most of our big cities.

We have plenty of work to be done; we have 10,000,000 unemployed.

We have plenty of gold, and the business of the country facing bankruptcy, the people facing insolvency, want, ruin; the Government worrying about balancing its Budget.

Why this condition?

That, my friends, is what the people can not understand; and when Congress met last December the people naturally turned to Congress for relief.

But this country had some liabilities, so to speak, that tended to offset the assets, the favorable factors we have been talking about.

You remember we had a World War some 15 years ago. Between 1914 and 1919 the civilized people of the world shot away billions and billions of dollars worth of property, of accumulated capital. That capital, that wealth, was just completely destroyed.

We did our share of the destruction, considering the short space of time we actually were engaged in the war.

In addition we expended, including loans, some \$26,000,000,000, very few of which have come back to us. That fact alone, it would seem, meant we had to make up by savings out of earnings in the years following the war.

But apparently we did not recognize this as a fact; we are dodging the realization to-day; still expecting and hoping to get some of those billions back.

Some other things had happened to us as direct and indirect results of the war. We had got what we fondly and proudly termed the "investment habit." As a matter of fact it was more of a speculation habit, a gambling habit. We believed, and there were plenty of salesmen to help us believe, that wealth would come to us from investing in scraps of paper instead of through production and saving. We evolved a strange economic theory, the theory of mortgaging the future and spending future earnings to-day—and we called it the new economic era.

We fondly believed and proudly bragged that in effect we had discovered how to eat our cake and have it, too—by borrowing. Of course, we did not call it borrowing. We capitalized the future; corporations capitalized possible prospective earnings 10, 20, 30 years ahead and issued beautiful certificates based on those capitalizations of future prospective earnings.

We, the people of the United States, issued our own notes—capitalizing our own future earnings, borrowing on the strength of future prospects—and traded the credits we received at the bank for these pretty certificates. In all we must have traded some \$70,000,000,000 of I O U's for \$70,000,000,000 worth of beautiful certificates.

In other words, we had inflation, speculation, a mad frenzy of gambling in securities. We pyramided, and pyramided, and pyramided, and made paper profits the like of which never were seen nor imagined before. And to cap the climax, on the strength of trading our I O U's for I O U certificates, we bought on the installment plan, still further pledging our credit, extending our borrowings.

The break threatened to come in 1920. We postponed at that time reaping the whirlwind from the winds we had sown, by deflating agriculture. We deflated agriculture some thirty-two billions of dollars, thereby forcing the farmers of the country to mortgage their farms, their futures, to retain their land and their purchasing power. And the money lenders of the country lent credit to the farmers, taking promises to repay cash for that credit, just as they lent the rest of us credit, upon promises to repay in cash, for our speculations in securities.

We bought everything, and bought on time. We bought autos, and radios, and clothing, and necessities, and luxuries, rainbows, and blue sky—principally we bought securities.

We traded promises to pay for credit, for still more credit. But we promised to pay in cash, where we got credit only in return for our promises to pay in cash.

At the time we borrowed that credit it was as good as cash. We were rich. We felt liberal. We increased our taxes, we issued bonds for public buildings, we granted bonuses, we wanted a schoolhouse on every section of land, auditoriums in every town, new courthouses, new buildings for departments and bureaus in Washington; new bureaus and commissions.

We bought and bought and bought and bought—on credit obtained by promising to repay in cash in the future.

Why not? The new economic era had arrived. We had the Federal reserve system, which furnished credit facilities and guaranteed they were sound. And the money lenders, led by the international bankers hawking foreign securities on every street corner, encouraged us to borrow and spend, borrow and spend, borrow and spend.

We doubled our tax burden in a decade. We tripled our total indebtedness.

But we had a good time while it lasted.

Then the bubble burst, and its iridescent colorings faded into blue sky.

But before the financial bubble burst something else also had happened. Something we can not afford to ignore. Something which adds to our present troubles, but promises also a way out if it is intelligently used instead of abused.

I refer to mass production by machinery. During and following the war we carried on our marvelous development of the machine—in industry, in transportation, in agriculture, in mining, in all lines of production and distribution. We developed the machine to the point where in 7 months we can just about produce everything we can consume in 12 months.

Mass production came, and with it the replacement of man power by machine power.

Unless hours of labor were shortened to offset this increased machine production, there was bound to be unemployment for all workers seven months out of the year, or else unemployment for millions of workers all the time.

The bubble burst in October, 1929; we heard about it, but refused to believe it until along about November, 1931.

By that time we had seven millions of unemployed. We had accumulated debts amounting to \$150,000,000,000. We had run up an annual tax bill of \$13,000,000,000. Our annual interest bill was around \$7,000,000,000.

And that \$70,000,000,000 of "pyramided security wealth"—borrowed from the future to buy the pretty certificates—that had just disappeared. It was part of the bubble.

But the \$70,000,000,000 we had promised to pay in return for the \$70,000,000,000 of credit paid for the pyramided securities still remained on the books. We owed the \$70,000,000,000, and held the sack of securities.

When Congress met in December that really was the situation the country faced.

What the country wanted Congress to do was to restore the \$70,000,000,000 of vanished credit; it wanted Congress to reduce the annual tax burden of \$13,000,000,000; it wanted Congress to insure jobs for the then seven millions of unemployed; it wanted Congress to bring back the "prosperity" of those days when we borrowed and spent, borrowed and spent, borrowed and spent.

Well, Congress just could not do that job. It is going to take time, and work, and scrimping, and intelligent leadership, to bring back the prosperity of before the war. I hope none of us live to see again the false prosperity of the postwar days.

As the people see it, Congress has failed on this job the country wanted done. I am not surprised that Congress is criticized. A good part of its record does not have my own approval. But if we are going to be fair about it we must admit Congress has done some things to alleviate the situation, to help tide through the emergency.

The country insisted upon tax reductions, and justly so. A national income of \$50,000,000,000 can not pay the \$13,000,000,000 in taxes that it could when the national income—on the inflated credit basis—was \$90,000,000,000.

Of the country's \$13,000,000,000 of tax burden, the Federal Government's share was well over \$4,000,000,000. The present session of Congress has reduced running expenses somewhere between five hundred and seven hundred million dollars out of seventeen hundred millions of running expenses aside from fixed charges.

State and local governments are on the way toward tax reductions of 25 per cent. In another year the total tax burden should be down to \$10,000,000,000 a year. It will have to be slashed some more. All Government pay rolls are going to have to take cuts; most of them have done so. I am glad to say we have reduced the salaries of Senators and Congressmen 10 per cent. The reduction should have been at least twice that much.

The National Budget must be balanced. Higher taxes are necessary to do that, but along with them curtailment of expenditures also must come. We have got to eliminate boards and bureaus and commissions. Nonessentials must be discarded. Other activities must be curtailed. An emergency exists. It must be met. I am myself voting for drastic reduction in appropriations. My vote has been cast against appropriations aggregating something like \$9,000,000,000. It is hard to do it, but I think the public interest demands it.

The Federal salary reductions for next year will average 9 per cent, through the adoption of the furlough plan. The furlough plan will, I hope, lead to the national 5-day week. Development of machinery, in my judgment, will require the whole country to go to the 5-day week in industry—perhaps to a 7-hour day. Otherwise we will have millions of unemployed with us, even after we have recovered from this deflation following the inflation.

And in passing I want to state that this country will emerge from this depression. We have too much real wealth, too much intelligence, too much real strength in resources and in national character not to recover from this serious economic illness. But we also will have to learn and profit from this sad experience if the recovery is to be permanent.

Right here I am glad to commend President Hoover for sending word to Geneva that the United States favors a one-third cut in world armaments. This move to reduce the crushing burden of taxation caused by war will meet with world-wide approval. Let me add I was immensely pleased with the renomination of President Hoover and Vice President Curtis. Mr. Hoover has had the most difficult job that ever fell to a President. He has made a great President. No one could have handled it better. He will be reelected by a splendid majority. I am particularly proud of the record made by my fellow Kansan, Charles Curtis.

But, getting back to Congress, tax reduction was not the only emergency relief problem faced by Congress.

Neither I nor anyone else can maintain that this session of Congress attacked the cause of our troubles; Congress merely tried to take care of some phases of the existing emergency. Besides tax reduction, extension of credit was absolutely necessary.

This necessary credit extension was accomplished through the Reconstruction Finance Corporation, for which Congress appropriated \$500,000,000, plus authority to borrow on bond issues another \$1,500,000,000.

The R. F. C., as it is generally known, saved the banking system of the country from collapse; if the banking structure had collapsed, we would be a hundredfold worse off than we are; you may not want to admit that, but I believe it to be true.

The R. F. C. extended credit also to the railroads, to the insurance companies indirectly.

The R. F. C. lent \$75,000,000 to farmer and farm cooperatives. The railroads so far have borrowed \$150,000,000. Four thousand banks have obtained nearly \$500,000,000, some of it already repaid. Seventy per cent of the banking loans, I am informed, have gone to banks in towns of 5,000 or less population.

In addition to economies in government, to extending credit through the R. F. C., Congress has extended \$125,000,000 of credit to the farm land banks; has whacked off large percentages from the regular appropriations bills; and this week is struggling with the problem of direct relief for those in distress. How large that figure will amount to I can not say. It will run into the hundreds of millions; but it will not include—and by all means it should not include—the "pork barrel" public-works program advocated by Speaker GARNER. I believe that is a safe statement to make.

I am glad to commend this Congress for having defeated all proposals to modify or repeal the eighteenth amendment. Both

political parties will declare in their platforms for resubmission of this question to the people. I predict that the eighteenth amendment will again be approved by the people.

Congress performed two courageous actions, for which it is receiving little credit from the country at the present time.

First, it passed a billion dollar tax bill—the tax bill that nobody wanted—to balance the Budget. I do not like the tax bill myself, but it was probably the best that could be done.

Second, it refused to pass the bill authorizing payment of twenty-four hundred million dollars to the veterans, to make immediate cash payment of the bonus due in 1945.

I want to pay my personal tribute to the veterans who marched to Washington urging the cash payment of the bonus. I admire their courage, their forbearance, their manly conduct of that mistaken campaign. As a friend of the veterans, I now would urge them to return home. They will do more harm than good in the long run by remaining. And it is just plainly impossible, at the present time, for Congress to yield to their wishes. To do so would endanger the financial fabric of the country, already strained to the breaking point.

The next Congress, in my judgment, should attack the fundamentals of the problem.

The real issue before the country is food for the hungry, jobs for the unemployed, and better prices for the farmer. Frankly, I am greatly disappointed in the record of this Congress so far as relief for the farmer is concerned. I regret to say there is little prospect of a constructive program coming out of this Congress for improving the condition of agriculture. The plan proposed by the three national farm organizations should have been accepted by Congress. The banks and the railroads got more attention than the farmers.

The next Congress should do what this one has failed to do—recognize the necessity of restoring the purchasing power of agriculture. Wheat is selling to-day in Kansas at the ruinously low price of 25 cents a bushel. Until farm prices rise, prosperity can not and will not return. Congress and the country would do well to recognize this basic fact.

Also the next Congress should tackle the problem of our monetary system; make our money a medium of exchange, not a commodity to be dealt in and speculated on in the money markets. In other words, it should stabilize the purchasing power of the dollar.

To-day the dollar is worth from 30 to 45 per cent more than three years ago. This means that the farmer who borrowed \$1,000 when wheat was \$1 a bushel, now has to sell not 1,000 bushels of wheat to pay it back, but more than 3,000 bushels.

There also is a national menace in the control of the Nation's business through great combinations of wealth, international bankers, pyramided mergers, interlocking directorates, great holding companies, and other devices that are used by the Wall Street gamblers for exploitation of the public through the stock markets—with the effects we see in the existing depression.

Let me say in conclusion that the hundreds of letters I receive every day from farmers, business men, and all classes of people from all parts of the country, tell me the people want Congress to finish its work as quickly as possible and go home. Let me give you the good news, then, that there is every prospect that Congress will adjourn by the latter part of the coming week.

"GEORGE WASHINGTON AMONG HIS BOOKS"

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an address broadcast from station WEAH by George Seibel, of Pittsburgh, entitled "George Washington Among His Books," which I believe deserves to be printed in the RECORD.

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

My friends—and I count every lover of liberty as a friend of mine—it looks as if America had suddenly discovered George Washington. We had nearly forgotten him. But all at once his picture appears everywhere, and he is being approved by people who had barely remembered his name. It seems he was born just 200 years ago, and since he has been conveniently dead for a long time it is quite safe to praise him as our patron saint, though we have departed far from his words and his ways.

A very amusing commentary upon this great American hearsay I heard in an Italian railway train while traveling from Venice to Verona. There was an Italian army officer in my compartment, and we got into conversation. I spoke very rudimentary Italian; he spoke no English or German, but very rudimentary French; so with the rudiments of these two languages we managed to understand each other. He wanted to know about prohibition—and I told him what I knew about it. Then he was very insistent upon finding out how the American people had come to adopt prohibition, and I tried to tell him that. After much laborious explanation on my part, he nodded his head and said in rudimentary French: "I think I understand. It is because ze General Washington is dead a very long time."

To the world Washington remains the great champion of liberty. Schiller, the famous German poet of liberty, had a picture of Washington hanging in the room where he died, in his home at Weimar. But to me Washington is not only the friend of liberty but also the example of calm courage and common sense.

In the past we revered him as a kind of patriotic myth. We still tell the story of the cherry tree and the hatchet, though

it's no more true than the story of Little Red Riding Hood. We tell the story of his kneeling in the snow at Valley Forge to pray, but that, too, is a pious fable invented by Parson Weems.

It has never made much difference to me that Washington swore. I'm sure he always swore at the right people and about things that were wrong. And if he worked on the Sabbath day, I'm sure he always did something that needed to be done. And if he sometimes cast a glance at a pretty girl, who would wish that the general of the colonial armies had been blind?

The historian McMaster has told us that "George Washington is an unknown man." The words are true no longer. We know Washington right well, and we admire him none the less. He had in him something of the character of Don Quixote, with a book of which he was familiar, but his clear vision kept him from tilting at windmills. He also read Pilgrim's Progress, and so he was never afraid of Giant Despair. He read Homer, and so he never sulked in his tent. He may even have read Goethe, for there is a picture from Werthers Leiden on the wall of his bedroom at Mount Vernon.

Let us take a look at the books in Washington's library to judge what sort of man he was. You can tell a man by the books he reads. There's a passage in the second epistle of Paul to Timothy that has always intrigued me: "The cloak that I left at Troas, with Carpus, when thou comest, bring with thee, and the books, but especially the parchments." If we could know what Paul was reading, but we do know what Washington was reading.

When he died there were 863 volumes in his library, a large collection for those days. The largest library in the Colonies, that of William Byrd, had only 4,000 volumes. And when William Jennings Bryan died a few years ago, his library was appraised at less than \$50.

Washington was fond of travel books. On his shelves were not only Cook's Voyages, but 20 volumes in French of an *Histoire Générale des Voyages*.

He was not the hard-fisted and prosaic farmer some imagine. On his shelves were many volumes of the *Annals of Agriculture*, but also the volumes of the *Sentimental Magazine*.

He was fond of history, and among his books was Edward Gibbon's great *Decline and Fall of the Roman Empire*. He was interested in revolutions, it seems, and Gifford's *French Revolution* proves it.

He knew the fate of a republic rested upon the intelligence of the citizens, and so he read Kames on Education. He may have known the mean things Samuel Johnson said about the American patriots, but he used the Doctor's Dictionary just the same.

He read the letters of Voltaire, the wittiest and wisest Frenchman that ever lived. He must have imbibed Voltaire's passion for tolerance and Voltaire's hatred of hypocrisy. Voltaire was the real father of the French Revolution, as Thomas Paine was of the American Revolution. I believe that Paine, the first man who ever used the phrase, "The United States of America," converted Washington to the necessity of independence by his flaming tract, *Common Sense*.

Afterwards this same man, Paine, writing by firelight on a drum-head at Valley Forge, wrote the *Crisis* to inspire the faltering patriots with courage and hope.

Later still, believing that "where liberty is not, there is my country," Paine went to Paris and wrote his *Rights of Man* to defend the French Revolution. He dedicated that work to his friend Washington, and sent him 50 copies, and Washington wrote him a letter of thanks. I have sometimes wondered what became of those 50 copies of the *Rights of Man*. I sometimes wonder what has become of the rights of man anyhow.

At the close of the war Washington wrote a letter to a friend in New York to send him some books. First in the list was a work by Voltaire, Charles XII of Sweden. There was Locke on the *Human Understanding*, and Goldsmith's *Natural History*. There were lives of Gustavus Adolphus and Peter the Great, Louis XV and Marshal Turenne; historical volumes by William Robertson, then a highly esteemed historian; and accounts of the revolutions in Rome and Portugal. Yes; he liked revolutions, like Jefferson. And Washington added:

"If there is a good bookseller's shop in the city, I would thank you for sending me a catalogue of the books and their prices, that I may choose such as I want."

He even read poetry, and there's a letter he wrote to a lady poetess who sent him a volume in which he himself appeared. He wishes the hero of her poetical talents were more deserving of her lays. And he thinks "the easy, simple, and beautiful strain with which the dialogue is supported does great justice to your genius." Mrs. Stockton, who wrote that pastoral poem, would not have shared the opinion of Thomas Carlyle that Washington was only "a Cromwell with the juice squeezed out."

In fact, among the many things that have come out about Washington we have some verses he himself wrote in his youth. Cromwell in Ireland did no worse.

But Washington was always a patron of literature. When Royall Tyler wrote the first American comedy, the *Contrast*, and it was published in 1790, the name of Washington heads the list of subscribers. He read Shakespeare and often quotes him in his letters. His own copy of Shakespeare is in the Folger Library at Washington, and not very far away in the same show case is the copy which belonged to George the Third. He was a great friend of the theater—always went when he had an opportunity—one well-known picture of Washington shows Thomas Wignell, the actor-manager, lighting him to his box in the playhouse.

When he wanted to give pleasure to his friend, Baron von Steuben, he sent him a ticket to the theater. The organizing genius of Baron von Steuben was needed to win the War of Independence, just like the pen of Thomas Paine. I am going to read the opening sentences of Paine's *Crisis*, because they are a wonderful mirror reflecting the heroic figure of Washington the liberator:

"These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of his country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheap, we esteem too lightly; 'tis dearness only that gives every thing its value. Heaven knows how to put a proper price upon its goods; and it would be strange indeed if so celestial an article as freedom should not be highly rated."

The ringing words of Thomas Paine show how the men of that day wrote—straight from the shoulder—a style we also find in Washington's 10,000 letters. Hypocrisy was not yet the first principle of politics. Men were not afraid to speak their honest thoughts and lose a few votes. They were not yet afraid to laugh at humbugs—and Washington could laugh as heartily as any man, though there is a legend that he never smiled during the entire course of the war.

Washington's own literary style had the lucid vigor of Paine's. You could not misunderstand what he meant. Of course, he has been criticized—and I recall one especially edifying instance of such criticism.

It was during the Great War. I had been asked to prepare resolutions to be adopted at a convention. Wishing to be sure my resolutions would be 100 per cent American, I compiled them from the writings of Washington, Jefferson, Madison, and Lincoln. When the resolutions were published, a patriotic critic tore them to pieces. He held up one piece and said the writer of such ungrammatical nonsense didn't even know English. I was squelched—because that particular piece had been written by George Washington—and I knew I couldn't do as well. But the researches of one student have recently shown that Washington spoke some Pennsylvania Dutch, which may account for his solecisms.

Washington's literary style, and his humor, and his knowledge of human nature all become apparent in a letter he wrote about Martha's daughter-in-law, when she was thinking of marriage. "I never did," he wrote, "nor do I believe I ever shall, give advice to a woman who is setting out on a matrimonial voyage; first, because I never could advise one to marry without her own consent; and, secondly, because I know it is to no purpose to advise her to refrain when she has obtained it."

What matter if he had a red nose and wore No. 13 boots and had badly fitting false teeth; what matter if all the other things are true which "debunking" historians have collected since Lodge gave them the signal? He was a man that men and women could trust, the sort of man our Nation needs to-day. He had the calm courage which is the rarest attribute of greatness. He was not the never-told-a-lie little Lord Fauntleroy that has been painted for us by Sparks and Weems and even John Marshall, who wrote five volumes about Washington and mentioned him only once in the first 400 pages.

We have met many fictitious Washingtons—in the pages of Cooper's *Spy*, in Thackeray's *Virginians*, in Weir Mitchell's *Hugh Wynne*, in Gertrude Atherton's *Conqueror*, in Paul Leicester Ford's *Janice Meredith*, and the human Washington is better than any. Who would not like to see him put upon the stage just as he was? Which reminds me that Washington is the hero of the shortest play ever written in America.

It has three acts. Act 1 is the camp. Enter a soldier to some officers. Says the soldier, "We ain't got no flag. Ain't it fierce?" The officers reply, "It sure is fierce!"

Act 2 is Washington's tent. Enter the same officers. Says one officer, "General, we ain't got no flag. Ain't it fierce?" And Washington replies, "It sure is fierce!"

Act 3 is in Betsey Ross's house. Enter General Washington. Says the General, "Betsey, we ain't got no flag. Ain't it fierce?" Betsey replies, "Yes; George, it sure is fierce! Here, hold the baby, and I'll make you a flag right away."

This Washington is truer than the milksop of Weems. And the true Washington after 200 years is just beginning to be known and loved.

RADIO ADDRESS BY ISADORE APFEL

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the *RECORD* a radio address delivered by Mr. Isadore Apfel, grand master of the Independent Order of Brith Abraham.

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

Ladies and gentlemen, I consider it an honor to address this large, unseen radio audience, and desire to express my appreciation to the sponsors of the American Hebrew and Jewish Tribune for affording me this privilege. The American Hebrew and Jewish Tribune is a publication of which we may all be proud for the favorable influence it exerts in disseminating information and in molding public opinion.

The Jews gave evidence of their willingness to care for their needy, their sick, and distressed in America as early as the days

of Governor Stuyvesant, when they were permitted to remain in New Amsterdam, now New York, upon their agreement that the poor amongst them shall not become a burden to the community but be supported by their own people.

The history of Jewish philanthropy in America indicates conclusively how well the Jews have discharged the obligations assumed by them.

It is my purpose in this brief address to point out the influence of Jewish fraternal organizations as an important factor in America in the reduction of community dependency as well as their active cooperation in all truly American activities.

Jewish fraternal organizations in America began to flourish early in the nineteenth century.

They were founded in all instances by a handful of men who migrated from foreign lands to escape from tyranny, oppression, and religious persecution, and settled in this great land of liberty and freedom, enthusiastically accepting the ideals, customs, and laws of our country. Here in America they conceived the noble ideals and purposes for the formation of such organizations.

They were men whose alma mater was the school of experience and the university of life. They were deprived of the benefits of an education either at school or college. They were not possessed of wealth in gold but were rich in noble ideals, purposes, and principles. In their hearts there was overflowing the milk of human kindness as well as a deep-rooted feeling of affection not alone for their coreligionists but for all humanity.

Originally their primary purposes and objects were, that should a member become ill, he would have the benefit of the best medical care and attention and a visit from his fellow members to cheer and comfort him. In case of financial distress a member would receive aid, so that he would not become a public charge upon the community. In the event of death, his widow, children, or parents would receive the benefit of an endowment, thereby giving his dependents sustenance to tide them over, and provision was made for his burial and interment in a Jewish cemetery. The members would also participate in all family functions of joy and happiness. But there was uppermost in their minds the idea of meeting and cooperating with each other for the discussion and solution of their problems as well as to foster Jewish and American ideals.

As time went on they enlarged the scope and sphere of their activities. Mindful of their sisters and brothers who, through misfortune or otherwise, were denied the opportunity of coming to America, they resolved to give relief and assistance to their coreligionists abroad.

And so these small groups of pioneers traveled from hamlet to hamlet, and organized one lodge after another under a grand lodge system, throughout the United States, establishing in one instance over 500 lodges in one single organization operating from Maine to California. They made these fraternal organizations spiritual, patriotic, educational, and humanitarian institutions.

SPIRITUAL

In their rituals are contained the great moral teachings of Holy Writ; to love God with all thy heart, to love thy neighbor as thyself, to be just, merciful, and righteous in their daily acts and conduct and in all their relations with their fellow men.

PATRIOTIC

They exercised a powerful influence, especially during the days of the East European mass immigration period, when Americanization was the supreme aim of Jewish leadership in order to bring the newcomers into harmony with American ideals and institutions, that they might become imbued with the spirit of loyalty and patriotism to their country, which has been manifested by their splendid response to every call for patriotic duty to our Republic.

EDUCATIONAL

Most of these members who were immigrants never enjoyed a school education, but acquired an education in the lodge room through debates, discussions, and the interchange of thoughts and ideas, thereby acquiring knowledge, vision, and wisdom. Many learned their first lessons in English at the lodge meeting. Others acquired their knowledge of parliamentary procedure and decorum at their meetings. Many of our best known public men and speakers have begun their careers modestly in filling an office in their lodge. In fact, a good many Jews learned of American Jewish activities and took an active interest therein through their affiliation with Jewish fraternal orders.

They contributed to the establishment of schools for the education of the youth, so that through study of Jewish literature and Jewish history their children would become imbued with the spirit of Jewish consciousness. A Jewish consciousness makes one not alone a good Jew, but a good American.

They have actively supported the movement resulting in the teaching of Hebrew in New York City high schools.

SERVICE TO HUMANITY

These organizations have paid out millions of dollars to widows and orphans, parents, sisters, and brothers; millions to the sick and the distressed. They have helped in the support and maintenance of homes for the aged, orphan asylums, sanitariums for incurables, hospitals, and all other charitable and philanthropic institutions, many of which admit persons of all creeds and religions.

These fraternal organizations have become affiliated with other agencies such as the American Jewish Congress, the American Jewish Committee, and the joint distribution committee, for the relief of the distressed Jews in other lands. They have contributed

to the establishment of the Jewish homeland in Palestine, which has been established through the mandate of the League of Nations. This mandate and the Balfour declaration were approved by the Congress of the United States. They have assisted in the work of the Hadassah to enable it to maintain hospitals and other health institutions in Palestine.

These organizations increased in numerical strength up to the beginning of the great World War through an influx of members who were immigrants. Now, in the main, the new members are native-born American sons, daughters, and grandchildren of members.

Everlasting praise and gratitude is due to the founders of these organizations who built them upon a solid and lasting foundation, upon which a superstructure must be built as an inspiration to generations yet unborn to perpetuate their noble ideals.

In the United States celebrations have been and will be held from time to time until next Thanksgiving Day to commemorate the two-hundredth anniversary of the birth of George Washington. Jewish fraternal organizations in America are participating in these celebrations to pay homage and tribute to his life and character, and to rededicate themselves to his ideals and to the principles of the Constitution of the United States, which insures to every individual the inalienable right to life, liberty, and the pursuit of happiness.

It is well at this time to revive the spirit of George Washington, so much needed in our universities that are, in European fashion, making efforts to exclude students on account of their race or religion.

The Washington spirit is needed to set aright those who believe and preach that only persons of a certain religion and native-born Americans are the true Americans.

It is in the spirit of Washington that Senator Lodge stated: "What is it to be an American? Surely, it does not consist in the number of generations merely which separate the individual from his forefathers, who first settled here. There are people to-day whose families have been here for 250 years and who are as utterly un-American as it is possible to be, while there are others whose fathers were immigrants, who are as intensely American as anyone can desire or imagine."

As grand master of the Independent Order Brith Abraham, the largest national Jewish fraternal organization in the world, I shall exert my utmost efforts to obtain its fullest support and cooperation to secure equal rights and opportunities for all, that each man or woman shall be judged on the basis of merit, ability, and American loyalty, and not according to race, creed, or color.

I am confident that all Jewish fraternal organizations will extend themselves to the fullest degree to bring about a better understanding between all peoples, to the end that America shall be what its founders intended it to be, a land of liberty and freedom, with justice for all.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, Dr. Jacob Gould Schurman, president of the first Philippine Commission, president of Cornell University, certainly knows the Philippine situation.

His statements in the early days of his appointment and his recent statement this year are worthy of careful consideration by students of this subject.

I ask unanimous consent that his statement, with my interpolations in addition, may be inserted in the body of the RECORD and lie on the table as part of the Philippine discussion.

There being no objection, the matter referred to was ordered to lie on the table and be printed in the RECORD, as follows:

Mr. President, one great American who had a large and important share in the beginnings of American government in the Philippines and who can speak with authority, therefore, about President McKinley's intentions respecting the Filipino people is fortunately still among us. I refer to Dr. Jacob Gould Schurman, scholar and diplomat, who was president of the first Philippine Commission, appointed by President McKinley early in 1899. Doctor Schurman was head of Cornell University when President McKinley selected him for the presidency of the commission. His success in that rôle was subsequently recognized and rewarded by his appointment as minister to China and still later as ambassador to Germany.

Doctor Schurman's acquaintance and sympathy with President McKinley's policies with reference to the Philippines were manifest in all his official attitude and actions while he served as head of the commission. He believed that the Filipino people should have independence just as soon as they were prepared for it, and his experiences with them prompted him to believe that they would quickly demonstrate their fitness. The sequel has vindicated Doctor Schurman's judgment. The Filipino people have made almost unbelievable progress in the last 30 years and have indeed reached the point at which they can learn no more about the right use of independence until they shall come to possess it.

It is significant that Doctor Schurman should be among the most earnest and eloquent advocates of independent nationhood for the Philippines. Only recently he said in a public address in California that the United States should hasten to fulfill its promises to the Filipinos. He has visited the Philippines since the days of the commission and was familiar with conditions there

while he represented the United States in China. His interest in the people of the islands has inspired him to follow their career under American tutelage and he is for all these reasons a good witness regarding Mr. McKinley's purposes, the desires of the people themselves, and their preparedness for undertaking the responsibilities of independence.

Three years after his appointment as president of the first Philippine commission Doctor Schurman delivered an address at Cornell University, to which he had returned. In this address, which was repeated two weeks later—that is, on January 20, 1902—at Boston, Doctor Schurman explained why he discussed the commission and its labors.

"I have other than personal reasons for reciting these details," he said. "They show, in the first place, that President McKinley's motive in compelling Spain to cede to the United States her sovereignty over the Philippine Islands was the humanitarian object of liberating the Filipinos from misgovernment and oppression * * *"

That address is of the utmost pertinence to any present view or policy concerning the Philippines. He had intimate knowledge of President McKinley's hopes and wishes and plans on the subject of the Filipino people's destiny. He had also the benefit of contacts with the Filipino leaders of that day, and of information regarding their aspirations. He could testify, and did testify, authoritatively as to what Mr. McKinley promised and contemplated and as to what the Filipino people expected in the matter of ultimate independence for the islands.

With the approval of Mr. McKinley, we are told in this address of Doctor Schurman, Filipino leaders were assured "that American sovereignty was only another name for the liberty of Filipinos." The commission recommended in its report to President McKinley that, "From the very outset * * * it will be safe and desirable * * * to extend to the Filipinos larger liberties of self-government than Jefferson approved of for the inhabitants of Louisiana" at the time of its acquisition in 1803. All this the commission favored, Doctor Schurman tells us in that address 30 years ago, because "it is to the interest of the Filipinos to have opportunity for a full and independent development of their own individual capacities, their own racial characteristics, and their own civilization." To what end? Doctor Schurman lets us know: "Their own organic life being thus recognized as self-contained and inviolable, when it reaches a degree of maturity qualifying them for independence, a new republic may rise in Asia without any shock to the United States of America."

Senators will remember that when the Jones law went into effect in the Philippines and the public service was being Filipinized there was a good deal of criticism of that policy. There were even hints that it was a dangerous innovation which might lead to contempt and breach of American authority. It was too soon, these critics declared, for that sort of transfer of the functions of the insular government from Americans to Filipinos. As a matter of fact, it was a very tardy compliance with the recommendations which Doctor Schurman and his associates in the first commission had made to President McKinley 16 years before the Jones law was conceived. Doctor Schurman records that "it was clear to us"—members of the commission—"that nearly all the offices in the Philippines ought to be filled by Filipinos themselves." Even that was not the limit of the Filipinization the commission advocated. I quote Doctor Schurman further:

"And it was the opinion of the commission that no American should be appointed to any office in the Philippines for which a reasonably qualified Filipino could, by any possibility, be secured."

This attitude of the commission indicates that even then—32 years ago and when the Philippines had been only 12 months under American control and government—the Filipinos were both competent and trustworthy as public officials.

This address of Doctor Schurman's sheds so needful a light on certain phases of the early relations of the United States with the Philippine people and so forcefully meets the current objections to the grant of independence that I desire to quote at length from it:

"It seems to me that the highest act open to constructive statesmanship in America to-day is to conceive and formulate a wise Philippine policy—a policy which shall be true to the principles of our Republic, accordant with the facts of the situation, definitive and permanent in its character, fitted to shape and color all legislation requisite for its own gradual realization."

Doctor Schurman recounts some of the considerations that should be kept in mind in the process of formulating a Philippine policy:

"I take as a starting point the motives and objects with which we went into the Philippines. * * * Our purpose was not selfish, it was humanitarian; it was not the vanity of self-aggrandizement, it was not the greed of power and dominion; no, no; not these; but altruism caring for the happiness of others, philanthropy relieving the Filipinos of oppression and conferring on them the blessings of liberty. This was the supreme consideration with President McKinley. It was this that touched the vein of sentiment in the American hearts that so overwhelmingly supported him."

Numerous groups urged annexation and retention of the Philippines, Doctor Schurman reminds us. Some of these groups were actuated by benevolence toward the Filipinos. Others were eager only for material advantage.

"Yet it was not these forces singly or in combination that carried the day," Doctor Schurman says. "It was the humanitarian object of liberating the Filipinos from Spanish tyranny and bestowing upon them the boon of freedom that decided the Presi-

dent and the people of the United States to compel Spain to cede to us her sovereignty over the Philippines.

"Fortunate, indeed, that no lower motive prevailed. Any other object than the humanitarian one of carrying the gift of freedom to the Filipinos would have ended in vast and bitter disappointment, or, perhaps, even in poignant remorse. Did we need the Philippines to make our power felt in Asia? No; for we can exert the most potent national influence in all quarters of the world without owning adjacent territory, as our recent experiences in Peking and Panama have demonstrated to the satisfaction of the most incredulous. And had we gone into the Philippines for commercial gain, when, think you, would our traders' profits have amounted to the hundreds of millions of dollars which the archipelago has already cost us? And what shall I say of the thousands of brave and generous young Americans who have lost their lives in the Philippines? No prospect of profit however assured, no wealth or advantage however colossal, could ever atone for the precious American lifeblood swallowed up by the hungry soil of Luzon and the Visayas. For such a sacrifice there is only one justification. It is the discharge of duty, service in a righteous cause. If our presence in the Philippines be not justified in its purpose and intent, then our soldiers' blood is on our hands; aye, and all the blood, in that case innocent, of the Filipinos we have fought, the misery we have caused their families, and the devastation we have wrought in their homes.

"This awful responsibility we can not escape either before our own consciences or at the bar of history unless we have done what we have done in the Philippines for the sake of redeeming the Filipinos from foreign oppression, saving them from domestic anarchy, and leading them into the ways of self-government and freedom—a blessing at once unmeasured and immeasurable. But I assert that to confer this blessing was the final cause of our acceptance from Spain of sovereignty over the Philippines. Nothing has happened since to alter our purpose. Indeed, all subsequent occurrences have gone to confirm the wisdom and transcendent nobility of this end and to exhibit the folly and delusion of any other end. Self-seeking ends of every sort are excluded by American policy and stultified by actual conditions in the Philippines. We are in the Philippines for the sake of the Filipinos * * *"

What did President McKinley mean by his statement that it was the duty and intention of the United States to train the Filipinos "in the science of self-government"? Did he vision the end of this training to be the addition of the Philippines to the American Union, or their continuance as a colony, or their ultimate establishment as an independent nation? Many persons affect to believe that he intended nothing more than to prepare the Filipinos for "self-government" under the American flag—the sort of self-government that any State of the Union enjoys.

Doctor Schurman had many opportunities to know Mr. McKinley's mind in the matter. They conferred on the subject and Doctor Schurman received the President's explicit instructions as to the course of action the first Philippine Commission was to take. So Doctor Schurman is a safe interpreter of President McKinley. Let us hear what he holds to be the destiny of the Philippines:

"The watchword of progress, the key to the future of the political development of the archipelago is neither colonialism nor federalism, but nationalism. The destiny of the Philippine Islands is not to be a State or Territory in the United States of America, but a daughter republic of ours—a new birth of liberty on the other side of the Pacific, which shall animate and energize those lovely islands of the tropical seas, and rearing its head aloft, stand as a monument of progress and a beacon of hope to all the oppressed and benighted millions of the Asiatic Continent."

Even then Doctor Schurman saw that the American people would not be willing to integrate the Philippines into the Union.

"I say you will never consent to make the Philippine Islands an integral part and organic part of the United States of America," he told his audiences at Ithaca and Boston in 1902.

Nothing has happened since to impeach that judgment. In fact, there is more opposition to the incorporation of the Philippines into the Federal Union now than there was 30 years ago. Our present social and political problems are so many arguments against the creation of new ones or the aggravation of those we face. But let Doctor Schurman continue:

"Very well; what then?"—if not admission to the family of States, Doctor Schurman inquired.

"A colony, a dependency?" He considers that proposal and declares:

"For a time this status may suffice; as a permanent arrangement it is impossible. For you propose to dower the Filipinos with an ever-increasing measure of liberty; but liberty grows by what it feeds on and moves rapidly to its goal, which is independence."

Note Doctor Schurman's next statement: "Then, too, the Filipinos have condensed the experience of centuries into these last half dozen years. They have dreamed of liberty; they have fought for liberty; they have seen in the east the star of independence. These are facts as potent as any other—and deeper than most—in the life of nations."

If the Filipinos as early as 1902 had condensed the experience of centuries into half a dozen years, how much have they crowded into the three decades that have since elapsed? They have been in practically complete charge of their various governments—municipal, provincial, central. They make their laws, interpret and apply their laws. They manage their fiscal business. They have political parties and elections. They have even a small

training in the conduct of foreign affairs, for their peculiar relationship to the United States necessitates a kind of diplomatic negotiation. In a sentence, the Filipinos have more practical experience in government than some of the independent states in Latin America, including Cuba, and the more recent sovereignties in Europe had before we welcomed them into the circle of independent nations.

The utterances in one striking passage of Doctor Schurman's speech of 1902 have been so completely corroborated by subsequent events that when we read it we are almost persuaded that it is not a forecast but a retrospect. I give his words:

"Here, then, is the criterion for determining the course of politics among the Filipinos. All of them, I repeat, desire independence eventually. But the process of political enfranchisement may be immediate, or at least very rapid, or it may be gradual, progressive, and of long duration. Each course will undoubtedly have its advocates; but as all Filipinos favor eventual independence, the majority, it may be predicted with safety, will embrace the policy which leads most quickly and surely to that goal. Timid men, interested men, conservative men, old men, without renouncing the goal of independence, will in the meantime prefer to endure the ills of dependence on the United States rather than to fly to the unknown ills of independence. These Filipinos will constitute the opportunist party. And opposed to them will stand the great majority of Filipinos who will agitate for immediate independence, and they will be entitled to call themselves the nationalist party. Such is the coming political alignment of Filipinos in Luzon and the Visayas, as I foresee it. All of them in favor of an independent and sovereign Philippine republic as the final consummation of their ideals and aspirations; but in the meanwhile a small but influential opportunist party content with temporary dependence on the United States and a numerous nationalist party clamoring for immediate independence. I shall be greatly disappointed if within the next decade these tropical islands do not prove a most fruitful nursery and forcing house of vital politics.

"If, as I believe, the people of the United States stand ready to grant independence to the Filipinos when they may safely be intrusted with the use of it, and if, as I further believe, the great majority of Filipinos will agitate to procure it immediately, the only issue that can arise between them will be with reference to the time for the establishment of the Philippine republic, which both parties agree is some day to be set up."

We all of us are familiar with those Americans who believe that the Filipinos will never be fit for independence until they have ceased thinking and acting like orientals. These Americans would run the Filipinos through some magic mold and refashion them so that they should become occidentals; if not physically, then, at least, mentally and psychologically. In short, these people hold that the more the Filipinos surrender of their racial identity and special type of civilization the more fully they will merit independence. Doctor Schurman's commentary on this school of Americans is worth hearing:

"Those Americans, patriotic but unversed in history, who desire to re-create the Filipinos in their own similitude, will always be able to demonstrate that that oriental clay is still without shape and seamliness in the American potter's hand, and that for a perfect product, a vessel of honor and glory, the American wheel must be kept going for years, or, perhaps, for generations, or possibly even for centuries. The Filipinos are to develop along their own racial lines, not along ours; and it is colossal conceit and impudence to disparage them because they are different from ourselves. Capacity for independent self-government does not necessarily mean capacity like ours to administer a commonwealth like ours, but merely capacity of some sort to maintain peace and order, to uphold law, and to fulfill international obligations. It may be a matter of only a short time when the Christian Filipinos of Luzon and the Visayas will be as well qualified to discharge these functions as Mexico, Peru, Argentina, or Venezuela. And when they are so qualified the American Government has no further duty or business in the Archipelago. Any decent kind of government of Filipinos by Filipinos is better than the best possible government of Filipinos by Americans."

I said before that the sequel has shown how wide and deep was Doctor Schurman's knowledge of conditions in the Philippines and how accurate were his predictions respecting the events to follow the year 1902. He was right when he told us then that the Filipinos desired independence. He was correct in his view that they would demonstrate their ability as well as their wish to govern themselves if and when the opportunity came to them—as it long since has come. He was within the mark when he foretold that the Filipino's longing for independence would not be satisfied but would be intensified by the enlargement of their autonomy. On the last point he said:

"As it is the policy of the United States to give the Filipinos liberty after the fashion of the really free nations, or an ever-increasing measure of home rule, which can not but eventuate in independence, so, however clearly or however obscurely they may recognize the need in the meantime of American protection and tutelage, the ultimate goal and final aspiration of the Filipinos themselves is an independent and sovereign Philippine republic."

It is now 16 years since the Jones Act became operative. We know that it has afforded us a fine test and measure of the Filipino people's capacity to assume the responsibilities and difficulties of complete self-government. They have done all that we required of them in the Jones law—and more. They have learned all that it is possible to acquire about independence short of

possessing and enjoying it. We can teach no more by mere precept. They must get the remainder of the lesson by practice.

The concluding words of Doctor Schurman's address in 1902 may, with proper allowances for the lapse of time and the increase of experience, be my concluding remarks in 1932:

"If it appears probable, as recent experience seems to indicate, that the Christian Filipinos of Luzon and the Visayas might, at no distant day, govern themselves as well as the average Central or South American Republic, then, in the name of American liberty and democracy, in the name of the political aspirations and ideals of the Filipinos, and in the name of justice and humanity, let the Philippine Republic be established. As President McKinley said to me three years ago, we went into the Philippines solely with the humanitarian object of conferring the blessings of liberty on the Filipinos. In its highest potency, liberty and independence are one and inseparable."

SESSION OF CONGRESS—ATTITUDE OF RAILWAY LABOR EXECUTIVES

Mr. LA FOLLETTE. Mr. President, the Railway Labor Executives' Association met in Cleveland on June 22 and adopted a resolution and a statement explaining its position. The resolution reads:

Resolved, That this association takes the position that the public welfare demands that Congress remain in session, and adopts the following statement of its reasons, directing this to be transmitted to all Members of Congress and given to the press.

I ask unanimous consent that the statement following the resolution and the list of officers of the Railway Labor Executives' Association may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. HEBERT in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

STATEMENT IN RESOLUTION ADOPTED BY RAILWAY LABOR EXECUTIVES' ASSOCIATION JUNE 22, 1932

There is ample evidence of a bipartisan conspiracy to compel Congress to adjourn and abandon its constitutional duties, which will pave the way for a virtual dictatorship of international bankers and big business, now being planned. It would be a betrayal of the workers of America everywhere, on our poverty-ridden farms and in our bankrupt cities, for Congress to run away in one of the greatest crises, in the depths of the worst depression of our history. Adequate measures to relieve destitution, to increase employment, and to safeguard the future have not been enacted and can not be developed to meet the grave emergencies of the next few months unless Congress stays on the job.

Halfway programs distorted by hasty and selfish amendments are now being rushed through long sessions of bewildered and wary men working under the spell of megaphones constantly bawling: "Go home! Go home!" Misguided persons who clamor for adjournment because they are told that thereby business conditions will be improved are being led astray by those who, taking advantage of the distress of the American people, are bent on undermining their powers of self-government.

When the far-reaching nature of the depression became clear the leaders of organized labor and many others demanded that Congress be called in special session. But big business and the bankers were opposed; and Congress was not called. Congress finally met, and for months it has been driven persistently into enacting legislation primarily for the protection and aid of the most powerful special interests of industry and finance.

Now, when Congress is finally undertaking to do something directly for the common man, a clamor for Congress to adjourn arises from all those favored groups who have got the legislation they want. These domineering groups, having grabbed all possible public aid for their private power, now seek to drive Congress out of Washington for the plain reason that their plans to ride into greater private power on the wave of this depression can not succeed so long as the elected representatives of the people stay at work wielding the public power which the voters have intrusted to them.

The prevailing propaganda against Congress is atrociously unfair. No group of men in the entire country have worked harder than our United States Senators and Representatives, struggling under the torturing pressure of thousands of conflicting demands from literally millions of people. If they themselves now insisted on a short recess to recover from intolerable fatigue, to restore their waning energies, it might be unfair to complain. But it is forces outside Congress that are demanding that Congress adjourn for five months in the midst of a legislative jam over measures vital to the masses of the people, involving billions of dollars and all our hopes of economic recovery. This is simply a demand that Congress betray its trust.

On this question every Senator and Representative should hold himself a free man, responsible alone to his constituents and to the entire Nation for his vote. A vote to adjourn is a vote to abandon a post of duty on a battlefield where the fate of the Nation may be determined. A vote to adjourn should be regarded as a resignation from public office. We predict that the American people will not forget such votes. If they are left to grapple, unaided by Congress, with the desperate problems of the next few

months they will remember in November who ran away in the critical hours of our battle against poverty and to save self-government.

RAILWAY LABOR EXECUTIVES' ASSOCIATION, By D. B. ROBERTSON, Chairman.

Brotherhood of Locomotive Engineers, A. Johnston, grand chief engineer.

Brotherhood of Locomotive Firemen and Enginemen, D. B. Robertson, president.

Order Railway Conductors of America, S. N. Berry, president.

Brotherhood of Railroad Trainmen, A. F. Whitney, president.

Switchmen's Union of North America, T. C. Cashen, president.

Order of Railroad Telegraphers, E. J. Manion, president.

American Train Dispatchers' Association, J. G. Luhrsen, president.

International Association of Machinists, A. O. Wharton, president.

International Brotherhood of Boilermakers, Iron Ship Builders, and Helpers of America, J. A. Franklin, president.

International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, Roy Horn, president.

Sheet Metal Workers' International Association, J. J. Hynes, president.

International Brotherhood of Electrical Workers, C. J. McGlogan, vice president.

Brotherhood of Railway Carmen of America, Martin F. Ryan, president.

International Brotherhood of Firemen and Oilers, John F. McNamara, president.

Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, G. M. Harrison, president.

Brotherhood of Maintenance of Way Employees, F. H. Fljozdal, president.

Brotherhood of Railroad Signalmen of America, D. W. Helt, president.

Order of Sleeping Car Conductors, M. S. Warfield, president.

National Organization Masters, Mates, and Pilots of America, Capt. Fred C. Boyer, president.

National Marine Engineers' Beneficial Association, Charles M. Sheplar, president.

International Longshoremen's Association, Joseph P. Ryan, president.

Railway Employees' Department, American Federation of Labor, B. M. Jewell, president.

RATE OF INTEREST ON ADJUSTED-COMPENSATION CERTIFICATES

Mr. NORRIS. Mr. President, I desire to move to discharge the Committee on Finance from the further consideration of the bill (S. 4569) relating to loans to veterans on their adjusted-service certificates. The bill was introduced by me and referred to that committee on May 4. The only thing sought to be accomplished by the bill is to reduce the rate of interest on World War adjusted-compensation certificates. It seems to me that under existing law the Government is making a profit on those certificates and on money loaned to the veterans.

Mr. WALSH of Massachusetts. What is the rate of interest proposed?

Mr. NORRIS. Three per cent.

Mr. WALSH of Massachusetts. Instead of 4½ per cent, as at this time?

Mr. NORRIS. I think in some instances it is 5 per cent. I have forgotten exactly what the rate now is.

Mr. President, I want to say that in submitting this motion that I am not seeking to convey the idea that the Finance Committee has not done its duty, but, as everybody knows, together with a great many other committees of the Senate, that committee has had more than it could possibly attend to in the consideration of bills of national importance. The only purpose of the bill is the one I have mentioned. Under the rules my motion will have to go over for a day.

The PRESIDENT pro tempore. The motion will be entered.

THE CALENDAR

The PRESIDENT pro tempore. Morning business is closed, and, under the unanimous-consent agreement entered into yesterday, the calendar is now in order. The Chair desires to ask, Is it the intention of the Senator from Oregon that the calling of the calendar shall begin at the point which was reached when it was last under consideration?

Mr. McNARY. I was just going to ask unanimous consent that we commence the call of the calendar where we concluded when it was last under consideration. I think it is Order of Business 621.

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

Mr. BORAH. What is the request?

The PRESIDENT pro tempore. The Senator from Oregon asks unanimous consent that the calling of the calendar under the unanimous-consent agreement entered into yesterday shall begin with Calendar No. 621.

Mr. ROBINSON of Arkansas. Mr. President, I desire to ask the Senator from Oregon why he selects Calendar No. 621? I also desire to say before the Senator replies to my inquiry that the early part of the calendar has been called a great many times; the bills that are left there now have been passed over from time to time, but I do not understand why the Senator selects the particular Calendar No. 621.

Mr. McNARY. The Senator from Arkansas has, I think, already answered the question. I selected Order of Business 621 because that was where we concluded the consideration of the calendar on two former occasions.

Inasmuch as we commenced at Order of Business 104 on two former occasions and each time stopped at Order of Business 621, and having gone over the list twice, I thought it would be well to commence at the point where we previously concluded.

Mr. ROBINSON of Arkansas. Very well, I have no objection.

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

Mr. BROOKHART. Under the unanimous-consent agreement would it be in order to ask to take up Order of Business 613?

The PRESIDENT pro tempore. It would not be in order.

NORTH CAROLINA SENATORIAL CONTEST

Mr. SHORTRIDGE. Mr. President, beginning at Order of Business 621, of course, leaves out Order of Business 605?

Mr. ROBINSON of Arkansas. It certainly does.

Mr. SHORTRIDGE. That seems to be a logical conclusion. I wish to say that I think the Senate should dispose of that resolution. It is a resolution to hear and determine the contest of George M. Pritchard v. Josiah W. Bailey for a seat in the Senate from the State of North Carolina. I submit that we should dispose of that resolution before we adjourn, and hence, for the moment—

The PRESIDENT pro tempore. That may not be done at this stage of the consideration of the calendar, however.

Mr. ROBINSON of Arkansas. Mr. President, I desire to give notice to the Senator from California that I think the record discloses that this is a trivial contest and that the Senate ought not to expend public money in the prosecution of it. I believe that the state of the record fully justifies that declaration; and it is my intention, if the Senate proceeds to the consideration of the resolution involving the Pritchard-Bailey contest for a seat in this body, to submit as a substitute for the resolution of the committee of the Senator from California a resolution dismissing the contest. I give the Senate that notice and that information now.

Mr. SHORTRIDGE. Mr. President, without expressing any opinion as to the merits of the contest, let me say that the Committee on Privileges and Elections took the position that the pleadings were sufficient to justify going forward and inquiring into the facts as alleged in the amended contest papers. I repeat, I express no opinion as to the facts; we do not know them other than as they are expressed in the verified amended contest petition and pleadings. At a proper time, if it shall be in order, I shall move to proceed to the consideration of this resolution. I take note, of course, of the entirely respectful and, I know, earnest objection of the Senator from Arkansas [Mr. ROBINSON].

BILLS AND RESOLUTIONS PASSED OVER

The PRESIDENT pro tempore. Is there objection to the request for unanimous consent preferred by the Senator from Oregon [Mr. McNARY]? The Chair hears none, and the clerk will begin calling the calendar at Order of Business 621.

The bill (S. 2687) to provide for the establishment of a national employment system and for cooperation with the

States in the promotion of such system, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Being the unfinished business, the bill will be passed over.

The resolution (S. Res. 174) for an investigation of campaign expenditures of presidential, vice presidential, and senatorial candidates in 1932 was announced as next in order.

Mr. ROBINSON of Arkansas. I think that resolution has been passed.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (H. R. 2704) for the relief of Charles Lamkin was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 99) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, was announced as next in order.

Mr. ROBINSON of Arkansas. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4291) to amend section 5219 of the Revised Statutes, as amended, was announced as next in order.

Mr. McNARY. At the request of the Senator from Indiana, I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

TRAVELING EXPENSES OF UNITED STATES DISTRICT ATTORNEYS

The bill (S. 931) to amend a part of section 1 of the act of May 27, 1908, chapter 200, as amended (U. S. C., title 28, sec. 592), was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I was under the impression that that bill had passed.

Mr. NORRIS. No; it has not been passed.

Mr. ROBINSON of Arkansas. Very well.

Mr. KING. Mr. President, reserving the right to object, I think there should be a brief explanation of the purposes of the bill. My understanding is, although I may be in error, that the present law provides that the accounting of traveling expenses and per diem in lieu of subsistence, and so forth, is now adequately provided for.

Mr. NORRIS. This is a bill prepared by the Attorney General. It was referred to a subcommittee, of which the Senator from Colorado [Mr. WATERMAN] was chairman. He has made a report which I think explains the bill very fully. I have no objection whatever to it. As I remember, the Senate has once before passed a similar bill.

Mr. HEBERT. Mr. President—

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

Mr. NORRIS. I yield.

Mr. HEBERT. My recollection is that when this bill came before the Judiciary Committee the explanation was made that it was intended to obviate the necessity of having the expense accounts of district attorneys approved by the district judges, who are in no way familiar with them. It is a mere formality, and the Attorney General recommended that the existing law should be amended so that the expense accounts of district attorneys and their assistants should be approved under oath by the district attorneys themselves. Such accounts are always subject to review anyway.

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

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the paragraph of section 1 of the act of May 27, 1908, chapter 200, at the bottom of page 375 of volume 35 of the Statutes at Large, as amended (U. S. C., title 28, sec. 592), be, and the same is hereby, amended to read as follows:

"The necessary traveling expenses and a per diem in lieu of subsistence, as provided by the subsistence expense act of 1926 (U. S. C., title 5, ch. 16), shall be allowed United States attorneys and assistant United States attorneys while absent from their respective official residences on official business. The expense accounts of United States attorneys, when verified on oath before an officer authorized to administer oaths, and the expense accounts of assistant United States attorneys when so verified on oath and approved by the United States attorney, may be paid by the marshal, who shall include them in his accounts with the United States."

SEC. 2. All laws and parts of laws in conflict herewith are hereby repealed.

BILL PASSED OVER

The bill (S. 940) to provide against misuse of official badges, identification cards, and other insignia designed for the use of public officers, was announced as next in order.

Mr. REED. Over.

The PRESIDENT pro tempore. The bill will be passed over.

WIENER BANK VEREIN

The bill (S. 3375) for the relief of Wiener Bank Verein, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the sum of \$30,208.67 is hereby authorized to be appropriated for payment to the Wiener Bank Verein or its attorney in fact in the United States, representing interest at 4% per cent on certain cable transfers which the embassy at Constantinople undertook to make by cable communications to the Secretary of State on January 13, 1917, and on February 25, 1917, payment of which was deferred, as set forth in Senate document No. 18, Seventy-second Congress, first session: *Provided*, That no payment hereunder shall be made by the Secretary of the Treasury except at the direction of the Secretary of State: *Provided further*, That full authority is hereby vested in the Secretary of State to determine, in his discretion, whether payment in whole or in part should be made, withheld, or deferred.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 186) favoring an expression on Mother's Day of our love and reverence for motherhood was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 436) to amend the national prohibition act, as amended and supplemented, in respect to the definition of intoxicating liquor was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2473) to provide for increasing the permissible alcoholic content of beer, ale, or porter to 3 $\frac{1}{2}$ per cent by weight, and to provide means by which all such beer, ale, or porter shall be made of products of American farms was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

CLAIMS OF SEMINOLE NATION

The bill (S. 4340) authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians was announced as next in order.

Mr. SMOOT. Mr. President, on the last call of the calendar when this bill was reached I objected to its consideration. I wish to call the attention of the Senator from Oklahoma [Mr. THOMAS] to the amendment that is found on page 2, beginning in line 7 and going through line 12. If that amendment shall be disagreed to, I will have no objection to the remainder of the bill.

The PRESIDENT pro tempore. The amendments reported by the committee will be stated.

The first amendment was, in section 1, page 2, line 2, after the name "Oklahoma," it is proposed to insert the words "or any clouds thereon, to wit:."

The amendment was agreed to.

The next amendment was, in section 1, page 2, line 7, after the word "less," to insert "the southwest quarter and the south half northwest quarter section 5, and the east half southeast quarter section 6, township 8 north, range 6 east, containing 320 acres, more or less; and/or with respect to any interest in or claim to any other property in Seminole County, Okla."

So as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court of the United States for the Eastern District of Oklahoma, notwithstanding the lapse of time or statutes of limitation, to hear and determine any suits heretofore or hereafter instituted by the Seminole Nation or Tribe of Indians, or on their behalf, or by any committee selected by the Seminole Indian Protective Association to represent such Indians, with respect to the title to the following-described lands in Seminole County, Okla., or any clouds thereon, to wit: The south half northeast quarter and the southeast quarter, section 7; the south 15 78/100 acres of lot 3, and lots 6 and 7, section 8, all in township 7 north, range 8 east, Indian meridian, containing 320 acres, more or less; the southwest quarter and the south half northwest quarter section 5, and the east half southeast quarter section 6, township 8 north, range 6 east, containing 320 acres, more or less; and/or with respect to any interest in or claim to any other property in Seminole County, Okla.

SEC. 2. The District Court of the United States for the Eastern District of Oklahoma shall have full authority, by proper orders and process, to bring in and make a party to the proceedings any person deemed by it necessary or proper to the final determination of the matter in controversy. The judgment or decree of such court shall be subject to review in accordance with the law governing like cases.

Mr. THOMAS of Oklahoma. Mr. President, I understood the Senator from Utah to state that he would not object to the bill if that amendment were disagreed to.

Mr. SMOOT. That is correct.

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

The amendment was rejected.

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

THEFTS FROM RAILROAD CARS IN INTERSTATE COMMERCE

The bill (S. 4095) to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," by extending its provisions to provide for the punishment of stealing from passenger or Pullman cars, or from passengers on such cars, while such cars are parts of interstate trains, and authorizing prosecution therefor in any district in which the defendant may have taken or been in possession of the stolen articles, was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I think there should be an explanation of this bill. It appears to be an important measure. I do not object to its consideration.

Mr. ROBINSON of Indiana. Mr. President, if the Senate will bear with me, I should like very briefly to read from the report of the committee on this bill as follows:

This bill proposes to amend the so-called Carlin Act (U. S. C., title 18, secs. 409-411) so as to punish the stealing or unlawful taking of property in the custody of passengers on interstate trains. Numerous thefts have occurred at night from a Pullman berth, the property being stolen while the passenger was sleeping. The thief can not be prosecuted under the Carlin Act, because the property is taken from the possession or custody of the passenger and not from the carrier. Because of the fact that the train has, between the time when the passenger retired and the time when the theft was discovered, traveled through two or more States, it is impossible to determine in which State the offense was committed. There is a diversity of opinion in the United States as to whether one who commits larceny in one State and removes the goods into another State can be tried for larceny in such other State. (16 C. J. 167; 36 C. J. 809.) Consequently, if the thief is caught with the goods it is impossible to

prosecute him in those States which follow the English common-law doctrine that England will not prosecute a thief who brings his booty into England from a foreign state.

The passage of this bill would obviate that defect in the present law.

Mr. ROBINSON of Arkansas. Where would the jurisdiction lie in the Federal courts in such cases?

Mr. ROBINSON of Indiana. The venue could be established anywhere the train happened to be; it would not make any difference as to that.

Mr. ROBINSON of Arkansas. Very well; I have no objection.

Mr. BLAINE. Mr. President, I notice that on page 3 the bill provides where the unlawful taking is by any "fraudulent device, scheme, game, or otherwise," the person who engages in any such scheme or game is guilty of a violation of this measure. That would mean that if anyone should engage in quite an innocent game of cards for 10 cents a game, he would be subjected to the severe penalties provided by the bill.

Mr. ROBINSON of Indiana. Mr. President, the Senator from Wisconsin will remember that that subject was discussed in the committee at length; and I understood the Senator from Wisconsin then to say that he would not object to the bill on the floor, though of course he has a perfect right to do so if he desires. The discussion at that time had to do with card sharps, the desire being to protect passengers and the traveling public from that sort of people on the various trains. This is an amendment that was put into the bill in the committee. If there is any objection to it, I think there is so much good in the bill outside of this amendment that I should be perfectly willing to have that part stricken out, if the Senator would object to the bill as a whole because of it.

Mr. BLAINE. Mr. President, I have not any special objection, but when people are traveling across the continent on a railroad train, taking four or five days, it becomes somewhat monotonous, and they may engage in the pastime of playing bridge, and if they play bridge and in order to make the game a little more vivacious put up 25 or 10 cents, or what is it—one-tenth of 1 cent?—a point, they would be guilty of a felony.

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

Mr. ROBINSON of Indiana. I yield.

Mr. ROBINSON of Arkansas. I wonder if the Senator from Wisconsin is sure of that interpretation, and, if the interpretation is correct, whether it was the intention of the committee to penalize one for participating in a comparatively innocent game of cards. This would seem to be directed against fraudulent schemes or games.

Mr. ROBINSON of Indiana. That is the language, of course.

Mr. ROBINSON of Arkansas. If the language is sufficient to limit it to that class of wrong, I think it ought to remain in the bill. We all know that there are groups of gangsters, crooks, who travel on ships and on interstate railway trains, and who decoy innocent and unsuspecting passengers into what are represented at first as innocent games of amusement, but which are in fact fraudulent schemes and games for the purpose of robbing passengers. I think that ought to be penalized, and penalized quite severely.

The word "fraudulent" applies to "device, scheme, game," and I think "fraudulent" is descriptive of all those terms. If it is not, it ought to be. A mere game ought not to be penalized with imprisonment in the penitentiary, but a fraudulent game may very well be so penalized.

Mr. BORAH, Mr. SHORTRIDGE, and other Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from Indiana continues to hold the floor. Does he yield; and to whom?

Mr. ROBINSON of Indiana. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, certainly if the words "or otherwise" were taken out, it would be.

Mr. ROBINSON of Arkansas. Yes; I think the words "or otherwise" ought to come out. I shall move that amendment if the opportunity arises, unless the Senator from Idaho wishes to do so.

Mr. ROBINSON of Indiana. I am perfectly willing to have the words "or otherwise" stricken out. I think that would take care of the Senator's objection.

Mr. BLAINE. Mr. President, if the Senator will yield, in connection with what the Senator from Arkansas said, there are certain scheming, designing persons who use certain devices and schemes. That language would cover that type of offenders; but a fraudulent game may be an entirely different proposition. Any game that involves a wager, of course, is characterized as an offense.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator permit me?

Mr. ROBINSON of Indiana. I yield.

Mr. ROBINSON of Arkansas. I do not believe that declaration is correct either in law or in fact. I do not think the statement can be sustained that a wager entered into in a game of cards constitutes the game of cards fraudulent. The term "fraud" applies to the method in which the game is sought to be won, and not to the mere fact that a wager, a bet, is made.

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

Mr. ROBINSON of Indiana. I yield to the Senator from California.

Mr. SHORTRIDGE. I merely want to call the Senator's attention to the preceding words:

Whoever shall steal or shall unlawfully take by any fraudulent device, scheme, game, or otherwise—

And so forth. Those words in italics, commented on, can not be detached from the context of the sentence.

Mr. BRATTON. Mr. President, let the bill go over.

The PRESIDENT pro tempore. The bill will go over.

Mr. SHORTRIDGE. I hope the Senator will not object to it.

Mr. ROBINSON of Indiana. The Senator says he has no objection to its going through.

Mr. ROBINSON of Arkansas. Mr. President, may I suggest to the Senator from New Mexico that it occurs to me that this bill ought to be passed. The differences regarding it are about to be reconciled. I move to strike out the words "or otherwise."

Mr. BRATTON. Mr. President, I favor the bill, but I am unwilling to have a good part of the morning hour devoted to it. If it can be passed without further delay, I will withdraw the objection.

The PRESIDENT pro tempore. Will the Senator from Arkansas withhold his amendment until that portion of the bill is reached? There are a number of committee amendments.

Mr. ROBINSON of Arkansas. Very well.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The first amendment was, on page 2, line 1, after "February 13," to strike out "1913 (ch. 50)" and insert "1913, as amended," so as to read:

Be it enacted, etc., That the act of February 13, 1913, as amended, entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same" be amended to read as follows:

The amendment was agreed to.

The next amendment was, on page 3, line 10, after the word "take," to insert "by any fraudulent device, scheme, game, or otherwise"; in line 12, after the word "any," to strike out "passenger car or Pullman car" and insert "passenger car, sleeping car, or dining car"; in line 14, after the word "such," to strike out "passenger car or Pullman car"

and insert "passenger car, sleeping car, or dining car"; and in line 22, after the word "or," to strike out "chatelets" and insert "chattels," so as to read:

Whoever shall unlawfully break the seal of any railroad car containing interstate or foreign shipments of freight or express, or shall enter any such car with intent in either case to commit larceny therein; or whoever shall steal or unlawfully take, carry away, or conceal, or by fraud or deception obtain from any railroad car, station house, platform, depot, wagon, automobile, truck, or other vehicles, or from any steamboat, vessel, or wharf, with intent to convert to his own use any goods or chattels moving as or which are a part of or which constitute an interstate or foreign shipment of freight or express, or shall buy or receive or have in his possession any such goods or chattels, knowing the same to have been stolen; or whoever shall steal or shall unlawfully take, carry away, or by fraud or deception obtain with intent to convert to his own use any baggage which shall have come into the possession of any common carrier for transportation from one State or Territory or the District of Columbia to another State or Territory or the District of Columbia or to a foreign country, or from a foreign country to any State or Territory or the District of Columbia, or shall break into, steal, take, carry away, or conceal any of the contents of such baggage, or shall buy, receive, or have in his possession any such baggage or any article therefrom of whatever nature, knowing the same to have been stolen, or whoever shall steal or shall unlawfully take by any fraudulent device, scheme, game, or otherwise from any passenger car, sleeping car, or dining car, or from any passenger or from the possession of any passenger while on or in such passenger car, sleeping car, or dining car, when such car is a part of a train moving from one State or Territory or the District of Columbia to another State or Territory or the District of Columbia or to a foreign country, or from a foreign country to any State or Territory or the District of Columbia, any money, baggage, goods, or chattels, or who shall buy, receive, or have in his possession any such money, baggage, goods, or chattels, knowing the same to have been stolen, shall in each case be fined not more than \$5,000 or imprisoned not more than 10 years, or both, and prosecutions therefor may be instituted in any district wherein the crime shall have been committed or in which the defendant may have taken or been in possession of the said money, baggage, goods, or chattels. The carrying or transporting of any such money, freight, express, baggage, goods, or chattels from one State or Territory or the District of Columbia into another State or Territory or the District of Columbia, knowing the same to have been stolen, shall constitute a separate offense and subject the offender to the penalties above described for unlawful taking, and prosecutions therefor may be instituted in any district into which such freight, express, baggage, goods, or chattels shall have been removed or into which they shall have been brought by such offender. The words "station house," "platform," "depot," "wagon," "automobile," "truck," or "other vehicle," as used in this section, shall include any station house, platform, depot, wagon, automobile, truck, or other vehicle of any person, firm, association, or corporation having in his or its custody therein or thereon any freight, express, goods, chattels, shipments, or baggage moving as or which are a part of or which constitute an interstate or foreign shipment.

Mr. ROBINSON of Arkansas. Mr. President, in the part of the committee amendment on line 11, page 3, I move to strike out the words "or otherwise."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The next amendment was, on page 5, line 2, after the word "or," to strike out the word "acts," followed by a quotation mark, and to insert:

acts.

"To establish the interstate or foreign commerce character of any shipment in any prosecution under this act the waybill of such shipment shall be prima facie evidence of the place from which and to which such shipment was made."

So as to read:

Nothing herein shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof; and a judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any prosecution hereunder for the same act or acts.

To establish the interstate or foreign commerce character of any shipment in any prosecution under this act the waybill of such shipment shall be prima facie evidence of the place from which and to which such shipment was made.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to amend an act entitled 'An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious as-

portation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same,' approved February 13, 1913, as amended (U. S. C., title 18, secs. 409-411), by extending its provisions to provide for the punishment of stealing or otherwise unlawful taking of property from passenger cars, sleeping cars, or dining cars, or from passengers on such cars, while such cars are parts of interstate trains, and authorizing prosecution therefor in any district in which the defendant may have taken or been in possession of the property stolen or otherwise unlawfully taken."

RESOLUTION PASSED OVER

The resolution (S. Res. 206) opposing reductions in appropriations for the Postal and Customs Services that would seriously disrupt such services was announced as next in order.

Mr. BRATTON. Let that go over.

The PRESIDENT pro tempore. The resolution will be passed over.

EMPLOYMENT OF FARMERS IN INDIAN SERVICE

The bill (H. R. 10161) amending the act of May 25, 1918, with reference to employing farmers in the Indian Service, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I will withhold my objection to this bill pending an explanation by the Senator from North Dakota. May I say in advance that a number of persons who are interested in the Indians, as well as a number of Indians representing two or three different tribes, have spoken to me on this subject. They object to this bill, claiming that these so-called experts who are foisted upon them, as they claim, by the department are less competent than the representatives that they had to teach them agriculture.

Mr. FRAZIER. Mr. President, the Interior Department and the Bureau of Indian Affairs are very anxious to have this act repealed, which provides that anyone employed as a farmer in excess of \$50 per month must get the approval of some one from the State agricultural college or from others. They want to put these appointments under strict civil-service examination, so that anyone desiring to qualify as a farmer in the Indian Service will have to take a regular examination as prescribed by the Civil Service Commission under the direction of the Interior Department. They believe that it will give a better class of farmers, and that they will have to have certain educational qualifications and training in agriculture before they can get these appointments. The theory is all right. I can not tell how it is going to work out, but I believe it will work out all right.

Mr. KING. Let me say to the Senator that a number of Indians have spoken to me and have stated that some of these so-called experts who have come with college degrees have proven wholly inefficient; and they prefer a common-sense farmer who knows something about ditches and irrigating and farming and the climatic conditions of the West than to have some of these so-called experts from some of these so-called colleges. I think the plan of the department is wholly erroneous, but I shall yield to the judgment of the Senator.

Mr. FRAZIER. The bill is one which the department wants and has advocated and which, the department claims, raises the standard of the appointees and will give better service. I should like to see it tried out.

Mr. KING. I will follow, though very reluctantly, the Senator from North Dakota.

The Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions in the act of May 25, 1918 (40 Stat. L. 565), which requires "that hereafter no money shall be expended for the employment of any farmer or expert farmer at a salary of or in excess of \$50 per month, unless he shall first have procured and filed with the Commissioner of Indian Affairs a certificate of competency showing that he is a farmer of actual experience and qualified to instruct others in the art of practical agriculture, such certificate to be certified and issued to him by the president or dean of the State agricultural college of the State

in which his services are to be rendered, or by the president or dean of the State agricultural college of an adjoining State," be, and the same is hereby, repealed.

BILLS PASSED OVER

The bill (S. 368) for the relief of Joliet National Bank and H. William, John J., Edward F., and Ellen C. Sharpe was announced as next in order.

Mr. SMOOT and Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4258) authorizing adjustment of the claim of the Franklin Surety Co. was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4270) for the relief of Commander Francis James Cleary, United States Navy, was announced as next in order.

Mr. KING. Mr. President, I have been asked by a dear friend not to object to this bill; but on examining the report I find that the Secretary of the Navy reports against it, so I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES

The bill (S. 4567) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death, was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I do not intend to object to the consideration of this bill. It has been brought forward at least once before and there has been some discussion of it. I should like to ask the Senator from Nebraska [Mr. HOWELL] why the jurisdiction is fixed at \$50,000, in line 8, and whether it is not regarded as rather a large amount to place all sums below that in the decision of the department?

Mr. HOWELL. Mr. President, the limitation of \$50,000 applies only to property claims; and after the investigation and report are made the recommendation has to come to Congress if it is more than \$1,000. The bill simply allows the Comptroller General to consider, investigate, and pass upon a property-damage claim up to \$50,000, but he has no right to pay it. It must come to Congress.

Mr. ROBINSON of Arkansas. It is still to be referred to Congress? Very well. That is an answer to the question I asked.

Mr. BRATTON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. HOWELL. Mr. President, I did not note who objected to the consideration of the bill at this time, but I will ask that the Senator withhold his objection.

Mr. BRATTON. Mr. President, the bill is one to which I have given some thought; and while I am perfectly willing to withhold the objection in order that the Senator may submit any observations, I am quite certain that at the conclusion I should still feel impelled to insist upon the objection. The bill is one that I can not approve; but I am willing to withhold the objection if the Senator desires to make a statement.

Mr. HOWELL. If the Senator will withhold his objection for a moment—

Mr. BRATTON. With pleasure.

Mr. HOWELL. I desire to call the attention of the Senator to the situation that exists with reference to bills referred to the Claims Committee.

The committee now has in the neighborhood of 1,100 bills before it. At the last session we made a record in reporting bills by the Claims Committee, and the total was 292. However, there were about 1,600 bills before the end of the session before that committee. Under present conditions this is what happens: There are 10 major departments of the Government. There are 66 subdepartments and independent-office establishments, and, under the law now, there are 76 courts authorized to pass upon property-damage claims up to a thousand dollars. There is no gen-

eral policy adopted by the various departments. Each is a court by itself.

This bill provides that all such claims shall be reported upon by the various departments and independent-office establishments to the Comptroller General. The Comptroller General is then to investigate, is to afford hearings, and allow the presentation of affidavits respecting claims. Then he is allowed to pass upon a property-damage claim not in excess of a thousand dollars, and it may be paid. In other words, it provides for one common court in the place of 76 courts.

As to personal-injury cases, the various departments have no authority to pay in such cases, even up to a thousand dollars, but it is proposed in this bill that claims of that amount, instead of coming to the Committee on Claims—and I call attention to the fact that no bill goes through here, however small in amount, that does not cost the Government in the neighborhood of \$120—such claims not in excess of a thousand dollars would be investigated by the department or independent-office establishment wherein it arose, the report would be made to the Comptroller General, and the Comptroller General then would be able to secure the necessary evidence and to hear any objections or anything in favor of the claims. Then, if the claimant is not satisfied, he can go to the Court of Claims afterwards, but he can settle up to a thousand dollars. However, any personal-injury claim that is in excess of a thousand dollars and not more than \$7,500, the Comptroller General can pass upon, obtain all the evidence, and settle the claim, but it must be referred back to Congress if it is in an amount more than a thousand dollars, and less than \$7,500.

I want to state to the Senate that the way evidence in connection with claims is presented to the Committee on Claims, upon which the Claims Committee must act, it is not of a character which would be received in any court.

Mr. ROBINSON of Arkansas. I do not object to the consideration of the Senator's bill.

Mr. HOWELL. So I hope the Senator from New Mexico will not object to the consideration of the bill.

Mr. BRATTON. Mr. President, with great reluctance, I feel obliged to object.

The PRESIDING OFFICER (Mr. Fess in the chair). The bill will be passed over.

OTOE AND MISSOURIA TRIBES OF INDIANS

The bill (S. 4578) conferring jurisdiction on the Court of Claims to adjudicate the rights of the Otoe and Missouri Tribes of Indians to compensation on a basis of guardian and ward was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

THOMAS W. H. BALL

The bill (S. 2620) to correct the military record of Thomas W. H. Ball was announced as next in order.

Mr. KING. Let that go over.

Mr. SHEPPARD. Mr. President, will the Senator withhold his objection a moment?

Mr. KING. Certainly.

Mr. SHEPPARD. Mr. President, the commanding officer who presided at the court-martial which tried this man afterwards exonerated him from all blame of intentional evil doing.

Mr. ROBINSON of Arkansas. How did he exonerate him?

Mr. SHEPPARD. He said that the man had been arrested under an improper conception of what he had done.

Mr. SMOOT. Why did the man plead guilty, then?

Mr. SHEPPARD. He was smarting under a sense of injustice, broke his arrest when he should not have done so, came to the commanding officer's tent, and was guilty of disrespectful language. That was the gravamen of the case. The commanding officer afterwards said he did not blame the man for what he had done.

Mr. KING. Mr. President, I notice that he was convicted of drunkenness.

Mr. SHEPPARD. That was a prior conviction. He served time for that, and this was a subsequent offense.

Mr. KING. He was guilty of two offenses, then.

Mr. SHEPPARD. Not of the same character.

Mr. SHORTRIDGE. The Secretary of War approves the bill.

Mr. KING. I withdraw the objection.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers or their dependents Thomas W. H. Ball, who served as a private of Company B, Fourth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of said organization on the 14th day of July, 1900: *Provided*, That no bounty, pension, pay, or other emoluments shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of Thomas W. H. Ball."

EXEMPTIONS OF HUSBANDS OF AMERICAN CITIZENS

The Senate proceeded to consider the bill (H. R. 10600) to exempt from the quota husbands of American citizens.

Mr. REED. Mr. President, this is a bill intended to admit, outside of the quota, the husbands of American women. I objected to it when it was last brought up because it would permit to come in anybody who could find an American woman to marry him, in the future, without regard to our quota law. That is, a sailor who was in port for a couple of days might find a woman who would marry him for a \$5 bill, and we could not stop his permanent entry, although he might be undesirable in a good many ways. At the same time, it is a fact that there are many meritorious cases, cases of distress, of ladies who have been married in the past and who are unable to bring their husbands into this country, although there is no question of their ability to support themselves when they get here. To take care of those cases of distress, I propose the amendment, which I send to the desk.

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

Mr. REED. I yield.

Mr. KING. May I say that the number is not so great as some anticipated?

Mr. REED. The number, I am told, is a couple of hundred.

Mr. KING. It is 146, as far as can be ascertained.

The PRESIDING OFFICER. The Chair is informed that the bill had been brought to the point of being read the third time, so it will be necessary to reconsider the order for a third reading.

Mr. KING. I ask unanimous consent that the order be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment submitted by the Senator from Pennsylvania will be stated.

The CHIEF CLERK. On page 1, line 8, the Senator from Pennsylvania proposes to strike out the period and to insert the words "and prior to July 1, 1932," and on page 2, line 3, to strike out the punctuation marks and to insert the words "or who are the wives or husbands of citizens of the United States by marriage occurring on or after July 1, 1932," so as to make the bill read:

Be it enacted, etc., That subdivision (a) of section 4 of the immigration act of 1924, as amended, is amended to read as follows:

"(a) An immigrant who is the unmarried child under 21 years of age or the wife or the husband of a citizen of the United States: *Provided*, That the marriage shall have occurred prior to issuance of visa and prior to July 1, 1932."

Sec. 2. Clause (A) of paragraph (1) of subdivision (a) of section 6 of the immigration act of 1924, as amended, is amended to read as follows:

"(A) Quota immigrants who are the fathers or the mothers of citizens of the United States who are 21 years of age or over or who are the wives or husbands of citizens of the United States by marriage occurring on or after July 1, 1932."

Mr. REED. Mr. President, the second amendment puts them in the preference class, but leaves them within the quota if the marriage occurred after the first of next month.

I should also explain to the Senate that the effect of this amendment will be to tighten up the immigration law against wives who are married in the future. It puts wives and husbands on exactly the same basis. If the marriage occurs after the first of next month, all they get is the preference in the quota; they can no longer come in nonquota. I think it is entirely fair that wives and husbands should be treated exactly alike.

Mr. KING. Then this bill amends existing law, and places the situation of the spouse in a little worse condition than it is under existing law.

Mr. REED. No, Mr. President. If the marriage occurred prior to the 1st of July, it allows them to come in without regard to the quota. If it occurs after the first of next month, then both wives and husbands are put upon a parity, they are given a preference within the quota and their coming is charged against the quota.

Mr. COPELAND. Mr. President, it seems to me that these amendments are very proper. They really add to the value of the bill.

Mr. REED. I thank the Senator.

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

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (S. 4262) to provide for the establishment and development of American air-transport services overseas, to encourage construction in the United States by American capital of American airships and other aircraft for use in foreign commerce, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over!

The PRESIDENT pro tempore. The bill will be passed over.

FINANCIAL RESPONSIBILITY OF AUTOMOBILE DRIVERS

The bill (S. 3053) to promote safety on the streets and highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

Mr. BLAINE. Let that go over.

Mr. KEAN. Mr. President, I hope the Senator will withhold his objection for a moment. This bill seems to me to be a very important measure. Almost every day when we take up the newspapers we see where children and other people are killed in the District of Columbia as a result of accidents involving automobiles, and it appears to me that for the protection of the citizens of the District of Columbia the bill should be passed.

Mr. BLAINE. Mr. President, a great many of the provisions of the bill ought to receive considerable and serious attention, and it is very obvious that we have not the time to give that consideration this morning. I ask that the bill may go over.

Mr. KEAN. Mr. President, the bill has the approval of the Committee on the District of Columbia, and the approval of all the public officials of the District.

Mr. LA FOLLETTE. Regular order.

The PRESIDENT pro tempore. The bill will go over.

DEPORTATION OF ALIEN SEAMEN

The bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. BINGHAM. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

CLOSING OF STREETS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3532) to authorize the Commissioners of the District of Columbia to readjust and close streets, roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

Mr. AUSTIN. Mr. President, if passed, this bill will save the District of Columbia right away approximately \$3,000,000, if action is taken under the authority intended to be vested in the commissioners by the bill.

There is at the present time no general statute enabling the Commissioners of the District to close up useless streets in the District. Every time a street needs to be closed on account of carrying out any scheme or plan of development or maintenance here, a special act of the Congress of the United States seems to be necessary, though it be only a small, inconsequential area. This bill is designed to give the commissioners the authority to do that, and it can be done in the absence of Congress and the progress of development forwarded.

Mr. FESS. Mr. President, will there be any authority given the commissioners to open new streets under this bill?

Mr. AUSTIN. No; the authority to open new streets is already vested in the commissioners under another general statute.

Mr. FESS. I remember there was a desire to put a street through the Walter Reed Hospital grounds. Could the commissioners do that without the authority of Congress?

Mr. AUSTIN. That depends on whether the Walter Reed grounds have already been taken by the power of eminent domain. If it is private property, of course, private property may be taken for public use upon awarding suitable damages.

Mr. BINGHAM. May I say to the Senator in that regard that the Walter Reed Hospital being Government property, the land could not be taken without the permission of Congress?

Mr. AUSTIN. I thank the Senator from Connecticut.

The first amendment of the committee was, on page 3, line 8, to strike out the words "that the said closing of a street, road, highway, or alley, or a part thereof, shall have the approval of the National Capital Park and Planning Commission," and to insert in lieu thereof the words "That the proposed closing of any street, road, highway, or alley, or any parts thereof, as provided for in this act, shall be referred to the National Capital Park and Planning Commission for its recommendation"; on page 6, line 14, to strike out the words "looking to" and insert in lieu thereof the word "for"; on line 16, to strike out the word "to" and to insert in lieu thereof the word "for," so as to make the bill read:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close any street, road, highway, or alley, or any part of any street, road, highway, or alley, in the District of Columbia when, in the judgment of said commissioners, such street, road, highway, or alley, or such part of a street, road, highway, or alley, has been rendered useless or unnecessary, the title to the land embraced within the public space so closed to revert to the owners of the abutting property subject to such compensation therefor in money, land, or structures as the Commissioners of the District of Columbia, in their judgment, may find just and equitable, in view of all the circumstances of the case affecting near-by property of abutters and/or nonabutters: *Provided*, That if the title to such land be in the United States the property shall not revert to the owners of the abutting property but may be disposed of by the said commissioners to the best advantage of the locality and the properties therein and thereby affected, which properties thenceforth shall become assessable on the books of the tax assessor of the District of Columbia in all respects as other private property in the District; or also said property be sold as provided in section 1608-a of the Code of Law for the District of Columbia, unless the use of such land is requested by some other department, bureau, or commission of the Government of the United States for purposes not otherwise inconsistent with the proper development of the District of Columbia: *Provided further*, That the said closing by said commissioners is made expedient or advisable by reason of change in the highway plan or by reason of provision for access or better access to the abutting or near-by property and the convenience of the public by other street, road, highway, or alley facilities, or by reason of the acquisition by the District of Colum-

bia or by the United States of America for school, park, playground, or other public purposes, of all the property abutting on the street, road, highway, or alley, or part of a street, road, highway, or alley, proposed to be closed or for other public reasons: *And provided further*, That the proposed closing of any street, road, highway, or alley, or any parts thereof, as provided for in this act, shall be referred to the National Capital Park and Planning Commission for its recommendation.

Sec. 2. That whenever a street, road, highway, or alley, or a part of a street, road, highway, or alley, is proposed to be closed under the provisions of this act, the Commissioners of the District of Columbia shall cause public notice of intention to be given by advertisement for not less than 14 consecutive days, exclusive of Sundays and holidays, in a daily newspaper of general circulation printed and published in the District of Columbia, to the effect that a public hearing will be held at a time and place stated in the notice for the hearing of objections, if any, to such closing. The said commissioners shall, not later than 14 days in advance of such hearing, serve notice of such hearing, in writing, by registered mail, on each owner of property abutting the street, road, highway, or alley, or part thereof, proposed to be closed, or if the owner can not be located the advertisement provided for above shall be deemed sufficient legal notice. At such hearing a map showing the proposed closing shall be exhibited, and the property owners or their representatives, and any other persons interested, shall be given an opportunity to be heard.

Sec. 3. After such public hearing the said commissioners, if they are satisfied that the proposed closing will be in the public interest, and that such closing will not be detrimental to the rights of the owners of the property abutting on the street, road, highway, or alley, or part of a street, road, highway, or alley, proposed to be closed, nor cause unreasonable inconvenience to or adverse effect upon the owner or owners of any property abutting on streets connected therewith, nor unreasonably infringe the rights of the public to use such street, road, highway, or alley, shall cause to be prepared a plat or plats showing the street, road, highway, or alley, or part thereof, proposed to be closed and the area to be apportioned to each owner of property abutting thereon: *Provided*, That if the approval of the proposed closing by the said commissioners shall be conditioned upon the dedication of any other areas for street, highway, or alley purposes, and/or the retention by the District of Columbia of specified rights of way for any public purpose, and/or any other reservations deemed expedient or advisable by said commissioners, such plat or plats shall also show the parcels of land so dedicated, and/or the reserved rights of way, and/or such additional area affected by said closing, with alternative openings occasioned thereby, and/or by certificate thereon any such reservations deemed expedient or advisable by the said Commissioners of the District of Columbia.

Sec. 4. If, after such hearing, the commissioners are of the opinion that any street, road, highway, or alley, or part thereof, should be closed, they shall prepare an order closing the same and shall cause public notice of such order to be given by advertisement for 14 consecutive days, exclusive of Sundays and legal holidays, in at least two daily newspapers of general circulation printed and published in the District of Columbia, and shall serve a copy of such order on each property owner abutting the street, road, highway, or alley, or part thereof, proposed to be closed by such order, and copy of such order shall be served on the owners in person or by registered mail delivered at the last known residence of such owners, or if the owner can not be located the advertisement provided for above shall be deemed sufficient legal notice; or if he be a nonresident of the District of Columbia, by sending a copy thereof by registered mail to his last known place of address: *Provided*, That if no objection in writing be made to the commissioners by any party interested within 30 days after the service of such order, then the said order shall immediately become effective; and the said order and plat or plats as provided for herein shall be ordered by the Commissioners of the District of Columbia recorded in the office of the surveyor of the District of Columbia.

Sec. 5. When any such objection shall be filed with the commissioners as provided in the foregoing section, then the Commissioners of the District of Columbia shall institute a proceeding in rem in the Supreme Court of the District of Columbia for the closing of such street, road, highway, or alley, or part thereof, and its abandonment for street, highway, or alley purposes, and for the ascertainment of damages and the assessment of benefits resulting from such closing and abandonment. Such proceeding shall be conducted in like manner as proceedings for the condemnation of land for streets, under the provisions of chapter 15, subchapter 1, of the Code of Law for the District of Columbia, and such closing and abandonment shall be effective when the damages and benefits shall have been so ascertained and the verdict confirmed.

Sec. 6. Any damages awarded in any proceedings under section 5 of this act, together with the costs of the proceedings, shall be payable from the indefinite annual appropriation for opening, extending, straightening, or widening of any street, avenue, road, or highway, in accordance with the plan of the permanent system of highways of the District of Columbia. Any benefits assessed against private property in any such proceedings shall be a lien upon such property and shall be collected in like manner as provided in section 491-j of the Code of Law for the District of Columbia.

Sec. 7. In any proceedings under section 5 or section 6 of this act it shall be optional with the commissioners either to abide by the verdict and proceed with the proposed closing, or within a

reasonable time to be fixed by the court in its order confirming the verdict, to abandon the proposed closing without being liable for damages therefor.

SEC. 8. Nothing in this act contained shall be construed to prevent the filing of petitions by abutting property owners, or other persons or groups of persons affected by said closing, praying the closing or discontinuance in the public interest of any street, road, highway, or alley, or parts or portions thereof within the District of Columbia; and all such petitions shall be definitely considered by the Commissioners of the District of Columbia, and all action taken by the said commissioners thereon shall be in conformity and compliance with the provisions of this act.

SEC. 9. Nothing in this act shall be construed to repeal the provisions of any existing law authorizing the Commissioners of the District of Columbia to close streets, roads, highways, or alleys, not inconsistent with the provisions of this act, but all such laws shall remain in full force and effect; and in any case to which more than one of these laws is applicable, the Commissioners of the District of Columbia may elect the one under which they will proceed.

SEC. 10. In all cases where necessary to refer to this act, the same may be cited as "the street readjustment act of the District of Columbia."

The amendments were agreed to.

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

BILLS, ETC., PASSED OVER

The joint resolution (H. J. Res. 154) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes, was announced as next in order.

Mr. BLAINE. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 1197) to liquidate and refinance agricultural indebtedness and to encourage and promote agriculture, commerce, and industry, by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened, by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm loan system, the Federal reserve banking system, and the postal-savings depository system, and creating a board of agriculture to supervise the same, was announced as next in order.

Mr. FESS. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

MISUSE OF OFFICIAL INSIGNIA

The bill (H. R. 10590) to prohibit the misuse of official insignia was announced as next in order.

Mr. FESS. That has already been passed, has it not?

The PRESIDENT pro tempore. No; it was substituted for Order of Business 668, Senate bill 940.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter the manufacture, sale, or possession of any badge, identification card, or other insignia, of the design prescribed by the head of any department or independent office of the United States for use by any officer or subordinate thereof, or of any colorable imitation thereof, is prohibited, except when and as authorized under such regulations as may be prescribed by the head of the department or independent office of which such insignia indicates the wearer is an officer or subordinate.

SEC. 2. Any person who offends against the provisions of this act shall, upon conviction, be punished by a fine not exceeding \$250 or by imprisonment for not exceeding six months, or by both such fine and imprisonment.

The PRESIDENT pro tempore. Order of Business 668, Senate bill 940, is indefinitely postponed.

CONDEMNATION OF LAND FOR PUBLIC USE IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 5651) to amend chapter 15 of the Code of Laws for the District of Columbia, relating to the condemnation of land for public use, which had been reported from the Committee on the District of Columbia with amendments, on page 3, line 12, to strike out the words "increase or reduce," and to insert in lieu thereof the word "exceed," and on line 15, to strike out

the words "such award" and to insert in lieu thereof the words "the deficiency. If the compensation finally awarded in respect of said lands, or any parcel thereof, shall be less than the amount of the money so received the court shall have the power to enter judgment against the party or parties receiving the same for the amount representing the difference between the amount received and the amount awarded by the jury as fair compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment," so as to make the bill read:

Be it enacted, etc., That chapter 15 of the Code of Law for the District of Columbia is amended by adding after section 485 the following new section:

"Sec. 485a. Vesting of title pursuant to a declaration of taking: The petitioners may file in the cause, with the petition or at any time before judgment, a declaration of taking, signed by the commissioners, declaring that said lands are thereby taken for use of the District of Columbia. Said declaration of taking shall contain or have annexed thereto—

"(1) A statement of the authority under which and the public use for which the said lands are taken;

"(2) A description of the lands taken sufficient for the identification thereof;

"(3) A statement of the estate or interest in said lands taken for said public use;

"(4) A plan showing the lands taken;

"(5) A statement of the sum of money estimated by the commissioners to be just compensation for the land taken.

"Notwithstanding the provisions of section 483, upon the filing of said declaration of taking and the deposit in the registry of the court, for the use of the persons entitled thereto, of the amount of the estimated compensation stated in the declaration, title to the said lands in fee simple absolute, or such less estate or interest therein as is specified in the declaration, shall vest in the District of Columbia, and the lands shall be deemed to be condemned and taken for the use of the District, and the right to just compensation for the same shall vest in the persons entitled thereto. Said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the judgment shall include, as part of the just compensation awarded, interest at the rate of 6 per cent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

"Upon the application of the parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceeding. If the compensation finally awarded in respect of said lands, or any parcel thereof, shall exceed the amount of the money so received by any person entitled thereto, the court shall enter judgment against the District for the amount of the deficiency. If the compensation finally awarded in respect of said lands, or any parcel thereof, shall be less than the amount of the money so received, the court shall have the power to enter judgment against the party or parties receiving the same for the amount representing the difference between the amount received and the amount awarded by the jury as fair compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

"Upon the filing of the declaration of taking, the court shall have power to fix the time within which and the terms upon which the parties in possession shall be required to surrender possession to the petitioners. The court shall have power to make such orders in respect of encumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

STATE ADMINISTRATIVE BOARDS

The bill (S. 3243) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards, was announced as next in order.

Mr. REED. Mr. President, the bill involves a question of so much importance that I think it ought not to be taken up at this time when we can not have more than five minutes to discuss it.

Mr. JOHNSON. Mr. President, I think the Senator from Pennsylvania is entirely right, but I would desire, if it be possible before the adjournment of Congress, that we may

take up the bill. I am going to see if the opportunity can not be afforded to take it up some day next week and dispose of it. It is a matter which interests practically every public utility commission in the United States and has the approval of every public utility commission in our country. It is designed to preclude a public utility which has fought through all the steps that the law prescribes for the fixing of rates from taking two bites of the cherry subsequently, one in the State courts and the other in the Federal courts.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

FIELD SEASON CONTRACTS OF FOREST SERVICE

The bill (S. 4261) to facilitate execution of and economy in field season contracts of the Forest Service was announced as next in order.

The PRESIDENT pro tempore. Without objection, Calendar No. 848, the bill (H. R. 11944) to facilitate execution of and economy in field season contracts of the Forest Service will be substituted for the Senate bill.

There being no objection, the Senate considered the bill (H. R. 11944) to facilitate execution of and economy in field season contracts of the Forest Service, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereafter authorized in connection with the administration of the national forests to enter into contracts for the procurement of services, materials, and supplies for the ensuing fiscal year, prior to the passage of an appropriation therefor: *Provided,* That such contracts shall aliquot the cost for such service by fiscal years and shall not be binding on the United States as to that part for the ensuing year unless and until an appropriation applicable to the payment thereof is made: *And provided further,* That all such contracts shall by their terms provide that the obligation of the United States is contingent upon the passage of an applicable appropriation and that no payment thereunder will be made until such appropriation becomes available for expenditure.

The PRESIDENT pro tempore. Without objection, Calendar No. 751, Senate bill 4261, is indefinitely postponed.

AMENDMENT OF RAILWAY LABOR ACT

The bill (S. 4565) to amend the railway labor act was announced as next in order.

Mr. KING. Mr. President, I would like to have an explanation of the bill.

Mr. BINGHAM. Mr. President, the Senator will remember that some years ago disputes on the railways, which had led to strikes and interference with public convenience in the handling of the mails, were prevented by the setting up of a board of mediation so that all disputes between the men and the employers were referred to that board. Now we have mail carried by airplanes, and the bill is intended to give to the employees of air transport companies the same right given to locomotive engineers and those who handle mail on trains to take their disputes to the same board.

Mr. HASTINGS. Mr. President, in view of the fact that the board has heretofore only had to do with railway labor, unless we are going to make it apply to all labor engaged in interstate commerce I do not see why we should pick out the employees of the airways and leave out other labor that is engaged in interstate commerce.

Mr. KING. Mr. President, I shall object to the present consideration of the bill, and ask that it may go over.

The PRESIDENT pro tempore. Objection is made, and the bill goes over.

RIVER AND HARBOR ACT MADE APPLICABLE TO VIRGIN ISLANDS

The bill (S. 4680) to extend certain provisions of the river and harbor act of March 3, 1899, to the Virgin Islands was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of sections 9 to 18, inclusive, of the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1899, are hereby made applicable to the Virgin Islands and the navigable waters thereof.

Sec. 2. That violations of the provisions of this act may be prosecuted in the District Court of the Virgin Islands of the United States, and jurisdiction is hereby vested in said court to try and determine such causes.

HORACE G. KNOWLES

The bill (S. 4318) for the relief of Horace G. Knowles was announced as next in order.

Mr. REED. Over.

The PRESIDENT pro tempore. The bill will be passed over.

PUNISHMENT FOR SENDING THREATENING COMMUNICATIONS THROUGH MAILS

The bill (H. R. 96) to punish the sending through the mails of certain threatening communications was considered. The bill had been reported from the Committee on the Judiciary with an amendment to strike out after the enacting clause and insert:

Be it enacted, etc., That whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person, and containing any threat (1) to injure the person, property, or reputation of the addressee or of another or the reputation of a deceased person, or (2) to kidnap any person, or (3) to accuse the addressee or any other person of a crime, or containing any demand or request for ransom or reward for the release of any kidnaped person, shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

Sec. 2. Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter of any foreign country any written or printed letter or other communication of the character described in section 1 of this act, addressed to any person within the United States, for the purpose of having such communication delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to the address to which it is directed in the United States, then such person shall be punished in the same manner and to the same extent as provided in section 1 of this act: *Provided,* That any person violating this section may be prosecuted either in the district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon, or in which it was caused to be delivered by the United States mail to the person to whom it was addressed.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. BORAH. Mr. President, in order to expedite action upon the measure I move that the Senate insist upon its amendments, request a conference with the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed as conferees on the part of the Senate Mr. BORAH, Mr. HASTINGS, and Mr. WALSH of Montana.

CONSTRUING SECTION 503 (B), TARIFF ACT OF 1930

The joint resolution (H. J. Res. 336) construing section 503 (b) of the tariff act of 1930 was considered. The joint resolution had been reported from the Committee on Finance with amendments, on page 1, after line 7, to insert:

And of the concluding provision of section 489 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922.

And on page 2, line 2, after "section 503 (b)," to insert "and the concluding provisions of subsection 489"; and on page 2, line 9, after "section 503 (b)," to insert "and the concluding provision of subsection of 489," so as to make the joint resolution read:

Resolved, etc., That it was and is the true intent and meaning of section 503 (b) of the act entitled "An act 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," approved June 17, 1930, and of the concluding provision of section 489 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, that imported merchandise entered in accordance with the provisions of said section 503 (b) and the concluding provision of said section 489 shall be appraised

and reappraised in the same manner as though the merchandise was not so entered; that the appraisal and reappraisal of such merchandise shall have the same force and effect as in the case of merchandise not so entered; and that entries covered by certification of the importer as provided in said section 503 (b) and the concluding provision of said section 489 shall be liquidated in accordance with the final appraised value of the merchandise covered by such certificates.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Utah [Mr. Smoot] analyze the joint resolution for us?

Mr. SMOOT. Mr. President, I think the report of the Secretary of the Treasury will explain it.

Mr. ROBINSON of Arkansas. I really do not care to have anything read. I wish to know why it is necessary to make this interpretation and what the effect of the interpretation would be. That is all I am interested in knowing.

Mr. SMOOT. I think one paragraph in the report of the Secretary of the Treasury will explain it:

Under the tariff administrative laws the importer is required to declare in the entry the proper value of his merchandise, under pain of having additional duties imposed if the value declared is too low.

Mr. ROBINSON of Arkansas. That sentence recalls the matter to my mind and I have no objection to the consideration of the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the amendments of the Committee on Finance.

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

BILLS AND JOINT RESOLUTIONS PASSED OVER

The bill (S. 4726) to supplement the migratory bird conservation act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the migratory bird treaty act and regulations thereunder, and for other purposes, was announced as next in order.

Mr. BLAINE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 127) authorizing appropriations for the maintenance by the United States of membership in the International Council of Scientific Unions was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 2513) for the relief of Lynn Brothers' Benevolent Hospital was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. METCALF. Mr. President, will the Senator who objected to the present consideration of Calendar 794, Senate Joint Resolution 127, kindly withdraw his objection and let us return to that order of business.

The PRESIDENT pro tempore. Is there objection?

Mr. BRATTON. I object.

The PRESIDENT pro tempore. Objection is made.

The bill (S. 3188) for the relief of Dr. A. M. Newton, of Pocatello, Idaho, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 10238) creating a reimbursable fund to be used for special medical and surgical work among the Indians of the Fort Peck Indian Reservation, Mont., and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

ADJUSTMENT OF REIMBURSABLE DEBTS OF INDIANS

The bill (H. R. 10884) to authorize the Secretary of the Interior to adjust reimbursable debts of Indians and tribes of Indians, was announced as next in order.

Mr. BANKHEAD. Over.

Mr. FRAZIER. Mr. President, I wish the Senator who made the objection would withhold it for a moment.

Mr. BANKHEAD. I withhold the objection.

Mr. FRAZIER. There were two bills, both sponsored by the Department of the Interior, which passed the House and came to the Senate Committee on Indian Affairs, this one and another one, both having to do with about the same subject—the adjustment of reimbursable debts of Indians.

After an extensive hearing, at which Members of the House, the Assistant Commissioner of Indian Affairs, and some of the attorneys for the Indians were present, a subcommittee was appointed to confer with the department and compromise on the two bills was reached, which we believe and the department believes will take care of the reimbursable debts and not hold the Indians for debts which they have had no part in contracting and not hold them for irrigation debts which have not been of any benefit to them. They are now being held as charges against their lands. The bill provides for a way out of it and the department is very anxious that the measure be passed. I think it is only fair to the Indians that it should be passed.

The PRESIDENT pro tempore. Is the objection maintained?

Mr. BANKHEAD. I will withdraw the objection.

Mr. KING. Mr. President, I shall feel constrained to object to the present consideration of the bill unless the Senator will accept an amendment to insert at the proper place in the bill the following proviso:

Provided, That any proceedings hereunder shall not be effective until approved by Congress.

The Senator understands my reasons. Very frankly, in view of what has been disclosed before the Senator's committee, I am unwilling that this unrestricted and unlimited authority shall be granted to the Bureau of Indian Affairs to extinguish liabilities of individuals, no matter how fair they may be, of millions of dollars unless reports are made to Congress and approved by Congress.

Mr. FRAZIER. I would have no particular objection to that any more than it would, of course, involve a good deal of legislation, perhaps, in the way of approvals by Congress.

Mr. KING. May I say to the Senator that I do not think so. I do not care to express any more definitely my opposition to the bill.

Mr. FRAZIER. Of course, the bill will have to go to conference anyway.

Mr. KING. If the Senator will accept the amendment I shall not object.

There being no objection, the Senate proceeded to consider the bill.

The PRESIDENT pro tempore. The amendment of the Senator from Utah will be stated.

The CHIEF CLERK. On page 2, line 11, after the word "year," insert:

Provided further, That any proceedings hereunder shall not be effective until approved by Congress.

The amendment was agreed to.

The PRESIDENT pro tempore. The amendments of the Committee on Indian Affairs will be stated.

The amendments of the committee were, on page 1, line 3, after the word "authorized," to insert "and directed"; in line 4, after the word "adjust," to insert "or eliminate"; in line 6 to strike out "Indians and the tribal funds of any tribe" and insert in lieu thereof "individual Indians or tribes"; in line 7 to strike out "to him seem" and insert the word "be"; and in line 9, after the word "made," to insert:

Provided, That the collection of all construction costs against any Indian lands within any Government irrigation project is hereby deferred, and no assessments heretofore levied shall be made on behalf of such charges against such lands until the

Indian title thereto shall have been extinguished, and any construction assessments heretofore levied in accordance with the provisions of the act of February 14, 1920 (41 Stat. L. 409), and uncollected, are hereby canceled.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to adjust or eliminate reimbursable charges of the Government of the United States existing as debts against individual Indians or tribes of Indians in such a way as shall be equitable and just in consideration of all the circumstances under which such charges were made: *Provided*, That the collection of all construction costs against any Indian lands within any Government irrigation project is hereby deferred, and no assessments heretofore levied shall be made on behalf of such charges against such lands until the Indian title thereto shall have been extinguished, and any construction assessments heretofore levied in accordance with the provisions of the act of February 14, 1920 (41 Stat. L. 409), and uncollected, are hereby canceled: *Provided further*, That a report shall be made to Congress annually, on the first Monday in December, showing adjustments so made during the preceding fiscal year: *Provided further*, That any proceedings hereunder shall not be effective until approved by Congress.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CIRCULATION PRIVILEGE OF BONDS

The bill (H. R. 11499) for restoring and maintaining the purchasing power of the dollar was announced as next in order.

Mr. REED. Over.

Mr. ROBINSON of Arkansas. Mr. President, this is a substitute for the so-called Goldsborough resolution, which passed the House of Representatives some time ago. It gives the circulation privilege to bonds of the United States, when presented by national banks. I wonder if we could not dispose of the resolution and send it to conference? There is recognized to be a necessity for some controlled expansion of the currency. It is thought by the Committee on Banking and Currency that the substitute resolution would accomplish that end. Of course, if the objection is persisted in, it can not be considered now.

Mr. REED. Mr. President, this measure proposes to give the circulation privilege to some \$14,000,000,000 of outstanding United States bonds. It comes to the Senate without a report from the Committee on Banking and Currency, without any opinion from the Treasury, with nothing to show that it has ever been submitted to the Treasury. Yesterday when the Senator from Oklahoma [Mr. THOMAS] presented a bill to give the circulation privilege to \$1,500,000,000 of bonds I communicated with the Treasury Department and got the most ardent dissent.

Mr. ROBINSON of Arkansas. But that was a proposal to issue bonds for the sole purpose of increasing the circulation. This is a proposal to give to all bonds of the United States, when the privilege is sought by banks, the same privilege that other bonds now have. That is a very different proposition.

Mr. REED. The bonds to which the amendment of yesterday referred were bonds of the Reconstruction Finance Corporation for relief purposes. This measure applies to all outstanding United States bonds. It seems to me, without the presence of the Senator who reported the bill, without any report from the committee, without any information from the Treasury, that we would be acting in the dark, and therefore I must object.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. ROBINSON of Arkansas subsequently said: Mr. President, in connection with the statement made just a moment ago by the Senator from Pennsylvania [Mr. REED] that the bill (H. R. 11499) for restoring and maintaining the purchasing power of the dollar as reported by the Senate Committee on Banking and Currency would make possible the increase of our circulation by \$14,000,000,000, let me say that it is recalled that the representation made at the time the bill was reported was to the effect that it would only make possible an expansion of the currency of about \$1,000,000,000. The amount of bonds that would be available for

circulation under the terms of the bill is not \$14,000,000,000 but \$1,000,000,000.

Mr. REED. Mr. President, I beg the Senator's pardon. We have \$6,000,000,000 of 4 per cent Liberty bonds now outstanding.

Mr. ROBINSON of Arkansas. I understand perfectly well that such amount of bonds is outstanding, but under the terms of this amendatory bill the limitations are such that only bonds presented by national banks would be given the circulation privilege, and that amount is limited to about a billion dollars, as was stated by the Senator from Virginia [Mr. GLASS], according to my recollection. I merely make this statement in order that the implication that the bill would provide an expansion of currency to the amount of \$14,000,000,000 may be contradicted.

Mr. FLETCHER. Mr. President, I desire to say that this bill is a substitute for what is known as the Goldsborough bill, which passed the other House and which defined as the policy of the United States with reference to stabilizing the purchasing power of the dollar the value of the dollar based upon the price levels of commodities. The Committee on Banking and Currency considered the bill and finally reported by a majority vote—it was not a unanimous vote—this substitute for it. In other words, this bill proposes to strike out all after the enacting clause of the Goldsborough bill, as it came from the House, and to substitute a provision for an expansion of the currency or circulation, allowing the use of Government bonds as the basis of such circulation. In the absence of the Senator from Virginia, who sponsored the amendment, I hardly think we should have time thoroughly to consider the bill.

Mr. LA FOLLETTE. Regular order, Mr. President.

Mr. ROBINSON of Arkansas. The bill has already gone over.

The PRESIDENT pro tempore. The regular order is demanded.

Mr. FLETCHER. I want to say further, in confirmation of what the Senator from Arkansas has said, that the bill contemplates only an inflation, if it may be called that, an expansion of the currency, to the amount of \$1,000,000,000. That is the estimate which was before the committee.

Mr. FESS. Regular order, Mr. President.

The PRESIDENT pro tempore. The regular order is demanded. The clerk will state the next bill on the calendar.

BILLS PASSED OVER

The bill (S. 3346) to provide for the escheat to the United States of certain deposits in national banks was announced as next in order.

Mr. REED. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2370) for the conservation of lobsters, to regulate interstate transportation of lobsters, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

PROPOSED RENEWAL AND EXTENSION OF LETTERS PATENT

The bill (S. 1301) to renew and extend certain letters patent was announced as next in order.

Mr. KING. Over.

Mr. SMOOT. Mr. President, I simply want to say in relation to that bill—

Mr. KING. Mr. President, I have been requested by a Senator who is absent to object to the consideration of the bill.

Mr. SMOOT. I certainly should object to the consideration of the bill with all the power I have, but I wish to state why I should object.

When the late Senator Platt, of Connecticut, who was chairman of the Committee on Patents and retired from that committee, and I was appointed as its chairman, I recall one thing he said to me at that time was, "Senator Smoot, never permit the extension of a patent." Since that

time I know of no extension of the life of a patent by Congress, and I hope Senators will never allow such action to be taken. Should we begin such a policy, God only knows when the end will come; and I shall always object to any such proposal.

The PRESIDENT pro tempore. The bill will be passed over.

ADDITION OF LANDS OF COLUMBIA NATIONAL FOREST, WASH.

The Senate proceeded to consider the bill (S. 1492) to add certain lands to the Columbia National Forest in the State of Washington, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 2, line 8, after the word "range," to strike out the numeral "5" and to insert "4," so as to make the bill read:

Be it enacted, etc., That subject to any valid existing claim or entry all lands of the United States within the areas hereinafter described be, and the same are hereby, added to and made parts of the Columbia National Forest, in the State of Washington, to be hereafter administered under the laws and regulations relating to the national forests; and the provisions of the act approved March 20, 1922 (U. S. C., title 16, secs. 486, 487), as amended, are hereby extended and made applicable to all other lands within the said described area:

Sections 1 to 3, inclusive, 6 to 8, inclusive, and 10 to 36, inclusive, in township 3 north, range 4 east; sections 1 to 28, inclusive, 34 to 36, inclusive, in township 4 north, range 4 east; all of township 5 north, range 4 east; sections 1, 2, 11 to 15, inclusive, 22 to 27, inclusive, and 33 to 36, inclusive, in township 6 north, range 4 east; and west half township 6 north, range 5 east, all in the State of Washington, Willamette meridian.

The amendment was agreed to.

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

NOTICES OF UNDELIVERABLE SECOND-CLASS MATTER

The Senate proceeded to consider the bill (H. R. 10494) to provide a postage charge on notices to publishers regarding undeliverable second-class matter, which had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 2, line 2, after the word "notice," to insert "except that where the undeliverable copies bear the pledge of the sender to pay the return postage no notice shall be sent to the publisher but the copies received during the period specified in this paragraph shall be returned charged with postage due at the rate of 1 cent for each 4 ounces or fraction thereof, with a minimum charge of 2 cents, and indorsed to show the reason they are undeliverable and the new address of the addressee, if known," so as to make the bill read:

Be it enacted, etc., That the next to the last paragraph of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1911, and for other purposes," approved May 12, 1910 (36 Stat. 366; U. S. C., title 39, sec. 277), is hereby amended by the addition after the first sentence of the following sentence: "Provided, That there shall be a postage charge of 2 cents for such notice regarding undeliverable copies, which shall be collected from the publisher upon delivery of the notice; except that where the undeliverable copies bear the pledge of the sender to pay the return postage no notice shall be sent to the publisher but the copies received during the period specified in this paragraph shall be returned charged with postage due at the rate of 1 cent for each 4 ounces or fraction thereof, with a minimum charge of 2 cents, and indorsed to show the reason they are undeliverable and the new address of the addressee, if known."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

EXTRA WORK CAUSED BY PAYMENT OF MONEY ORDERS

The bill (H. R. 278) to compensate the Post Office Department for the extra work caused by the payment of money orders at offices other than those on which the orders are drawn.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. ODDIE. Mr. President, will the Senator from Utah withhold his objection to the consideration of the bill for a moment?

Mr. KING. Yes.

Mr. ODDIE. This bill has been passed by the other House and the House Post Office Committee has assured me that they have given very careful attention to the details in connection with it. I think the bill has considerable merit, and I shall appreciate it very much if the Senator from Utah will withdraw his objection. The bill has been passed on favorably by the Senate Committee on Post Offices and Post Roads.

Mr. McKELLAR. Mr. President, as I understand the objection of the Senator from Utah [Mr. KING] to the consideration of the bill, it is to the allowance of additional compensation for the extra labor involved, provision for which is found on page 2 of the bill in the second paragraph of the amendment. If the Senator from Nevada would be willing to strike that language out, omitting the provision as to extra compensation, there would be no objection to the amendment, I am sure.

Mr. ODDIE. What is the wording with reference to extra compensation to which the Senator refers?

Mr. McKELLAR. If the Senator from Utah will withdraw his objection, I will move to strike out all in line 3 after the word "office" down to the end of the paragraph.

The PRESIDENT pro tempore. May the Chair be permitted to suggest that that probably would obviate the necessity for any legislation of this kind whatever.

Mr. McKELLAR. Let it go to conference and be threshed out there.

Mr. ODDIE. I am willing to have it go to conference.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

POSTAGE ON PUBLICATIONS

The bill (H. R. 4594) to fix the rate of postage on publications mailed at the post office of entry for delivery at another post office within the postal district in which the headquarters or general business offices of the publisher are located was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 25 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes," approved March 3, 1879 (20 Stat. 361; U. S. C., title 39, sec. 286), is hereby amended by the addition of the following sentence:

"Copies of a publication, other than a weekly, hereafter admitted to the second class of mail matter, when mailed by the publisher or registered news agent at a post office where it is entered, for delivery by letter carriers at a different post office within the delivery limits of which the headquarters or general business offices of the publisher are located, shall be chargeable with postage at the rate that would be applicable if the copies were mailed at the latter office, unless the postage chargeable at the pound rates from the office of mailing is higher, in which case such higher rates shall apply, but this provision shall not be applicable to publications already entered as second-class matter which retain their entry at the post office where now entered."

FEES AND LIMITATION OF INDEMNITY ON REGISTERED MAIL

The Senate proceeded to consider the bill (H. R. 10244) fixing the fees and limits of indemnity for domestic registered mail based upon actual value and length of haul, and for other purposes, which was read as follows:

Be it enacted, etc., That section 3926 of the Revised Statutes of the United States as amended by the act of February 27, 1897 (ch. 340, 29 Stat. L. 599), providing limited indemnity for loss of registered mail matter, and by the act of March 3, 1903, (32 Stat. L. 1174), fixing such indemnity at not exceeding \$100, and that portion of the act of March 4, 1911 (36 Stat. L. 1337), making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1912, and for other purposes, and providing indemnity for the loss of third and fourth class domestic registered matter, which laws were jointly amended by section 3 of the act of May 1, 1928 (45 Stat. L. 469; U. S. C., Supp. V, title 39, sec. 381a), are hereby further amended to read as follows:

"For the greater security of valuable mail matter the Postmaster General may establish a uniform system of registration, and as a part of such system he may provide rules under which the senders or owners of any registered matter shall be indemnified for loss, rifling, or damage thereof in the mails, the indemnity to be paid out of the postal revenues, but in no case to exceed \$1,000 for any one registered piece, or the actual value thereof when that is less than \$1,000, and for which no other compensation or reim-

bursement to the loser has been made: *Provided*, That the Postmaster General may in his discretion provide for the payment of indemnity for the actual value of registered mail or insured mail treated as registered mail in excess of \$1,000, but not in excess of \$10,000, when such mail is not insured with any commercial insurance company or other insuring agency, and may fix the fees chargeable for the risks assumed ratably at the rates fixed up to \$1,000: *Provided further*, That the Postmaster General in his discretion may cause to be underwritten or reinsured in whole or in part with any commercial insurance companies any liability or risk assumed by the Post Office Department in connection with the mailing of any particular registered article or articles.

"SEC. 2. The full value of all registered mail or insured mail treated as registered mail shall be declared by the mailer at the time of mailing unless otherwise prescribed by the Postmaster General, and any claim for indemnity in any amount involving such mail, when the full value knowingly and willfully was not stated at the time of mailing, shall be invalid. All claims for indemnity involving registered mail, or insured mail treated as registered mail, or other insured mail, or collection-on-delivery mail, which is also insured with commercial insurance companies or other insuring agencies, shall be adjusted by the Post Office Department on a pro rata basis as a coinsurer with the commercial insurance companies or other insuring agencies."

SEC. 2. Section 3927 of the Revised Statutes of the United States, as amended by section 209 of the act of February 28, 1925 (43 Stat. L. 1068), and by the first section of the act of May 1, 1928 (45 Stat. L. 469; U. S. C., Supp. V, title 39, sec. 384), be, and the same is hereby, amended further to read as follows:

"Mail matter shall be registered on the application of the party posting the same. The registry fees, which are in addition to the regular postage, and the limits of indemnity therefor within the maximum indemnity provided by law shall be as follows:

- "For registry indemnity not exceeding \$5, 15 cents;
- "For registry indemnity exceeding \$5 but not exceeding \$25, 18 cents;
- "For registry indemnity exceeding \$25 but not exceeding \$50, 20 cents;
- "For registry indemnity exceeding \$50 but not exceeding \$75, 25 cents;
- "For registry indemnity exceeding \$75 but not exceeding \$100, 30 cents;
- "For registry indemnity exceeding \$100 but not exceeding \$200, 40 cents;
- "For registry indemnity exceeding \$200 but not exceeding \$300, 50 cents;
- "For registry indemnity exceeding \$300 but not exceeding \$400, 60 cents;
- "For registry indemnity exceeding \$400 but not exceeding \$500, 70 cents;
- "For registry indemnity exceeding \$500 but not exceeding \$600, 80 cents;
- "For registry indemnity exceeding \$600 but not exceeding \$700, 85 cents;
- "For registry indemnity exceeding \$700 but not exceeding \$800, 90 cents;
- "For registry indemnity exceeding \$800 but not exceeding \$900, 95 cents; and
- "For registry indemnity exceeding \$900 but not exceeding \$1,000, \$1:

"*Provided*, That for registered mail or insured mail treated as registered mail having a declared value in excess of the maximum indemnity covered by the registry fee paid there shall be charged additional fees as follows: When the declared value exceeds the maximum indemnity covered by the registry fee paid by not more than \$50, 1 cent; by more than \$50 but not more than \$100, 2 cents; by more than \$100 but not more than \$200, 3 cents; by more than \$200 but not more than \$400, 4 cents; by more than \$400 but not more than \$600, 5 cents; by more than \$600 but not more than \$800, 6 cents; by more than \$800 but less than \$1,000, 7 cents; and if the excess of the declared value over the maximum indemnity covered by the registry fee paid is \$1,000 or more, the additional fees for each \$1,000 or part of \$1,000 on articles destined to points within the several zones applicable to fourth-class matter shall be as follows:

- "For local delivery or for delivery within the first zone, 8 cents;
- "For delivery within the second zone, 9 cents;
- "For delivery within the third zone, 10 cents;
- "For delivery within the fourth zone, 11 cents;
- "For delivery within the fifth or sixth zones, 12 cents;
- "For delivery within the seventh or eighth zones, 13 cents.

"All such fees shall be accounted for in such manner as the Postmaster General shall direct. Mail matter upon the official business of the Post Office Department which requires registering shall be registered free of charge, and pass through the mails free of charge."

SEC. 3. The Postmaster General may make such rules and regulations in accordance with this act as he may consider necessary or advisable.

This act shall become effective July 1, 1932.

Mr. SMOOT. Mr. President, I should like to ask if this bill conforms to the increased rates on postage from 2 cents to 3 cents?

Mr. McKELLAR. Mr. President, I will say to the Senator that it seemed to the committee that the bill ought to pass; and I hope the Senator will withdraw any objection he may

have to it, because we thought it would add to the postal revenues.

Mr. SMOOT. I am not objecting to the bill; but I want to know, inasmuch as postage on first-class mail has been increased from 2 to 3 cents, whether this bill has been made to conform to meet that situation?

Mr. McKELLAR. I do not think it has anything whatever to do with that situation.

Mr. SMOOT. It does not mention the rates at all?

Mr. McKELLAR. No. I think it stands by itself and that it ought to pass, because it means additional revenue to the Government.

Mr. SMOOT. I have not had time to read it.

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

FEES AND INDEMNITIES ON INSURED AND COLLECT-ON-DELIVERY MAIL

The bill (H. R. 10247) prescribing fees and corresponding indemnities for domestic insured and collect-on-delivery mail of the third and fourth class, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, this bill is in exactly the same situation as the one just passed. I think it ought also to be passed, and I hope it will be.

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

There being no objection, the bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (a) of section 211 of Title II of an act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (43 Stat. 1069; U. S. C., title 39, sec. 245), as amended (U. S. C., Supp. V, title 39, sec. 245), is further amended to read as follows:

"SEC. 211. (a) The fee for insurance shall be 5 cents for indemnification not to exceed \$5; 10 cents for indemnification not to exceed \$25; 15 cents for indemnification not to exceed \$50; 25 cents for indemnification not to exceed \$100; 30 cents for indemnification not to exceed \$150; and 35 cents for indemnification not to exceed \$200. Whenever the sender of an insured article of mail matter shall so request, and upon payment of a fee of 3 cents at the time of mailing, or of 5 cents subsequent to the time of mailing, a receipt shall be obtained for such insured mail matter, showing to whom and when the same was delivered, which receipt shall be returned to the sender, and be received in the courts as prima facie evidence of such delivery: *Provided further*, That upon payment of the additional sum of 20 cents at the time of mailing by the sender of an insured article of mail matter, a receipt shall be obtained for such insured mail matter, showing to whom, when, and the address where the same was delivered, which receipt shall be returned to the sender and be received in the courts as prima facie evidence of such delivery: *Provided further*, That no refund shall be made of fees paid for return receipts for registered or insured mail where the failure to furnish the sender a return receipt or the equivalent is not due to the fault of the Postal Service."

SEC. 2. That paragraph (b) of section 211 of Title II of an act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, sec. 246), is amended to read as follows:

"(b) The fee for collect-on-delivery service for domestic third and fourth class mail shall be 12 cents for collections and indemnity not to exceed \$5; 17 cents for collections and indemnity not to exceed \$25; 22 cents for collections and indemnity not to exceed \$50; 32 cents for collections and indemnity not to exceed \$100; 40 cents for collections and indemnity not to exceed \$150; and 45 cents for collections and indemnity not to exceed \$200."

SEC. 3. This act shall become effective July 1, 1932.

SUITS IN ADMIRALTY

The bill (H. R. 7238) to amend section 5 of the suits in admiralty act, approved March 9, 1920, was announced as next in order.

Mr. McKELLAR. Mr. President, I think there ought to be an explanation of this bill.

Mr. AUSTIN. Mr. President, on the last call of the calendar this bill was explained, but I will try to make a further statement regarding it.

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

Mr. AUSTIN. I yield.

Mr. ROBINSON of Arkansas. The Senator from Vermont made an explanation of the bill when it was last under consideration. The Senator from Washington [Mr. DILL] then stated that he had in mind presenting an amendment which he should like to have considered, but at the same time, as I recall, he said that he had no objection to the passage of the bill. He stated to me afterwards that he had no disposition to prevent the passage of the bill, and while I am sure he would like to offer an amendment, I also feel sure that he would not desire to prevent the passage of the bill. I think it is a wholesome measure and a fair and just proposal.

Mr. AUSTIN. Mr. President, I had a talk with the Senator from Washington before he left the city in which he advised me that he did not desire to have the bill held up, but was willing that it should go forward and be passed, and that, if he desired to do so, upon his return he would move a reconsideration of the bill. That is why I urge the Senate to consider this measure and pass it now.

Mr. McKELLAR. Mr. President, the particular provision about which I want to inquire is on page 2, reading as follows:

Provided further, That the limitations in this section contained for the commencement of suits hereunder shall not bar any suit against the United States or the United States Shipping Board Merchant Fleet Corporation, formerly known as the United States Shipping Board Emergency Fleet Corporation, brought hereunder on or before December 31, 1932, if such suit is based upon a cause of action whereon a prior suit in admiralty or an action at law or an action under the Tucker Act of March 3, 1887 (24 Stat. 505; U. S. C., title 28, sec. 250, subdiv. 1), was commenced prior to January 6, 1930, and was or may hereafter be dismissed because not commenced within the time or in the manner prescribed in this act, or otherwise not commenced or prosecuted in accordance with its provisions.

Does not that open the door to suits against the Shipping Board and the Emergency Fleet Corporation that are not now authorized by law? What is the purpose of that if it is not to do that very thing?

Mr. AUSTIN. No, Mr. President; I understand that it does not do that. All this bill seeks to accomplish—

Mr. McKELLAR. We find such a provision in the bill. If it does not mean new suits may be filed against the Shipping Board and the Emergency Fleet Corporation, what does it mean? I do not think that such suits should be allowed to be filed after this long time.

Mr. AUSTIN. Mr. President, attempting to answer the first question of the Senator, I will say that such actions as those referred to by the Senator from Tennessee are already permissible and this bill merely seeks to exempt them from the effect which existing law might otherwise have upon them.

The object of this measure is merely to save the rights which private shipping companies must give to people engaged in international commerce. The United States went into business and undertook the same liability that private competing carriers undertook. For years the business depended upon these rights—and they were rights; they were not privileges—and then suddenly a decision of the court determined that all actions which had already been brought under the admiralty act had been brought in the wrong court under the wrong act. That decision came so late, some 10 years in some instances after the act was passed, that it caught unawares these customers of the United States Government which had gone into the shipping business. All this bill is intended to do is to do justice to its customers, and nothing more.

Mr. McKELLAR. As I understand the Senator, these proposed litigants have heretofore filed suit, and it was dismissed because of lack of jurisdiction; was it?

Mr. AUSTIN. Yes; lack of jurisdiction.

Mr. McKELLAR. The merits were not passed upon by the courts at all?

Mr. AUSTIN. They were never passed upon for years.

Mr. McKELLAR. And the purpose of this bill is merely to give these proposed litigants the right to have their claims passed upon upon the merits? Is that what I understand?

Mr. AUSTIN. That is correct.

Mr. McKELLAR. How many will be involved in this particular matter?

Mr. AUSTIN. About 187 different cases. Many of those cases arise out of injuries to persons who were in the employ of the Emergency Fleet Corporation. Others are cargo cases, where cargoes were destroyed by the negligence of the Emergency Fleet Corporation. The passage of this bill does not determine the justice of the claims, of course. It will merely permit these claimants to go on and prove their claims, if they have any.

Mr. McKELLAR. In other words, it simply gives them the right to have the merits of their claims passed upon, which merits were not passed upon in the former litigation?

Mr. AUSTIN. That is correct.

Mr. HASTINGS. Mr. President—

Mr. AUSTIN. I yield to the Senator from Delaware.

Mr. HASTINGS. I should like to call attention to the fact that the Fleet Corporation has on hand at the present time an insurance fund set aside to meet claims of this kind of approximately \$3,400,000, so that the passage of the bill will not require appropriations of any kind by the Government.

Mr. AUSTIN. That is true.

The Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the suits in admiralty act (41 Stat. 525; U. S. C., title 46, secs. 741-745), approved March 9, 1920, is amended to read as follows:

"Sec. 5. That suits as herein authorized may be brought only on causes of action arising since April 6, 1917: *Provided*, That suits based on causes of action arising prior to the taking effect of this act shall be brought within one year after this act goes into effect; and all other suits hereunder shall be brought within two years after the cause of action arises: *Provided further*, That the limitations in this section contained for the commencement of suits hereunder shall not bar any suit against the United States or the United States Shipping Board Merchant Fleet Corporation, formerly known as the United States Shipping Board Emergency Fleet Corporation, brought hereunder on or before December 31, 1932, if such suit is based upon a cause of action whereon a prior suit in admiralty or an action at law or an action under the Tucker Act of March 3, 1887 (24 Stat. 505; U. S. C., title 28, sec. 250, subdiv. 1), was commenced prior to January 6, 1930, and was or may hereafter be dismissed because not commenced within the time or in the manner prescribed in this act, or otherwise not commenced or prosecuted in accordance with its provisions: *Provided further*, That such prior suit must have been commenced within the statutory period of limitation for common-law actions against the United States cognizable in the Court of Claims: *Provided further*, That there shall not be revived hereby any suit at law, in admiralty, or under the Tucker Act heretofore or hereafter dismissed for lack of prosecution after filing of suit: *And provided further*, That no interest shall be allowed on any claim prior to the time when suit on such claim is brought as authorized hereunder."

AMENDMENT OF UNITED STATES EMPLOYEES' COMPENSATION ACT

The bill (S. 3531) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof, be amended as follows:

That subdivision (G) of section 10 of said act is amended to read as follows:

"(G) The compensation of each beneficiary under clause (E) shall be paid until he dies, marries, or ceases to be dependent. The compensation of each beneficiary under clause (F) shall be paid for a period of eight years from the time of the death, unless before that time he, if a grandparent, dies, marries, or ceases to be dependent, or, if a brother, sister, or grandchild, dies, marries, or reaches the age of 18, or, if over 18 and incapable of self-support, becomes capable of self-support. The compensation of a brother, sister, or grandchild under legal age shall be paid to his or her guardian."

TRANSFERORS FOR COLLECTION OF NEGOTIABLE INSTRUMENTS

The Senate proceeded to consider the bill (S. 4034) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in cer-

tain cases, which had been reported from the Committee on Banking and Currency with an amendment, on page 1, line 5, after the word "preferred," to strike out "creditor" and insert "claimant," so as to make the bill read:

Be it enacted, etc., That upon appointment of a receiver of any national bank, the transferor of a negotiable instrument transferred to such bank for collection shall be a preferred claimant in the amount of the liability of such bank, if such negotiable instrument (1) is forwarded to such bank by any other bank, firm, or individual for collection and remittance, and payment therefor in money or its equivalent in value, has not been made; (2) such negotiable instrument has been transferred to such bank after the enactment of this act; and (3) has been collected either in the whole or in part by such bank. The provisions of this act shall not apply to any case where the transferor is a voluntary depositor in the bank and the proceeds of the collection have been upon request of indorser, credited by the bank to his account.

The amendment was agreed to.

Mr. KING. Mr. President, may we have an explanation of this bill?

Mr. GOLDSBOROUGH. Mr. President, this is a bill introduced by the Senator from Texas [Mr. SHEPPARD] and unanimously reported favorably by the Committee on Banking and Currency.

The purpose and object of the bill is to provide that transferors for collection of negotiable instruments, checks and the like, shall be preferred creditors of insolvent banks in certain cases. If a man transmits a check to a bank for collection, and the bank collects the proceeds thereof, but before it forwards the proceeds to the person by whom it was sent in for collection the bank goes into insolvency, such funds have always been treated as part of the general assets of the bank. This bill will give preference to the transferor. That is the simple purpose of the bill.

Mr. KING. I have no objection.

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

DAISY ANDERSON

The Senate proceeded to consider the bill (S. 1978) for the relief of Daisy Anderson, which had been reported from the Committee on Claims with an amendment, on page 2, line 2, after the word "law," to insert "Provided, That no benefit shall accrue prior to the enactment of this act," so as to make the bill read:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to waive the statute of limitations in the application filed by Daisy Anderson, a former nurse in the Government service, the provision of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, in order that she may receive the same consideration as though she had applied within the specified time required by law: *Provided,* That no benefit shall accrue prior to the enactment of this act.

The amendment was agreed to.

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

R. K. STILES & CO.

The bill (H. R. 3987) for the relief of R. K. Stiles & Co. was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. K. Stiles & Co., of Kansas City, Kans., the sum of \$569.34, representing the sum expended by said R. K. Stiles & Co. in the reconstruction of a retaining wall between its property in the city of Kansas City, Kans., and the Wyandotte Indian Cemetery at Kansas City, Kans., which collapsed on June 1, 1929, and repairing damage to buildings on its property as the result of such collapse.

AMOUNTS DUE DECEASED OR INCOMPETENT INDIANS

The Senate proceeded to consider the bill (S. 4756) to authorize the Veterans' Administration or other Federal agencies to turn over to superintendents of the Indian Service amounts due Indians who are under legal disability, or to estates of such deceased Indians, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 6, after the word "Government,"

to insert "for whom no legal guardians or other fiduciaries have been appointed," so as to make the bill read:

Be it enacted, etc., That any money accruing from the Veterans' Administration or other governmental agency to incompetent adult Indians, or minor Indians, who are recognized wards of the Federal Government, for whom no legal guardians or other fiduciaries have been appointed may be paid, in the discretion of the Administrator of Veterans' Affairs, or other head of a governmental bureau or agency, having such funds for payment, to such superintendent or other bonded officer of the Indian Service as the Secretary of the Interior shall designate, for the use of such beneficiaries, or to be paid to or used for, the heirs of such deceased beneficiaries, to be handled and accounted for by him with other moneys under his control, in accordance with existing law and the regulations of the Department of the Interior.

The amendment was agreed to.

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

FEES FOR ISSUANCE OF DOMESTIC MONEY ORDERS

The Senate proceeded to consider the bill (H. R. 10246) to fix the fees to be charged for the issue of domestic money orders, which had been reported from the Committee on Post Offices and Post Roads with an amendment to strike out all after line 6 on page 1 and to insert:

"Sec. 3. A money order shall not be issued for more than \$100, and the fees for domestic money orders shall be fixed, and may from time to time be revised, by the Postmaster General with a view to promoting the service to the public, insuring a receipt of revenue from such service adequate to pay the cost thereof, and meeting competitive rates."

Sec. 2. This act shall become effective July 1, 1932.

So as to make the bill read:

Be it enacted, etc., That section 3 of the act entitled "An act to modify the postal money-order system, and for other purposes," approved March 3, 1883, as amended (U. S. C., title 39, sec. 716), is amended to read as follows:

"Sec. 3. A money order shall not be issued for more than \$100, and the fees for domestic money orders shall be fixed, and may from time to time be revised, by the Postmaster General with a view to promoting the service to the public, insuring a receipt of revenue from such service adequate to pay the cost thereof, and meeting competitive rates."

Sec. 2. This act shall become effective July 1, 1932.

The amendment was agreed to.

Mr. KING. Mr. President, I will ask the chairman of the committee if there is a unanimous report by the committee on this bill.

Mr. ODDIE. Yes, Mr. President.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to authorize the Postmaster General to fix the fees to be charged for the issue of domestic money orders."

LANDS IN BUCKS COUNTY, PA.

The Senate proceeded to consider the resolution (S. Res. 221) referring the bill (S. 3442) for relief of the former owners of certain lands in Bucks County, Pa., to the Court of Claims for findings of fact, which was read, as follows:

Resolved, That the bill (S. 3442) entitled "A bill for the relief of the former owners of certain lands in Bucks County, Pa., condemned by the Government of the United States," now pending in the Senate, together with all the accompanying papers, be, and same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

Mr. KING. Mr. President, will the Senator from Kentucky [Mr. LOGAN] give an explanation of this bill? There is no report, and that is the reason why I ask.

Mr. LOGAN. Mr. President, the former owners of certain lands in Pennsylvania claim the right to receive money from the Government, and apparently they are entitled to it. The committee, however, did not have all the facts; and the easiest way to get out of the consideration of the bill at the present time is to send it to the Court of Claims to find the facts and report back to us.

That is all that the resolution provides for. It is an important matter, but rather involved; so we are not asking

that the question be determined at all, but simply that the Court of Claims find the facts and report to Congress, and Congress is to determine it.

The resolution was agreed to.

POTASSIUM-BEARING LANDS IN TOOELE COUNTY, UTAH

The Senate proceeded to consider the bill (H. R. 5062) to authorize the exchange of potassium-bearing lands in Tooele County, Utah, between the United States and private owners, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 3, line 18, after the word "also," to insert "north half section 4," and on the same page, line 24, after the word "following," to strike out:

West half section 19; west half section 30; west half section 31, in township 2 south of range 17 west. Also south half section 15; northwest quarter, southeast quarter and south half southwest quarter section 17; north half and south half south half section 18; all section 19; all section 20; all section 21; all section 22; all section 23; all section 24; all section 25; all section 26; all section 27; all section 28; all section 29; north half, southeast quarter, and north half southwest quarter section 30; south half northwest quarter, southwest quarter, and west half southeast quarter section 31; all section 33; all section 34; all section 35, in township 2 south of range 18 west. Also north half section 1; north half section 2; north half section 3, in township 3 south of range 18 west. Also west half section 22; east half and west half west half section 23; all section 25; east half and west half west half section 26; all section 27; south half northeast quarter and southeast quarter section 33; west half southwest quarter, and southeast quarter section 34; south half north half and south half section 35, in township 1 south of range 19 west. Also east half and west half west half section 3; east half section 4; east half section 9; east half and west half west half section 10; north half and south half southwest quarter section 13; north half, southeast quarter, and southwest quarter southwest quarter section 14; northeast quarter, west half west half, southeast quarter southwest quarter, and south half southeast quarter section 15; north half section 22; northeast quarter, west half west half, southeast quarter southwest quarter, and southwest quarter southeast quarter section 23; west half and west half east half section 24; southwest quarter northeast quarter, south half northwest quarter, southwest quarter, and west half southeast quarter section 25; southeast quarter northeast quarter, west half northeast quarter and southeast quarter section 26, in township 2 south of range 19 west, all of Salt Lake meridian, and containing 21,263.28 acres, more or less.

And to insert:

Northwest quarter, south half southwest quarter, and southeast quarter section 17; lots 1, 2, 4, northeast quarter, east half northwest quarter, southeast quarter southwest quarter, south half southeast quarter section 18; all section 19; all section 20; all section 29; lots 1, 2, 3, northeast quarter, east half northwest quarter, northeast quarter southwest quarter, southeast quarter section 30; lots 2, 3, 4, southeast quarter northwest quarter, east half southwest quarter, west half southeast quarter section 31, in township 2 south of range 18 west. Also lots 3, 4, 5, southeast quarter northwest quarter section 6, in township 3 south of range 18 west. Also west half section 21; west half section 22; east half, west half west half section 23; all section 25; east half, west half west half section 26; all section 27; west half section 28; south half northeast quarter, northwest quarter, south half section 33; west half southwest quarter, southeast quarter section 34; south half north half, south half section 35, in township 1 south of range 19 west. Also lots 1, 2, 4, south half northeast quarter, southwest quarter northwest quarter, west half southwest quarter, southeast quarter section 3; all section 4; lot 1, southeast quarter northeast quarter, northeast quarter southeast quarter, south half southeast quarter section 5; east half section 8; all section 9; east half, west half west half section 10; north half, south half southwest quarter section 13; north half, southwest quarter southwest quarter, southeast quarter section 14; northeast quarter, west half west half, southeast quarter southwest quarter, south half southeast quarter section 15; east half section 17; east half section 20; all section 21; all section 22; northeast quarter, west half west half, southeast quarter southwest quarter, southwest quarter southeast quarter, section 23; west half east half, west half section 24; southwest quarter northeast quarter, south half northwest quarter, southwest quarter, west half southeast quarter section 25; southeast quarter northeast quarter, west half northeast quarter, northwest quarter, south half section 26; all section 27; all section 28; all section 29; east half east half section 30; east half east half section 31; all section 33; all section 34; all section 35 in township 2 south of range 19 west. Also lots 1, 2, 3, 4, south half north half section 1; lots 1, 2, 3, 4, south half north half section 3; lots 1, 2, 3, 4, south half north half section 4; lots 1, 2, 3, 4, south half north half section 5; lot 1, southeast quarter northeast quarter section 6 in township 3 south of range 19 west, all of Salt Lake meridian and containing 21,654.63 acres, more or less.

So as to make the bill read:

Be it enacted, etc., That in order to encourage and facilitate the development of lands in Tooele County, Utah, believed to contain

potassium and associated minerals in commercial quantities, and in order to make it possible for the owners of land of that character in said county to consolidate their holdings into substantially compact form suitable for economic development, and in order to restore to public ownership lands in such compact form as to allow their economic development for said minerals, the Secretary of the Interior be and he is hereby authorized, in his discretion, to accept on behalf of the United States conveyance of title to lands hereinafter described now in private ownership, containing 21,323.84 acres, more or less, held in fee under United States patents, and in exchange therefor may patent to said private owners public lands of like character in said State of equal area and value to the lands conveyed.

SEC. 2. Patented lands whereof title may be reconveyed to and accepted by the United States are the following: North half section 5; north half section 6; south half section 17; south half section 18; south half section 27; south half section 28; south half section 29; south half section 30, in township 2 north of range 15 west. Also south half section 1; south half section 2; south half section 4; south half section 5; south half section 6; north half section 9; north half section 10; north half section 19; north half section 20; north half section 21; north half section 22; north half section 23; north half section 24; south half south half section 30; north half and north half south half section 31; north half section 32, northwest quarter section 33, in township 1 north of range 15 west. Also south half section 18; north half section 19, in township 1 south of range 15 west. Also northeast quarter section 8; north half section 9; east half section 10; south half section 13; south half section 14; east half section 15; south half section 17; south half section 18; east half and east half west half section 22; west half west half section 23; east half section 27; east half section 34, in township 2 north of range 16 west. Also south half section 1; south half and northeast quarter section 3; southeast quarter section 4; south half and south half north half section 6; north half north half section 7; east half section 10; south half south half section 13; east half section 15; north half section 19; north half section 20; north half and north half south half section 24; east half section 27; south half section 29; south half section 30; east half section 34, in township 1 north of range 16 west. Also south half section 14; south half section 15; south half section 17; south half section 18; north half section 22; north half section 23, in township 1 south of range 16 west. Also south half section 3; southeast quarter section 4; northeast quarter section 20; north half section 21, in township 1 north of range 17 west. Also north half section 4; southeast quarter section 6; east half section 7; east half section 18; east half section 19; east half section 30, in township 3 south of range 18 west, all of Salt Lake meridian, and containing 21,323.84 acres, more or less.

Lands which may be conveyed by patent under the terms of this act are the following: Northwest quarter, south half southwest quarter, and southeast quarter section 17; lots 1, 2, 4, northeast quarter, east half northwest quarter, southeast quarter southwest quarter, south half southeast quarter section 18; all section 19; all section 20; all section 29; lots 1, 2, 3, northeast quarter, east half northwest quarter, northeast quarter southwest quarter, southeast quarter southwest quarter, southeast quarter section 30; lots 2, 3, 4, southeast quarter northwest quarter, east half southwest quarter, west half southeast quarter section 31, in township 2 south of range 18 west. Also lots 3, 4, 5, southeast quarter northwest quarter section 6, in township 3 south of range 18 west. Also west half section 21; west half section 22; east half, west half west half section 23; all section 25; east half, west half west half section 26; all section 27; west half section 28; south half northeast quarter, northwest quarter, south half section 33; west half southwest quarter, southeast quarter section 34; south half north half, south half section 35, in township 1 south of range 19 west. Also lots 1, 2, 4, south half northeast quarter, southwest quarter northwest quarter, west half southwest quarter, southeast quarter section 3; all section 4; lot 1, southeast quarter northeast quarter, northeast quarter southeast quarter, south half southeast quarter section 5; east half section 8; all section 9; east half, west half west half section 10; north half, south half southwest quarter section 13; north half, southwest quarter southwest quarter, southeast quarter section 14; northeast quarter, west half west half, southeast quarter southwest quarter, south half southeast quarter section 15; east half section 17; east half section 20; all section 21; all section 22; northeast quarter, west half west half, southeast quarter southwest quarter, southwest quarter southeast quarter, section 23; west half east half, west half section 24; southwest quarter northeast quarter, south half northwest quarter, southwest quarter, west half southeast quarter section 25; southeast quarter northeast quarter, west half northeast quarter, northwest quarter, south half section 26; all section 27; all section 28; all section 29; east half east half section 30; east half east half section 31; all section 33; all section 34; all section 35 in township 2 south of range 19 west. Also lots 1, 2, 3, 4, south half north half section 1; lots 1, 2, 3, 4, south half north half section 3; lots 1, 2, 3, 4, south half north half section 4; lots 1, 2, 3, 4, south half north half section 5; lot 1, southeast quarter northeast quarter section 6 in township 3 south of range 19 west, all of Salt Lake meridian and containing 21,654.63 acres, more or less.

SEC. 3. If any of the lands hereby authorized to be conveyed by patent by the United States in exchange for privately owned lands shall be found to be included in any pending application or applications for lease under the potash acts of 1917 (40 Stat. 297; U. S. C., title 30, sec. 141 et seq.), and/or 1927 (44 Stat. 1057; U. S. C., title 30, sec. 281 et seq.), said lands or any part thereof may by any such applicant be relinquished to the United States,

and any lands so relinquished may be patented to such private owners under the provisions of this act, and any such applicant who shall have so relinquished lands may be permitted by the Secretary of the Interior to select and apply for leases of other public lands believed to contain potassium and associated minerals and located in the immediate vicinity and of approximately equal value and area. In order to accomplish such consolidation, said Secretary may likewise grant leases of public lands believed to be valuable for said minerals, in exchange for surrender of subsisting leases or rights to leases under said acts.

The amendments were agreed to.

Mr. MCKELLAR. Mr. President, will the Senator from Utah explain this bill to the Senate?

Mr. SMOOT. I shall be glad to do so. There is, however, one other amendment. The department tells me that in figuring the acreage, as found on page 3, line 22, instead of being 21,323.84 acres it should be 21,647.96 acres.

I ask that that amendment be made.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, line 22, it is proposed to strike out "21,323.84" and insert in lieu thereof "21,647.96."

The amendment was agreed to.

Mr. SMOOT. Mr. President, in answer to the Senator from Tennessee, I wish to say that the south part of Salt Lake, which is 20 per cent salt, has been over a certain area of ground there for ages. The lake, as is well known, has been receding for years and years. There is a whole valley there that once was covered by the lake. Around those marshes near the lake Mr. J. L. Silsbee and his associates have made numerous investigations, and his company owns some 21,000 acres of land there. The Government also owns certain sections of land there. Mr. J. L. Silsbee and his associates feel that they can manufacture potash by a process that they have. Whether they can or whether they can not is undetermined. All that this bill asks is to exchange certain sections for other sections of the same kind of land, so that the lands that are owned by Mr. J. L. Silsbee and his associates will be in one body and the Government's lands will be in one body.

Mr. MCKELLAR. Are they all a part of the receded lake-lands?

Mr. SMOOT. Every bit of them, Mr. President. It is simply a case of bringing the lands together. There is no difference at all in the lands; but for the purpose of working the land it ought to be all in one body, and that is what the department thinks.

Mr. MCKELLAR. It is just to give those people an opportunity to manufacture potassium if they can?

Mr. SMOOT. If they can; that is all. It is a great risk to run. I want to say to the Senator that I would not put a dollar into it. The percentage of potassium is low; but they think they have a process, unknown so far, of which they can make a success.

Mr. MCKELLAR. Very well; I will take the Senator's word for it.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SABINE RIVER BRIDGE, LOUISIANA-TEXAS

The bill (H. R. 11153) to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87 was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Sabine River between Calcasieu Parish, La., and Newton County, Tex., where Louisiana Highway No. 7 meets Texas Highway No. 87, authorized to be built by the State of Louisiana and the State of Texas by an act of Congress approved February 24, 1931, are hereby extended one and three years, respectively, from date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

MIXED CLAIMS COMMISSION, UNITED STATES AND GERMANY

The Senate proceeded to consider the joint resolution (S. J. Res. 157) to extend the time for filing claims under

the settlement of war claims act of 1928, and for other purposes, which was read, as follows:

Resolved, etc., That the President of the United States is requested to enter into an agreement with the German Government by which the Mixed Claims Commission, United States and Germany, will be given jurisdiction of and authorized to decide claims of the same character as those of which the commission now has jurisdiction, notice of which is filed with the Secretary of State after July 1, 1928, but before July 1, 1932. If such agreement is entered into before October 1, 1932, awards in respect of such claims shall be certified under subsection (a) of section 2 of the settlement of war claims act of 1928, as amended, and shall be in all other respects subject to the provisions of such act, as amended, to the same extent as if notice thereof had been filed prior to July 1, 1928; except that nothing in this joint resolution shall be construed to affect any payment heretofore made under such act, as amended.

SEC. 2. (a) No payments shall be made on awards certified pursuant to section 1 of this joint resolution unless application therefor is made within three years after the date of the enactment of this joint resolution, in accordance with such regulations as the Secretary of the Treasury may prescribe.

(b) Subsection (g) of section 2, and subsection (f) of section 5, of the settlement of war claims act of 1928, as amended, are further amended, respectively, by striking out the words "four years" wherever such words appear therein and inserting in lieu thereof the words "five years."

Mr. BORAH. Mr. President, I move to strike from this joint resolution all that part included in lines 14 to 18, inclusive, on page 2. I do that because that matter is covered by Joint Resolution 97, which has passed the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho.

The amendment was agreed to, striking out the following words:

(b) Subsection (g) of section 2, and subsection (f) of section 5, of the settlement of war claims act of 1928, as amended, are further amended, respectively, by striking out the words "four years" wherever such words appear therein and inserting in lieu thereof the words "five years."

Mr. SHEPPARD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. The Senator from Texas offers the following amendment:

After the word "jurisdiction," on page 1, line 8, insert:

And any other claim of an American citizen based upon a written contract with the German Government after the armistice of November 11, 1918, and prior to the date of the treaty of peace between the United States and Germany following the close of the World War.

Mr. BORAH. I see no objection to that.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

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

J. N. GORDON

The bill (H. R. 8777) for the relief of J. N. Gordon was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to adjust and settle the claim of J. N. Gordon, arising out of the relinquishment of certain lands included in mineral entry, Denver, No. 040111, for which the payments had theretofore been made, and to allow said claim in the amount of \$382.50 in full and final settlement thereof.

SEC. 2. To enable the Comptroller General to carry out the provisions of this act there is hereby appropriated, out of that subdivision of the Confederate Bands of Utes 4 per cent fund to which the same was heretofore credited, the sum of \$382.50 to pay this claim.

OIL AND GAS PROSPECTING PERMITS

The bill (H. R. 11639) to authorize extensions of time on oil and gas prospecting permits, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any oil or gas prospecting permit issued under the act of February 25, 1920 (41 Stat. 437), or extended under the act of January 11, 1922 (42 Stat. 356), or as further extended under the acts of April 5, 1926 (44 Stat. 236), March 9, 1928 (45 Stat. 252), and the act of January 23, 1930 (46 Stat. 58),

may be extended by the Secretary of the Interior for an additional period of three years in his discretion, on such conditions as he may prescribe.

SEC. 2. Upon application to the Secretary of the Interior, and subject to valid intervening rights and to the provisions of section 1 of this act, any permit which has already expired because of lack of authority under existing law to make further extensions may be extended for a period of three years from the date of the passage of this act.

GEORGETOWN FEMALE ORPHAN ASYLUM AND WASHINGTON CITY ORPHAN ASYLUM

The bill (S. 4673) to amend an act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to incorporate the trustees of the Female Orphan Asylum in Georgetown, and the Washington City Orphan Asylum in the District of Columbia," approved May 24, 1828, as amended by act of June 23, 1874 (relating to the amount of annual income from property belonging to the trustees of either of said corporations), is amended by striking out "to a sum not exceeding \$25,000 per annum" and inserting in lieu thereof "and such clear annual income of each of said corporations shall be applied to and for the purposes for which it was incorporated."

ABANDONED LIGHTHOUSE RESERVATION AND BUILDINGS, ERIE, PA.

The Senate proceeded to consider the bill (S. 4835) to provide for the conveyance of the abandoned lighthouse reservation and buildings, including detached tower, situate within the city limits of Erie, Pa., to the city for public-park purposes, which was read, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to transfer and convey to the city of Erie, Pa., all that certain piece and parcel of land belonging to the United States of America situate in the city of Erie, in the county of Erie and State of Pennsylvania, known as the old lighthouse property and being the lands and premises described in a certain deed made by Myron Sanford and Susan M. Sanford, his wife, dated November 22, 1884, recorded in recorder's office for Erie County, Pa., in deed book No. 80, page 606, bounded and described as follows: Beginning 58 perches down Lake Erie from the corner post of John Kelso's survey, thence south 27 degrees east, 20 perches to a post; thence north 63 degrees east, 16 perches to a post; thence north 27 degrees west, 20 perches to a post on the bank of the lake; and thence up the lake to the place of beginning, containing 2 acres of land, being the same piece of land conveyed to the United States for lighthouse purposes by John Kelso on April 1, 1812, purchased at public auction from the United States by said Myron Sanford March 1, 1881, and conveyed to said Myron Sanford by Charles J. Folger, Secretary of the Treasury, by deed dated May 8, 1883, which deed is recorded in the registry of deeds of Erie County, Pa., in deed book No. 76, page 525; the same to be held and made available permanently by said city for public-park purposes: *Provided,* That should the city of Erie fail to keep and hold the described parcel of land and buildings for public-park purposes or devote same to any use inconsistent with said purpose, then title to said land shall revert to and be reinvested in the United States.

Mr. KING. Mr. President, may I ask the Senator from Pennsylvania whether there is any payment to be made for this land?

Mr. REED. No, Mr. President. The lighthouse has been abandoned. The Department of Commerce recommends that it be surrendered back to the State. It is merely an expense to the United States if it is going to keep it up, but the light has not been kept lighted at all. It is not used.

As the Senator knows, the harbor of Erie is formed by a long, narrow peninsula. It is all a city park excepting this lighthouse at the tip, and everybody is glad to have it absorbed by the State.

Mr. JOHNSON. Mr. President, I may add to that that the bill was introduced at the instance of the department themselves.

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

EARL A. ROSS

The Senate proceeded to consider the bill (S. 4806) for the relief of Earl A. Ross, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 4, after the words "empowered to," to

strike out "select" and insert "enter under the homestead laws of the United States," so as to make the bill read:

Be it enacted, etc., That Earl A. Ross, of Boston, Mass., may, and is hereby empowered to, enter under the homestead laws of the United States 160 acres of land and timber along the border of any national forest in western Washington State, in lieu of lands and timber previously selected by him in Pacific County, Wash., in one or more parcels in the timber areas thereof, with the approval of the Secretary of Agriculture, and that patent be issued to said Earl A. Ross covering the land so selected and approved. Said selections shall not interfere with or include rangers' stations or buildings belonging to said reserves, nor any natural resources within said reserves, such as mineral springs or points or places generally known to be of scenic beauty, and all trails, roadways, approaches within the area taken shall remain property of the United States of America, usable and free to use as though this act had not been passed.

The amendment was agreed to.

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

FRANK P. ROSS

The Senate proceeded to consider the bill (S. 4807) for the relief of Frank P. Ross, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 4, after the words "empowered to," to strike out "select" and insert "enter under the homestead laws of the United States," so as to make the bill read:

Be it enacted, etc., That Frank P. Ross, of Tacoma, Wash., may, and is hereby empowered to, enter under the homestead laws of the United States 160 acres of land and timber along the border of any national forest in western Washington State, in lieu of lands and timber previously selected by him in Pacific County, Wash., in one or more parcels in the timber areas thereof, with the approval of the Secretary of Agriculture, and that patent be issued to said Frank P. Ross covering the land so selected and approved. Said selections shall not interfere with or include rangers' stations or buildings belonging to said reserves, nor any natural resources within said reserves, such as mineral springs, or points or places generally known to be of scenic beauty, and all trails, roadways, approaches within the area taken shall remain property of the United States of America, usable and free to use as though this bill had not been passed.

The amendment was agreed to.

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

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT TO AMERICAN NATIONAL RED CROSS

The joint resolution (S. J. Res. 172) authorizing the distribution of Government-owned wheat to the American National Red Cross for relief of distress was announced as next in order.

Mr. McNARY. Mr. President, a few days ago the House of Representatives passed a similar, but not an identical, measure known as House Joint Resolution 418. I ask unanimous consent to substitute the House joint resolution, strike out all after the enacting clause of the House joint resolution, and insert the Senate joint resolution.

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

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 418) authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

The CHIEF CLERK. The Senator from Oregon moves to strike out all after the enacting clause and to insert:

That the Federal Farm Board is authorized and directed to take such action as may be necessary to deliver to the American National Red Cross, on June 15, 1932, or as soon thereafter as may be practicable, 50,000,000 bushels of wheat of the Grain Stabilization Corporation, for use in providing food for the needy and distressed people of the United States and Territories, and for feed for livestock in the 1932 crop-failure areas.

SEC. 2. No part of the expenses incident to the delivery, receipt, storage, processing, and distribution of such wheat shall be borne by the United States or the Federal Farm Board. Such wheat may be transported, stored, milled, or processed into food for distribution, and the American National Red Cross may pay the direct costs connected therewith by exchange of wheat.

SEC. 3. The Federal Farm Board shall keep account of all wheat delivered as authorized in section 1 and shall credit the account of the Grain Stabilization Corporation with an amount equal to

the current market value thereof at the time of delivery. The revolving fund of the Federal Farm Board under the agricultural marketing act shall be reimbursed in the same amount. Additional amount is hereby authorized to be appropriated and made immediately available to the Federal Farm Board.

The amendment was agreed to.

Mr. KING. Mr. President, may I ask the Senator if this is in addition to the amount heretofore allocated?

Mr. McNARY. Yes, Mr. President. The allocation heretofore was 40,000,000 bushels. All but about 10,000,000 bushels of that has been committed by the Farm Board to the Red Cross. This is in addition thereto, to meet the situation between now and next spring.

Mr. McKELLAR. How much does this joint resolution provide for?

Mr. McNARY. Fifty million bushels.

Mr. McKELLAR. I think it is entirely proper, and should be passed.

Mr. FLETCHER. Mr. President, is this 50,000,000 bushels in addition to the 40,000,000 bushels?

Mr. McNARY. Yes. I stated a moment ago that of that 40,000,000 bushels heretofore appropriated, all has been used but 10,000,000 bushels; and this is carrying the work over to the fall.

Mr. FLETCHER. May I say in that connection that it is reported that a good deal of this wheat that has been stored is spoiling, or has spoiled, and is unfit for human use. I do not see any reason why that should not be furnished as poultry feed. Poultry feed is very expensive.

Mr. McNARY. That probably would be done if the Senator would make the request to the distinguished chairman of the Red Cross, Mr. Payne.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the distribution of Government-owned wheat to the American National Red Cross for relief of distress."

CONTRACTS FOR PUBLIC WORKS IN THE DISTRICT

The Senate proceeded to consider the bill (H. R. 437) to require a contractor to whom is awarded any contract for public buildings or other public works or for repairs or improvements thereon in the District of Columbia to give bond for the faithful performance of the contract, for the protection of persons furnishing labor and materials, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, on page 2, line 4, after the word "contractor," to strike out "subcontractor"; at the top of page 3, to strike out "department under the direction of which said work has been prosecuted" and insert "District of Columbia"; and on page 4, line 1, after the word "into," to insert "the registry of said"; and on the same page, line 9, after the word "this," to strike out "section" and insert "act," so as to make the bill read:

Be it enacted, etc., That any person or persons entering into a formal contract with the District of Columbia for the construction of any public building, or the prosecution and completion of any public work, or for alteration and/or repairs, including painting and decorating, upon any public building or public work, shall be required, before commencing such work, to execute the usual penal bond in an amount not less than the contract price, with good and sufficient sureties, with the additional obligation that such contractor or contractors shall promptly make payments to all persons supplying him or them with labor and materials in the prosecution of the work provided for in such contract; and any person, company, or corporation who has furnished labor or materials used in the construction or repair of any public building or public work, and payment for which has not been made, shall have the right to intervene and be made a party to any action instituted by the District of Columbia on the bond of the contractor, and to have their rights and claims adjudicated in such action and judgment rendered thereon, subject, however, to the priority of the claim and judgment of the District of Columbia.

If the full amount of the liability of the surety on said bond is insufficient to pay the full amount of said claims and demands, then, after paying the full amount due the District of Columbia, the remainder shall be distributed pro rata among said interveners. If no suit should be brought by the District of Columbia within six months from the completion and final settlement of

said contract, then the person or persons supplying the contractor with labor and materials shall, upon application therefor, and furnishing affidavit to the District of Columbia that labor or materials for the prosecution of such work has been supplied by him or them, and payment for which has not been made, be furnished with a certified copy of said contract and bond, upon which he or they shall have a right of action, and shall be, and are hereby, authorized to bring suit in the name of the District of Columbia in the Supreme Court in the District of Columbia, irrespective of the amount in controversy in such suit, and not elsewhere for his or their use and benefit, against said contractor and his sureties, and to prosecute the same to final judgment and execution: *Provided*, That where suit is instituted by any of such creditors on the bond of the contractor it shall not be commenced until after the complete performance of said contract and final settlement thereof, and shall be commenced within one year after the performance and final settlement of said contract, and not later: *Provided further*, That where a suit is instituted by a creditor or by creditors, only one action shall be brought, and any creditor may file his claim in such action and be made party thereto within one year from the completion of the work under said contract, and not later. If the recovery on the bond should be inadequate to pay the amounts found due to all of said creditors, judgment shall be given to each creditor pro rata of the amount of the recovery. The surety on said bond may pay into the registry of said court, for distribution among said claimants and creditors, the full amount of the sureties' liability, to wit, the penalty named in the bond, less any amount which said surety may have had to pay to the District of Columbia by reason of the execution of said bond, and upon so doing the surety will be relieved from further liability: *And provided further*, That in all suits instituted under the provisions of this act such personal notice of the pendency of such suits, informing them of their right to intervene as the court may order, shall be given to all known creditors, and in addition thereto notice of publication in some newspaper of general circulation, published in the District of Columbia, for at least three successive weeks, the last publication to be at least three months before the time limited therefor.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to require a contractor to whom is awarded any contract for public buildings or other public works or for repairs or improvements thereon for the District of Columbia to give bond for the faithful performance of the contract, for the protection of persons furnishing labor and materials, and for other purposes."

UNITED STATES ROANOKE COLONY COMMISSION

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 26) to establish a commission to be known as the United States Roanoke Colony Commission to report a plan and program for the celebration in 1934 of the three hundred and fiftieth anniversary of the birth of English-speaking civilization in America on Roanoke Island, N. C., which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, on page 3, line 1, to insert, after the word "duties," the words "not to exceed \$500," so as to make the concurrent resolution read:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a commission to be known as the United States Roanoke Colony Commission (hereinafter referred to as the commission), and to be composed of six commissioners, as follows: Three Senators to be appointed by the President of the Senate and three Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

Sec. 2. That it shall be the duty of the commissioners to prepare and report a plan or plans and a program for the commemoration in 1934 of the three hundred and fiftieth anniversary of the birth of English-speaking civilization in America on Roanoke Island, N. C., with an estimate of the probable cost; to give due and proper consideration to such plan or plans as may be submitted to them for such celebration; to confer with such civic associations and organizations, and with such other commissions, Federal, State, and municipal, as may be appointed for purposes similar to the purpose of this resolution, and to take such steps as may be necessary to secure the coordination and correlation of plans prepared by such commissions; and to do all such other things as may be necessary to carry into full effect the intents and purposes of this resolution.

Sec. 3. That the commission, after selecting a chairman and a vice chairman from among their members, may employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission: *Provided*, That

said commission can so arrange that no part of the pay or expenses of such secretary and other assistants, if any, shall be paid by the United States.

Sec. 4. The commissioners shall receive no compensation for their services but shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties, not to exceed \$500, and the same shall be paid out of the contingent funds of the House and Senate.

Sec. 5. That the said commission be, and the same is hereby, authorized to call upon the Commission of Fine Arts, in Washington, for their assistance and advice in connection with any plan or plans that may be submitted or considered, and the said Commission of Fine Arts is directed to render such assistance and advice as its other duties may permit and as may be within its power.

Sec. 6. That the commission shall, on or before the 15th day of December, 1932, make a report to the Congress in order that enabling legislation may be enacted.

Sec. 7. That the commission hereby created shall expire within one year after the expiration of the celebration.

Sec. 8. That this concurrent resolution shall take effect immediately.

The amendment was agreed to.

Mr. MCKELLAR. Mr. President, will whoever reported the concurrent resolution make some explanation of it? How much money is authorized to be appropriated?

Mr. LA FOLLETTE. Only \$500; and, in view of the fact that I objected yesterday because I thought it ought to come up on the calendar and the Senator from North Carolina [Mr. BAILEY] had to be absent to-day, I hope the Senator will not object.

Mr. MCKELLAR. It is an historical matter, largely?

Mr. LA FOLLETTE. It is to create a commission to report a plan for the celebration of the anniversary of the founding of the Roanoke colony.

Mr. MCKELLAR. I have no objection.

There being no objection, the concurrent resolution was agreed to.

RELIEF OF UNEMPLOYMENT

The bill (S. 4755) to provide for grants and loans to the several States to aid in relieving unemployment, to facilitate the construction of self-liquidating projects, to provide for the construction of certain authorized Federal public-works projects, and for other purposes, was announced as next in order.

Mr. MCKELLAR. Is not that similar to the bill which was passed yesterday?

The PRESIDENT pro tempore. The bill will be passed over.

SAC AND FOX INDIANS, OKLAHOMA

The Senate proceeded to consider the bill (S. 4557) to authorize the addition of certain names to the final roll of the Sac and Fox Indians of Oklahoma, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to add to the final roll of the Sac and Fox Indians of Oklahoma, approved October 10, 1923, under the acts of May 25, 1918 (40 Stat. L. 591), and June 30, 1919 (41 Stat. L. 9), the names of Stella Mae Wood, Ethelyn Gladys Wood, and Vernon Pequano, recognized members of the tribe living on the effective date of the roll, but whose names were omitted therefrom through error.

INDEPENDENT OFFICES APPROPRIATION

The bill (H. R. 10022) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1933, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over!

The PRESIDENT pro tempore. The bill will be passed over.

RELIEF OF UNEMPLOYMENT

The Senate proceeded to consider the joint resolution (S. J. Res. 169) to provide information and direction to individuals and agencies concerned with relieving unemployment through finding opportunities for subsistence in rural areas was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas under present conditions temporary relief for some of the unemployed may be provided by aiding them to obtain a subsistence in rural areas; and

Whereas the indiscriminate settlement of such families on land is likely to subject them to difficulties and disappointments, as well as impose burdens and hardships on rural communities through increasing agricultural surpluses, and necessitating more ample provision for schools, roads, health, and other facilities; and

Whereas the likelihood of such disappointments and hardships may be minimized by information and assistance from the Department of Agriculture and other departments and agencies of the Federal Government, cooperating with State and local authorities: Therefore be it

Resolved, etc., That the Secretary of Agriculture is hereby authorized and directed to make available the services of the Department of Agriculture, cooperating with the Department of Labor, the Department of the Interior, the Federal Farm Board, the Federal Farm Loan Board, the President's Committee on the Unemployed, and other departments and agencies of the Government, in providing information to the several States, municipalities, and other political subdivisions of the States, and to individuals as to suitable opportunities and methods of aiding the unemployed to obtain a livelihood in rural communities, and in coordinating activities of State and local agencies working to that end.

For the purpose of better carrying out the objects of this resolution the Secretary of Agriculture, with such assistance as may be supplied by other Federal and State departments and agencies, is authorized and directed to encourage the formation of State organizations representing rural and urban interests through which organizations the Secretary may effectively work in coordinating the activities of urban agencies for unemployment relief with those of rural agencies in position to supply necessary information and direction for settlement of the unemployed.

The Secretary shall encourage urban relief organizations directly or through the aforesaid State organizations to make careful selection of those families whose experience and resources, as supplemented by such relief funds as may be available, fit them for earning a livelihood in the country.

The Secretary shall ascertain directly or through State and local agencies the available opportunities in rural areas for obtaining land and buildings suitable for occupancy by unemployed families, and the terms and conditions on which such land and buildings may be obtained.

The Secretary is also authorized and directed to cooperate with the aforementioned State and local agencies in formulating plans for placing unemployed on the land; and in making available the technical and extension facilities of the Department of Agriculture and of the State agricultural colleges and experiment stations in the selection of food crops and livestock for family use and for determining suitable facilities, methods, and practices.

The Secretary of Agriculture and such other Federal agencies as may cooperate with him are hereby authorized and directed—

(1) To carry out this resolution, as an emergency measure, with a view to placing unemployed persons in rural areas for obtaining a livelihood, but in such manner as will avoid so far as practicable expanding agricultural production.

(2) To discourage the transference of financial burdens in respect of unemployment relief from urban communities to rural communities.

(3) To prevent as far as possible the exploitation of the countryward movement.

The preamble was agreed to.

SIUSLAW NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 8548) authorizing the adjustment of the boundaries of the Siuslaw National Forest in the State of Oregon, and for other purposes, which was ordered to a third reading, read the third time, and passed.

JUDICIAL DISTRICT OF NORTH DAKOTA

The Senate proceeded to consider the bill (H. R. 9306) to amend section 99 of the Judicial Code (U. S. C., title 28, sec. 180), as amended, which was ordered to a third reading, read the third time, and passed.

ALTERNATE JURORS IN CRIMINAL CASES

The bill (S. 4156) to provide for alternate jurors in certain criminal cases was announced as next in order.

Mr. HEBERT. Mr. President, I ask that Calendar 901 be substituted for Calendar 859.

The PRESIDENT pro tempore. Without objection, Calendar 901, House bill 10587, to provide for alternate jurors in certain criminal cases, will be substituted for the bill just reached on the calendar.

The Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Senate bill 4156 will be indefinitely postponed.

LIMITATION OF IMPRISONMENT

The Senate proceeded to consider the bill (H. R. 10599) to fix the date when sentence of imprisonment shall begin to run, providing when the allowance to a prisoner of time for good conduct shall begin to run, and further to extend the provisions of the parole laws, which was ordered to a third reading, read the third time, and passed.

ADDITIONAL JUSTICE OF THE COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

The bill (H. R. 11336) providing for an additional justice of the Court of Appeals of the District of Columbia was announced as next in order.

Mr. KING. Mr. President, will the Senator from Rhode Island object to having the bill laid aside? I have had some matters called to my attention, and I feel that I would not like to have the bill passed this morning.

Mr. HEBERT. Mr. President, does the Senator object to its consideration?

Mr. KING. I shall object, but I dislike to do so. I hope the Senator will not object to having it laid aside.

The PRESIDENT pro tempore. The bill will go over.

Mr. KING subsequently said: Mr. President, a moment ago I objected to the consideration of House bill 11336, and directed the attention of the Senator from Rhode Island [Mr. HEBERT] to the same. I have ascertained that the objections brought to my attention are without merit, and I withdraw the objection.

The PRESIDENT pro tempore. Without objection, the Senate will recur to that bill on the calendar.

Mr. JONES. Mr. President, I would like to have an explanation of the bill providing for another justice for the District of Columbia.

Mr. HEBERT. Mr. President, this bill provides for an additional judge for the Court of Appeals of the District of Columbia, temporarily to perform duties as a member of the Court of Appeals, in place of Mr. Justice Robb, who is incapacitated. Mr. Justice Robb has served on the court here since 1906, but will not be eligible for retirement until 1937. There is no need of the services of another justice on the Court of Appeals at this time. The bill provides for a temporary judgeship. It may not be filled upon the death of Mr. Justice Robb.

The bill has the unanimous consent of the bar of the District of Columbia, and has also the support of the Attorney General.

Mr. BORAH. Mr. President, may I ask, what are the general terms of the law in this District with reference to when a judge may retire, after what length of service?

Mr. HEBERT. After 10 years' service, and after reaching the age of 70.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

NONIMMIGRANT STATUS OF CERTAIN ALIENS

The Senate proceeded to consider the bill (S. 3698) to amend the sixth exception in section 3 of the immigration act of 1924 with reference to a nonimmigrant status of certain aliens.

Mr. REED. Mr. President, this is intended to tighten up the immigration law in three ways, first, to make it definite that an alien who comes in under a treaty comes to conduct an international trade with his home country and this country, and does not allow a Chinaman to come in to run a grocery store in San Francisco, for instance. It is important that that provision be tightened up.

Next, it puts the wife and children of treaty immigrants under the same restrictions as other immigrants. It cuts out picture marriages and proxy marriages and things of that sort. It tightens up the law in that sense.

Lastly, it applies the immigration act to treaties negotiated since 1924 in the same way that it applies to prior

treaties. It is recommended by the State Department and by the Department of Labor. I have an amendment I want to suggest.

The PRESIDENT pro tempore. First let the substitution of Calendar 903 be attended to. Without objection, House bill 8766 will be substituted for the bill just reached on the calendar.

Mr. REED. Mr. President, I move to amend, in line 7, page 1, by striking out the words "from which he comes" and inserting the words "of which he is a national."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed, as follows:

Be it enacted, etc., That section 3 (6) of the immigration act of 1924 be amended so as to read as follows:

"(6) An alien entitled to enter the United States solely to carry on trade between the United States and the foreign state of which he is a national under and in pursuance of the provisions of a treaty of commerce and navigation, and his wife, and his unmarried children under 21 years of age, if accompanying or following to join him: *Provided,* That no greater rights of entry are hereby conferred upon aliens entering the United States under a treaty of commerce and navigation to be concluded in the future than are conferred under treaties which have been concluded since July 1, 1924."

The PRESIDENT pro tempore. Without objection, Senate bill 3698 will be indefinitely postponed.

Mr. REED subsequently said: Mr. President, this morning, when we were working on the calendar, an error was made that I think ought to be corrected before the end of the day.

Order of Business No. 862 was reached, Senate bill 3698. It was a bill presented by the Senator from New York [Mr. COPELAND] and reported unanimously by the Immigration Committee. It consisted of a single page, changing the section relating to treaty immigrants.

In its place we substituted Order of Business 903, which was a House bill reading word for word the same; and none of us noticed that on the second page of the House bill there was printed a proviso which attempts to do away with or limit the treaty-making power of the President and the Senate in future treaties of commerce and amity.

I know that it would not be fair to the Senate to let its action stand without asking to reconsider the action by which that bill was passed and to disagree to that House proviso.

Mr. COPELAND. Mr. President, I hope there will be no hesitation on the part of the Senate in acceding to the request of the Senator from Pennsylvania. It was through an inadvertence that the bill was passed. The change made was not in my bill, but is one which was recommended by the Immigration Committee.

The PRESIDING OFFICER (Mr. HEBERT in the chair). The question is on the motion of the Senator from Pennsylvania to reconsider the vote by which House bill 8766 was ordered to a third reading and passed.

The motion to reconsider was agreed to.

Mr. REED. Now, I move to strike out the first five lines of page 2, Mr. President.

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania will be stated.

The CHIEF CLERK. The Senator from Pennsylvania proposes, on page 1, line 10, to strike out from the colon on down to the period following the numerals "1924," on line 5.

The motion was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TRUST DEPARTMENTS OF NATIONAL BANKS

The bill (S. 4851) to amend section 5202, United States Revised Statutes, as amended (U. S. C., title 12, ch. 2, sec. 82), and for other purposes, was announced as next in order.

Mr. REED. What does that bill do, Mr. President?

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

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That section 5202, United States Revised Statutes, as amended (U. S. C., title 12, ch. 2, sec. 82), be amended by adding thereto a new paragraph to read as follows:

"Ninth. Liabilities incurred directly or indirectly by borrowing individually or in association with other banks from 'The National Credit Corporation,' a Delaware corporation, or 'National Credit Corporation,' a New York banking corporation, or from an association of banks which in turn borrow from such designated corporations."

Sec. 2. That section 5240, United States Revised Statutes, as amended (U. S. C., title 12, ch. 3, secs. 481, 482, 483, 484, 485), be amended by adding thereto a new paragraph reading:

"In addition to the expense of examination to be assessed by the Comptroller of the Currency as heretofore provided, all national banks exercising fiduciary powers under the provisions of section 11 (k) of the Federal reserve act, as amended (U. S. C., title 12, ch. 3, sec. 248 (k)), and all banks or trust companies exercising fiduciary powers in the District of Columbia shall be assessed by the Comptroller of the Currency for the examinations of such fiduciary powers a fee in proportion to the amount of individual trust assets under administration and the total bonds and/or notes outstanding under corporate bond and/or note issues for which the banks or trust companies are acting as trustees upon the dates of examination of the various banks or trust companies."

Mr. REED. I have no objection, Mr. President.

Mr. LA FOLLETTE. Mr. President, I would like to have an explanation of the bill.

Mr. WALCOTT. Mr. President, this bill has to do with the powers of any national banking association borrowing that has exceeded its unimpaired capitalization. I wish to read a sentence from a statement made by the Secretary of the Treasury, Mr. Mills, which will clear this matter up:

The activities of national banks in the administration of trust departments has greatly increased. On June 30, 1931, trust departments had been established by 1,856 national banks, and 102,987 trusts were being administered with individual trust assets aggregating over \$5,000,000,000. Seven hundred and eighty-two national banks were also acting as trustees for bond and note issues aggregating over \$10,000,000,000. While the present law, section 5240, United States Revised Statutes, as amended, gives ample provision for the examination of these trust activities, no provision is made for the expense of such examinations. The present law provides in part:

"* * * The expense of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon banks examined in proportion to assets or resources held by the banks upon the dates of examination of the various banks."

The trust assets are not assets of the bank, and accordingly the present law does not cover the existing situation. In this connection it should be remembered that the above-quoted section of the law was enacted prior to that section of the law under which national banks engage in trust business. As a result of this situation the assessment levied against all banks for the examination of their commercial departments is used for the expense of the examination of fiduciary activities of about 29 per cent of banks having trust departments. This levy is now proving inadequate, and the comptroller is now faced with the necessity of increasing the rate of assessment against all national banks to take care of the cost of examination of banks having trust departments.

This bill is to correct a defect in the law, through this provision:

Liabilities incurred directly or indirectly by borrowing individually or in association with other banks from The National Credit Corporation, a Delaware corporation, or National Credit Corporation, a New York banking corporation, or from an association of banks which, in turn, borrow from such designated corporations.

That means that it is permissive that it may borrow from The National Credit Corporation or the National Credit Corporation of New York an amount up to the amount of its capital stock, unimpaired. Does that clear the matter up?

Mr. BLAINE. Mr. President, it seems that the purpose of the bill as set forth in Mr. Mills's letter is a purpose other than what the Senator stated. He says:

As a result of this situation the assessment levied against all banks for the examination of their commercial departments is used for the expense of the examination of fiduciary activities of about 29 per cent of banks having trust departments. This levy is now proving inadequate, and the comptroller is now faced with the necessity of increasing the rate of assessment against all national banks to take care of the cost of examination of banks having trust departments.

Mr. WALCOTT. That is correct. That is section 2 of the bill. Section 1 was to correct a technical error; section 2, I was just getting to. It gives the comptroller the power to

levy an additional assessment on account of the increased growth in trust business.

Mr. BLAINE. The National Credit Corporation, to which the Senator referred, is a voluntary corporation, organized last fall or summer?

Mr. WALCOTT. Yes; to lend to member banks.

Mr. BLAINE. I am not familiar with the bill, inasmuch as it was recommended at some time when I was absent. I rather think it ought to go over.

Mr. WALCOTT. It is to put them on the same basis with relation to the National Credit Corporation as they are now by law with the Reconstruction Finance Corporation. There was a technical error in the banking law which prevented them from borrowing from the National Credit Corporation up to their unimpaired capital stock, so that their total borrowings would not exceed their unimpaired capital stock, which is the intention of the national banking law.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. WALCOTT. Certainly.

Mr. KING. Is this bill for the purpose of enabling the so-called National Credit Corporation to obtain loans for the Reconstruction Finance Corporation?

Mr. WALCOTT. No; it is not. It has nothing to do with that. It is entirely for the purpose of securing to any banking association that is a member of the Federal reserve borrowing up to its unimpaired capitalization.

PHILIPPINE INDEPENDENCE

The PRESIDENT pro tempore. The hour of 1 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form of government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. JONES. Mr. President, I desire to call up the conference report which was pending yesterday.

Mr. BINGHAM. Mr. President—

Mr. KING. Mr. President, will the Senator from Washington yield to me for a moment?

Mr. JONES. I yield.

CHARLESTOWN SAND & STONE CO.

Mr. KING. Mr. President, I desire to call attention to a bill which passed the House and the Senate on several occasions, but was lost in the shuffle, if I may use that term. It is the bill to relieve the Charlestown Sand & Stone Co., of Elkton, Md., Calendar 889.

It was reached the other day and some objection was made without understanding the status of it. I have no interest in the matter, except that I have investigated it and believe that it is a just measure. It was passed several times. I ask unanimous consent that it may be considered now.

Mr. BINGHAM. Mr. President, are we not going to have a call of the calendar in the near future?

The PRESIDENT pro tempore. Probably the calendar will be called again in the near future.

Mr. McNARY. Mr. President, it is my desire to ask the Senate to consider the calendar again on next Monday.

The PRESIDENT pro tempore. Let us get something before the Senate. The Senator from Washington [Mr. JONES] asks unanimous consent that the unfinished business may be temporarily laid aside in order that the Senate may proceed to the consideration of the conference report on the legislative appropriation bill, known as the economy bill. Is there objection?

Mr. BINGHAM. Mr. President, will the Senator from Washington yield to me?

Mr. JONES. Mr. President, I understand it is not a question of objection, but that the conference report is a privileged matter. I do not want to displace the Senator's bill, however.

The PRESIDENT pro tempore. That is true. The conference report is a privileged matter, but the Chair understood the Senator to ask unanimous consent and was merely presenting his request to the Senate.

Mr. ROBINSON of Arkansas. I do not understand there is any objection to the order asked.

The PRESIDENT pro tempore. Without objection, that order will be entered.

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

Mr. JONES. Mr. President, is this to be a reference to the same matter?

Mr. KING. Yes. I ask unanimous consent that the bill which had been passed several times and which had been inadvertently laid aside a few days ago, being Calendar 889, may be considered at this time and passed.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (S. 564) for the relief of the Charlestown Sand & Stone Co., of Elkton, Md., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Charlestown Sand & Stone Co., of Elkton, Md., out of any money in the Treasury not otherwise appropriated, the sum of \$12,385.99 in full settlement of the additional freight charges and the increased cost of labor and materials incurred by said company in the fulfillment of the requirements of the United States engineer office under the contract of August 23, 1917, for furnishing and delivering cement, sand, and gravel (or broken stone) to Fort Saulsbury, Del., for the construction of gun and mortar batteries.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. BINGHAM. Mr. President, the District of Columbia conference report is on the table. I do not think it will lead to any debate. If it should I will withdraw the request I am about to make. I understand the conference report which the Senator from Washington [Mr. JONES] brings before the Senate will lead to considerable debate. I ask him if he will consent to have it temporarily laid aside in order that the conference report on the District of Columbia appropriation bill may be taken up and disposed of so it may be sent over to the House. If it leads to debate I shall withdraw the request.

Mr. JONES. Mr. President, while I hoped the conference report now pending on the economy bill will not take very much more time, yet if the conference report which the Senator from Connecticut wishes to take up for consideration does not lead to any debate, I am willing to have that disposed of at this time.

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

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11361) making appropriations for the government of the District of Columbia, and for other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes.

(For conference report see Senate proceedings of yesterday, CONGRESSIONAL RECORD, p. 13804.)

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

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

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

Ashurst	Connally	Hawes	Norbeck
Austin	Coolidge	Hayden	Norris
Bankhead	Copeland	Hebert	Nye
Barbour	Costigan	Howell	Oddie
Bingham	Couzens	Johnson	Patterson
Black	Dale	Jones	Pittman
Blaine	Davis	Kean	Reed
Borah	Fess	Kendrick	Robinson, Ark.
Bratton	Fletcher	King	Robinson, Ind.
Brookhart	Frazier	La Follette	Schall
Broussard	George	Logan	Sheppard
Bulow	Goldsborough	McGill	Shipstead
Byrnes	Gore	McKellar	Shortridge
Capper	Hale	McNary	Smoot
Caraway	Hastings	Metcalf	Steiwer
Carey	Hatfield	Moses	Stephens

Thomas, Idaho	Trammell	Walcott	Watson
Thomas, Okla.	Vandenberg	Walsh, Mass.	White
Townsend	Wagner	Walsh, Mont.	

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

Mr. BINGHAM. Mr. President, I ask that the conference report on the District of Columbia appropriation bill be proceeded with.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. KING. Mr. President, I ask the Senator from Connecticut whether there was complete agreement between the House and the Senate conferees?

Mr. BINGHAM. There was complete agreement and a unanimous report.

Mr. KING. On every item?

Mr. BINGHAM. On all items.

Mr. KING. What were the principal items under consideration or in dispute?

Mr. BINGHAM. One of the items concerning which there was the greatest disagreement was the item concerning the appropriation for what is ordinarily known in most municipalities as outdoor relief, for which the Budget recommended \$600,000, the House recommended nothing, the Senate agreed with the Budget recommendation, and the conferees agreed to \$350,000.

The other item was in connection with the Federal contribution to the District government, as to which the House recommended \$3,000,000 below what had been the contribution for the past two years, the Senate recommended 10 per cent below the contribution for the past two years, and the conferees arrived at a figure between the two of \$7,775,000.

Mr. WALSH of Massachusetts. Mr. President, who is to distribute the relief fund to which the Senator just referred?

Mr. BINGHAM. The relief money goes entirely into the hands of the District authorities.

Mr. WALSH of Massachusetts. Who are they?

Mr. BINGHAM. The Board of Public Welfare, whose agent is Mr. Wilson, in whom we all have the highest confidence.

Mr. WALSH of Massachusetts. Is it the District Commissioners or the Board of Public Welfare?

Mr. BINGHAM. It has to be approved by the District Commissioners on the recommendation of the Board of Public Welfare, and it may be used for employment as recommended by the Senate.

Mr. COPELAND. Mr. President, the conferees of the two Houses were in session all one day and went over the bill very carefully. While there were matters which elicited much discussion, there was finally a full agreement. For my part, and I am sure I speak for the Senator from Wyoming [Mr. KENDRICK], it is my hope that the conference report may be accepted.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

SUPPLEMENTAL ESTIMATE—INTERNATIONAL ECONOMIC CONFERENCE (S. DOC. NO. 126)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, fiscal year 1932, to remain available until June 30, 1933, amounting to \$40,000, for an international economic conference to be held in London during the year 1932, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

TARIFF COMMISSION REPORT

The VICE PRESIDENT laid before the Senate a letter from the chairman of the United States Tariff Commission, transmitting copy of a report sent to the President of an investigation for the purposes of section 336 of the tariff act of 1930, with respect to alsimin, silicon aluminum, aluminum

silicon, ferrosilicon aluminum, and ferroaluminum silicon, which, with the accompanying report, was referred to the Committee on Finance.

APPEAL FOR PAYMENT OF THE SOLDIERS' BONUS

The VICE PRESIDENT laid before the Senate a letter from Louis W. Wittenborn, of Hewlett, Long Island, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

JUNE 11, 1932.

HON. CHARLES CURTIS,
Vice President United States of America,
Washington, D. C.

DEAR SIR: I ask that this request be written into the CONGRESSIONAL RECORD.

A few sayings to remind the House in our final appeal for final payment of the so-called soldiers' bonus:

1. Eggs and oaths are easily broken.
2. The Members of Congress do not require so much to be informed as reminded.
3. Despise not a small wound, a poor relation, or a humble enemy.
4. How small is our knowledge in comparison to our ignorance.
5. The guilty shun the light as the devil shuns the cross.
6. The weak in courage are strong in cunning.
7. Lord Stowell said, "A dinner lubricates business."

What us vets want is dinner, no charity; the public has been misled enough; the Government isn't giving us something for nothing, we want a just debt liquidated.

Little dogs start the hare but great ones catch it.

We caught the hare and were promised pay for it; what did we get? Promises that don't feed us.

If we hadn't caught the hare what would have happened?

I've always been taught that the greatest element of criticism is taste; the vets have plenty of taste, but no food.

You can read this to your colleagues, it will do them good, it ought to wake them up if they have any sense of gray matter about them.

Thanking you in advance, I beg to remain,

Yours very truly,

LOUIS W. WITTENBORN,
1482 Broadway, Hewlett, Long Island, N. Y.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter from Evelyn Curley-Kane, San Francisco, Calif., relative to her claim against the Federal Government or the government of the District of Columbia, which was referred to the Committee on Finance.

He also laid before the Senate a letter from Hon. WILLIAM P. HOLADAY, a Member of the House of Representatives, transmitting copy of resolutions adopted by the council of the city of Kankakee, Ill., favoring the passage of legislation authorizing a bond issue of not to exceed \$5,000,000,000 to be used in financing municipal public improvement projects so as to aid employment, which, with the accompanying paper, was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the council of the city of Calumet City, Ill., favoring the passage of legislation authorizing an adequate bond issue to be used in financing municipal public improvement projects so as to aid employment, which was ordered to lie on the table.

He also laid before the Senate a letter from Andrew N. Segal, secretary-treasurer, American Enlisted Federation, Baltimore, Md., stating that "The National Council, American Enlisted Federation, has adopted resolutions petitioning Congress to eliminate emoluments for disabilities incurred by persons while in military service when they are receiving salaries of more than \$2,000 a year as civil Federal employees," etc., which was ordered to lie on the table.

He also laid before the Senate telegrams and resolutions in the nature of memorials of sundry citizens and organizations of the States of New York and Massachusetts remonstrating against the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, which were ordered to lie on the table.

He also laid before the Senate resolutions adopted by a mass meeting of workers at Lynn, and also by members of the International Labor Defense, of Bridgewater, in the State of Massachusetts, opposing the passage of the so-called Dies bill, being the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, and favor-

ing the taking of necessary measures "to stop the deportation of foreign-born workers, and release immediately and unconditionally Edith Berkman, Frank Borich, Vincent Kemenovich, and other militant workers held for deportation," etc., which were ordered to lie on the table.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 2437) for the relief of the estate of Annie Lee Edgecumbe, deceased, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLACK, Mr. CLARK of North Carolina, and Mr. GUYER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 5649. An act to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes"; and

H. R. 10683. An act to provide for the conveyance by the United States of a certain tract of land to the borough of Stonington, in the county of New London, in the State of Connecticut.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8031) to provide for expenses of the Crow and Fort Peck Indian Tribal Councils and authorized delegates of the tribes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

- S. 111. An act for the relief of Rosa E. Plummer;
- S. 157. An act for the relief of Sarah Ann Coe;
- S. 217. An act authorizing adjustment of the claim of J. G. Shelton;
- S. 224. An act authorizing adjustment of the claim of Lewis Semler;
- S. 229. An act for the relief of Don C. Fees;
- S. 248. An act authorizing adjustment of the claim of the David Gordon Building & Construction Co.;
- S. 250. An act authorizing adjustment of the claim of the Sun Shipbuilding & Dry Dock Co.;
- S. 258. An act authorizing adjustment of the claim of H. E. Hurley;
- S. 478. An act for the relief of Cicero A. Hilliard;
- S. 860. An act for the relief of William Girard Joseph Bennett;
- S. 943. An act for the relief of John Herink;
- S. 1028. An act for the relief of W. Stanley Gorsuch;
- S. 1216. An act for the relief of the owner of the barge *Mary M.*;
- S. 1280. An act for the relief of National Ben Franklin Fire Insurance Co.;
- S. 1436. An act for the relief of the Copper Ridge Mining Co.;
- S. 2159. An act for the relief of the Columbia Casualty Co.;
- S. 2364. An act to authorize the Secretary of the Interior to extend or renew the contracts of employment of the attorneys employed to represent the Chippewa Indians of Minnesota in litigation arising in the Court of Claims under the act of May 14, 1926 (44 Stat. 555);
- S. 2909. An act for the relief of Ross E. Adams;
- S. 3119. An act for the relief of J. D. Stewart;
- S. 4425. An act relating to the immigration and naturalization of certain natives of the Virgin Islands; and
- S. J. Res. 182. Joint resolution amending the joint resolution authorizing the erection on the public grounds in the city of Washington, D. C., of a memorial to William Jennings Bryan.

LEGISLATIVE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate (Nos. 46-168, both inclusive) to the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

Mr. FLETCHER. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter which I have received from Edwina Austin Avery, chairman of the Government Workers' Council, with reference to a provision of the conference report now before the Senate.

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

The letter is as follows:

WASHINGTON, D. C., June 23, 1932.

Senator DUNCAN U. FLETCHER,
Washington, D. C.

DEAR SENATOR: It is proposed that Congress should at this time dismiss from the Government service married women whose husbands are also in Government employment. It is really difficult to believe that any Member of Congress of the United States, after proper consideration, would actually vote to dismiss from the service of this Government any person on account of sex or marriage. Obviously there can be no economy in such a proposal nor is it good politics, to say nothing about statesmanship.

Other legislative bodies have recently considered similar proposals. In 1931 the legislatures of five States, namely, California, Delaware, Nebraska, New Hampshire, and North Carolina, gave consideration to bills which would forbid the employment of married women in public service. After due consideration all these proposals were defeated. Furthermore, in 1931 the Maryland State Board of Education ruled that a woman teacher could not be dismissed on account of marriage on the ground that such dismissal would amount to discrimination on account of sex. Moreover, the Supreme Court of Oregon, in sustaining the rights of married women to public office, held that "marriage does not involve a single element of wrong, but on the contrary is not only protected by both the written and unwritten law but it is also fostered by a sound public policy." (153 Pac. 482.)

Advocates for dismissal of women on account of marriage contend that social and economic justice would be promoted thereby. Such arbitrary basis resulting in dismissal without regard to individual effort, training, and efficiency, can never promote social and economic justice. The dismissal of public employees on such ground without regard to efficiency is an injustice to the taxpayer and an affront to those who strive for honest achievement. Furthermore, the evils of such a measure must be apparent to a social-minded person. Imagine this Government asking its employees the following questions: "Are you married?" "Is your husband or wife in Government service?" "Do you live with your husband or wife?" In the event the employee does not live with husband or wife or that one or the other is employed in private business, he or she is not to be molested, but in the event that husband and wife are living together, they are to be penalized. In a period when the marriage rate is declining and the divorce rate increasing it is proposed that this Government should penalize successful marriage and encourage divorces. The institution of marriage does not warrant such treatment at the hands of Congress.

It is impossible to figure out the social and economic justice that would result by dismissing on account of marriage and without regard to individual qualification, effort, and efficiency those who entered the service of the Federal Government through the civil service. We are also unable to figure out why successful marriage should be penalized and why those who marry and live separate lives should be favored by the Congress of the United States.

It is unthinkable that a Senator of the United States, with a knowledge of the nineteenth amendment to the Federal Constitution and the political rights secured thereby, would vote against women. The right of women to hold private office may be subject to discrimination, but it is unthinkable, under our Constitution, that such discrimination would extend to office in the Government of the United States.

Your earnest support in opposing the enactment of this discriminatory legislation is requested.

Respectfully,

EDWINA AUSTIN AVERY,
Chairman Government Workers' Council.

Mr. DAVIS. Mr. President, I desire to address the Senate very briefly with reference to the pending conference report.

It seems to me it would be far better if we were to remain here a few days longer for the purpose of correcting the injustices in the bill than to permit its passage with the obvious inequalities now in it. For my part, I am opposed, first, to encouraging the separation of families. Secondly, I am opposed to doing injustice to the policemen and firemen.

Third, I am opposed to taking away from the employees of the Government Printing Office and the night employees

of the Postal Service that which they have enjoyed for practically half a century. This would not only inconvenience them and be a hardship, but it would encourage private business to do likewise. To my way of thinking the United States should be the model employer of labor so that our other governments, as well as our civic and industrial organizations, and indeed those of the world, might pattern after us.

Mr. DALE. Mr. President, I had no intention of saying anything about the conference report until my attention was called specifically to one element of it which relates to the civil service. I feel compelled to say something about that feature of the measure and I shall make my remarks just as brief as I possibly can under the circumstances.

I refer to that part which is numbered section 204 relating to compulsory retirement for age. At the time the retirement system went into operation there were certain fundamental principles laid down to be followed. One of those was retirement for age. That plan, as it relates to age, has been changed somewhat and it stands to-day providing for retirement at 68, 63, and 60 years, as the case may be.

However, there was another fundamental principle laid down in the very beginning of retirement legislation, a principle which has never been changed in any particular, and that is that the employee must serve 15 years to be eligible for retirement and that there should be no restriction in that regard. Those who are familiar with retirement legislation will recall that, having that particularly in mind, it was so framed that employees could not be discharged except for cause, and for the reason that if it were not so, a great injustice, the greatest kind of injustice, might be done in an instance such as this: An employee might serve 14 years, almost 15 years, and unless there were some restraint, the chief of his division might discharge him, and he would lose all his retirement rights. All that was discussed in detail, and the law was so framed that the employee should not be disturbed except for cause during his service of 15 years. There have been a great many bills introduced to change that provision, but Congress has always opposed them. The Committee on Civil Service has always taken the position that it was not only the right of the other party to the contract that that provision should not be changed, but they have also taken the position that in justice to the associates of the party to the contract represented, the employee, that provision should not be changed in any particular.

I refer to this as a contract, for the retirement law is a contract in the strictest sense of the term. There are many defined considerations in this contract, such as that the employee shall have deducted from his salary 3½ per cent, and various other provisions that I have not time to go over. There were many implied conditions and considerations in the contract. The retirement system was fundamentally thought out not wholly for the employees but largely for the Government, in consideration that those who had reached an age beyond which their services were of no benefit to the Government could be retired, as otherwise would not have been done.

The employees have met all the conditions of this contract up to date or else they have been removed from office. This bill deals with employees who have met the contract in every particular, and the Government has contracted, it has pledged itself, it has covenanted with these employees to do certain things, among which, of course, are to pay annuities, and various other things that I am not going to take time to enumerate.

Of course, it is assumed that the Government will place nothing in the way of a check upon the employees in fulfilling their part of the contract. Nothing could be more unjust, unfair, inequitable than for the Government to do something that would prevent an employee when he has come almost to the end of the 15-year term from concluding his term. It is almost unthinkable that the Government could do anything like that. For instance, just imagine a contract between A and B and B saying to A, "You can not conclude your contract; I place this obstacle in your way; you can not conclude it." A says, "I am going to conclude

it"; but he finds it impossible to conclude it, because of the obstacle B has placed in his way. There is not a court anywhere in the land that would not give A compensatory damages of some kind if he were forced to give up his contract because of some barrier that the other party to the contract has placed in the way of his fulfillment of it.

We have entered into this contract; we have sealed it with the great seal of this Government. It is a bond between the Government and the employee. I have read somewhere in history or it may be in fiction—but it is just as true wherever it appears—that it used to be said that the King of England did not have to give a bond; it was not necessary for him to give a bond, because any obligation that the great British Government entered into was bonded by that fact—the King was the bond. Are we going to face this bond with any less consideration? This bond has been sealed by the seal of the Government of the United States for the honor of which any loyal citizen would give his life; it has been sealed by the seal of a Government which no danger on earth can bring to pause.

What have we done under those circumstances? I say "we," because the conference committee are not the ones who are responsible for this. We did it. You and I and all of us are responsible for it; I, perhaps, more than anybody else, because of the position I am fortunate enough to hold as chairman of the Civil Service Committee. I ought to have realized what it meant. The provision in the conference report reads:

SEC. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary.

That is, we say that having reached the retirement age they go out, notwithstanding any provision of law to the contrary. Is there no exception to that? Oh, yes; there is an exception. Some one answering me may say that there is an exception to that. It is further provided:

Provided, That the President may, by Executive order, exempt from the provisions of this section any person when, in his judgment, the public interest so requires.

Think of it, Senators! Here is a contract; we step in here and violate it. Here is a bond; we step in here and break it and say there will be no exception unless it is to our interest to make the exception. The interest of the employees is not considered, but if it is for the interest of the Government, there is an exception; otherwise there is no exception.

Now, what does this do? There may be, and there are, a great many employees who have almost concluded 15 years of service and are about to reach the compulsory retirement age. Under this provision they go out and they stay out; they lose their retirement pay; they lose everything save the little paltry sum that is refunded to an employee in case he resigns or is removed by some fault of his own. Other than that they lose everything.

If I am asked if I mean literally that, I answer, "Yes." To those to whom we do not charge any evil intent, any laches whatever, those who have fulfilled their part of the contract, who have met the conditions of the bond, we say, "You are dismissed and you get no compensatory damage or anything else." Aye, more than that, we put a penalty on them, for it is provided further—

that no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia.

We say to the man who has almost finished his 15 years' service faithfully but who happens to reach the retirement age, "You can not finish it; you can not carry out your part of the contract; you must leave the service; and, more, than that, you can never come back into the service in any capacity whatsoever." It is the most outrageous thing imagi-

nable when one stops to analyze it; it is beyond imagination until it is studied.

It may be asked how many are affected in this way? That makes no difference whatsoever. If it were but one solitary lone man by himself, the principle is the same. There are, however, a great many who will be affected by it; there are more than 800 who have almost finished the 15 years, and there are 1,500 altogether who would be affected by it.

Senators, there are many things in the Constitution of the United States in the nature of inhibitions against the great sovereign States placed there by the people, and most of the courses of action which they are prohibited to take have this qualification; without the consent of Congress you may not do so-and-so; but there is one inhibition against the States of this great Nation which is without any qualification, without any exception; it stands last and by itself in that respect:

No State shall pass any law impairing the obligation of contracts.

Yet that is just what we have done if this becomes law. We have not only impaired the obligation of a contract; we have repudiated it, broken it, set it aside.

Of course, we had no intent to do that; and I want to say again that you and I, and I in particular, are more to blame than anyone else. But we have been playing a kind of Shylock to the employees' Antonio. It is time we changed; and the only way we can remedy it is to send this bill back to conference and let us play Portia for a little while and find something in this bond by which we can save Antonio from losing his pound of flesh.

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

The PRESIDING OFFICER (Mr. Fess in the chair). The clerk will call the roll.

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

Ashurst	Coolidge	Howell	Patterson
Austin	Copeland	Johnson	Reed
Bankhead	Costigan	Jones	Robinson, Ark.
Barbour	Couzens	Kean	Robinson, Ind.
Bingham	Dale	Kendrick	Schall
Black	Davis	King	Sheppard
Blaine	Fess	La Follette	Shortridge
Borah	Fletcher	Logan	Smoot
Bratton	Frazier	McGill	Stephens
Brookhart	George	McKellar	Thomas, Idaho
Broussard	Goldsborough	McNary	Thomas, Okla.
Bulow	Hale	Metcalf	Townsend
Byrnes	Hastings	Moses	Vandenberg
Capper	Hatfield	Norbeck	Wagner
Caraway	Hawes	Norris	Walcott
Carey	Hayden	Nye	Watson
Connally	Hebert	Oddie	White

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

PRESIDENT OF RECONSTRUCTION FINANCE CORPORATION

Mr. ROBINSON of Arkansas. Mr. President, it will be recalled that when the Reconstruction Finance Corporation act had passed, and the corporation was being organized, the President stated:

I have requested General Dawes to accept the position of president of the new Reconstruction Finance Corporation. It is gratifying that he has accepted. I announce General Dawes's name at this time because of the required change in plans as to the chairmanship of the delegation to the arms conference. Otherwise, General Dawes would be leaving for Europe to-morrow.

Mr. President, it is pointed out that the act creating the Reconstruction Finance Corporation authorized the President to select a board of directors consisting of certain ex officio members, the total number of the directors being seven. General Dawes served for a period, and then resigned. His membership on the board of directors and his labors as president of the corporation were generally regarded as of great value in the execution of the act.

According to the New York Times and other publicity agencies, it is now proposed to select a president who is not a member of the board of directors.

The name of Mr. Cowles, who is said to be the publisher of the Des Moines Register and Tribune, has been sent to the Senate for confirmation to fill the vacancy caused by

the resignation of General Dawes. That completes the authorized list of directors, assuming that the nominee shall be confirmed.

According to the press report just referred to, the following statement is made:

At the White House it was announced that President Hoover would select a president of the corporation at a later date, and that the president need not be a member of the board. The understanding prevailed at the corporation's offices, however, that its next president would be selected by the present board of directors from among their number.

I understand it is claimed that a provision in the act, which will be quoted in a moment, authorizes the unusual procedure said to be in contemplation. The language is:

The corporation shall have power—

Omitting the irrelevant sentences—

to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the corporation.

The President of the United States has no authority, under the law, to select the president of this corporation. He had no authority to name General Dawes as president of the corporation. His authority was limited to designating the appointee as a member of the board of directors.

He has no authority, first, to select additional members of the board of directors, because the list has been filled; and, second, he has no authority in any event to select any agent, officer, attorney, or employee of the corporation.

It would be unusual and exceptional if the statute provided that the president of the corporation should not be a member of the board of directors. It does not do that. True, the law does not specifically require that the president of the corporation shall be a member of the board of directors, but it certainly does not give the President of the United States the power to name the president of the corporation. Any attempt to do so would be usurpation of authority which the Congress, and particularly the Senate, would resent.

The appointment of Mr. Cowles has not yet been confirmed by this body, and it probably will not be confirmed as long as the President insists that the chief officer of the corporation may be appointed by him from persons who are not members of the board of directors.

This is pointed out now in the hope that no such usurpation will be attempted.

Mr. LA FOLLETTE. Mr. President—

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

Mr. ROBINSON of Arkansas. I yield.

Mr. LA FOLLETTE. I was not able to hear the language of the act the Senator was reading. Upon what section of the original act did the President base the contention that he had authority to designate the president of the corporation?

Mr. ROBINSON of Arkansas. My information is that it is based on the language of the act quoted, which will be repeated for the convenience of Senators who did not hear me. The corporation is authorized "to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the corporation." That provision, of course, gives the President no power whatever. As already stated, he assumed to exercise the power to name the president of the corporation when he appointed General Dawes; but now that the membership of the board of directors has been filled, if the appointment of Mr. Cowles shall be confirmed I do not think that even the board of directors, under the language quoted, would have any right to go outside of its own membership and choose a president under the authority to employ agents, officers, or attorneys, and fix their compensation.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. In just a moment. Certainly the President could not assume to exercise any such power. The manner in which the statement is made seems to imply that the President of the United States thinks

that he has unlimited power, whereas his authority is limited to that defined in the act.

I now yield to the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. In certain western cities the cities elect aldermen or councilmen, and they in turn elect city managers. Could not the Senator see wherein the board of directors, desiring to have some one to manage the corporation for them, on the same theory might elect a manager of the corporation under this law just read?

Mr. ROBINSON of Arkansas. I am saying that even if it should be held that the board of directors had the power to select a manager, it would not imply the power to select a president; and if anyone disagrees with that proposition and holds that the board of directors have the power, under the language referred to, to name a president who is not a member of that board, that would not, by any legal construction I can conceive, authorize the President of the United States, who is not a member of the board, to name a president of the corporation.

I repeat it is a plain attempt to usurp authority, assuming that the statement quoted actually issued from the White House.

LEGISLATIVE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate (Nos. 46-168, both inclusive) to the bill (H. R. 11267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes.

Mr. BINGHAM. Mr. President, I desire to call the attention of the Senate to the fact that one of the most important amendments to the House economy plan, as it came from the hands of the Senate Economy Committee, has apparently, so far as I can discover from a study of the report, been left out. I refer to the provision regarding the impounding of appropriations.

The way the matter first came to us from the House it read:

Appropriations, or portions of appropriations, unexpended by reason—

Mr. LA FOLLETTE. From what page is the Senator reading?

Mr. BINGHAM. It was originally section 112, on page 50 of the bill as reported from the Committee on Appropriations of the Senate.

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

Mr. BINGHAM. I yield.

Mr. JONES. May I call the Senator's attention to the fact that that is contained in amendment numbered 46, upon which there is a disagreement? That matter will be taken up, however, when we get to the point where we make a motion to accept the House amendment. So that it is in disagreement now.

Mr. BINGHAM. In other words, the question of whether the appropriations should be used for any purpose other than the payment of salaries has not yet been decided upon?

Mr. JONES. Technically, no; but it will come up in connection with the motion we will make to recede on amendment numbered 46 and agree to the amendment made by the House, which is contained in amendment numbered 46, and in the disagreement in regard to that amendment.

First, the proposition now pending before the Senate is the question of agreeing to the conference report. If we agree to it, that brings about a disagreement on amendment numbered 46. Then comes the proposal of the House to recede with an amendment, and so forth. That brings up the proposition the Senator is proposing. But that is not pending at the present time.

Mr. BINGHAM. Do I understand, then, that the conference report as it comes to us is not complete?

Mr. JONES. No; it is not.

Mr. BINGHAM. And it is necessary to take this matter back to conference?

Mr. JONES. After we agree to this report, if we do agree to it, then amendment numbered 46 will be in disagreement, but the House proposes to us to recede on amendment num-

bered 46 with an amendment. Then will come up that proposition.

Mr. BINGHAM. Is that in the conference report?

Mr. JONES. That is in the conference report.

Mr. BINGHAM. May I ask the Senator how that amendment reads?

Mr. JONES. What they propose is, in effect, this: That the proceeds shall be impounded and put into the Treasury. That is what they propose.

Mr. BINGHAM. That is what I supposed.

Mr. JONES. But that is not at issue now. That is not pending as a part of the conference report now. It is in disagreement.

Mr. BINGHAM. I want to take the matter up before we get into any position where it can possibly be agreed to by the Senate that any money saved is to be impounded, and not used for the purpose of payment of salaries.

Mr. JONES. We can talk about the matter all we please, but that matter can not be considered until after the conference report is agreed to. Then the proposition will come before the Senate on the proposal of the House to recede from amendment No. 46, with an amendment, in which that matter is dealt with.

Mr. BINGHAM. Mr. President, I want to address myself to that matter for a few moments, because I want to call the Senate's attention to what is likely to happen.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BINGHAM. I yield.

Mr. LA FOLLETTE. I hope the Senator will not overlook the point that if this conference report is agreed to, then very little consideration will be given by the Senate to this very important question the Senator has raised.

Mr. BINGHAM. That is what I am afraid of. I am glad the Senator agrees with me.

I do not desire to be put in the position, so far as I am concerned, of being euchred out of the chance to fight for an opportunity to prevent a large amount of unemployment. When the President of the United States called before him the Senate Economy Committee, of which I have the honor to be a member, and talked to us about the furlough plan, which he afterwards apparently urged upon certain of his friends here and put through over the protest of the Economy Committee, he stated to us that that plan, the furlough plan, would insure a great saving without the discharge of employees; and if there is any member of the committee here who did not hear him say that, I would like to have him say so now, because that was my understanding of what the President said.

Mr. McKELLAR. I think he said that, but nothing was said about the impounding of this fund; and I believe that if we were to strike out the provision for impounding this fund, we would virtually do away with all economies. How could it be otherwise? We are making the same appropriation, substantially, that we made last year, and without the impounding of this fund I do not see but that the furlough plan would be just a fake and a foolish matter all the way through.

Mr. BINGHAM. Mr. President, may I explain to the Senator my position?

Mr. JONES. Mr. President, if the Senator will permit me to interrupt just a moment, I did not like one word used by the Senator. He said he did not propose to be "euchred" out of some time. I did not try to euchre the Senator out of any time.

Mr. BINGHAM. Mr. President, I do not play euchre, and I may have used a word which did not convey what I intended.

Mr. JONES. I do not play euchre either, but I just accepted the word as it is generally used.

Mr. BINGHAM. I do not want to be put in the position just called attention to by the Senator from Wisconsin, where we agree to a number of things and get in a position where there are only two or three things in issue, and in this haste to get away, the Senate agrees to them.

This is the situation as I see it. In order to make the argument a little easier, let us suppose the furlough plan

was a 10 per cent reduction instead of 8½, purely for the sake of argument and to make it easier for me to use the figures. If the Senate in passing an appropriation bill had cut any bureau or any agency 10 per cent, let us suppose the agency had originally been provided with \$100,000. We cut it 10 per cent. That leaves them \$90,000. Under the plan proposed by the Senate Economy Committee of a 10 per cent reduction in salaries, it would have been possible for them to have continued their operations without discharging a single employee. All their employees drawing \$100,000 in total would have cost them only \$90,000.

The Senate has provided by a cut for just that amount of money, and they would have proceeded to operate and no one would have lost his or her job. Of course, in some cases the cut is more than 10 per cent and in other cases less, but in most cases the cut was 10 per cent. We have provided in a section to permit the head of the department to transfer a certain amount of the funds from one bureau to another in order to try to equalize the situation.

The proposal as the House made it originally amounts to this, that the Senate provides for that bureau \$90,000, a cut of 10 per cent. They then take 10 per cent of the employees and discharge them, and on the remainder of 90 per cent of the employees they make a cut of 8½. In other words, the furlough plan does not save any jobs at all. It merely takes 8½ per cent from the pay of all people who are permitted to be employed under whatever appropriation the Senate makes. If the Senate or the Congress had not made any cuts in appropriations, it would not be necessary to make any protest on this, because everyone would be employed and 8½ per cent of their salary would be taken away from them and put back in the Treasury and we would have that amount of saving on personal services.

Under the proposal made by the Economy Committee of the Senate 10 per cent of all salaries would have been saved. Under this proposal there will be thousands of persons discharged to meet the amount set by the various appropriation bills as they come from Congress, and then the persons employed under that provision will lose 8½ per cent of their salaries and the amount saved will then go into the Treasury.

Mr. McKELLAR. Mr. President—

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

Mr. BINGHAM. I yield.

Mr. McKELLAR. The Senator knows if the 10 per cent reduction had gone through, then all of these appropriations would have been reduced accordingly. For instance, take the Post Office Department bill carrying \$700,000,000. Half or more than half of that was for employees. Those portions going to employees would have been cut 10 per cent and that would have been provided for in the bill. But under the furlough plan we make the same appropriation and simply require the amount designated in the furlough plan to be turned back into the Treasury. Unless we have a provision returning that to the Treasury we will just leave it to the various officials of the Government as to whether there will be any cuts in salaries at all.

Mr. BINGHAM. Mr. President, the Senator from Tennessee was seriously ill during a very considerable part of the work of the Senate Economy Committee and therefore I do not believe that he fully grasps what, it is my impression, was the desire of the members of the committee who sat during his illness. Of course, if an appropriation bill goes through without any cut for personal services, then there will be a saving of 8½ per cent under the bill and that would be impounded in the Treasury. I do not ask that the money be left to the department to spend as it wishes. On the other hand, I do not want to see a large number of employees discharged because we are saving some money on the other employees.

It was my understanding from what the President said to us that if we adopted the furlough plan, which both Houses now have more or less agreed to through their conferees, it would not be necessary to discharge employees; but if what the Senator from Tennessee holds is true, a large number of employees will be discharged, determined

by whatever the Congress puts in the appropriation bills, and on those employees remaining there will be a cut of $8\frac{1}{2}$ per cent.

Mr. McKELLAR. One of the very purposes of putting into one of the bills the provision giving the right to the head of a department to transfer at will appropriations up to 12 per cent, or even 15 per cent as I believe it is provided in one bill, was to take care of the salary situations as they arise so that no one should be dismissed. If that was not the purpose of the 12 per cent interchangeable provision, then we ought never to have agreed to the 12 per cent arrangement. It was the assurance of the Senator from Pennsylvania [Mr. REED] and others who were in favor of the 12 per cent interchangeable provision that by using that amount, taking it from one appropriation and carrying it to another, there would be no dismissal of employees.

Mr. BINGHAM. My understanding of the 12 per cent leeway arrangement was to avoid the mistakes that might have been made by the committee who did not have the advantage of hearing the heads of the departments, so that if we had cut off too much from one branch and too little from another, they could adjust it.

Mr. McKELLAR. If the Senator will look at the debates he will find that he is mistaken; that the only condition upon which it was agreed to was that the salary situations could be in that way adjusted and ironed out by the heads of the departments and bureaus.

Mr. BINGHAM. I have no doubt the Senator is correct in his statement, but I still do not see how we are going to avoid the discharge of employees if the total amount in the bill for personal services has been cut to such an extent that no amount of services is going to be provided in such manner as to prevent the discharge of employees.

Mr. McKELLAR. There were several heads of departments who informed me that with the 12 per cent arrangement the situation could be ironed out. I remember it arose in this way in one department. As to the various domestic commerce offices throughout the country, it was believed by Doctor Klein that with the 12 per cent provision in the bill those offices could be taken care of.

Mr. BINGHAM. Mr. President, will the Senator from Tennessee answer this question? Suppose that the best the department can do in rearranging this is to meet a cut of 10 per cent in the department which is composed chiefly of personal services. Under the bill as the House wants it passed, 10 per cent of those persons would lose their employment and the balance would be cut $8\frac{1}{2}$ per cent. Is not that correct?

Mr. McKELLAR. Oh, no. In the great body of 10 per cent cuts, as they were adopted in the Interior Department appropriation bill and in the appropriation bill for the Departments of State, Justice, Labor, and Commerce, for instance, certain reductions were made in other things than for personal services. Personal services play the smallest possible part. The only question that came up was personal services in the Bureau of Domestic and Foreign Commerce.

Mr. BINGHAM. The Senator from Tennessee is much more familiar with many of the appropriation bills than I am because he has been a member of the Appropriations Committee so much longer. But the fact remains there are some departments where practically the entire amount is for personal services. The fact remains that we have cut some of those items in the appropriation bill. The fact remains that if those cuts should go through in the way proposed by the House, those persons will lose their jobs and the amount saved by the persons who take up the $8\frac{1}{2}$ per cent cut will go back to the Treasury and will not be used for the payment of salaries. The fact remains that when the President proposed the furlough plan to us he said it would not necessitate the discharge of employees. I can see no way out of it except by inserting some such words as the Senate committee recommended, "shall not be used for any purpose other than the payment of salaries."

Mr. McKELLAR. That would appropriate the entire \$100,000,000 of the proposed savings for the purpose of paying salaries to whomsoever they please. That is what it

would amount to. If we put that provision in the bill, that is what it would provide.

Mr. BINGHAM. The Senator is quite mistaken.

Mr. McKELLAR. The heads of departments could use every dollar of the alleged savings. Every dollar of it could be used to employ persons as substitutes and to keep people on the salary roll.

Mr. BINGHAM. If the Senator will listen to me for a moment, he will save his time. I think there should be an amendment offered, and I shall be entirely satisfied with it, providing that no new persons shall be employed by that saving. What we tried to do in the committee was to see to it that the saving should not result in people losing their jobs, but that it should result in money being saved to the Federal Government.

Mr. LOGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Kentucky?

Mr. BINGHAM. I yield.

Mr. LOGAN. The Senator from Tennessee, in my humble judgment, is wholly mistaken and the Senator from Connecticut is correct. It may be there are some places where the appropriation has been reduced too much, and it can be made up by the 12 per cent transfer; but where the bureau requires most of the fund in the payment for personal services, of course, it can not be done. For instance, in the General Accounting Office it is all used for payment of personnel.

The bill ought to go back to conference and the conferees ought to straighten out the matter. I am advised this morning that the Comptroller General has advised the Senator from Utah [Mr. SMOOR] that this amounts to a double cut. The comptroller passes upon all these matters. The question of paying claims will go to him, and we will be in inextricable confusion by putting language in the bill that has no business there. In fact, there is no occasion to say that the money shall go back into the Treasury. There is no occasion to say that it shall be used for this or that purpose. The cut is made and then the appropriation bills are correspondingly reduced.

If the Senator from Connecticut will pardon me further, he is overlooking the fact that there is another provision in the bill that if the appropriation is not enough the furlough shall be made longer. It simply means that instead of a furlough of a month, they will be compelled to furlough the employees for 2 or 3 or 4 months and the work of the Government will go undone. In my judgment this does amount to a double cut. I do not see how we can escape that conclusion. It can be taken on any basis or any manner of reasoning, and it will be found that we provide in the economy bill that certain amounts shall be deducted. Then when the appropriation bill is passed it also deducts a certain amount, so there has been a double reduction made. The appropriation will fall short. It will, therefore, be necessary to provide a longer furlough for the employees of the Government. If the Comptroller General construes the law that way, there is no department of the Government that will not be in confusion from now on.

I think the Senator is right about it. I do not know who is responsible, but it seems to me the bill ought to go back to conference and it ought to be made clear before we pass it.

Mr. BRATTON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New Mexico?

Mr. BINGHAM. I yield.

Mr. BRATTON. The Senator has referred to the fact that in the conference at the White House the President stated that if the furlough plan were adopted there would be no occasion to discharge anyone. Permit me to call his attention to the fact the provision now in the bill is identical with that in the bill at that time. With such provision in the bill, the President made the statement to which the Senator now refers.

Mr. BINGHAM. Mr. President, the Senator from New Mexico was a member of the Economy Committee and I

think perhaps he may remember how surprised we were when we discovered that particular clause. I think—without disclosing any secrets—that around the committee table surprise was expressed by reason of the fact that the clause in the way it came from the other House meant that there would be discharges because the savings proposed by the President in the furlough plan could not be used to pay the salaries of other employees in a department.

Mr. BRATTON. Mr. President, that is true. What I call the Senator's attention to in connection with his quotation of the President is the impounding provision in its present form was in the bill at the time that the President made the statement that if the furlough plan were adopted no dismissals would be required.

Mr. BINGHAM. I can only believe that the President was not aware of that provision or did not realize its significance.

Mr. BYRNES. Mr. President—

Mr. BINGHAM. I yield to the Senator from South Carolina.

Mr. BYRNES. I think we can agree that as the bill was written in the other House the Senator from New Mexico is right; and when we discovered it, and adopted the 10 per cent cut, we specifically endeavored to correct that situation by providing that the money saved by the cut should be available for the payment of salaries of other clerks. It is correct that by reason of the furlough plan whenever one month's compensation is deducted from the salary of a clerk the money thus saved goes into the Treasury and is not available to pay another clerk. Is that the contention of the Senator from Connecticut?

Mr. BINGHAM. That is exactly the contention.

Mr. BYRNES. Therefore it does mean that the reductions in the appropriations heretofore made will result in the dismissal from the service of a large number of employees.

Mr. BINGHAM. Unquestionably that is true.

Mr. BYRNES. Does the Senator from Connecticut agree with me that it is a very logical procedure, having appropriated \$2,000,000,000 yesterday to provide employment, that by this provision we shall provide for unemployment?

Mr. BINGHAM. Exactly; and that is one reason why I hope the conference report will be sent back to conference for further study.

There are two other items to which reference has been made which lead me also to the same opinion: One is the provision regarding the dismissal of married persons, objections to which were brought out in the debate yesterday. What the Senate Economy Committee recommended was that hereafter in the appointment of persons to the classified civil service preference shall be given to persons other than married persons living with husband or wife. That is a new policy. It was adopted in order to spread out the jobs and provide for more families, but what the other House has insisted upon is that in any reduction of personnel husbands and wives decently living together should be penalized; they would either have to separate or let the court show that they were not living together or they would have to give up their positions, one or the other. That is a most unprecedented change in policy, which will cause a great deal of suffering entirely unnecessarily, and which will not save one penny to the Federal Government.

This is an economy bill and yet, under the specious guise of economy, it is proposed to change the plan which has been adopted that a person who has passed a certain examination with a certain grade, who has been appointed to the civil service, and has performed faithfully his or her work shall be retained, no matter whether he or she has relatives in the Government service or not. Now, we say that although certain employees have worked for years, conducting themselves honorably and performing their duty faithfully, forsooth, they are to lose their jobs, rather than someone else, because some other members of their families are in the Government service.

Mr. COPELAND and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. BINGHAM. I think the Senator from New York first rose and I yield to him.

Mr. COPELAND. Mr. President, I am in the fullest accord with what the Senator from Connecticut has said. I am not blaming the conferees, and certainly not the members of the Senate Economy Committee, for all of them have worked hard; but as this conference report comes to us it is filled with imperfections. We can not get away from here to-morrow, anyway; we are going to be here for several days. Let us send the conference report back, as the Senator from Connecticut suggests, and let the conference committee try again. With the debates which have been entered into on the floor, with the record as it will be disclosed, it will be found that there are many things needing correction. I am much concerned to-day as I was yesterday about the officers of certain services, the Marine Corps and the Coast Guard and the Public Health Service.

Mr. BINGHAM. I was about to speak of that matter, I may say to the Senator, but I am glad he has brought it up.

Mr. COPELAND. These are matters of concern. The question of voluntary leave of absence without pay is a matter that should be considered. There are many who under the circumstances will be glad to take a leave of absence in order to help others.

Accumulated days of leave is another matter not as yet settled entirely. The question of old-age retirement referred to this morning by the Senator from Vermont [Mr. DALE], and promotions in the police and fire departments, even though there may be no increase in pay, should be further considered. As the bill is now there is likely to be a double cut. For these reasons I commend the position of the Senator from Connecticut in urging that the report be sent back, and I hope it may be.

Mr. BINGHAM. Mr. President, in my own time—

Mr. SMOOT. Mr. President—

Mr. BINGHAM. I must yield to the Senator from Tennessee next, but I want to say a word further. The Senator from New York has referred to the matter of retired pay. In order to make the situation a little more vivid, let me refer to a very distinguished case. All of us remember that brave and marvelously active and efficient marine officer General Lejeune, whose services in France earned him decorations and the gratitude of the American people. A short time ago he was retired, still active, still perfectly able to serve his country, still a young man although he had reached the age of 64. He is now the head of a military school, if my memory serves me correctly, in the State of Virginia, and is paid, I think, from State funds. He is obliged to live in a certain manner, and naturally during his service he was unable to save anything. His retired pay is part of the compensation which he earned from the United States Government during more than 30 years of faithful service. Yet this bill proposes, forsooth, because he works for the State of Virginia, to take away from him practically all his retired pay that he earned during all these years of service, or to say to him, "You must, at the instance of the United States Government, leave the very important position which you now occupy as the head of this school where your influence on young Americans is valuable."

That is merely a single instance, Mr. President, which I wanted to bring to the attention of the Senate to show how this bill will work. I might suggest many other instances. I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, what the Senator from Connecticut has said in regard to married persons in the civil service seems to me to be correct. I think every Senator realizes that the provision contained in the conference report would work a hardship and an injustice to married people now in the employ of the Government if it were permitted to remain. However, there is a condition and not a theory that presents itself to us. If we are going to make any savings under this bill, then the conference report ought to be adopted. So, believing that every Senator takes the same view about the provision affecting married persons

that I do, I have had prepared by the drafting service a concurrent resolution, which I think will be agreed to un-
animously, and I am going to ask unanimous consent for its
consideration now, if it is the proper time, or at such time
as may be proper. I ask that the clerk may read the pro-
posed resolution at the desk for the information of the
Senate.

Mr. BINGHAM. Mr. President, will not the Senator per-
mit me to conclude my remarks? I do not believe such a
resolution can be adopted by unanimous consent. I think
the Senator either was absent on account of illness or does
not remember that there were one or two members of our
committee who felt very strongly that the House provision
was proper, and it was only after considerable discussion
that a compromise was reached, and we struck out a
portion of it.

Mr. McKELLAR. I think there was a unanimous senti-
ment when the bill was here that the provision incorpo-
rated by the Senate should be adopted; and, for that reason,
the resolution I propose merely provides that the Senate
provision, which applies only to the future, shall be adopted
in lieu of the provision now in the conference report. I
believe that will meet every demand of the situation.

Mr. BINGHAM. Mr. President, I think the Senator is
wise in taking that step, but in view of the fact that the
House has adopted this provision once and its conferees have
insisted upon it a second time, I fear that the concurrent
resolution which the Senator desires to present will receive
scant attention at the hands of the House. It is a useful
gesture on the part of the Senator, but I very much fear it
will only be a gesture. I think the only thing to do is to
send this report back to conference, and I shall make that
motion.

Mr. President, before taking my seat I want also to refer
to the question of the police and firemen of the District of
Columbia. It was the intent of the Senate committee and
of the Senate in passing this bill that the cut in pay should
not apply to them any more than it should apply to the
enlisted men in the Army, Navy, and Marine Corps. Yet, as
the bill now comes to us from the conferees the policemen
and firemen are included and not exempted. It seems to me
particularly important that that matter should be recon-
sidered by the conferees.

Mr. President, in view of all the questions which were
raised yesterday, in view of the objections urged to retire-
ment-pay provision and to the provision affecting married
persons, and in order to clear up the matter of whether or
not it is our intention to create a large number of unem-
ployed persons in the Government service, I move that the
conference report be sent back to conference.

Mr. JONES. I make the point of order against that mo-
tion that it is not in order. The question is on agreeing to
the conference report or its rejection.

The PRESIDING OFFICER. The question is on agreeing to
the conference report.

Mr. BINGHAM. Mr. President, is it not always in order
to move to recommit; is not that a privileged motion?

The PRESIDING OFFICER. The Chair understands that
if the conference report should be rejected it would go back
to conference.

Mr. BINGHAM. Was the point of order sustained?

The PRESIDING OFFICER. The Chair sustains the
point of order.

Mr. BINGHAM. 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:

Austin	Caraway	Hale	Logan
Bankhead	Carey	Hastings	McGill
Barbour	Connally	Hatfield	McKellar
Bingham	Coolidge	Hawes	McNary
Black	Copeland	Hayden	Metcalf
Blaine	Costigan	Hebert	Moses
Borah	Couzens	Howell	Norris
Bratton	Dale	Johnson	Nye
Brookhart	Fess	Jones	Oddie
Broussard	Fletcher	Kean	Patterson
Eulow	Frazier	Kendrick	Pittman
Byrnes	George	King	Reed
Capper	Goldsborough	La Follette	Robinson, Ark.

Robinson, Ind.	Shortridge	Thomas, Okla.	Walcott
Schall	Smoot	Townsend	Watson
Sheppard	Stephens	Vandenberg	White

The PRESIDING OFFICER. Sixty-four Senators have
answered to their names. A quorum is present.

Mr. BINGHAM. Mr. President, reserving the right to
appeal from the decision of the Chair, I should like to call to
the attention of the Senate the situation.

It has been disclosed that there are several matters in the
conference report that either are not clear or are directly
contrary to that which the Senate wishes to do.

I have moved to recommit the conference report. The
Senator from Washington [Mr. Jones] has raised the point
of order that it is out of order to recommit a conference
report.

In Cleaves's Manual of the Law and Practice, in regard
to conferences and conference reports, which is in our Sen-
ate Manual, on page 211, Rule LIV says:

It is not in order in the House to recommit a conference report
to the committee of conference.

Rule LV says:

It is in order in the Senate to recommit a conference report to
the committee of conference, but not with instructions, according
to the later decisions.

I do not ask to recommit the report with instructions. It
is true that there is a footnote stating that it has not been
the practice in recent years. My understanding is that that
practice is based on the fact that if the House conferees
have been dismissed, there is no conference to which to
recommit the bill, but in this case the House conferees have
not been dismissed. There is still an amendment in disagree-
ment—namely, amendment No. 46. Therefore, the confer-
ence is still in existence; and in view of the clear statement
of rule 55, it seems to me the motion is in order.

Mr. JONES. Mr. President, I want to suggest to the Sen-
ator that I understand the House conferees have been dis-
missed. The House has adopted a motion receding from
amendment numbered 46 with an amendment which the
House has adopted and has sent over here for our concur-
rence. As I understand, if we do not concur we will have
to ask for a further conference, and either appoint con-
ferees or leave it to the House to appoint them.

That is what I understand the situation to be—that their
conferees have been discharged, and that if we reject this
report we will have to ask for a further conference with the
House. I may be mistaken about that, but that is the way
I understand the situation to be.

Mr. BINGHAM. I understood from a conversation with
one of the House conferees only a few moments ago that they
had not been discharged.

Mr. JONES. Well, I will leave that for the records to
show. I understand that they have been discharged, and
that if we desire any further conference we shall have to
ask for a conference, and either appoint our conferees or
wait until they appoint their conferees.

Mr. BINGHAM. Mr. President, in view of the clear lan-
guage of rule 55, on page 211, I appeal from the decision of
the Chair.

The PRESIDING OFFICER. Will the Senator read the
rule again?

Mr. BINGHAM. The rule states:

It is in order in the Senate to recommit a conference report to
the committee of conference, but not with instructions, accord-
ing to the later decisions.

The PRESIDING OFFICER. That does not touch the
question that the Senator has in mind. The Senator
moved to recommit the conference report while a motion
to agree to the conference report was pending, and the
Chair ruled on this precedent:

Automatically the report goes back to the committee of con-
ference when the report is rejected.

It is on that basis that the Chair ruled that the motion
to recommit at the time this motion was pending was not in
order, for the simple reason that a negative vote on the
report would send the bill back to conference.

Mr. MOSES. Mr. President, there is no conference committee so far as the House is concerned. Those conferees have disappeared.

Mr. BINGHAM. In view of the statement made by the Senator from New Hampshire I withdraw my appeal, because if the conferees on the part of the House are no longer in existence there would be no point in the motion to recommit. Therefore I hope the motion to agree to the conference report will be rejected.

Mr. McKELLAR. Mr. President, I think there are two matters to which substantially every Senator agrees. One of them is that we ought to make the provision in regard to married persons apply only to the future; that it ought not to apply to those who are now in the service of the Government. So, Mr. President, in order to iron out the present situation, if possible, I send to the desk a concurrent resolution, which I ask to have read for the information of the Senate.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed in the enrollment of H. R. 11267 (the legislative appropriation act for the fiscal year ending June 30, 1933) to strike out all of section 213 (including the caption thereof) and to insert in lieu thereof the following:

"APPOINTMENT OF MARRIED PERSONS

"SEC. 213. Hereafter in the appointment of persons to the classified civil service preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia."

Mr. McKELLAR. Mr. President, if that concurrent resolution is passed it will go to the House, and the House can pass upon it. If they pass affirmatively upon it, this correction will be made in the very bill now under consideration.

We ought not to take the risk involved in rejecting the conference report at this time. The matter can be attended to in this way. I have no doubt that when this concurrent resolution goes to the House it will appeal to the House in such a way that the House will pass it also, and therefore the matter can be corrected.

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

Mr. McKELLAR. I yield.

Mr. COPELAND. Even though we were to pass this concurrent resolution—and personally I am in the fullest sympathy with it, as the Senator knows—

Mr. McKELLAR. Yes.

Mr. COPELAND. There are other matters which to my mind are important, relating to other employees.

Mr. McKELLAR. Yes.

Mr. COPELAND. Does not the Senator think that we might better reject the report and let it go back to the conferees, to see if this matter relating to married persons, as well as the other matters which have been considered here, can not be considered and acted upon by the committee?

Mr. McKELLAR. Mr. President, under other circumstances, earlier in the session, when the conferees and the Congress had plenty of time to pass on it, that might be a very wise course; but at this late day, if we undertook to jeopardize the passage of this bill and virtually cut off \$160,000,000 from the revenue, I think we will be doing something that we would not be justified in doing.

Mr. WATSON. Mr. President, would the Senator have any objection to permitting the concurrent resolution to be read again?

Mr. McKELLAR. Not at all. I hope it will be read. I will say that it has been prepared by the legislative counsel under the direction of the parliamentarian, and I think it will sufficiently correct the situation if passed by both Houses.

Mr. ROBINSON of Arkansas. Mr. President—

Mr. McKELLAR. I yield.

Mr. ROBINSON of Arkansas. The use of a concurrent resolution in cases like this is usually to correct an admitted

error in the text of a bill. So far as I know, it has never been resorted to in order to eliminate a matter actually in controversy between the two Houses.

It is perfectly clear to me that to agree to this conference report on the theory that the House is going to recede from the position it insisted upon would be to make certain the adoption of the conference report and the failure of the concurrent resolution.

In my humble judgment, with all due deference to the able Senator who proposes the concurrent resolution, it can not be relied upon to settle a dispute between the two bodies. If the Senate desires to eliminate the provision complained of and to which the concurrent resolution is directed, it will never accomplish it by agreeing to the conference report and then asking the House to change its attitude after the position of the House has been confirmed by the Senate. It is perfectly clear to me that the adoption of this conference report means the acceptance of the bill with all these provisions that are objectionable.

In view of all the complaints that are made here and the controversies that have arisen regarding it, while I should very much like to see this conference report agreed to and the bill finally passed, I believe the best policy is to let it go back to conference and let the conferees make another effort to settle it.

I realize that there is a great burden on this conference committee; but it is perfectly apparent from the debate which has proceeded here for almost 24 hours that many Senators are not in a frame of mind to accept this report. I do not think we can work out this problem by a concurrent resolution adopted after the conference report has been agreed to, for there would then be no justification whatever in the House of Representatives receding from a position that had been sustained by the action of the Senate. It would be a mere matter of generosity on the part of the House to do that.

Mr. JONES rose.

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

Mr. McKELLAR. I will in just a moment. The Senator from Washington rose first; but I want to say that when this matter first came to the Senate it had been considered by very few Senators. So far as I know, practically every Senator with whom I have talked feels that the provision in regard to married women ought to remain for the future. I think the same thing applies to the other proposition as to the superannuated employees. I think we all agree that there would be no saving by discharging the superannuated employees, and it seems to me that this might be arranged in this way.

Mr. ROBINSON of Arkansas. Mr. President, the Senator has stated that every Senator agrees that this provision ought to go out. Granting, for the sake of the argument, that that be true, and that the Senate is in that frame of mind, that does not alter the fact that the House of Representatives is committed to the other attitude on the question. That does not alter the fact that the proposition is still in dispute.

Mr. McKELLAR. No, Mr. President, that is true; but here is the trouble about sending the matter back to conference: I have talked with the conferees, and I know that they are not going to change their position about it. If the concurrent resolution passes, it will be put up to the House; and the House, I believe, will change its position about it.

Mr. ROBINSON of Arkansas. I think that is virtually a concession of the argument I made a few moments ago. If the conferees on this bill on the part of the House maintain their attitude, the House having already apparently given them support, it is not likely that the House would overrule their own conferees on a mere concurrent resolution, after the Senate had sustained the position of the House and of the House conferees. It is perfectly plain to me, if we wish to eliminate or change this provision, that it will have to be done in the conference, and that it can not be done after the Senate has agreed to the conference report.

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

Mr. McKELLAR. I yield.

Mr. JONES. I am rather inclined to think that the wise course for us to take under the circumstances is to take the bill back to conference.

Mr. MCKELLAR. That ends the matter so far as I am concerned, and it makes it entirely satisfactory.

Mr. JONES. There are some of these items which I am satisfied will come back here in the same shape in which they are now. There are some of them which can possibly be changed to meet the wishes of the Senate. As I stated yesterday, I have been from the beginning in sympathy with the contention of the married people, but we are going to have a pretty strong position taken by some others who will be involved in the conference.

Mr. ROBINSON of Arkansas. Mr. President, confirming what the Senator from Washington has said, I do not think the Senate should assume that the mere recommittal of this conference report to the committee on conference means the elimination of this matter we are all discussing, the matter which relates to the status of married persons in employment by the Government. I have some information that the contest will be prolonged, but I am sure that the only chance of eliminating or substantially changing it is by pursuing the course suggested by the Senator from Washington.

Mr. JONES. Mr. President, all these other propositions which have been presented will be very carefully considered if we take the matter back to conference, just as they were before. There may be some changes or modifications we will be able to make which will make the provisions more satisfactory than they are now.

This is a very complicated bill; there are all sorts of propositions in it; and, of course, the conferees did not suppose it was perfect, but it seemed to be the best we could work out under all the circumstances. From the debate and discussion we have had here, however, and the objections which have been made, I am inclined to think it is wise and in the interest of saving time to take the matter back to conference to see if we can work it out.

Mr. BINGHAM. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BINGHAM. Is it in order in the Senate to instruct the conferees in regard to any matter?

The PRESIDING OFFICER. If the Senate desires to instruct its conferees, the time to do so is before the Chair names the conferees.

Mr. BINGHAM. It would be in order, then, after the motion to agree has been rejected, to move that the Senate insist upon its amendments and ask for a conference, and direct the conferees to do certain things. Would that be in order?

Mr. JONES. Mr. President, I want to suggest that while I suppose the Senate could do that, it would not result in a very free conference, and I imagine that the other conferees, or the body they represent, would resent that very much.

Mr. MOSES. Mr. President—

Mr. JONES. I yield to the Senator.

Mr. MOSES. I thought I had the floor.

Mr. JONES. I am glad to give up the floor after having made these statements, and after other Senators have expressed themselves, I shall ask the Senate to disagree to the conference report and to appoint conferees.

Mr. MOSES. Mr. President, that brings us to the only course we can pursue. The unbroken practice here has been to dismiss automatically conferees in either House as soon as the House has acted. The House of Representatives have acted, and their conferees are gone. We must begin this thing de novo, and the only action the Senate can possibly take this minute is to agree or disagree.

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

Mr. MOSES. I yield.

Mr. ROBINSON of Arkansas. I think it should be called to the attention of the Senate before this matter is finally decided that the House will be in recess until Monday, and that at least some of the present House conferees will be

absent for some days attending the Democratic National Convention at Chicago.

Mr. MOSES. Of course, Mr. President, that is another one of the various complications which attend a rejection of this report on the part of the Senate. The Senator from Washington has spoken of the prolonged discussions which took place in the conference, of the difficulty of arriving at various conclusions, and admitted, with his usual frankness, that undoubtedly there were things in the conference report which were repugnant to the sensibilities of many Senators. We all can understand exactly what type of conference had to be held on a controverted measure of this kind.

It now comes to us, and upon examination we find that not only this matter of the married couples, but various other conclusions, have been brought into the conference report with reference to the application of the furlough system, which seem to me to have been ill considered in the conference; that certain of the House proposals with reference to it have been taken into the conference report in such wise that great difficulty will arise in the administration of the furlough system, and I suppose one could enumerate 20 items in the conference report to which exception might be taken.

Those can not be cured upon the floor of the Senate, Mr. President. The conference report can not be recommitted. We can again ask for a conference, and start, as I have said, de novo. As I view it, and in this view I am in complete accord with the Senator from Arkansas, we can not be curing defects in a conference report by a concurrent resolution. That would establish a parliamentary precedent which would bring us endless trouble toward the end of every session of Congress, when we were dealing with measures en masse, as we now are.

The simple thing is to follow the suggestion made by the chairman of the Committee on Appropriations, and reject this report, and we will then have a chance to confront the conferees on the part of the House, who, as the Senator from Arkansas suggests, may be adamant. My experience with conferees on the part of the House is that they generally are adamant in their attitude toward everything which they propose; so that the language of a conference report about a "full and free conference" to me often seems wholly a non sequitur, in view of what has taken place.

Under the circumstances which confront us here, I can see no remedy except to reject the report and start again, and see if we can do better.

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

Mr. MOSES. I yield the floor, unless the Senator wants to ask me a question.

Mr. MCKELLAR. The Senator has spoken of the troubles and difficulties the conferees have had, and especially about the furlough plan. Does not that show to the Senator that the furlough plan was a very poor plan—to bring about all these troubles?

Mr. MOSES. Mr. President, if I had been a conferee on the part of the Senate I think I might have brought back a better report. [Laughter.]

Mr. MCKELLAR. I think the same thing, Mr. President, as I was not a conferee.

Mr. NORRIS. Mr. President, for the information of the Chair, when he comes to appointing conferees again I suggest that he take into consideration the statement of the Senator from Tennessee and that of the other candidate, the Senator from New Hampshire.

Mr. MCKELLAR. I object.

Mr. BINGHAM. Mr. President, there are quite a number of Senators in the Chamber now who were not here when I made my first general objection to the adoption of the conference report, and I would like to just call their attention to the fact that amendment numbered 46, which occurs on page 50 in the original bill, section 108, relating to the impounding of savings, came from the House in such form that the savings had to be impounded in the Treasury and could not be used to keep persons employed.

When we first considered the matter we were told by the President that one reason why he favored the furlough plan was that it would result in saving money without anyone losing his job. But when the Senate Committee on Economy studied the bill we discovered that the phrase used in that section required the money saved to go back into the Treasury.

The Senate committee recommended putting in the words "shall not be used for any purpose other than the payment of salaries." This would permit a department that has a 10 per cent cut in its appropriation to keep on with the same number of employees, and use the money saved by the furlough plan in employing those whom it could not otherwise employ. But the way the bill has been sent over from the House, and the way the conferees of the House wanted to do it, it would mean that, in the first place, they would discharge 10 or 15 per cent of the employees, according to the appropriation bill, and then 8½ per cent of the pay of the others would be taken from their salaries.

As has been pointed out by the Senator from New Mexico, the provision for additional furloughs would lead to a double cut on some employees who might be required to take a furlough of six months in order that the saving might be made.

I hope very much that, although no motion is made to instruct the conferees, they will see to it that the cuts are made in such a manner as to restrict the number of new members of the great unemployed to the lowest possible denominator and still save money for the Treasury.

Mr. BRATTON. Mr. President, regretting very much to find myself in disagreement with the chairman of the committee, I truly regret that he has expressed himself in favor of having the Senate disagree to the conference report. In doing that I do not contend that the conference report is perfect. It has its weaknesses. Any report brought here dealing with such a multitude of complicated questions will have its weak aspects.

Mr. President, some of the confusion arises by reason of our efforts to adjust the furlough system to other provisions of the bill already approved and constructed. Perhaps the Senator from Connecticut is lending undue emphasis to the impounding provision, although our committee agreed unanimously to amend it in the form in which it was originally reported to the Senate. Let me remind the Senate that the impounding provision does not come into operation unless there is an excess of money over and above the pay roll. If there is an excess of money to which the impounding provision automatically attaches, there are no dismissals of employees. The provision is designed to operate where there is an excess of appropriation over and above the pay roll. The object of the House text is and the purpose it will accomplish will be to attach the impounding provision to such excess and cover it into the Treasury to the credit of miscellaneous receipts.

Mr. BINGHAM. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. BRATTON. I yield.

Mr. BINGHAM. I had been, until this morning, inclined to agree with the position just taken by the Senator from New Mexico. In fact I felt sure that he would not agree to the conference report unless it so provided. In other words, if any department consisting entirely of personnel or personal services, for which the original appropriation was \$100,000 which the Senate had cut to \$90,000, if a 10 per cent cut instead of an 8.3 per cent cut had been made, it would have been possible to continue all the employees, because they could be employed out of the \$90,000. So I thought the position which the Senator has just taken was the position which would be taken.

However, I discovered this morning by informal conversation with those who had talked with the Comptroller General that, in view of the fact that the conference report explicitly strikes out certain words and in view of the position taken by the Senator from Tennessee [Mr. McKellar] a few

moments ago that we would not get any saving any other way, I came to the conclusion that what would be done by the comptroller would be to hold that we must discharge employees up to the point which the appropriation provides for and then on the balance to make a cut of 8½ per cent. If the bill does go back to conference, as I hope it will, since the chairman of the Senate conferees has requested that the report be disagreed to and it shall go back to conference, I hope that the conferees on the part of the Senate and the House will be able to write language into the bill which can not be misinterpreted by the comptroller, so that the position taken by the Senator from New Mexico may be clearly made the intent of Congress.

Mr. BRATTON. Let us take the case cited by the Senator from Connecticut. The department has a pay roll of \$100,000. We will say that under the furlough system the total salaries for that department are reduced to \$92,000. If the Senate appropriates \$92,000 or less, the impounding provision has no application, because the full amount will be required to pay the salaries of \$92,000. If the Congress appropriates less than \$92,000, the impounding provision will not operate, because there is nothing to which it may attach. On the contrary, the so-called emergency furlough provision will operate. In other words, the employees will be furloughed more than one month in the next fiscal year. The only instance in which the impounding provision would operate would be if the Congress appropriated \$93,000 or \$95,000 or any other sum above \$92,000. Upon that excess and to that excess the impounding provision would attach, and would automatically cover it into the Treasury to the credit of miscellaneous receipts. That is what the House intended, and I can see no valid objection to it.

If by the furlough system already approved by both branches of the Congress the pay roll of that department be reduced from \$100,000 to \$92,000, that much money will be used in paying the employees. If only \$92,000 or less is appropriated, the impounding provision is surplusage in the bill. But if more than that is appropriated the impounding provision comes into play and attaches itself to such surplus and covers it into the Treasury.

So, Mr. President, matured reflection convinces me that much of the excitement about the automatic impounding provision is without substance. I think everyone wants the surplus covered into the Treasury, every dime of it over and above the amount necessary to compensate the employees upon the basis provided for in the furlough system, and the impounding system does not interfere with that. It is inoperative unless and until the appropriation exceeds the pay roll.

What are we going to do with the surplus? What objection is there to attaching the impounding provision to it and covering it into the Treasury? It is economy that the bill is designed to achieve, and that is what the provision does.

Mr. COSTIGAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. BRATTON. I yield.

Mr. COSTIGAN. Does the Senator approve of the provision relating to married women as reported by the committee?

Mr. BRATTON. I do, and I shall address myself to that momentarily.

Mr. BINGHAM rose.

Mr. COSTIGAN. May I ask the Senator in part to address himself, when he speaks on that subject, to the question of public policy, which is associated with the problem of dividing the homes of married people?

Mr. BRATTON. I shall do that immediately after I respond to a question which the Senator from Connecticut [Mr. Bingham] desires to propound.

Mr. BINGHAM. It had not occurred to me there was any danger that the department might use any surplusage in the form of payment for additional services. That was not my intention at all. It was my intention merely that

the amount of money appropriated should be used in so far as it could possibly go to keep employed persons now in the department.

I took a position exactly in accord with that which the Senator from New Mexico has just taken, but I fear the comptroller will not take that position. In fact, I have been assured that he would not, in view of the fact that this language has been stricken out. Therefore I urge upon the Senator, when he brings the matter back from the new conference, to see to it that it has been written in such way that there may be no new persons employed or new positions created out of the surpluse, but that the surplus shall be impounded.

Mr. BRATTON. Mr. President, one other observation respecting this phase of the bill, and then I shall address myself to the matter the Senator from Colorado has in mind. If an emergency shall arise such as the Senator from Connecticut fears, it could be supplied by a transfer of money from some other source under the so-called 12 per cent interchangeable provision. Of course, that would not be true in a department where its activities were confined solely to personnel, such as the General Accounting Office. A situation of that kind can be corrected in the deficiency appropriation bill.

But let us take the Navy Department, for instance. We are told that under the 12 per cent interchangeable provision, the Navy Department could take up to 12 per cent of the money appropriated for the construction of battleships and use it to pay employees if necessary. If some unforeseen emergency should arise such as the Senator from Connecticut fears, it could be met through the operation of the interchangeable provision without discharging employees. Indeed, under the two furlough provisions in the bill taken together it is inconceivable that anyone will be discharged. They may be furloughed more than one month and perhaps will be if Congress fails to appropriate sufficient money to keep them employed 11 months during the next fiscal year. But if that condition arises it is the duty of the department, under that provision, instead of discharging employees, to furlough them for an additional period of time. So that all the fears about the necessity or the obligation to discharge a large number of employees, it seems to me, are untenable.

Under the bill as it now stands, under the much-heralded furlough system, saturated with uncertainties and doubts and fears, employees will not be dismissed. They will be furloughed. Of course, it decreases their income. It makes no difference whether a man is discharged for 30 days or furloughed for 30 days, he is without his salary and, unfortunate though it is, the situation seems to require it.

Let us take the two provisions together—and they must be interpreted together in order to ascertain how the bill will operate. Under the general furlough provision in the bill employees will be furloughed one month without pay during the fiscal year, not more than five days of it to be in any one calendar month without the employee's consent. It is expected that Congress will appropriate sufficient money to carry forward the Government business in that way. But anticipating that through miscalculation or otherwise Congress may fail to appropriate an adequate sum for that purpose and anticipating that through the interchangeable provision in the bill funds would not be available, then we have the emergency furlough provision which requires that the head of the department shall furlough the employees such additional period as may be necessary in order to live within the appropriation. So that all the talk about dismissing hordes of employees and permanently discharging them is not tenable.

Mr. DALE. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Vermont?

Mr. BRATTON. I yield.

Mr. DALE. Under section 204 of the bill the department is definitely instructed to dismiss all employees having reached the retirement age.

Mr. BRATTON. That relates to the question of retirement. That is not furlough.

Mr. DALE. No; but the Senator was speaking about the question of dismissal of a large number of employees.

Mr. BRATTON. By reason of the furlough system or the appropriation of an inadequate sum of money. I did not address myself to the retirement provision of the bill.

Mr. DALE. May I ask the Senator a further question?

Mr. BRATTON. Certainly.

Mr. DALE. Did the Senator realize that in conference the report meant the dismissal of about 1,500 employees and cutting off their services before they had rendered the necessary 15 years' service for retirement, leaving them without any annuity or any possible way to get employment under the Government thereafter?

Mr. BRATTON. I do not know the number involved. Of course, every conferee knew that there would be some dismissals under the provision. However, I am now discussing the furlough system.

Mr. DALE. Does the Senator mean to say that he knew that any employees would be dismissed in this way and that the Government would in that way violate its contract and repudiate its bond?

Mr. BRATTON. I do not accept the Senator's statement with reference to "violating its contract and repudiating its bond." I did know that in all probability some employees would be dismissed under the provision to which the Senator addresses himself.

Mr. DALE. And that they would be dismissed in such a way as to make it impossible for them to keep their contract with the Government?

Mr. BRATTON. The Senator talks about a contract. I do not subscribe to his view in that respect.

Mr. DALE. If the Senator does not subscribe to the view that there is any contract between the Government and its employees, I could not argue with him about it.

Mr. BYRNES. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. BRATTON. I yield.

Mr. BYRNES. Directing the Senator's attention to the provisions of the furlough system, am I correct in the impression I have received that notwithstanding the provisions of section 105, the compensation reduction system, the compensation reduction does not apply to the enlisted personnel of the Army and Navy or to public officials whose compensation is derived from assessments upon banks?

Mr. BRATTON. Mr. President, I welcome the inquiry from the Senator from South Carolina. It is timely and pertinent. It was the intention of the original bipartisan committee of six Senators who were assigned to the task of considering this bill that the enlisted personnel of the Army, the Navy, the Marine Corps, and the Coast Guard should be exempted from any reduction in compensation. That was also the intention of the conferees between the two branches of the Congress, and although there may be some doubt respecting the phraseology as adopted by the House, and found at page 13537 of the CONGRESSIONAL RECORD, there can be no doubt concerning the intent of the conferees. They intended throughout for sound reasons to exempt from the reduction in compensation either by furlough or per cent or otherwise the enlisted personnel of the Army, the Navy, the Marine Corps, and the Coast Guard.

Mr. BYRNES. Then the Senator will agree that that would be true also of subdivision 7, in section 104, applying to all the public officers who are not paid out of the Treasury?

Mr. BRATTON. Yes; they fall in the same class.

Mr. BYRNES. Mr. President, will the Senator from New Mexico yield for one further question?

The VICE PRESIDENT. Does the Senator from New Mexico yield further?

Mr. BRATTON. Yes.

Mr. BYRNES. The rural carriers are subjected to the cut provided for in the compensation-reduction section; then, in addition to that, to the reduction in the allowance for equipment; but as I read the furlough provisions, as reported, they would not be subjected also to the section providing

that officials or employees shall not be entitled to leave this year.

Mr. BRATTON. Mr. President, I think they will not be affected by that provision. I want to discuss briefly the question of leave, because it has been raised concerning the policemen in the District of Columbia and likewise the teachers in the city of Washington.

Mr. McKELLAR. Mr. President, before the Senator begins that discussion will he yield to me?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. BRATTON. I yield.

Mr. McKELLAR. The Senator recalls, does he not, that it was the unanimous opinion of the committee, as I remember, that superannuated employees should not be dismissed before the time as now provided by law?

Mr. BRATTON. Yes.

Mr. McKELLAR. But the conferees reported an agreement with the House that such employees might be dismissed unless the President intervened, as I recall the provision.

Mr. BRATTON. The Senate conferees yielded with that proviso.

Mr. McKELLAR. May I express the hope, in view of the fact that there will be no saving by the discharge of such employees and that many of them are the very best and most efficient employees of the Government, that the conferees, when this bill goes back to conference, will insist upon the Senate provision as to such employees?

Mr. BRATTON. Mr. President, the views of the Senator from Tennessee are always welcome.

I now address myself briefly to the question of leave with pay as it relates to policemen and teachers in the District of Columbia. Title I concerns the furlough of Federal employees. The furlough provisions are found in that title, Section 103, being a part of that title, provides:

All rights now conferred or authorized to be conferred by law upon any officer or employee to receive annual leave of absence with pay are hereby suspended during the fiscal year ending June 30, 1933.

Note the expression, Mr. President—"officer or employee." The succeeding section, namely, section 104, provides:

SEC. 104. When used in this title—

(a) The terms "officer" and "employee" mean any person rendering services in or under any branch or service of the United States Government or the government of the District of Columbia, but do not include . . . (5) officers and members of the police department of the District of Columbia, of the fire department of the District of Columbia, of the United States park police in the District of Columbia, and of the White House police; (6) teachers in the public schools of the District of Columbia.

Mr. President, obviously the provision of section 103 suspending all laws conferring leave upon any officer or employee of the District is restricted by the succeeding section defining the term "officer" and "employee," and that provision expressly excepts policemen in the District of Columbia and teachers in the District of Columbia. There is a subsequent provision in the bill to the effect that hereafter annual leave with pay shall be limited to 15 days in the calendar year, but that is not a part of Title I; that is a part of Title II. It applies to others, but not to policemen and teachers in the District of Columbia. They will have leave of 15 days during the fiscal year 1933. I think that answers the question of the Senator from South Carolina [Mr. BYRNES].

Mr. President, the Senator from Colorado [Mr. COSTIGAN] asked my opinion touching the provision found on page 64 of the Senate bill relating to married persons in Government service. The Senator from Colorado referred to the provision as the one relating to "married women" in Government service; and a great deal has been said about the provision relating to "married women" in Government service. To hear the talk here and yonder and elsewhere one would think that the provision was confined solely to married women in Government service and was directed at them on account of their sex and their marital relations. The provision, however, relates to married persons, and

concerns married men in the Government service the same as it does married women. It provides:

In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to be reduced, shall be dismissed before any other persons employed in such class are dismissed, if such husband or wife is also in the service of the United States or the District of Columbia. Hereafter in the appointment of persons to the classified civil service, preference shall be given to persons other than married persons living with husband or wife, such husband or wife being in the service of the United States or the District of Columbia.

So at the outset let us disabuse our minds of the thought that this provision is directed at married women; it is directed at married persons; it is directed at both spouses; it is directed at a husband the same as it is at a wife. There is no distinction between the husband and the wife.

Mr. ASHURST. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Arizona?

Mr. BRATTON. I yield.

Mr. ASHURST. The Senator from New Mexico has performed a valuable public service. I am amazed at my own ignorance of this subject. More than 40 persons in the last few days have sent cards to me and asked for interviews, stating directly that the provision now being discussed was directed simply against married women; and until this moment, not having had time to read it, I was under that misapprehension, and was about to vote against the conference report on the ground that married women had been singled out and set apart for furlough or discharge because of their marital relations. However, the able Senator from New Mexico reads from the report, and, from the report, it appears there is no discrimination against any person because of sex. The Senator has certainly cleared up a matter that was greatly disturbing me.

Mr. REED. Mr. President, will the Senator from New Mexico yield?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Pennsylvania?

Mr. BRATTON. I yield.

Mr. REED. Does the Senator think that in very many cases it is probable that under the provisions of this section the woman would remain at work and the husband would sit around in idleness living on her earnings?

Mr. BRATTON. No.

Mr. REED. If that is not the case, then it is directed at married women, because one or the other would have to be discharged.

Mr. ASHURST. Mr. President, will the Senator permit me to answer that suggestion?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Arizona?

Mr. BRATTON. I yield.

Mr. ASHURST. I will say that more married men will be furloughed than married women. [Laughter in the galleries.]

The VICE PRESIDENT. There must be no demonstrations in the galleries.

Mr. BRATTON. Mr. President, the colloquy makes manifest just one other disagreement of opinion concerning the furlough system, and the Senator from Pennsylvania and the Senator from Arizona can not agree about that.

Mr. REED. Just a moment, Mr. President. We are not talking about furloughs. The Senator from Arizona referred to the furlough of married women. This is a question of dismissal of married persons. Every employee is going to be furloughed; there is no question about that, married and unmarried, men and women. This is a question of permanent dismissal from the service; and I say that in every case where a married pair are employed by the Government it is going to be the woman who will be dropped, because it is unthinkable that her husband would be dropped and she would go on working for the family.

Mr. BRATTON. Let us see how the provision will operate. In the first place, it has no effect until it becomes necessary to reduce personnel. So long as sufficient money is provided

to go forward with the Government's business without any reduction in personnel, no one, either husband or wife, will be affected. It operates solely, only, and exclusively when it becomes necessary to reduce personnel.

But, Mr. President, the impression has gone abroad that the moment this bill shall be approved by the President every married woman in the service whose husband is likewise employed by the Government will automatically be dismissed. Of course that is a misunderstanding, and it is due in a large measure to the propaganda which has been heralded abroad throughout the country. True, it has been said repeatedly that the provision is directed at married women, and I dare say that a great many of those who have taken a position in opposition to it have done so with the earnest belief, but on misinformation, that it singled out married women and sought to discriminate against them on account of their sex and their marital relations. But, Mr. President, let us say that the time is here, or that it is approaching, when the Government must curtail its personnel, when the number of Government employees must be reduced. The question then arises, Shall the Government continue to let a husband and wife draw two good salaries while their neighbor, perhaps a husband with a wife and five or six children—an employee in the same class, bear in mind, not below, but in the same class—shall be dismissed and the only breadwinner of the family shall be without income to support himself and his wife and his children?

Suppose, Mr. President, that a thousand law-abiding citizens are marooned upon an island and are destitute and hungry and the Government was able to get them only 500 meals, would the Senator from Pennsylvania or anyone else who opposes this provision advocate that the Government should give one-half of those thus marooned a full meal each and deny the other half any food whatever? Of course not. If it becomes necessary to curtail the personnel in the Government service and there are two persons within the same class, one of whom is a husband whose wife is also on the pay roll or a wife whose husband is also on the pay roll, is it not far better to have one of them go out of the service and let that family get along afterwards with one salary than to dismiss another employee working alongside of them, an employee of the same class, with the same degree of efficiency, and performing the same service to the Government who is the sole support of a family? Should he not be permitted to continue to draw his salary? In other words, let two families have one pay check each instead of one having two pay checks and the other none.

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

Mr. BRATTON. Always.

Mr. REED. There is nothing in this provision that mentions efficiency, is there?

Mr. BRATTON. If they are in the same class, I should assume that they would be of substantially the same degree of efficiency.

Mr. REED. Is it written anywhere in this clause in the bill? Does it not wholly ignore the efficiency of the person, and base the dismissal solely on the marital relationship?

Mr. BRATTON. The Senator will notice this language:

In any reduction of personnel in any branch or service of the United States Government or the District of Columbia, married persons (living with husband or wife) employed in the class to be reduced, shall be dismissed before any other persons employed in such class are dismissed.

They must be in the same class.

Mr. REED. Can there not be variations of efficiency within a class?

Mr. BRATTON. There should not be very much if they are all in the same class.

Mr. REED. There might be some. Necessarily there would be some.

Mr. BRATTON. Of course no two persons are exactly the same in efficiency; but if they are in the same class, we must assume that they are substantially equal in point of efficiency.

Mr. REED. Will the Senator permit another question?

Mr. BRATTON. Yes.

Mr. REED. Assuming that a single person were employed in one of these positions, and were within his class at the top from the standpoint of efficiency, the civil service law would protect that person from dismissal until all those inferior to him had been dismissed; would it not?

Mr. BRATTON. Yes; if those inferior to him were married persons.

Mr. REED. Yes; but suppose the class were made up entirely of unmarried persons of varying degrees of efficiency: That one with the best efficiency would be protected by the civil service law from dismissal until the less efficient had been dropped. That is correct; is it not?

Mr. BRATTON. Yes; that is correct.

Mr. REED. Now, then, is not this the way the provision is going to work: If all that the Senator has argued be admitted, and if it be unjust to have two jobs in the same family when another family has not any job—if that is to be our guide, and if that is to be considered unjust—is not this the way it will work:

That the husband and wife living together, as they should, will be confronted with the provisions of this section, and the law will compel the dropping of one of them; whereas if they separate and establish two domiciles, and live the way no husband and wife ought to live, the law will protect them in their jobs. In the one case, where they live normally, the law throws them out. In the other case, where they live abnormally, the law protects them and holds them in. Is not that an exceedingly bad public policy?

Mr. BRATTON. Of course; but I dare say that the average husband and wife in the United States will cling to one another and live on the one salary. I do not believe that the average husband and wife in this country will forsake one another simply because the Government is unwilling to give them two pay checks when their next-door neighbor, likewise in the Government service, must give up his single pay check and thereafter have no income in the family. I can not join the Senator from Pennsylvania in the belief that the average husband and wife in this country will take that view of the situation.

Mr. REED. Mr. President, if a separation were necessary for a time in order to protect the home that they have bought, on which installments are due, or in order to provide for the children they perhaps are struggling to educate, I believe any husband and wife with proper spirit would make the sacrifice and would separate for the time being.

Mr. BRATTON. Mr. President, for the moment I shall accept the view expressed by the Senator from Pennsylvania, that a husband and wife will separate and will live apart in order that they may receive two pay checks for the purpose of supporting their children and paying the mortgage on their home. But is it worse to have them do that than to have their neighbor next door, with only one pay check in the family, put off the Government pay roll and have him and his wife and his children become objects of charity? I say, emphatically, no; it is infinitely worse to drive that husband and that wife to the extremes to which they may be obliged to go in order to meet a desperate situation of that kind—no pay check, no income, with temptation all around to resort to questionable methods of making a living.

Accepting the view expressed by the Senator from Pennsylvania—which I do not think will be true, but, for the sake of argument, let us assume it—I say it is infinitely better to have the husband and wife he has in mind maintain two domiciles and be loyal to one another, to occupy that status simply in order that they may have the two pay checks during this crisis, than it is to have the husband and father that I have in mind, who lives next door, and is just as efficient, just as faithful, just as loyal to the Government, go out of the Government service with hunger and starvation staring him and his wife and his children in the face.

Mr. CONNALLY. Mr. President—

Mr. BRATTON. Mr. President, let no one believe that this provision is directed at married women. Despite everything that has been said against the Congress and the Senate, I do not believe there is a Member of this body who would single out married women and legislate against them as a class. Nothing of that kind has been done here.

Mr. COSTIGAN. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield, and to whom?

Mr. BRATTON. The Senator from Texas [Mr. CONNALLY] asked me to yield first. Then I shall be glad to yield to the Senator from Colorado.

Mr. CONNALLY. Mr. President, I have no desire to interject myself into this debate between the Senator from Pennsylvania and the Senator from New Mexico, and express no preference as to their two viewpoints regarding this bill. I do desire, however, to take this opportunity to express my amazement at the sentiments expressed by the Senator from Pennsylvania.

If the employees of the Federal Government have reached the point where they think more of the pay check than they do of their homes and their families, if they are willing to sacrifice their homes in order to pay for a material home, I think it is quite time for us to carry this furlough a little farther, and, in the case of such as adopt that sort of a subterfuge to stay on the pay roll, to separate them permanently from the pay roll.

Mr. REED. Mr. President, will the Senator yield to me for just an observation?

Mr. BRATTON. Yes.

Mr. REED. If it is reprehensible for them to do as I have suggested, then it is reprehensible for any traveling salesman to leave his home and go away to earn money. I can not see any ethical difference whatsoever between the two.

Mr. BRATTON. Mr. President, I have no desire to interject myself into the argument between the Senator from Pennsylvania and the Senator from Texas.

Mr. REED. So far as I am concerned, the argument is finished.

Mr. BRATTON. The Senator from Colorado asked me to yield to him, which I do.

Mr. COSTIGAN. Mr. President, bearing in mind that even in so-called normal times there is considerable unemployment, is the Senator from New Mexico prepared to urge upon the Senate the policy he is supporting with respect to married women as a permanent policy to be adopted by the Government?

Mr. BRATTON. Why does the Senator say "married women"? This provision does not single out married women. It says "married persons," and so is directed at the husband the same as the wife. The Senator, however, is doing what thousands of others have done. He assumes in his question that the provision is directed at married women.

Mr. COSTIGAN. Perhaps the assumption is based upon the fact that married women have expressed particular resentment over the provision.

Mr. BRATTON. Yes.

Mr. COSTIGAN. Modifying my question to meet the Senator's suggested amendment, may I ask whether he desires this sort of a policy to be adopted permanently toward married persons employed by the Government?

Mr. BRATTON. Yes, Mr. President. I think the unemployment situation is such that the Government should adopt the policy of giving a family only one pay check instead of two while another family with one breadwinner shall go without any income.

Mr. COSTIGAN. In view of that statement of the Senator I feel that he has very greatly weakened his advocacy of this provision.

Mr. BRATTON. Perhaps in the estimation of the able Senator from Colorado that is true; he asked me for my view, and I gave it to him. I think, too, Mr. President, that industry is fast coming to that viewpoint.

Why should not employment be spread on the widest possible scale among worthy people who desire it? If you have 15 persons able to perform Government service, 10 of whom are husband and wife, and you have only 10 available positions, is it not better to have 1 person from each of 10 families employed than to have both husband and wife from 5 of those families employed, and leave the other 5 without any employment whatsoever?

The Senator asked a question. I know he wants a frank answer, and I have endeavored to give it to him. I forecast that within the next 10 years the Government and industry alike will adopt that policy. The situation will compel it. We may not have enough employment to go around. If not, we shall have worthy people without employment. It seems to me that we must distribute employment on the very widest possible scale in order that its fruitage may be enjoyed equitably by the largest number possible.

Mr. JOHNSON. Mr. President, if the Senator has concluded that part of his argument, may I ask him a question or two about another section?

Mr. BRATTON. Yes.

Mr. JOHNSON. I ask it of the Senator because I know the care and the studiousness and the painstaking industry that he has devoted to this particular subject, and that his endeavor is to do whatever can best be done for the Government. I should like, however, because I have been called out of the Chamber, and I am not aware how far the discussion has progressed in that particular, to return to section 204.

Mr. BRATTON. Very well.

Mr. JOHNSON. Will the Senator state to me, first, what are the retirement ages?

Mr. BRATTON. I have not those data at hand.

Mr. JOHNSON. My recollection is—and I speak only from recollection—that the highest retirement age is 68.

Mr. McKELLAR. That is right.

Mr. JOHNSON. That is right, is it—and the lowest retirement age is 62. This provision makes retirement compulsory, does it not?

Mr. BRATTON. Yes.

Mr. JOHNSON. It not only makes retirement compulsory when that age shall have been reached but it provides further:

That no such person heretofore or hereafter separated from the service of the United States or the District of Columbia under any provision of law or regulation providing for such retirement on account of age shall be eligible again to appointment to any appointive office, position, or employment under the United States or the District of Columbia.

Is that a new provision entirely?

Mr. BRATTON. The thought in connection with that section was that when a person had reached the retirement age prescribed for automatic separation from the service applicable to such person he should be retired. In other words, when he arrived at the point where existing law said he should be automatically retired he should do just that thing and let some active person take his place. A majority of the conferees entertained that view, some did not.

Mr. JOHNSON. There is no provision of law to that effect that is compulsory in character at the present time, is there?

Mr. BRATTON. No; I think not.

Mr. JOHNSON. So, if the Senator will pardon me, this makes a crime of age. The most pathetic thing that God has given human creatures is age. It is the one thing in all the life of the human being for which neither man nor woman is responsible. So there is a provision in a bill here that when a man reaches the age of 62 or 66 or 68, as the case may be, that instant, no matter whether he is within one year of the retirement pension, out he goes upon the world. He goes out into the world, no matter how competent he may have been, no matter what service he may have performed. He goes, sir, solely because God has put upon him so many years; and there is nothing else he can do in life, and he never again can hold a position under the United States Government.

I will not argue necessities and the like. I just refer to the pathos and the cruelty of it. And not alone that, but I am not ready to admit yet that a man who has reached 62, or 66, or even 68, is useless and that he ought simply to be buried, and buried without honor, because he can not hold another position under the Government that is his of the character that is described.

If you want to see the demonstration of the fallacy of any such view, look at the Vice President, who presides over us to-day. Who could preside better or more fairly? Or who could preside in a fashion that so readily satisfies all impartial men upon this floor?

Look at the chairman of the great Committee on Finance, past the age of retirement long ago. Yet who questions his efficiency?

Look at the chairman of the Committee on Appropriations, who brings in this bill, long past the age of retirement as fixed here, and his ability, his industry, his worth to the Republic no man on this floor would question under any circumstances.

This is a cruelty I think unintended by the committee, a cruelty to which I will not subscribe here or elsewhere.

Mr. BRATTON. Mr. President, although the Senator from California, and the distinguished Presiding Officer, and the chairman of the Finance Committee, and the chairman of the Committee on Appropriations belong to the same political party, and march under the same political flag, the Senator from California is no more devoted to them than I am. I appreciate the force of his argument and join him in every word, particularly so far as those three distinguished persons are concerned.

Mr. JOHNSON. Yes, Mr. President; but will the Senator permit me to say that I use them merely as examples of this whole body?

Mr. BRATTON. So do I.

Mr. JOHNSON. I might refer to the gray-haired gentleman who sits on the back row, or the gray-haired gentleman who sits immediately in front of the speaker, and of the representative of the committee. I decline to admit that their efficiency has been impaired by years. I know it is greater than it has ever been in times gone by, and a fellow feeling makes me wondrous kind. I insist that my efficiency has grown with the years, and I decline to be put in the category of the superannuated who no longer can perform their official duty. I decline to put any human being on the face of the earth who has performed his work well and who is able to perform it well in that category. I decline, above all, to put him out on the street, penniless and hopeless, by his Government, tainted with the inability ever again to hold a position under that Government.

Mr. BRATTON. Mr. President, just one further word and I am through. There is much force in what the Senator from California says. The Senate conferees receded with a proviso to the effect that no person who has reached the retirement age should be continued in service except with the approval of the President. There is a great deal in what the Senator from California has said, and I am not out of sympathy with his viewpoint.

In this period there will be distress, there will be hardship, there will be inconvenience; burdens must be borne. That fact is regretted. I have the abiding belief that the men and women of this country will meet the situation, and will bear the burdens and the hardships in a way truly typical of their ancestors throughout a century and a half.

I shall conclude by repeating what I said at the outset. This bill is not perfect. It has a great many defects in it. Any bill that is brought here designed to achieve economy, with many aspects and many features to it, will have defects in it.

The Senate may send the bill back to conference, if it desires, though I hope that will not be done. If it is sent back, after some delay it will be returned here still bearing defects.

I regret that the chairman of the committee desires that it go back to conference. I prefer to have a vote on the conference report. If the Senate disapproves the work of

the conferees, let it say so by its vote. If the bill is sent back to conference, it will be incumbent upon the conferees to do the best they can with it; but I assert, in conclusion, that the original committee dealt with this measure at some length, then the conferees worked on it for a week, hour after hour, morning, noon, and evening. It was not hurriedly done. Every provision was discussed deliberately and considered at length. I dare say that a rejection of this conference report will render more in doubt whether we shall have an economy bill at this session of the Congress. Bear that in mind. With that final word, Mr. President, I close.

Mr. DALE. Mr. President, with all the force with which the Senator from California has brought before us the deplorable conditions that exist, where men are left at this age under the circumstances which he has outlined, still the vital question here is left out. When the retirement law was framed, and during the many years through which it has been developed, all that has been considered, it has all been taken into account, and it has been met, in so far as it can possibly be met, by the annuity which the man or the woman, the Government employee, gets when going out of the service. But under this bill such an employee loses that annuity. Under this bill 1,500 who, if they remain in the service to the end of the 15 years, would get the annuity, are absolutely cut off forever from every annuity, and not only do conditions as deplorable as the Senator from California outlined them exist, but those employees will have no annuity under this bill.

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

Mr. DALE. I yield.

Mr. JOHNSON. I can not believe it to be possible; I am sure there must be some mistake in this regard, and if there is, I hope it will be corrected, but do I understand the Senator to say that it is a fact that if a man has paid his regular annuity charges up to within one year of his right to retirement, then to receive, if he is retired, the amount that the law permits—that if he has paid up to within one year—

Mr. DALE. Within one hour.

Mr. JOHNSON. Under this provision he is cut off, he is made ineligible ever to hold another Government job, and the United States Government is mean enough to keep the money he has paid in his yearly assessments? Is that what the Senator means?

Mr. DALE. If he serves 14 years and 364 days and goes out, he loses his annuity and can never get it.

Mr. JOHNSON. What becomes of what he has paid into the annuity fund?

Mr. DALE. He gets back a little, paltry sum of possibly four or five hundred dollars, if he served the full 15 years; he may get four or five hundred dollars of what he has paid in, but he gets no annuity.

Mr. JOHNSON. He loses that entirely?

Mr. DALE. He loses it, and he is never eligible to have it again.

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

Mr. DALE. I yield.

Mr. KING. He not only receives all that was paid in, but he receives compound interest upon the same.

May I say to the Senator that while there may be apparently some harshness in this policy, we know that in many industries where they provide annuities or pensions for their employees who serve a certain number of years, if for any reason they do not serve the required time they receive no compensation when they retire nor do they receive annuities. Possibly they may receive back the payments which they have made, but certainly they do not receive pensions. So that the Government in this regard—and I am not defending it or condemning it—does not act differently from the way many private corporations do.

Mr. DALE. But the Senator is condoning it. Here is the condition. The Government entered into an agreement along this line, "If you work for me 15 years, and reach a retirement age which is fixed under the law, and if you give me 3½ per cent of your salary, when you come to that day

I will do so and so." That is the contract, the bond, the word of the Government. "I will let you work 15 years, and when you work 15 years"—and that is the law now—"I will do so-and-so by you." Then under this bill we would say, "All that is repudiated. You may have worked almost your 15 years, but you are going out. You have kept your part of the contract, but we are done; we are not going to keep ours."

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

Mr. DALE. I yield.

Mr. KING. If I understand the Senator's position—and if I interpret it correctly, and I hope I do him no injustice—it means this, that the Federal Government, if it had superimposed upon it, by pressure or otherwise, an unnecessary number of employees could never discharge them, could never have them separated from the service, would be compelled to keep them for an indefinite period of time, though they were rendering no service whatever which was required by the Government.

Mr. DALE. Mr. President, the Senator from Utah knows what the law is. There are provisions for transfer where one bureau has a surplus of employees. It is a vital element of the civil service that the Government can not discharge an employee excepting for cause, and when it discharges for cause, it is all provided for in the retirement act. There is no cause here excepting that "We do not want you any more."

Somebody has said that is taken care of by giving the President an option in the matter. Yes; the President can say, "If we want you to stay, we will let you stay. If we do not want you to stay, you can not stay." It does not give the employee any say. His rights under this agreement are all forgotten and repudiated.

Mr. JONES. Mr. President, I do not understand that the conditions of the retirement law are just as the Senator from Vermont states. I frankly concede, however, that I am not thoroughly familiar with that law. I know that the Senator has given it a great deal of study, and if he has misstated it, he has not intentionally done so. I rather think, however, that it is not as he represents it in some important particulars.

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

Mr. JONES. I yield.

Mr. SMOOT. The Senator speaks of a discharge. There is no discharge in this bill. If the employee was discharged, of course, the law allows that for cause. There is no discharge. There is leave.

Mr. DALE. Then will the Senator explain this language in the bill?—

Sec. 204. On and after July 1, 1932, no person rendering civilian service in any branch or service of the United States Government or the municipal government of the District of Columbia who shall have reached the retirement age prescribed for automatic separation from the service, applicable to such person, shall be continued in such service, notwithstanding any provision of law or regulation to the contrary.

Mr. SMOOT. Yes; provided the employee has reached the age of retirement. All we are doing is to carry out the law. The law is now that if he has reached the age of retirement he shall be retired and paid his retirement pay, and that is what we are doing under this bill.

Mr. DALE. I am delighted that the Senator from Utah has said that, because I thought and I could not think otherwise than that that is just what he thought. But the Senator from Utah is mistaken.

Mr. SMOOT. No; the Senator from Utah is not mistaken.

Mr. DALE. The law at the present time relates to the employee who has served 15 years. If the words were added "who has reached retirement age and served 15 years," the Senator's statement would be wholly applicable, but leaving out the statement with reference to 15 years' service, the employee goes out without any retirement pay.

Mr. SMOOT. The Senator is wrong.

Mr. DALE. Does the Senator from Utah think that those who are retired under that provision get the retirement pay?

Mr. SMOOT. If they are 72 years of age and the law provides that they shall be retired. If they do retire and are 72 years of age, they will get whatever is provided for in the bill, which I hope will become the law.

Mr. DALE. What about the 15 years' service?

Mr. SMOOT. The 15 years' service has nothing to do with the person who has reached 72 years of age.

Mr. DALE. Oh, that is the vital thing.

Mr. SMOOT. That applies where a person began work perhaps when he was fifty-odd years of age. Then the 15-year provision applies. This provision applies to a person who is 72 years old. If he is 72 years old, under the law he is retired and does not lose a thing.

Mr. DALE. Mr. President, will the Senator from Washington permit me to read the law?

Mr. JONES. I think I have the law, and I think it will cover the matter.

Mr. DALE. Will the Senator read it?

Mr. JONES. Yes; I was about to do so. "Automatic separation," and that is what this refers to. It reads:

All employees to whom this act applies shall, on arriving at retirement age as defined in the preceding section and having rendered 15 years of service, be automatically separated from the service, and all salary, pay, or compensation shall cease from that date.

Mr. DALE. "Having rendered 15 years of service." That is the point!

Mr. JONES. If they have been in the service 15 years and have reached retirement age, they will be retired; but I understand from the experts that under the practice of the departments and the policy that is pursued, they allow 3 or 4 or 5 or 6 or 7 or 8 months in order to make the matter come properly under the terms of the law.

Mr. DALE. That is what they have done, but it can not be done under the provisions of this bill.

Mr. JONES. Oh, I think so.

Mr. DALE. The bill is as plain as can be that hereafter they shall be discharged, having reached that age.

Mr. JONES. I can see, if there is any doubt about it, of course it should be corrected.

Mr. KING. Mr. President—

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

Mr. JONES. I yield.

Mr. KING. Is it not a fact, may I ask the Senator, that the major part of the trouble we are now having with the bill arises from the persistent efforts of a number of Senators to impose upon us the President's policy of the furlough, and having gotten the furlough plan into the bill, we have the House opposed to it and we are going to have a deadlock, and if the conference report is voted down we will probably have no bill at all?

Mr. JONES. If I thought that, of course I would not give my consent to another conference. I think it will only delay the matter two or three or four days. I hope we can iron out some of these differences. Personally I think most of the provisions are all right, but I recognize about as well as anybody the complex situation with which we have had to deal in connection with the various measures which we have tried to embody in the one bill. As I said, there are some things I would like to see corrected. The matter about which the Senator from Tennessee [Mr. McKELLAR] has proposed a resolution possibly can be corrected. There was a difference of opinion with reference to that item. A sufficient number agreed to comply with the rules of the conference in bringing the item to the Senate as it is. If we take it back to conference, I may have to yield again in order to get a good report to bring back to the Senate. Possibly some of these matters we can iron out and adjust in a much more satisfactory way.

Mr. COPELAND. Mr. President, let me ask the Senator about amendment numbered 46.

Mr. JONES. That is still in disagreement. A part of the conference report relates to the disagreement on that amendment. That, of course, will go back to conference if we disagree to the conference report.

Mr. COPELAND. Due to the fact that that is in disagreement, there would have to be a further conference anyway, would there not?

Mr. JONES. No; there would not. As I explained some little time ago, if the conference report is agreed to then amendment numbered 46 is still in disagreement, but the proposition comes here from the House, along with its notification of disagreement to the conference report, to agree to amendment numbered 46 with an amendment. That will be a matter upon which the Senate would vote if it adopts the conference report. Of course, if it rejects the report, then the whole matter will go back to conference.

Mr. COPELAND. It seems to me the Senator from Washington is correct. It should go back to conference if for no other reason than the difference relating to amendment numbered 46, which should be ironed out if possible. The provision relating to married persons, the old-age-retirement provision, and the provision relating to the Public Health Service, to which I referred, ought to be given further consideration.

Mr. JONES. Those are not involved in amendment numbered 46.

Mr. President, in the interest of time, and recognizing the force of the suggestions made by my colleague, who was a member of the conference committee and was also on the original committee, I am willing that the report should be rejected. He and I are in agreement upon most matters. I can imagine what the attitude of the House may be with reference to the matter, but in the interest of time, in the hope of possibly harmonizing some of the differences now existing, and in the hope of straightening out some of those provisions about which there is disagreement, I am perfectly willing that the report should be rejected and that we should have a new conference. I hope we can do that without any further delay.

Mr. ASHURST. Mr. President, I ask to print at this juncture in the RECORD a letter from the legislative representative of the Policemen's Association of the District of Columbia, together with some accompanying data. I ask the Senate conferees to read the letter to the other conferees when they have the bill before them.

Mr. JONES. Of course, I do not know what that is about. Is it about the leave-of-absence provision?

Mr. ASHURST. No; it relates to another subject.

The VICE PRESIDENT. Without objection, the request of the Senator from Arizona is granted.

The letter and accompanying data are as follows:

JUNE 24, 1932.

Hon. HENRY F. ASHURST,

United States Senate, Washington, D. C.

DEAR SENATOR ASHURST: In connection with the contemplated report of the Congress on H. R. 11361, or the District of Columbia appropriation act, it certainly should be borne in mind that privates in the Metropolitan police and fire departments, the lowest paid class of employees in these two services, have been already reduced in compensation to the extent of 8½ per cent by the so-called economy bill, or H. R. 11267, and if the provisions of these two bills are to remain as agreed to in conference, these lowest paid men will receive a double cut. They first are reduced 8½ per cent, then in another section they are denied the automatic increases rightfully due them by reason of having served the required time, but as all these increases would date as from July 1, 1933, they lose first \$100 per man each and then 8½ per cent of the remainder of their compensation.

There certainly should be some effort made on the floor of the Senate to correct this very plain injustice, and it is respectfully requested that you use your good offices in this matter.

With many thanks for your past assistance, I am,
Most respectfully,

Lieut. MILTON D. SMITH,
Legislative Representative Policemen's Association.
W. H. McGRATH, President.

METROPOLITAN POLICE DEPARTMENT

On page 55, line 10, after numerals \$3,092,964 and before the period, insert a comma and the following language:

"Provided, however, That the Commissioners of the District of Columbia may be empowered to continue making promotions of privates as provided in the acts of July 1, 1930 (46 Stat., p. 839) and April 13, 1928 (45 Stat., p. 429) but such promotions shall not carry with them the increases in pay provided for in the said acts."

Perhaps, if necessary, it may have to be worded negatively, such as:

"Provided, however, That the failure to appropriate the necessary funds shall not be construed to deny the Commissioners of the District of Columbia the authority to continue making promotions of privates as provided in the acts of July 1, 1930 (46 Stat., p. 839) and April 13, 1928 (45 Stat., p. 429) but such promotions shall not carry with them the increases in pay provided for in the said acts."

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was rejected.

Mr. JONES. Mr. President, I move that the Senate insist upon its amendments, ask a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JONES, Mr. SMOOT, Mr. HALE, Mr. BROUSSARD, and Mr. BRATTON conferees on the part of the Senate.

The VICE PRESIDENT. The Chair desires to call the attention of the Senator from Washington to the amendment of the House to Senate amendment No. 46.

Mr. JONES. Yes; that should be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the action of the House of Representatives on amendment No. 46, which will be read.

The Chief Clerk read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 20, 1932.

Resolved, That the House recede from its disagreement to the amendment of the Senate No. 46 to the bill (H. R. 11267) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes," and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by said Senate amendment No. 46 insert the following:

"TITLE I—FURLOUGH OF FEDERAL EMPLOYEES
"FURLOUGH PROVISIONS

"Sec. 101. During the fiscal year ending June 30, 1933—

"(a) The days of work of a per diem officer or employee receiving compensation at a rate which is equivalent to more than \$1,000 per annum shall not exceed 5 in any one week, and the compensation for 5 days shall be ten-elevenths of that payable for a week's work of 5½ days: *Provided*, That nothing herein contained shall be construed as modifying the method of fixing the daily rate of compensation of per diem officers or employees as now authorized by law: *Provided further*, That where the nature of the duties of a per diem officer or employee render it advisable, the provisions of subsection (b) may be applied in lieu of the provisions of this subsection.

"(b) Each officer or employee receiving compensation on an annual basis at the rate of more than \$1,000 per annum shall be furloughed without compensation for one calendar month, or for such periods as shall in the aggregate be equivalent to one calendar month, for which latter purpose 24 working days (counting Saturday as one-half day) shall be considered as the equivalent of one calendar month: *Provided*, That where the nature of the duties of any such officer or employee render it advisable, the provisions of subsection (a) may be applied in lieu of the provisions of this subsection: *Provided further*, That no officer or employee shall, without his consent, be furloughed under this subsection for more than five days in any one calendar month: *Provided further*, That the rate of compensation of any employee furloughed under the provisions of this act shall not be reduced by reason of the action of any wage board during the fiscal year 1933.

"(c) If the application of the provisions of subsections (a) and (b) to any officer or employee would reduce his rate of compensation to less than \$1,000 per annum, such provisions shall be applied to him only to the extent necessary to reduce his rate of compensation to \$1,000 per annum.

"Sec. 102. No officer or employee shall be exempted from the provisions of subsections (a) and (b) of section 101, except in those cases where the public service requires that the position be continuously filled and a suitable substitute can not be provided, and then only when authorized or approved in writing by the President of the United States. The Director of the Bureau of the Budget shall report to Congress on the first Monday in December in 1932 and 1933 the exemptions made under this section divided according to salary, grade, and class.

"Sec. 103. All rights now conferred or authorized to be conferred by law upon any officer or employee to receive annual leave of absence with pay are hereby suspended during the fiscal year ending June 30, 1933.

"DEFINITIONS

"Sec. 104. When used in this title—

"(a) The terms 'officer' and 'employee' mean any person rendering services in or under any branch or service of the United States Government or the government of the District of Columbia, but do not include (1) officers whose compensation may not, under the Constitution, be diminished during their con-

tinuance in office; (2) Senators, Representatives in Congress, Delegates and Resident Commissioners; (3) officers and employees on the rolls of the Senate and House of Representatives; (4) carriers in the Rural Mail Delivery Service; (5) officers and members of the Police Department of the District of Columbia, of the Fire Department of the District of Columbia, of the United States park police in the District of Columbia, and of the White House police; (6) teachers in the public schools of the District of Columbia; (7) public officials and employees whose compensation is derived from assessments on banks and/or is not paid from the the Federal Treasury; (8) the enlisted personnel of the Army, Navy, Coast Guard, and Marine Corps; (9) postmasters and postal employees of post offices of the first, second, and third classes whose salary or allowances are based on gross postal receipts, and postmasters of the fourth class; (10) any person in respect of any office, position, or employment the amount of compensation of which is expressly fixed by international agreement; and (11) any person in respect of any office, position, or employment the compensation of which is paid under the terms of any contract in effect on the date of the enactment of this act, if such compensation may not lawfully be reduced.

"(b) The term 'compensation' means any salary, pay, wage, allowance (except allowances for subsistence, quarters, heat, light, and travel), or other emolument paid for services rendered in any civilian or noncivilian office, position, or employment; and includes the retired pay of judges, and the retired pay of all commissioned and other personnel of the Coast and Geodetic Survey, the Lighthouse Service, and the Public Health Service, and the retired pay of all commissioned and other personnel (except enlisted) of the Army, Navy, Marine Corps, and Coast Guard; but does not include the active or retired pay of the enlisted personnel of the Army, Navy, Marine Corps, or Coast Guard; and does not include payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of employees.

"(c) In the case of any office, position, or employment, the compensation for which is calculated on a piecework, hourly, or per diem basis, the rate of compensation per annum shall be held to be the total amount which would be payable for the regular working hours and on the basis of 307 working days, or the number of working days on the basis of which such compensation is calculated, whichever is the greater.

"COMPENSATION REDUCTIONS

"SEC. 105. During the fiscal year ending June 30, 1933—

"(a) The salaries of the Vice President and the Speaker of the House of Representatives are reduced by 15 per cent; and the salaries of Senators, Representatives in Congress, Delegates, and Resident Commissioners are reduced by 10 per cent.

"(b) The allowance for clerk hire of Representatives in Congress, Delegates, and Resident Commissioners is reduced by 8½ per cent, such reduced allowance to be apportioned by the Representative, Delegate, or Resident Commissioner among his clerks as he may determine, subject to the limitations of existing law, but the compensation of such clerks shall not be subject to reduction under subsection (c) of this section.

"(c) The rate of compensation of any person on the rolls of the Senate or of the House of Representatives (other than persons included within subsection (a)), if such compensation is at a rate of more than \$1,000 per annum, is reduced by 8½ per cent, except that if the rate of compensation is \$10,000 or more such rate shall be reduced by 10 per cent.

"(d) In the case of the following persons the rate of compensation is reduced as follows: If more than \$1,000 per annum but less than \$10,000 per annum, 8½ per cent; if \$10,000 per annum or more, but less than \$12,000 per annum, 10 per cent; if \$12,000 per annum or more, but less than \$15,000 per annum, 12 per cent; if \$15,000 per annum or more, but less than \$20,000 per annum, 15 per cent; if \$20,000 per annum or more, 20 per cent.

"(1) Persons exempted under section 102 from the provisions of subsections (a) and (b) of section 101;

"(2) Carriers in the rural mail delivery service, but in the case of such carriers the term 'compensation' does not include the allowance for equipment maintenance;

"(3) Officers and members of the police department of the District of Columbia, of the fire department of the District of Columbia, of the United States park police in the District of Columbia, and of the White House police;

"(4) Teachers in the public schools of the District of Columbia;

"(5) Postmasters and postal employees of post offices of the first, second, and third classes whose salaries or allowances are based on gross postal receipts, and postmasters of the fourth class;

"(6) Officers and employees (as defined in section 104 (a)) occupying positions the nature of the duties and periods of work of which make it impracticable to apply the provisions of subsections (a) and (b) of section 101;

"(7) Officers and employees (as defined in section 104 (a)), not otherwise provided for in this section, to whom the provisions of subsections (a) and (b) of section 101 do not apply.

"(e) Subsections (c) and (d) of this section shall not operate (1) so as to reduce any rate of compensation to less than \$1,000 per annum, or (2) so as to reduce the rate of compensation of any of the postmasters or postal employees provided for in paragraph (5) of subsection (d) of this section, to a rate which is less than 91½ per cent of his average rate of compensation during the calendar year 1931.

"RETIRED PAY

"SEC. 106. During the fiscal year ending June 30, 1933, the retired pay of all judges (except judges whose compensation may not, under the Constitution, be diminished during their continuance in office) and the retired pay of all commissioned and other personnel (except enlisted) of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Lighthouse Service, and the Public Health Service shall be reduced as follows: If more than \$1,000 per annum but less than \$10,000 per annum, 8½ per cent; if \$10,000 per annum or more, but less than \$12,000, 10 per cent; if \$12,000 per annum or more, but less than \$15,000 per annum, 12 per cent; if \$15,000 per annum or more, but less than \$20,000, 15 per cent; if \$20,000 per annum or more, 20 per cent. This section shall not operate so as to reduce any rate of retired pay to less than \$1,000 per annum.

"SPECIAL SALARY REDUCTIONS

"SEC. 107. (a) During the fiscal year ending June 30, 1933—

"(1) The salary of each of the members of the International Joint Commission, United States section, shall be at the rate of \$5,000 per annum;

"(2) The salaries of the following officers shall be at the rate of \$10,000 per annum: Commissioners of the United States Shipping Board, members of the Federal Farm Board (except the Secretary of Agriculture), members of the Board of Mediation, commissioners of the Interstate Commerce Commission, commissioners of the United States Tariff Commission, the American commissioner of the General Claims Commission, United States and Mexico, and the umpire and American commissioner of the Mixed Claims Commission, United States and Germany;

"(3) No officer or employee of any of the boards or commissions enumerated in paragraph (1) or (2) shall (except as provided in paragraph (4)) receive salary at a rate in excess of \$10,000 per annum;

"(4) No officer or employee of the United States Shipping Board, the United States Shipping Board Merchant Fleet Corporation, or the Reconstruction Finance Corporation shall receive salary at a rate in excess of \$10,000 per annum, except that in the case of any position the salary of which at the date of the enactment of this act is at a rate in excess of \$12,500 per annum such salary may be at a rate not in excess of \$12,500 per annum; and

"(5) The salaries and retired pay of all judges (except judges whose compensation may not, under the Constitution, be diminished during their continuance in office), if such salaries or retired pay are at a rate exceeding \$10,000 per annum, shall be at the rate of \$10,000 per annum.

"(b) The furlough provisions and the compensation reductions contained in other sections of this title shall not apply to any office, position, or employment the salary or retired pay of which is reduced or fixed under the provisions of subsection (a) of this section.

"GOVERNMENT CORPORATIONS

"SEC. 108. In the case of a corporation the majority of the stock of which is owned by the United States, the holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of sections 101, 102, 103, 105, and 107 to offices, positions, and employments under such corporation and to officers and employees thereof, with proper allowance for any reduction in compensation since December 31, 1931.

"REMITTANCES FROM CONSTITUTIONAL OFFICERS

"SEC. 109. In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution, the Secretary of the Treasury is authorized to accept from such person, and cover into the Treasury as miscellaneous receipts, remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

"APPROPRIATIONS IMPOUNDED

"SEC. 110. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose but shall be impounded and returned to the Treasury.

"LIMITATION ON JURISDICTION OF COURTS

"SEC. 111. No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States.

"RURAL CARRIERS' EQUIPMENT ALLOWANCE

"SEC. 112. During the fiscal year ending June 30, 1933, payments for equipment maintenance to carriers in the Rural Mail Delivery Service shall be seven-eighths of the amount now provided by law."

Mr. JONES. I move that the Senate disagree to the amendment of the House to the amendment of the Senate, insist on its amendment, ask a further conference with the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JONES, Mr. SMOOT, Mr. HALE, Mr. BROUSSARD, and Mr. BRATTON conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A bill (H. R. 7233) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Mr. SMOOT. Mr. President, as I understand, it was agreed that appropriation bills might be taken up at any time. I therefore ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of the bill (H. R. 10022) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1933, and for other purposes.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 10022) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1933, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. SMOOT. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be considered first.

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

Mr. LA FOLLETTE. 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:

Ashurst	Copeland	Kendrick	Robinson, Ark.
Austin	Costigan	Keyes	Robinson, Ind.
Barbour	Couzens	King	Schall
Bingham	Dale	La Follette	Sheppard
Blaine	Fess	Lewis	Shortridge
Borah	Fletcher	McGill	Smoot
Bratton	Frazier	McKellar	Steiwer
Brookhart	George	McNary	Thomas, Idaho
Broussard	Hatfield	Metcalf	Thomas, Okla.
Bulow	Hawes	Moses	Townsend
Byrnes	Hayden	Norris	Trammell
Capper	Hebert	Nye	Vandenberg
Caraway	Howell	Oddie	Walcott
Carey	Johnson	Patterson	Watson
Connally	Jones	Pittman	White
Coolidge	Kean	Reed	

The VICE PRESIDENT. Sixty-three Senators having answered to their names, a quorum is present. The Secretary will state the first amendment.

The first amendment of the Committee on Appropriations was, under the subhead "Office of the President," on page 2, line 10, after the word "President," to strike out "\$96,180; in all, \$126,180" and insert "\$90,000; in all, \$120,000," so as to read:

Salaries: For Secretary to the President, \$10,000; two additional secretaries to the President at \$10,000 each; personal services in the office of the President, \$90,000; in all, \$120,000.

Mr. CONNALLY. Mr. President, will the Senator from Utah explain what activities are proposed to be eliminated by this amendment?

Mr. SMOOT. I will say to the Senator the committee thought that in the office of the President a reduction could be made just as in all other departments, and we made a reduction of \$6,180. They will have to get along with that much less money.

Mr. CONNALLY. It is a purely arbitrary cut?

Mr. SMOOT. It is an arbitrary cut.

Mr. CONNALLY. The Senator is not prepared to say just what functionaries of the White House will be lopped off?

Mr. SMOOT. I can not say, but we want them to save that amount of money.

Mr. CONNALLY. I congratulate the Senator.

AGRICULTURAL DEPARTMENT APPROPRIATION

Mr. McNARY. Mr. President, will the Senator from Utah yield to me so that I may present a motion in connection with the conference report on the agricultural appropriation bill?

Mr. SMOOT. I yield.

Mr. McNARY. I ask that the action of the House of Representatives on the agricultural appropriation bill may be laid before the Senate, and I desire to make a motion in connection with it.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives as to certain amendments still in disagreement on the House bill 7912, which was read:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,

June 21, 1932.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14 to the bill (H. R. 7912) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1933, and for other purposes," and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$9,678,762."

That the House recede from its disagreement to the amendment of the Senate numbered 15, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment insert "\$12,283,622."

That the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment insert "\$4,930,874."

That the House recede from its disagreement to the amendment of the Senate numbered 56, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment insert "\$2,471,700."

That the House recede from its disagreement to the amendment of the Senate numbered 82, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment insert "\$175,671,665."

That the House further insist upon its disagreement to the amendment of the Senate numbered 77.

Mr. McNARY. Mr. President, all the disagreements relate to totals except the last one, on amendment numbered 77, which is the so-called grasshopper amendment. The Senate appropriated a sum of money for the eradication of grasshoppers infesting certain regions in the western section of the country. The House, upon a vote, disagreed to the amendment. I ask now that the Senate agree to a motion for a further conference, so that another attempt may be made to adjust the difference. I ask that the clerk read the motion which I offer.

The VICE PRESIDENT. The clerk will read, as requested. The Chief Clerk read as follows:

I move that the Senate agree to the House amendments to Senate amendments numbered 14, 15, 30, 56, and 82.

I move that the Senate still further insist upon its amendment numbered 77 and ask a still further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

Mr. NORRIS. Mr. President—

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

Mr. McNARY. I yield.

Mr. NORRIS. Mr. President, several of the Senators who have been following this particular amendment are not present. I wish to ask the Senator from Oregon if there is anything else in controversy between the two Houses?

Mr. McNARY. No; nothing else at all.

Mr. NORRIS. The only item in dispute is the one involving the appropriation for the extermination of grasshoppers?

Mr. McNARY. That is exactly so, as I stated a moment ago.

Mr. NORRIS. And does the same condition prevail with respect to the joint resolution which the Senate passed on the same subject?

Mr. McNARY. Exactly.

Mr. NORRIS. What has happened that has caused that to be held up in the House?

Mr. McNARY. It has been held up in the House because that body disagrees to this item incorporated in the bill by the Senate, and I am asking for further consideration in the hope that the House will change its view.

Mr. NORRIS. Did not the House take a vote on the question?

Mr. McNARY. It took a vote and rejected it. I am asking for a further conference, as I have stated, in the hope that the House will recede from its position.

Mr. NORRIS. Does the Senator recall the vote on the roll call in the House?

Mr. McNARY. On the roll call, as I remember, there was a majority of some 50 votes against it.

Mr. NORRIS. There was not any possibility, as I take it, that the Senate conferees could reach an agreement with the House?

Mr. McNARY. The item will have to go back to the House for a vote, and it is the thought by those interested in the matter that probably the House will reverse its position on a further consideration of the item. So I am asking for a further conference, which is the usual course in matters of this kind.

Mr. NYE. Mr. President, if the Senator will yield, I should like to say, for the information of the Senator from Nebraska, that the vote in the House was determined, to a great extent, by a letter which had been written by the Secretary of Agriculture insisting that there was no longer need for this aid; that it was too late to give battle to the grasshoppers. Since that time the Secretary of Agriculture has written another letter revealing that he was in error in his first letter, and urging the appropriation. So it is hoped, in view of the second letter, that the House will give favorable consideration to the item.

Mr. NORRIS. Mr. President, I was familiar with everything that had been done in reference to this matter except the last letter of the Secretary, because I have been one of those in the Senate who informally have had several conferences with quite a large number of Members of the House as to this particular item. I realize what the Senator from Oregon is doing. I approve his course entirely and am not in any way finding fault with it, but it seems to me that a short discussion of this question may assist the conferees in securing an agreement.

A great many Members of both the Senate and House and a great many citizens all over the East and the South do not comprehend or understand what this particular appropriation really means. I am not finding fault with them, for they have never had any experience with the grasshopper pest. Some people look upon it as a joke. Those who live where grasshoppers are not a plague do not realize what it means. The immediate vicinity where I live in the West is not afflicted with this pest, and the appropriation will not be utilized there, although there are probably a couple of counties in the State of Nebraska and a large number of counties in South Dakota and some in some other States where the need is exceedingly great and where the situation is critical. I have been told by Members of the House that if they were to go home and tell their constituents they had voted Federal money to exterminate grasshoppers they would be laughed out of the country; they could not understand it; they would not know what it meant.

Those who have been through an experience of this kind realize that it is more or less local, but sometimes a large area is involved. One of the greatest afflictions that can come to an agricultural community is a grasshopper plague. In various sections of the West, where the soil is very fertile, crops have been utterly abandoned, because in the space of two or three days' time everything that was green, every

blade of grass, disappeared on account of a plague of grasshoppers.

There are two kinds of grasshoppers—I am not speaking from a scientific standpoint but in very general terms—one of which is the migratory grasshoppers, which come from localities more or less unknown; nobody really knows the origin of them; but they come in clouds so thick that one can not see the bright shining sun through them. They drop down upon an area perhaps as large as a county; and after they have eaten every living green thing, rise in the air and disappear. That has happened in different sections in years gone by, and crops in large areas have been destroyed. No one can foretell when something of that kind is going to happen; but I will say it very seldom happens.

The grasshoppers that do the damage are not what are called native grasshoppers; they are the other kind. The soil is filled with the eggs of these grasshoppers.

Because more or less of a lack of understanding, I think, of what it really means to large sections of the country, Members of Congress and the department were opposed to the appropriation. When the Senate was convinced, however, and put this item in the agricultural appropriation bill, it was rejected by the House. Afterwards, when that bill was held up, awaiting the economy program to proceed, the Senate passed a joint resolution for the purpose of relieving the conditions and eradicating this pest in South Dakota and northern Nebraska. It was thought then—and it was true—that expeditious action was necessary. It was known that the soil in those localities was filled with the grasshopper eggs, and that when they hatched out the grasshoppers would eat everything green in the vicinity. When the matter finally came before the House I think it is safe to say that the House was moved to a rejection of the item by a letter from the Secretary of Agriculture, which I think was written probably in the best faith, stating that it was too late then to take action. Now, there is still an opportunity to save a large area of country if this appropriation shall be provided and expeditious methods shall be employed by the department in acting under it.

I wanted to say this much so that it would be in the RECORD, and possibly aid the conferees somewhat when they come to consider this matter again.

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

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. I am not, of course, familiar with the grasshopper plague; I know what grasshoppers are, but they have never been a plague in the section of the country from which I come. I wish to ask the Senator can the Government or can anyone do very much to stamp out this pest after it has started its depredations; after the grasshoppers begin coming, can they be stopped?

Mr. NORRIS. I do not think a method has ever been devised that will completely exterminate them. The Agricultural Department, through its scientific bureaus, has been working on the problem for a good while.

Mr. McKELLAR. I know that we have spent a good deal of money on it, and it was properly spent, I presume; I am not saying that it was not.

Mr. NORRIS. It is like the boll weevil; the pest has never been, in my judgment, completely mastered.

Mr. McKELLAR. It has not been mastered, although appropriations have been made for the purpose for a good many years, as I see from the RECORD.

There is another question I should like to ask the Senator. Two or three weeks ago, I think it was, I saw in the newspapers that there had been a snowstorm in the section of the West where the grasshoppers are a plague, and it was stated, as I recall, that that snowstorm was more effective in stamping out grasshoppers than any other possible method of extermination. I should like to know what the Senator has to say about that. I am not familiar with the subject, but perhaps the Senator can explain about that.

Mr. NORRIS. Mr. President, in freezing weather when the grasshoppers first hatch, when they are small, a snow-

storm will destroy them; and while the snowstorm to which the Senator refers did a great deal of good, it was much more local than the grasshopper plague; it did not cover the whole area. However, when grasshoppers are fully grown I understand cold weather will not injure them. They will freeze, then thaw out again, and be as good as ever when they thaw out.

Mr. FLETCHER. Mr. President, an Associated Press dispatch which I saw in the morning paper carried a statement about Manitoba, where the account indicated that some 20 miles of railroad were closed down or interfered with; that they could not even operate trains on this track for some 20 miles on account of grasshoppers. They had to use sand in order to move the trains at all. I wonder if that is the same matter.

Mr. NORRIS. I am glad the Senator called attention to that, because most people, when they read that account in the newspapers, will say, "Why, that is all phantom. It is all buncombe. There is nothing to it. It is just a joke that somebody has written."

Of course, I do not know about the particular article in question. I did not happen to read it; but I do know that it is an actual fact that trains have been stopped on account of the grasshopper plague, and I have talked with the engineers who operated the trains.

Most people would think it is a fairy tale; but in the instances with which I am familiar, here is what happened: Take a cool morning, for instance, when the sun is shining brightly and warms up the country; and, as everybody knows, the rails would be in the sun, and would become warm. The grasshoppers would cover the rails, and the wheels running over them would mash the grasshoppers; and if you are going up a grade, it has the same effect as though you had greased the rails.

Mr. ASHURST. Or soaped the track.

Mr. NORRIS. Or as if you had soaped the track, as the Senator says; yes. They would be unable to carry even an empty car up an ordinary grade.

Mr. NYE. Mr. President, I do not want to interrupt the thought of the Senator from Nebraska more than to suggest that since the House has taken action to-day looking to adjournment, when they do adjourn to-day, until Monday, it has been the hope that this report could be acted upon by the Senate to-day, and reported back to the House this afternoon.

Mr. NORRIS. I understand that the House has adjourned.

Mr. NYE. That it has adjourned until Monday?

Mr. NORRIS. That announcement was made here by the Senator from Arkansas.

Mr. NYE. I am very sorry to hear that, if that is the case, because then no action can be taken before Monday.

Mr. KING. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I am glad to yield to the Senator from Utah.

Mr. KING. A few weeks ago, after we had passed the bill, I saw a number of reports, some of them emanating from South Dakota and some from Minneapolis, that a very heavy snowstorm, accompanied by intense freezing, had occurred in that vicinity, the result of which was that an appropriation for grasshopper extermination was not required; and it was said that it would have the farmers there millions of dollars. Was that report inaccurate?

Mr. NYE. Mr. President, to some extent that report was true; and Heaven alone knows what the result might have been had it not been for the snowstorm.

It was my privilege, however, on last Saturday and last Sunday to visit sections of my own State; and it was not necessary to inquire what the grasshoppers that had not been destroyed by the snowstorms in that section were doing to damage the crops at that time. One farmer—and he was only one of many—revealed how, during the last three days, the grasshoppers had destroyed a wonderfully fine crop, covering 60 or 70 acres of ground; and there is a very thorough conviction that this appropriation, if made avail-

able now, can be used very profitably to check the damage which is in prospect if we take no action at all.

I hope the Senate will insist thoroughly upon its amendment to the appropriation bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

The VICE PRESIDENT. The Chair appoints as conferees on the part of the Senate the Senator from Oregon [Mr. McNARY], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. KEYES], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Arizona [Mr. HAYDEN].

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10022) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1933, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the committee, which has been stated.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, on page 2, at the end of line 22, to strike out "\$43,500" and insert "\$35,000," so as to read:

Contingent expenses: For contingent expenses of the executive office, including stationery, record books, telegrams, telephones, books for library, furniture and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items, to be expended in the discretion of the President, \$35,000.

The amendment was agreed to.

The next amendment was, on page 2, line 23, to reduce the appropriation for printing and binding for the Executive office from \$2,700 to \$2,000.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 2, to strike out "\$25,000" and insert "\$20,000," so as to read:

Traveling expenses: For traveling and official entertainment expenses of the President of the United States, to be expended in his discretion and accounted for on his certificate solely, \$20,000.

The amendment was agreed to.

The next amendment was, under the subhead "Executive Mansion and grounds," on page 3, at the end of line 10, to strike out "\$142,000" and insert "\$125,000," so as to read:

For the care, maintenance, repair and alteration, refurbishing, improvement, heating, and lighting, including electric power and fixtures of the Executive Mansion, the Executive Mansion greenhouses, including reconstruction, and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other act, \$125,000.

The amendment was agreed to.

The next amendment was, on page 3, line 12, to reduce the total appropriation for the Executive Office from \$429,389 to \$392,000.

Mr. NORRIS. Mr. President, I will say to the Senator from Utah that there is going to be, as I understand, considerable debate on some provisions of this bill. I want to discuss them at some length. I dislike very much to be required to start to-day.

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

Mr. NORRIS. I yield.

Mr. SMOOT. I think I know what the Senator has in mind. He is referring to the amendment regarding the Interstate Commerce Commission.

Mr. NORRIS. Principally the Interstate Commerce Commission and the Federal Trade Commission; both.

Mr. SMOOT. Yes; both of them. Whenever there is an item that the Senator wants to have go over, I suggest that he ask to have it go over, and let us finish the bill with the exception of those items.

Mr. NORRIS. I want to do that. That was my object in calling the Senator's attention now to what probably will take place, I think, regarding those two particular commissions. So far as I know, that is all.

Mr. SMOOT. I think those are the only ones. They are the only ones that I know about.

Mr. NORRIS. Would the Senator be willing that the appropriations in regard to those two particular commissions should go over, and devote the balance of the afternoon to the remaining portions of the bill?

Mr. SMOOT. Mr. President, I do not know how long it will take. I do not think the others will take very much time.

Mr. NORRIS. I will say to the Senator that it may be that somebody else will be prepared to go ahead who wants to debate them; and, if so, I have no objection.

Mr. SMOOT. We will see.

Mr. NORRIS. Personally, while I could go ahead, I dislike to do it, because I could not finish to-night; so I would rather say to-morrow what I have to say.

Mr. SMOOT. Let us proceed with the amendments, Mr. President; and when we come to an amendment which the Senator from Nebraska desires to discuss, I will ask him to mention the fact that he is opposed to it, and it can be passed over.

The VICE PRESIDENT. Does the Senator ask that the pending amendment be passed over?

Mr. NORRIS. No.

Mr. MOSES. What is the pending amendment?

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 3, line 12, it is proposed to strike out "\$429,380" and insert "\$392,000."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the heading "Independent establishments," on page 3, after line 13, to strike out:

ALIEN PROPERTY CUSTODIAN

Funds available to the office of the Alien Property Custodian for administrative expenses in the District of Columbia shall not be used for the purchase, maintenance, operation, and/or repair of any passenger automobile.

Mr. MOSES. Mr. President, may I ask the Senator in charge of the bill the reason for this particular amendment?

The Senator himself will remember a more or less heated argument which he and I had in the subcommittee with reference to automobiles for executive departments, not for any of these bureaus, and especially for a bureau which is supposed gradually to be petering out. I observe, on looking through the bill, that no other of these bureaus that I can find, except the General Accounting Office, is provided with passenger-carrying motor-driven vehicles. Just what is the reason for this?

Mr. SMOOT. The Senator refers to the striking out of the automobile for the Alien Property Custodian?

Mr. MOSES. The amendment does not strike it out. It provides that he shall have one. What is the idea?

Mr. SMOOT. We struck it out, Mr. President.

Mr. MOSES. No, no; you did not.

Mr. SMOOT. Oh, yes!

Mr. MOSES. Oh, no! The language of the House bill is that the funds shall not be used for this purpose, and the committee strikes out that provision. In other words, the result is that he may use the fund for an automobile.

I have no objection to the Alien Property Custodian having an automobile. He is a former colleague of ours, and a very excellent gentleman; but I want to know why that prohibition is stricken out here, and none of the other bureaus carried in this measure is extended similar favoritism.

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

Mr. MOSES. Yes.

Mr. KING. I think the Alien Property Custodian's position should be abolished. When it was created, there was an understanding that it should last for one year; but years have gone by, and this organization, like all organizations that are Federal in character, has become immortal.

Mr. MOSES. It is gradually wearing out; there is no question about that; but what I want to know from the colleague of the Senator from Utah who is now addressing me is why this particular bureau is treated with this favoritism and the other bureaus are not?

I would not ask this question, Mr. President, but for the fact that the senior Senator from Utah [Mr. Smoot] and I have had more or less conversation of a hectic nature in the committee room with reference to automobiles for the executive departments.

Mr. SMOOT. Mr. President, this does not come out of public money at all. It is money of their own; and we thought we would not say to them that they could not use that money for automobiles.

Mr. MOSES. It is not public money in the sense that it does not come out of the Treasury of the United States, but it is money which we hold in trust.

Mr. KING. Exactly.

Mr. MOSES. We hold it in trust for certain aliens, and that trust money is to be used here. I do not quite see the reason for it. At this stage of a session, with a bill proceeding as this one is under an agreement where we are to take up supposedly noncontroversial items, I am perfectly well aware that nothing I can say here will have any ultimate effect upon what is done with reference to the measure; but I do want the Senate to know the reason.

The Senator now says this is not public money. No; it is money belonging to some ward of ours—money which we hold in trust.

Mr. McKELLAR. Mr. President, I want to appeal to the Senator from Utah to permit this amendment to be rejected. I think the Senator from New Hampshire is entirely right, and that we ought to treat all these officers in the same way.

The Alien Property Custodian is a good friend of mine. I like him very much, but I think he ought not to be treated differently from the others in this bill, so I ask the Senator from Utah to accede to the rejection of the amendment.

Mr. MOSES. Mr. President, if I may go on a little farther in comment—if we go through this bill we will find that the Senate committee has put in an amendment providing that there may be a passenger-carrying vehicle for the General Accounting Office. That is an office where they have to be going back and forth from the various executive departments and bureaus to the General Accounting Office. I can understand that there is a very good reason there why, in the interest of the conduct of the public business, that should be done; but this amendment I can not understand, unless it is intended to take the money belonging to some one of our wards in order to maintain an automobile for the chief of an independent bureau which has been gradually wearing out.

Mr. SMOOT. Mr. President, as far as I am personally concerned, I am willing that the amendment shall be rejected.

Mr. McKELLAR. Let us vote on it, then, and reject it.

Mr. SMOOT. They have had an automobile for a long time, and they urged us to permit it to be continued because of the fact that it was not paid for out of public funds. I do not care, however. As far as I am concerned, the amendment may be rejected.

Mr. MOSES. Very well. If the Senator in charge of the bill is now about to ask that the Senate reject this amendment, I hope that suggestion of his will be followed; and I withdraw anything I may have said which could be looked upon in any sense as an implication of criticism of him.

Mr. ROBINSON of Arkansas. Mr. President, of course every lawyer understands that a trust fund must be handled with extreme care, and that unnecessary expenditures can not be made by the trustee without violating the spirit of the trust. If, therefore, we apply to Government funds a provision that automobiles shall not be purchased or repaired from them, we ought not to apply a different rule to a trust fund.

Mr. NORRIS. Mr. President, I should like to say a word or two on this question.

I do not claim to have sufficient information to express an opinion as to whether the Alien Property Custodian, in his official capacity, ought to have an automobile or not. If he should have, in the transaction of his official business, he ought, of course, to be allowed to have one. Without knowing anything about it except general knowledge of what his office is for, and what he does, I am unable to see anything that comes before him in an official way that makes it necessary for him to have an automobile. That being true, he ought not to have one at the expense of the ward whose money he handles any more than he ought to have it if he is an official of the Government of the United States.

To my mind, we ought to be more careful with this money than if it were our own money. If it were our own money, to a great extent being responsible to our own people, we would have a greater liberty, it seems to me, in all good conscience, in handling it as we pleased. But it is not our money, and the chairman of the committee says to the Senate that the reason given for putting this provision in is that it is not our money anyway, it is trustee money, and therefore we will let them have this extra amount to buy automobiles.

Mr. SMOOT. The same fund he has had in the past.

Mr. NORRIS. In other words, they have been doing it in the past with this trust money, so why not continue in our sinful way? The day of salvation has come. The crisis has reminded us that if we have not had religion before, we ought to get it now.

To my mind, Mr. President, unless there is justification for it—and, as I said before, I am not prepared to deny that there is need of it, I am willing to be shown—unless it can be shown, it seems to me that we ought to guard these funds with more jealous care than the property of the United States.

Our custodian is in charge of money and property which does not belong to us, and we ought to handle them so that in the future no one from any part of the world—and some of this money belongs to people in various countries across the water—could point a finger at the American Government and say, "You squandered our money while we were helpless, and while you held it as a trust fund."

So that instead of it being an argument that it is somebody else's money, and that therefore we do not need to be very careful with it, it seems to me the real logic of the situation is just the reverse, and unless it can be shown that in his official capacity the Alien Property Custodian needs these automobiles, we ought to reject this amendment. The amendment strikes out what the House inserted—a provision making it unlawful to use any of these funds for the purpose of buying automobiles.

I suppose every Member of the Senate knows who the custodian is, a former Member of this body, a man who served here for one term, at least, and I believe that everybody who had any acquaintance with him recognized him as one of the finest Members of the Senate. So there is nothing personal in this, as far as I am concerned. But we should not permit ourselves to use these trust funds, even though they go to some one who is probably a personal friend of almost every Member of the Senate.

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

Mr. NORRIS. I yield.

Mr. KING. Does not the Senator believe that a practice has grown up, sanctified by years, unfortunately, of furnishing automobiles to a large number of employees and officials who should not have them?

Mr. NORRIS. I have no doubt of it.

Mr. KING. The Speaker of the House of Representatives, the Hon. JOHN GARNER, set a very admirable example. If I had my way, instead of furnishing automobiles for the Secretaries and Sergeants at Arms, and hundreds of officials of the Government, I would adopt some measure that would prevent that. Why should they have automobiles? Senators are not furnished automobiles by the Government. They have to visit the departments, they have important responsibilities resting upon them, and other officials of the Government are not furnished automobiles whose labors,

perhaps, are as important as those of hundreds, if not thousands, of officials who do have automobiles. Wherever you go in this city, and in others, you find automobiles furnished by the Government marked "U. S. A." or "Official Car," and we know that hundreds and hundreds of those should not be used.

Mr. NORRIS. Mr. President, I agree with the Senator, although I am not able to say whether this automobile or that automobile ought to be furnished by the Government or not, because I do not have sufficient information in regard to the matter. But I have very often had my attention called to incidents where automobiles were wrecked two or three hundred miles away from Washington, automobiles which came from Washington, and they were official automobiles.

Mr. ROBINSON of Arkansas. On official business?

Mr. NORRIS. The business was entirely one of sightseeing, where the official was not there himself, but some member of his family, perhaps, was on a sightseeing tour, a perfectly legitimate thing. I am not objecting to that, but they ought to have gone in their own automobiles. The highest-price automobile known would be wrecked, and the next day the department would get a new one from the funds of the United States. If you would banish the social functions of many of our officials, you would banish with it the necessity of a lot of automobiles and chauffeurs paid for by the Government.

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

Mr. NORRIS. I yield.

Mr. McKELLAR. When the Senator's own President sets the example by having, I believe, nine automobiles, can the Senator wonder that those under him want as many as they can get?

Mr. NORRIS. No; I do not wonder.

Mr. SMOOT. Mr. President, there is no appropriation to pay for nine automobiles for the President of the United States, and I want to say that this is the first year that the Committee on Appropriations have had special legislation affecting automobiles. On page 56, section 3 reads as follows:

Sec. 3. No part of any money appropriated by this act shall be used for purchasing any motor-propelled passenger-carrying vehicle (except busses, station wagons, and ambulances) at a cost, completely equipped for operation, in excess of \$750, except where, in the judgment of the heads of the sundry executive boards, commissions, and offices, provided for herein, special requirements can not thus be efficiently met, such exceptions, however, to be limited to not to exceed 10 per cent of the total expenditures for such motor vehicles purchased during the fiscal year—

Again, in the House text it is provided:

including the value of a vehicle exchanged where exchange is involved; nor shall any money appropriated herein be used for maintaining, driving, or operating any Government-owned, motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only when the same is approved by the head of the department.

In no other appropriation bill has that language been used until this year.

Mr. NORRIS. This is the first?

Mr. SMOOT. This is the first.

Mr. NORRIS. I was thinking it was an old law, but I was going to say to the Senator that that is violated a thousand times every day in the city of Washington.

Mr. SMOOT. I should not wonder.

Mr. NORRIS. I would not want to go as far as does the language the Senator has read. I do not think we ought to be stingy about the matter. I have no objection to the head of a department having an official automobile. I do not care if he is taken to his home and brought back to his office in it, which that language would prevent. I have no objection to the President having all the automobiles he may need, and going to Rapidan, or to any other fishing resort, and enjoying himself, and paying for it from Government funds.

There is an item in this bill of \$35,000—and it seems as it passed the House it was \$43,500—to be expended in the

discretion of the President, which he could use if he wanted to, every cent of it, for automobiles.

Mr. SMOOT. That is for personal services.

Mr. NORRIS. It reads:

Contingent expenses: For contingent expenses of the Executive Office, including stationery, record books, telegrams, telephones, books for library, furniture, and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items, to be expended in the discretion of the President, \$35,000.

I am not objecting to the item. I do not have sufficient knowledge to know but that that is a very modest appropriation, but I am calling the attention of the Senators to the fact that the President could, if he desired, spend every penny of that for automobiles.

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

The amendment was rejected.

The next amendment was, under the heading "American Battle Monuments Commission," on page 4, line 14, after the word "of," to strike out "\$8" and insert "\$7"; in line 16, after the word "exceeding," to strike out "\$7" and insert "\$6"; and on page 5, line 2, after the word "periodicals," to strike out "\$400,000" and insert "\$200,000," so as to read:

For every expenditure requisite for or incident to the work of the American Battle Monuments Commission authorized by the act entitled "An act for the creation of an American Battle Monument Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923 (U. S. C., title 36, secs. 121-133), including the acquisition of land or interest in land in foreign countries for carrying out the purposes of said act without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes (U. S. C., title 34, sec. 520; title 40, sec. 255); the maintenance of memorials erected by the commission until the Secretary of War is advised of their completion and assumes their maintenance; employment of personal services in the District of Columbia and elsewhere; the transportation of, mileage of, reimbursement of actual travel expenses or per diem in lieu thereof to the personnel engaged upon the work of the commission; the reimbursement of actual travel expenses (not exceeding an average of \$7 per day for subsistence) or per diem in lieu thereof (not exceeding \$6 per day) to, and the transportation of the members of the commission, while engaged upon the work of the commission; the establishment of offices and the rent of office space in foreign countries; the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles which may be furnished to the commission by other departments of the Government or acquired by purchase; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields, memorials, and cemeteries in Europe; the purchase of maps, textbooks, newspapers, and periodicals, \$200,000, to be immediately available and to remain available until expended.

Mr. REED. Mr. President, I would like to ask the Senator from Utah upon what theory that cut was made. It seems to be the most severe cut made in any item in the bill.

Mr. SMOOT. No; there are other items cut as deeply as this.

Mr. REED. This is cut 50 per cent. Has the committee cut any others that much?

Mr. SMOOT. Yes; more than that.

Mr. REED. Why was this cut of 50 per cent made?

Mr. SMOOT. Because it was thought that under the circumstances \$200,000 was ample for the purchase of maps, textbooks, newspapers, and periodicals.

Mr. REED. If that is what the committee had in mind, I agree with them that \$200,000 is sufficient for the purchase of maps, textbooks, newspapers, and periodicals; but the trouble is that this commission is also engaged in building a very large number of monuments and chapels in the military cemeteries in France. It is engaged in the care and reconstruction of cemeteries in which American soldiers who died during the World War are buried in France and Belgium and England, and so the \$200,000 covers a good deal more than the purchase of maps and newspapers and periodicals.

Mr. McKELLAR. Mr. President, if the Senator will yield, I think all of the things the Senator has just mentioned are really to be provided for under the proviso beginning on line 3, page 5.

That the commission may incur obligations and enter into contracts for building materials and supplies and for construction work, which, inclusive of the amount herein and heretofore made available, shall not exceed a total of \$4,500,000.

I think the \$400,000 was particularly for the purposes set out from about line 17 on page 4 to line 2 on page 5. It was believed by the committee that \$200,000 would purchase all those supplies at this time, in view of the tremendous decrease in the prices of materials of all kinds.

Mr. REED. Mr. President, if the Senator will bear with me, I am a member of that commission, and I know what the work is. The maximum of \$4,500,000 has practically all been contracted for. I hope that every Member of the Senate will see what has been done. The American military cemeteries abroad are more beautiful than the cemeteries of any of the other nations. The British are very fine, but I think that ours are even better. I believe the American people will be very proud of what has been done there. We have something over 30,000 graves in eight different cemeteries, and within this program of four and a half million we have built a chapel in each of the cemeteries, we have built walls around the cemeteries, we have arranged, through the quartermaster's office, for the marble crosses which mark the graves in the cemeteries, we have built all of the monuments upon the battlefields—and they are superb monuments—and the commission is finishing its work. This \$400,000, or practically all of it, is needed to pay for work that is now under way.

We had before this same authority to make our program and to let our contracts. The commission began its work nine years ago. It is finishing this year. We are going to set an illustrious example to all of the other commissions of this Government by asking to be disbanded and discharged and the commission abolished in about another year. We are just finishing up our program.

When I saw about the action of the committee in cutting this item in half I sent a cablegram to General Pershing, who is chairman of the commission and is now in Paris, and this is his answer:

By postponement of dedications—

That is, the dedication ceremonies at these great monuments, like that at Chateau-Thierry, and Montfaucon, and St. Mihiel. We had arranged with the President of France to be present and to take part in the dedications, and it was all to be done with great dignity. But in view of the depression we did not think it was right to spend one penny of the taxpayers' money for ceremonies, so we have cut them out. I come back to the cablegram now:

By postponement of dedications, of travel of the commission—

That is, all of us except General Pershing are going to stay right here in this country. We get no junket out of it and never have had one except one single inspection trip in 1924. Every one of us has gone at his own expense in the years since then—

By postponement of dedications, of travel of the commission, and miscellaneous projects, the commission can accept appropriation two hundred seventy-five thousand, provided additional one hundred twenty-five thousand is available next fiscal year. Appropriation of two hundred thousand would require stopping construction work already started.

Practically everything is finished, I may say to the Senate, except the great monument at Montfaucon, which is not quite finished. We had great trouble with the foundation. We found that holes had been tunneled through by the owners in the Middle Ages until it was just a honeycomb of subterranean chambers, and the foundations consequently had to go down very deep. That delayed the monument. If we do not get the \$275,000 to finish the contracts, we are exposing ourselves to suits at the hands of French contractors who are doing the work, and Heaven help any American who gets sued in France by a Frenchman.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER (Mr. HEBERT in the Chair). Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. REED. I yield.

Mr. NORRIS. I am very much interested in what the Senator has said, but I want to ask him if the difficulty he speaks of is not taken care of by the proviso.

Mr. REED. No; because we can not pay the contractors with a proviso. We have to have the cash to pay them on the contracts to which we are already committed.

Mr. NORRIS. The \$200,000 is not to be used for that purpose, is it?

Mr. REED. Oh, yes; for every expenditure in connection with the work of the commission.

Mr. NORRIS. From my hurried reading of the language I doubt very much whether the Senator's commission would be authorized to use the money for the purposes about which he has been speaking.

Mr. REED. On page 3, line 20, the language is "for every expenditure, * * * including the acquisition of land," which is the same language under which we have been working for nine years, and under which we have already cleaned up about \$4,100,000 worth of the program. We are just at the end of it. That proviso is almost meaningless now because the program is practically completed.

Mr. NORRIS. If the Senator's view is the correct one, then it seems to me that unless the commission wanted to go beyond what the Senator says they intend to do, the proviso would not amount to anything.

Mr. REED. All that is left is the finishing of the Mont-faucon monument and the approaches to it.

Mr. NORRIS. The contracts have been made?

Mr. REED. Yes; most of them.

Mr. NORRIS. The proviso provides that the commission may "incur obligations and enter into contracts for building materials and supplies and for construction work which, inclusive of the amount herein and heretofore made available, shall not exceed a total of \$4,500,000." If the commission has no intention of doing anything of that kind and work like that has been completed, that language ought to be stricken out.

Mr. REED. No; because we still have the approaches to clean up.

Mr. NORRIS. But the commission does not have to have such a broad limitation as \$4,500,000.

Mr. REED. The amount already expended and made available totals now over \$4,000,000, so the permission given us is very limited.

Mr. NORRIS. We have done that under a prior law, and we are now passing a new law. If this is passed then, the commission could go ahead and, in addition to that, authorize contracts that would amount to \$4,500,000.

Mr. REED. Oh, no. If the Senator will look at line 6, page 5, he will see that the \$4,500,000 is "inclusive of the amounts herein and heretofore made available," and that totals more than \$4,000,000; so the real latitude given us is very considerably less than \$500,000.

Mr. NORRIS. Then what is the use of providing to cover contracts that have already been made?

Mr. REED. It holds us down to the program we were set to accomplish in the beginning.

Mr. NORRIS. The commission would be held down to that anyway. They would be held down to the law under which they are acting now.

Mr. REED. The law under which we were organized set no limit. We established this program and have struggled to keep within it. This proviso ought to stay in the bill in order to compel us to stay within it.

Mr. McKELLAR. Mr. President—

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

Mr. REED. I yield.

Mr. McKELLAR. How much money has the commission remaining out of the \$4,500,000?

Mr. REED. It has not any.

Mr. McKELLAR. Is the \$200,000 the only money the commission will have after July 1?

Mr. REED. That is all we will have to work on during the coming year. It ought to be \$275,000.

Mr. McKELLAR. Will the Senator look over the purposes beginning on page 4 and down to line 2 on page 5? He will

see that the \$200,000 will be sufficient to meet all of those expenses—that is:

Employment of personal services in the District of Columbia and elsewhere; the transportation of, mileage of, reimbursement of actual travel expenses or per diem in lieu thereof to the personnel engaged upon the work of the commission; the reimbursement of actual travel expenses * * * or per diem in lieu thereof * * * to, and the transportation of the members of the commission, while engaged upon the work of the commission; the establishment of offices and the rent of office space in foreign countries; the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles which may be furnished to the commission by other departments of the Government or acquired by purchase; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields, memorials, and cemeteries in Europe; the purchase of maps, textbooks, newspapers, and periodicals.

That was peculiarly applicable to the \$200,000 as the Appropriations Committee understood, and it was believed by the committee, from the information it received from somebody who appeared before us, that the \$200,000 would apply to that and that the commission has a right to obligate the remaining portion not yet obligated of the \$4,500,000.

Mr. REED. I am sorry the committee got a misunderstanding. It arises from the fact that so much of the language has been continued from year to year.

Mr. McKELLAR. That is a habit of Congress which ought to be discontinued.

Mr. REED. I agree with the Senator about that. Here is the situation. All of the provisions about travel and mileage and buying automobiles and all that sort of thing are trivial in the extreme. I can assure the Senate that we are not going to buy another automobile. It would be foolish to do it. We want to wind up and clear out within the next 12 months. We are going to ask the President to accept our resignations and ask Congress to repeal the act creating the commission. We do not want to wither away. We want to go out with a crash.

Mr. NORRIS. I have been reading over the language carefully in the last few moments. I first had the same idea the Senator from Tennessee has, but I think anyone who will read the language carefully, commencing with line 20 on page 3, over to line 21 on page 5, and particularly up to and including the word "expended," in line 3, on page 5, will have to agree that the Senator from Pennsylvania is right in his construction. The \$200,000 applies to every expenditure provided for in the phraseology from line 20, on page 3, to the word "expended" in line 3, on page 5.

Mr. McKELLAR. That is just what I said a moment ago.

Mr. NORRIS. No; the Senator has not the idea. He thought the \$200,000 applied to the things he mentioned, which commence in line 18, page 4, but it has the same application to every one of those activities that it does to the others.

Mr. McKELLAR. Oh, I think so.

Mr. NORRIS. That being true, then the only money that the commission can use is the \$200,000, just as the Senator from Pennsylvania said a while ago, and that applies to all of the activities of the commission.

Mr. SMOOT. That is the way the committee understood it.

Mr. NORRIS. Then there was no misunderstanding.

Mr. McKELLAR. What else is there to be done by the commission over there now?

Mr. REED. We have the final payments to make upon the pending contracts with the French contractors.

Mr. McKELLAR. Does the Senator remember how much they are?

Mr. REED. All the contracts already awarded amount to about \$250,000.

Mr. McKELLAR. That is the only expense to which the commission will be put?

Mr. REED. Naturally General Pershing, in France, and the secretary of the commission, Major Price, in France, and the Engineer officers who supervise the building contracts, have to have their expenses paid. The Army pays their salaries. We are under no expense for salaries and we merely bear their traveling expenses.

Mr. McKELLAR. That applies to General Pershing?

Mr. REED. Yes. He gets no salary at all from the commission.

Mr. SMOOT. The Senator says if the \$200,000 is increased to \$275,000 it will be the last appropriation asked for?

Mr. REED. No; it will take \$125,000 more than that to finish the job. We can get along for the next 12 months with \$275,000, but we will have to have the \$125,000 to finish up next year.

Mr. SMOOT. In other words, the commission wanted the \$400,000.

Mr. REED. Yes; and we could finish up with that much, but we want to economize now and cut it down to \$275,000, and we will come back for the \$125,000 a year from now.

Mr. NORRIS. I would like to suggest to the Senator from Utah that he accept the proposal of the Senator from Pennsylvania.

Mr. SMOOT. Under the statement of the Senator from Pennsylvania I do not see how we can do anything else.

Mr. FLETCHER. Would it not be possible to bring in a deficiency appropriation to cover it?

Mr. SMOOT. The deficiency appropriation bill is very close at hand and we might as well do it now rather than take care of the \$75,000 in the deficiency bill.

Mr. McKELLAR. We could have a deficiency appropriation at the next session of Congress. All of the \$275,000 would not have to be spent before then. The Senator would not spend more than \$200,000 between now and January, for instance.

Mr. REED. But what is the use of making two bites of the cherry that we have to swallow? The contracts are already let.

Mr. McKELLAR. The principal reason is because we have a deficit of \$3,000,000,000 in the Treasury.

Mr. REED. That is true; and we are not going to spend the money one minute sooner or spend one cent more because of that fact. General Pershing is trying to hold down every penny of expense.

Mr. KING. Mr. President—

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

Mr. REED. I yield.

Mr. KING. After expending \$400,000 more will the \$4,500,000 referred to in the bill be exhausted?

Mr. REED. No; we will still have kept a little bit within the limiting figure of our program.

Mr. KING. Then all the expenses incurred and to be incurred, plus the buildings which have been erected and which will be erected, will not exceed the \$4,500,000?

Mr. REED. They will not. The Senator will agree we have received our money's worth when he sees what has been done.

Mr. KING. The \$200,000 provided in the bill as reported by the committee is rather for expenses for traveling, and maps, and so forth?

Mr. REED. Oh, quite the contrary. At least 90 per cent of it covers payments to be made to the contractors for the buildings. There is very little of it for traveling expenses.

Mr. NORRIS. I think Senators get an erroneous idea from the language because they figure that the \$4,500,000 is an appropriation when as a matter of fact it is only an authorization. The only money the commission has and that it can use is the money provided for in the appropriation here to be made.

Mr. REED. That is true.

Mr. NORRIS. That applies to expenses and buildings and to everything. The only money they get is that which is now provided in this particular appropriation.

Mr. REED. That is correct.

Mr. NORRIS. Then the limitation of \$4,500,000 is practically meaningless.

Mr. SMOOT. So far as I am able, I am perfectly willing to accept the \$275,000.

Mr. REED. Then, I move to amend the committee amendment in line 2, on page 5, by striking out "\$200,000" and inserting in lieu thereof "\$275,000."

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

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the heading "Arlington Memorial Bridge Commission," on page 6, line 14, after the figures "\$50," to strike out the colon and the following additional proviso:

Provided further, That no part of this appropriation shall be used to pay for the cost of reconstructing and paving Constitution Avenue east of Virginia Avenue, as provided in the approved project, except for such portions as may abut upon Government-owned property, and not in excess of 40 per cent of the cost of such reconstructing and paving of that portion of the said street which so abuts.

The amendment was agreed to.

Mr. KING. Mr. President, before we leave the Alien Property Custodian item I wish to ask my colleague whether there was any evidence before the subcommittee or the full committee as to the work of the Alien Property Custodian, how nearly completed it is, and why that organization is so immortal as to be continued three years after the period when it was alleged it would cease to function?

Mr. SMOOT. Mr. President the Senator must remember that when the question was under consideration at the time the last appropriation bill was before the Senate, about a year or so ago, it was stated that it would be at least two or three years before the work of the Alien Property Custodian would be finally concluded. I may say that they are doing everything they can to complete the work, but the Senator will also remember that Congress amended the law so as to place under the Alien Property Custodian another class of claims, and, of course, all those have to be investigated. I hope that the work of the custodian's office may be concluded within a year and a half.

Mr. KING. I should like to ask one other question. Who audits the accounts and determines the number of employees who may be maintained by the Alien Property Custodian?

Mr. SMOOT. That is supposed to be done by the Alien Property Custodian. I know, as I suppose the Senator does, that there have been a great many employees of that organization whose services have been dispensed with.

Mr. KING. I knew a number had been eliminated a year or two ago, but I did not know whether during the past year there had been any reduction in the force.

Mr. McKELLAR. Mr. President, the Senator from Utah and I came here about the same time, although perhaps, considering my service in the House, I have been in Congress a little longer. However, during the 20 years I have been here the only recollection I have of any bureau of any kind or description the work of which has ever been finally completed has been the Council of National Defense, and it took me three years of hard work to stop them.

The reading of the bill was resumed. The next amendment was, under the heading "Board of Mediation," on page 7, line 7, after the name "District of Columbia," to strike out "\$151,135" and insert—

\$115,000, and in addition thereto there is hereby reappropriated and made available for this purpose for the fiscal year 1933, \$30,000 of the combined unexpended balances of the appropriations for the fiscal years 1930 and 1931 for arbitration and emergency boards.

So as to read:

BOARD OF MEDIATION

For five members of the board, at \$12,000 each, and for other authorized expenditures of the Board of Mediation in performing the duties imposed by law, including personal services; contract stenographic reporting services without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); supplies and equipment; law books and books of reference; not to exceed \$200 for newspapers; periodicals; traveling expenses; rent of quarters in the District of Columbia, if space is not provided by the Public Buildings Commission, and rent of quarters outside the District of Columbia, \$115,000, and in addition thereto there is hereby reappropriated and made available for this purpose for the fiscal year 1933, \$30,000 of the combined unexpended balances of the

appropriations for the fiscal years 1930 and 1931 for arbitration and emergency boards, of which amount not to exceed \$117,000 may be expended for personal services in the District of Columbia.

Mr. SMOOT. I ask that the amendment in italics be disagreed to.

Mr. KING. That is fine.

Mr. SMOOT. It is provided for in another place, I will say to the Senator.

Mr. McKELLAR. The Senator does not mean to disagree to the amendment inserting \$115,000?

Mr. SMOOT. No; I mean the amendment in italics after the numerals "\$115,000."

Mr. McKELLAR. The amendment reducing the appropriation remains while the other portion of the amendment is stricken out?

Mr. SMOOT. Yes.

Mr. McKELLAR. That is entirely satisfactory.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah to the amendment of the committee on page 7 beginning in line 7.

Mr. McKELLAR. I ask to have stated the part of the amendment to be stricken out.

The PRESIDING OFFICER. The portion of the amendment proposed to be stricken out will be stated.

The Chief Clerk read as follows:

And in addition thereto there is hereby reappropriated and made available for this purpose for the fiscal year 1933, \$30,000 of the combined unexpended balances of the appropriations for the fiscal years 1930 and 1931 for arbitration and emergency boards.

Mr. KING. And a period should be inserted instead of the comma after the numerals "\$115,000."

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

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. COPELAND. Mr. President, as I understand the amendment, if as adopted, it merely strikes out the language in italics.

Mr. SMOOT. The language in italics following the numerals "\$115,000."

The reading of the bill was resumed. The next amendment was, on page 8, line 13, to reduce the total appropriation for the Board of Mediation from \$152,135 to \$116,000.

The amendment was agreed to.

The next amendment was, under the heading "Board of Tax Appeals," on page 9, line 1, after the word "supplies," to strike out "\$590,000" and insert "\$530,000," and in line 2, after the word "exceed," to strike out "\$534,100" and insert "\$481,000," so as to read:

For every expenditure requisite for an incident to the work of the Board of Tax Appeals as authorized under Title IX, section 900, of the revenue act of 1924, approved June 2, 1924, as amended by Title X of the revenue act of 1926, approved February 26, 1926, and Title IV of the revenue act of 1928, approved May 29, 1928, including personal services and contract stenographic reporting services to be obtained by renewal of existing contract, or otherwise, rent outside the District of Columbia, traveling expenses, car fare, stationery, furniture, office equipment, purchase and exchange of typewriters, law books and books of reference, periodicals, and all other necessary supplies, \$530,000, of which amount not to exceed \$481,000 may be expended for personal services in the District of Columbia.

Mr. KING. I inquire of my colleague why this large sum is required for the Board of Tax Appeals? It seems to me that is a very large sum. We have in some of the States courts of appeal and supreme courts with 5 or 8 or 10 judges, and yet we are appropriating more for the Board of Tax Appeals than is appropriated in many of the States for their courts of appellate jurisdiction, with personnel as large or, in any event, not very much less than that of this board.

Mr. SMOOT. I will say to the Senator that the appropriation for the Board of Tax Appeals last year was \$653,640. We have reduced that amount to \$560,000. The estimate for the board this year was \$635,000. We have, as I have said, reduced it down to \$560,000.

Mr. KING. The Senator from Michigan [Mr. COUZENS] and the leader upon the other side and myself were mem-

bers of the committee of five that had to do with the creation of the Board of Tax Appeals. I do not think any of us conceived that the annual cost of this organization would be as much as the sum carried in this bill. I supposed that the salaries of the members of the board and a few experts and possibly stenographers to aid them would be the aggregate cost, and that it would not exceed one hundred and fifty or two hundred thousand dollars. I am rather surprised at the large proportions of the appropriation asked for.

Mr. SMOOT. I wish to say that the sum proposed to be appropriated is a reduction below the appropriation of last year of \$93,640.

Mr. McKELLAR. Mr. President, I call the Senator's attention to the appropriation for the Supreme Court of the United States, which in the aggregate is \$280,500 or less than one-half of the appropriation proposed by this bill for the Board of Tax Appeals. That shows that the Supreme Court pays out no more money than it is required to pay; it is not extravagant; it is conservative and saving of the people's money and does not make requirements like the Board of Tax Appeals, which is young in the business and is asking for everything in sight.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. KING. Mr. President, I just wish to make one concluding remark, that in the next appropriation bill I hope the item for the Board of Tax Appeals will be more carefully scrutinized and that there will be economies that are not manifest in the bill before us.

The reading of the bill was resumed. The next amendment was, on page 9, line 6, to reduce the appropriation for all printing and binding for the Board of Tax Appeals, from \$35,000 to \$30,000.

The amendment was agreed to.

ENTERTAINMENT EXPENSES OF THE FOREIGN SERVICE

Mr. JONES. Mr. President, I have a letter which I have just received from the Secretary of State which I feel must be read into the RECORD.

The PRESIDING OFFICER. Without objection, the clerk will read.

The Chief Clerk read as follows:

DEPARTMENT OF STATE,
Washington, June 24, 1932.

The Hon. WESLEY L. JONES,
Chairman of the Committee on Appropriations,

United States Senate.

MY DEAR SENATOR: There has been brought to my attention a statement, that appears on page 13888 of the CONGRESSIONAL RECORD of June 20, 1932, which, because it is wholly without foundation and may completely mislead the public in regard to the expenditures of the Department of State, I feel certain you will agree, requires speedy correction. The statement is reported to have been made by a Senator, and is as follows:

"There was a recommendation for an appropriation for the State Department of \$400,000 for wine for foreign embassies. It was said that ambassadors and ministers of the United States in foreign countries appeared to better advantage when they had wine at their dinner parties. So we had a wine bill of \$400,000.

"When the Appropriations Committee cut it out the most earnest plea came from the State Department, 'For Heaven's sake, save our wine. We can not get along with our European neighbors and our foreign neighbors unless we serve them wine when they come to see us and when we give them dinner parties.' Think of it. There are 10,000,000 people out of employment in the United States, and yet the Government is spending \$400,000 for wine for our ambassadors to entertain. Oh Mr. President, 'willful waste makes woeful want' is an old saying; and if we continue this waste, this extravagance, this turning over of these immense sums to boards that squander it and throw it away and misuse it, there will come a day of reckoning just as sure as we sit here."

There has never been made, within the recollection of any officer now in this department, a recommendation to Congress for an appropriation for wine or other intoxicating liquors for any officer of the United States abroad or for the department at home. There have not been made and there are not now being made from appropriations under the control of the department any expenditures for wines or other alcoholic beverages. The Department of State has made no plea of any description to the Appropriations Committee of either House such as that described in the statement quoted.

The appropriation which was evidently in the mind of the Senator who made the statement quoted above was the appropriation

for representation allowances, since that is the only appropriation made for expenses of representation. The amount of that appropriation for the current year is \$125,000 and not \$400,000, as stated, and no amount is provided for the next fiscal year. The regulations controlling the expenditure of that appropriation are clear and unmistakable. The regulations prescribed by the President (Executive Order No. 5643, dated June 8, 1931), a copy of which is inclosed, provide that—

"Representation allowances may not be used for expenses in connection with any of the following subjects:

4. Purchase of alcoholic beverages."

The provisions of this order have been strictly and invariably observed with respect to this particular appropriation, and the same principles have been applied to expenditures from every appropriation under the control of this department.

This is not the first time during the present session of Congress that statements have been made in debate in the Senate that appropriations requested by the Department of State for the legitimate expenses of carrying on the foreign relations of the Government and protecting American interests in foreign countries have been expended for the purchase of alcoholic beverages for representatives of this country abroad. Such unfounded statements wholly contrary to the facts are likely to mislead the public and be prejudicial to this department unless they can be effectually corrected. In order that the denial of the truth of the statements which I have quoted may be made a matter of record in as public a manner as the statements themselves, I would greatly appreciate it if this letter could be prominently printed in the CONGRESSIONAL RECORD before the close of the present session. It seems to me that such a step is called for by the circumstances.

Sincerely yours,

HENRY L. STIMSON.

Mr. JONES. Mr. President, I have a copy of the Executive order referred to in this letter, and I ask that that may be printed in the RECORD in connection with the letter.

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

The matter referred to is as follows:

EXECUTIVE ORDER—REGULATIONS GOVERNING REPRESENTATION AND POST ALLOWANCES

In pursuance of the authorization contained in section 19 of the act of February 23, 1931 (46 Stat. 1209), which reads as follows:

"Sec. 19. That under such regulations as the President may prescribe, and within the limitations of such appropriations as may be made therefor, which appropriations are hereby authorized, ambassadors, ministers, diplomatic, consular, and Foreign Service officers may be granted allowances for representation; and also post allowances wherever the cost of living may be proportionately so high that in the opinion of the Secretary of State such allowances are necessary to enable such diplomatic, consular, and Foreign Service officers to carry on their work efficiently: *Provided*, That all such allowances shall be accounted for to the Secretary of State in such manner and under such rules and regulations as the President may prescribe and the authorization and approval of such expenditures by the Secretary of State, as complying with such rules and regulations, shall be binding upon all officers of the Government: *Provided further*, That the Secretary of State shall report all such expenditures annually to the Congress with the Budget estimates of the Department of State."

The following regulations are hereby prescribed to supersede the regulations established by Executive order dated July 22, 1930, which order is hereby canceled:

PURPOSES OF ALLOWANCES

The purposes for which these allowances are granted are (1) in the case of representation allowances, the assistance in the establishment and maintenance of official contacts, the upholding of the prestige of the United States in the communities in which its representatives are stationed, and the furtherance of its interests abroad in the ways recognized as customary in various parts of the world, and (2) in the case of post allowances, the supplementing of official income of officers wherever the cost of living is proportionately so high that these allowances are necessary to enable such officers to carry on their work efficiently.

SCOPE OF ALLOWANCES

Representation allowances are considered to include the following items:

1. Receptions on American national holidays.
2. Functions, formal or informal, such as receptions, dinners, and luncheons, given upon special occasions such as the usual official receptions incident to visits of United States naval vessels or of special commissions, or upon some other important happening, providing the means of reciprocating official courtesies received, either at a representative's home or at public places.
3. Tips and gratuities in accordance with custom in the various countries where such gratuities are, in the opinion of the representative, necessary or desirable for the maintenance of the prestige of the United States.
4. Purchases of flowers, wreaths, etc., upon appropriate occasions such as weddings, births, and deaths of important personages.
5. Expenses for entertainment of other kinds than that provided for in paragraphs 1 and 2 when considered reasonable and de-

sirable by the Secretary of State, provided that such expenses are shown to be for activities of representative importance.

6. Any other expenses which in the discretion of the Secretary of State are of a character to promote the representation of the United States abroad.

Post allowances are granted for the following purpose:

7. Assistance in adjusting official incomes at certain posts to the ascertained cost of living at such posts.

APPORTIONMENT OF ALLOWANCES

The Secretary of State is hereby authorized to make such allowances within the amounts appropriated from year to year to such diplomatic, consular, or Foreign Service officers as he may deem desirable to accomplish the purposes for which such allowances are granted.

ACCOUNTING

Detailed accounts shall be submitted monthly as to the expenditures made from representation allotments and the purposes for which they were made. Supporting vouchers shall be supplied in all cases for expenditures over \$5 made under paragraphs 1, 2, 4, and 5 of the section of this order entitled "Scope of allowances." A specific exception to this requirement is made under paragraph 2, where a function takes place at a representative's home. Vouchers need be submitted in this case only where a caterer or similar purveyor is called upon. In other cases an officer's certificate as to expenditures made in this connection will be sufficient. In all cases of receptions, dinners, and other entertainment, sufficient information should be included in the account to show the total cost per capita, which shall constitute sufficient detail for accounting purposes.

With regard to expenditures under paragraphs 3 and 6 of the section mentioned above, the amounts expended shall be supported by certificates of the officer in charge, except that where any expenditure exceeds \$15, a supporting voucher must be obtained.

The amount available to any officer should normally be divided into four equal parts, to be availed of to that extent every three months. This will permit an expenditure of more than one-twelfth of the fund in any one month but will nevertheless prevent a too early exhaustion of the fund. If more than one-fourth is spent in any three months, an explanation should accompany the account for such excess expenditure.

Due to express provisions of law, representation allowances may not be used for expenses in connection with any of the following objects:

1. Hire, purchase, operation, maintenance, or repair of any motor-propelled passenger-carrying vehicles.
2. Club or association dues.
3. Printing or engraving expenses.
4. Purchase of alcoholic beverages.

According to law, competitive bids must be obtained for all expenditures in excess of \$100, except where it is manifestly impossible to obtain such bids, in which case the circumstances rendering impossible the submission of such bids must be completely set forth.

The utmost care shall be exercised in the submission of the accounts for this fund, under the provisions of this order. The character of the appropriation is such that it is incumbent upon each officer in the field who has charge of the expenditure of this appropriation to make certain that the items for which he spends the money are amply justified.

A post allowance granted to an officer is available only during the part of the fiscal year in which he remains within the district to which he is assigned. In no case may an officer be entitled to more than one-twelfth of his yearly allowance in any one month, fractional months to be prorated similarly, unless otherwise specifically authorized by the Secretary of State.

The receipts of officers for post allowances allotted to them under paragraph 7 of the section of this order entitled "Scope of Allowances" will be submitted on standard Forms Nos. 275 and 275a with the regular accounts of the office to which the officer receiving the allowance is attached; and while itemization of expenditures made from such allowances is not necessary, it is incumbent upon each officer in the field to whom an allowance is made to utilize it to assist him in maintaining a standard of living that will permit him to carry on his work efficiently, as prescribed in the statute quoted above.

This order shall become effective July 1, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, June 8, 1931.

Mr. HAWES. Mr. President, that is a very serious charge against the State Department; but personally I was hoping that there might be some element of truth in it, because in every embassy and ministry throughout the world we find that without exception—last of all little Finland has changed—there can be no pleasant contact at a banquet or at a private home unless an American has his cocktail or his wine.

I do not believe American diplomacy would be successful outside of America in any country in the world where our representatives tried to do things antagonistic to the customs of the country. In the entire world, with the exception of Turkey—even including the Philippine Islands, where our

flag floats, where they have their breweries and their bars and their drinks—there is only one nation in the world where prohibition is even attempted to be enforced.

How can a diplomat from the United States represent our country, and do it in diplomatic fashion, without in some way deferring to the customs of the country? Frequently our Americans change the style of their trousers, and wear short pants because it is the custom of the country. If we send our diplomats abroad, and they want to converse with the statesmen of the world, if they are put down as prohibitionists a bar immediately arises which makes intimate and effective personal contact impossible.

I think possibly the Secretary of State is right in stating that the United States has not spent the sum of money referred to; but I should be very much disappointed in our foreign diplomacy if the representatives of our Government did not, out of their own pockets, spend an amount of money equal to that charged to the Secretary of State.

INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 10022) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1933, and for other purposes.

The reading of the bill was resumed.

The next amendment was, on page 9, line 7, to reduce the total appropriation, Board of Tax Appeals, from \$625,000 to \$560,000.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Efficiency," on page 9, line 15, after the words "in all," to strike out "\$199,440" and insert "\$150,000," and in line 16, after the word "exceed," to strike out "\$193,720" and insert "\$145,000," so as to read:

For chief of bureau and other personal services in the District of Columbia; contract stenographic reporting services; contingent expenses, including traveling expenses; supplies, stationery; purchase and exchange of equipment; not to exceed \$100 for law books, books of reference, newspapers, and periodicals; and not to exceed \$150 for street-car fare; in all, \$150,000, of which amount not to exceed \$145,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 9, line 20, to reduce the total appropriation for the Bureau of Efficiency from \$199,940 to \$150,500.

The amendment was agreed to.

The next amendment was, under the heading "Civil Service Commission," on page 9, line 23, after the name "District of Columbia," to strike out "\$772,080" and insert "\$716,000," so as to read:

Salaries: For three commissioners and other personal services in the District of Columbia, \$716,000.

The amendment was agreed to.

The next amendment was, on page 9, line 24, to reduce the appropriation for salaries of the field force, Civil Service Commission, from \$483,270 to \$452,270.

Mr. COUZENS. Mr. President, I should like to know why the appropriation for the field service is so large, in view of the fact that we are laying off employees instead of having examinations for more employees. It seems to me that that item is excessive under the present conditions.

Mr. SMOOT. Mr. President, last year we appropriated \$557,540 for the same work. We have cut that down to \$452,270.

Mr. COUZENS. What is the excuse for maintaining all of these field agents at this time? Just what do they do?

Mr. SMOOT. They hold all the examinations in every city in the United States.

Mr. COUZENS. Yes; but what is the purpose of holding all of these examinations when we are laying off employees and reducing employees? Where are all the new jobs to be filled that require \$450,000 for examinations?

Mr. SMOOT. They keep up these examinations so that whenever eligibles are called for they have them. They are held for two years, Mr. President. As long as they are on

the civil-service roll, they are there for two years. The field force keep these up every year so as to take care and have each one of the eligibles on the roll for two years' time.

Mr. COUZENS. How many employees are involved in this appropriation of \$452,000?

Mr. SMOOT. There are about 222 positions in the whole field service of the Nation.

Mr. COUZENS. Two hundred and twenty-two field positions?

Mr. SMOOT. Two hundred and twenty-two field positions.

Mr. COUZENS. To hold examinations and add to lists that are already crowded with eligibles waiting for jobs?

Mr. SMOOT. Well, of course they keep them up. They always have done it.

Mr. COUZENS. That is the point I am making. The Senator says that because they have always done it, it should be done now. That is the way the whole Government service is run. Because something always has been done, it must continue to be done.

Mr. SMOOT. Mr. President, the Senator would not want to go for two years without an appropriation for this purpose and have no eligible lists whatever, would he?

Mr. COUZENS. I think if we did not have any eligible lists for a year we would be very fortunate, because we never could use those that have already passed the examinations.

Mr. President, I move that the amount appropriated for this purpose be cut to \$200,000.

The PRESIDING OFFICER. The Senator from Michigan proposes an amendment in lieu of the committee amendment which will be stated.

The CHIEF CLERK. On page 9, line 25, in lieu of the committee amendment, the Senator from Michigan proposes to insert: "\$200,000."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. KING. Mr. President, may I have the attention of my colleague? I was called from the Chamber a moment ago to answer the telephone, and I wanted to discuss the question of the Bureau of Efficiency. I have a bill pending for its abolition, and I understood that the Senator from Tennessee had moved to strike out the entire item. It was passed during my absence. I ask that to-morrow I may have a chance to reconsider that matter.

Mr. SMOOT. Mr. President, I will say to my colleague that I sincerely hope such a thing as that will not happen. If we have any bureau that is trying to save money for the Government of the United States, it is the Bureau of Efficiency.

Mr. KING. I differ from my colleague. I was quite an earnest advocate of the Bureau of Efficiency for a number of years; but when I found that it had become merely a legislative investigating committee instead of an efficiency organization I changed my mind.

Mr. SMOOT. I hope my colleague will not blame that on the Bureau of Efficiency, because there has been no investigation made but that has been ordered by Congress, either the Senate or the House. All of that extra work that was done was done by order of one House or the other.

Mr. WALSH of Massachusetts. Mr. President, can not this matter be discussed to-morrow, in connection with the motion to reconsider?

Mr. KING. Yes; I have no objection.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 11, line 2, to strike out "\$76,000" and insert "\$41,000," so as to read:

For necessary traveling expenses, including those of examiners acting under the direction of the commission, and for expenses of examinations and investigations held elsewhere than at Washington and including not exceeding \$1,000 for expenses of attendance at meetings of public officials when specifically directed by the commission, \$41,000.

The amendment was agreed to.

The next amendment was, on page 11, line 15, after the word "for," to strike out "\$35,000" and insert "\$25,000," so as to read:

For contingent and miscellaneous expenses of the Civil Service Commission, including furniture and other equipment and repairs thereto; supplies; advertising; telegraph, telephone, and laundry service; freight and express charges; street-car fares not to exceed \$300; stationery; purchase and exchange of law books, books of reference, directories, subscriptions to newspapers and periodicals, not to exceed \$1,000; charts; purchase, exchange, maintenance, and repair of motor trucks, motor cycles, and bicycles; garage rent; postage stamps to prepay postage on matter addressed to Postal Union countries; special-delivery stamps; and other like miscellaneous necessary expenses not hereinbefore provided for, \$25,000.

The amendment was agreed to.

The next amendment was, on page 11, line 19, after the word "elsewhere," to strike out "\$54,000" and insert "\$40,000," so as to read:

For all printing and binding for the Civil Service Commission, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, \$40,000.

The amendment was agreed to.

The next amendment was, on page 11, line 20, to reduce the total appropriations for the Civil Service Commission from "\$1,460,720" to "\$1,314,640."

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask unanimous consent that the clerks be instructed to correct all totals, because right along there will be corrections made.

The PRESIDING OFFICER. Without objection, that order will be made.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the heading "Commission of Fine Arts," on page 12, line 6, after the word "commission," to strike out "\$9,475" and insert "\$7,500," and in line 7, after the word "exceed," to strike out "\$6,200" and insert "\$5,000," so as to read:

For expenses made necessary by the act entitled "An act establishing a Commission of Fine Arts," approved May 17, 1910 (U. S. C., title 40, sec. 104), including the purchase of periodicals, maps, and books of reference, and payment of actual traveling expenses of the members and secretary of the commission in attending meetings and committee meetings of the commission either within or outside of the District of Columbia, to be disbursed on vouchers approved by the commission, \$7,500, of which amount not to exceed \$5,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 12, line 11, to reduce the total appropriation for the Commission of Fine Arts from \$9,775 to \$7,800.

The amendment was agreed to.

The next amendment was, under the heading "Employees' Compensation Commission," on page 12, line 24, after the word "items," to strike out "\$466,026" and insert "\$425,000," so as to read:

For three commissioners and other personal services in the District of Columbia, including not to exceed \$1,000 for temporary experts and assistants in the District of Columbia and elsewhere, to be paid at a rate not exceeding \$8 per day, and for personal services in the field; for furniture and other equipment and repairs thereto; law books, books of reference, periodicals; stationery and supplies; traveling expenses; fees and mileage of witnesses; contract stenographic reporting services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent at the seat of government and elsewhere; and miscellaneous items, \$425,000.

The amendment was agreed to.

The next amendment was, on page 13, line 2, to reduce the appropriation for all printing and binding for the Employees' Compensation Commission, from \$8,000 to \$5,000.

The amendment was agreed to.

The next amendment was, on page 13, line 18, to reduce the appropriation for the Employees' Compensation Commission, from \$4,924,026 to \$4,880,000.

The amendment was agreed to.

The next amendment was, under the heading "Federal Board for Vocational Education," on page 14, line 23, before

the word "of," to strike out "\$93,805" and insert "\$85,000," and in line 24, after the word "exceed," to strike out "\$65,000" and insert "\$59,000," so as to read:

Salaries and expenses: For carrying out the provisions of section 2 of the act entitled "An act to provide for the further development of vocational education in the several States and Territories," approved February 5, 1929 (U. S. C., Supp. V, title 20, secs. 15b, 15c), \$85,000, of which amount not to exceed \$59,000 may be expended for personal services in the District of Columbia.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Utah what the appropriation for this item on line 23 was in the last appropriation bill?

Mr. SMOOT. Mr. President, it was \$94,380.

Mr. LA FOLLETTE. And how much was it reduced by the House—only \$1,000?

Mr. SMOOT. The House gave them the estimate of \$93,805. That was the estimate, Mr. President.

Mr. LA FOLLETTE. The Senate committee has reduced it to \$85,000?

Mr. SMOOT. It reduced it to \$85,000. We reduced the District of Columbia proportionately, as the Senator will see.

Mr. LA FOLLETTE. My understanding is that that is a very drastic cut in percentages. Am I correct about that?

Mr. SMOOT. No; as little as there is in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the committee.

The amendment was agreed to.

The next amendment was, on page 16, line 4, after the word "expenses," to strike out "\$77,860" and insert "\$65,000," and in line 5, after the word "exceed," to strike out "\$56,880" and insert "\$47,000"; so as to read:

Salaries and expenses: For making studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placements in suitable or gainful occupations, and for the administrative expenses of said board incident to performing the duties imposed by the act of June 2, 1920 (U. S. C., title 29, sec. 35), as amended by the act of June 5, 1924 (U. S. C., title 29, sec. 31), and the act of June 9, 1930 (U. S. C., Supp. V, title 29, secs. 31, 40), including salaries of such assistants, experts, clerks, and other employees, in the District of Columbia or elsewhere, as the board may deem necessary, actual traveling and other necessary expenses incurred by the members of the board and by its employees, under its orders; including attendance at meetings of educational associations and other organizations, rent and equipment of offices in the District of Columbia, and elsewhere, purchase of books of reference, law books, and periodicals, newspapers not to exceed \$50, stationery, typewriters and exchange thereof, miscellaneous supplies, postage on foreign mail, printing and binding, and all other necessary expenses, \$65,000, of which amount not to exceed \$47,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 16, at the end of line 15, to strike out "\$14,740" and insert "\$12,000"; so as to read:

Cooperative vocational rehabilitation of disabled residents of the District of Columbia: For personal services, printing and binding, travel and subsistence, and payment of expenses of training, placement, and other phases of rehabilitating disabled residents of the District of Columbia under the provisions of the act entitled "An act to provide for the vocational rehabilitation of disabled residents of the District of Columbia," approved February 23, 1929 (U. S. C., Supp. V, title 29, secs. 47-47e), \$12,000.

The amendment was agreed to.

The next amendment was, on page 17, line 4, to strike out "\$105,000" and insert "\$75,000," so as to read:

For extending to Porto Rico the benefits of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917 (U. S. C., title 20, secs. 11-18), in accordance with the provisions of the act entitled "An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Porto Rico," approved March 8, 1931 (U. S. C., title 20, secs. 11-18; title 29, secs. 31-35; U. S. C., Supp. V, title 20, sec. 30), \$75,000.

The amendment was agreed to.

The next amendment was, on page 17, after line 4, to strike out:

Appropriations available to the Federal Board for Vocational Education for salaries and expenses shall be available for expenses of attendance at meetings of educational associations and other organizations which in the discretion of the board are necessary for the efficient discharge of its responsibilities.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I send to the desk an amendment at this point.

The PRESIDING OFFICER. The amendment will be reported.

The CHIEF CLERK. On page 17, lines 18 and 19, to strike out the words "and clippings," so as to read:

FEDERAL FARM BOARD

For salaries and expenses in accordance with the provisions of the agricultural marketing act, approved June 15, 1929, and the act creating a Division of Cooperative Marketing in the Department of Agriculture, approved July 2, 1926, including stenographic reporting services to be obtained by the board through the civil service, by contract, or otherwise; not to exceed \$750 for newspapers.

Mr. SMOOT. Items were carried in former bills authorizing the purchase of newspaper clippings. The committee decided that we would stop that, and this is the first place where we are striking out the authorization. There will be three or four others in the bill.

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

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I wish to enter a motion to reconsider the votes whereby the committee amendments on pages 14, 15, 16, and down to and including line 10 on page 17 have been agreed to. My information does not agree with that given me by the Senator from Utah, and I wish to look into the amendments. I therefore desire to protect my parliamentary status.

The PRESIDING OFFICER. The motion will be entered.

The clerk will state the next amendment.

The next amendment was, under the heading "Federal Farm Board," on page 18, line 20, after the words "expenses," to strike out "\$1,000,000" and insert "all unexpended balances of appropriations for the Federal Farm Board are hereby made available for the purposes enumerated in this paragraph," so as to read:

For salaries and expenses in accordance with the provisions of the agricultural marketing act, approved June 15, 1929, and the act creating a Division of Cooperative Marketing in the Department of Agriculture, approved July 2, 1926, including stenographic reporting services to be obtained by the board through the civil service, by contract or otherwise; not to exceed \$750 for newspapers, and clippings; membership fees or dues in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance; manuscripts, data, and special reports by purchase or by personal services without regard to the provisions of any other act; to procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed \$50; purchase and exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motor trucks to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; garage rental in the District of Columbia and elsewhere; traveling expenses, including attendance at meetings concerned with the work of the Federal Farm Board; payment of actual transportation expenses and not to exceed \$10 per diem to cover subsistence and other expenses while in conference and en route from and to his home to any person other than an employee or a member of an advisory commodity committee whom the board may from time to time invite to the city of Washington and elsewhere for conference and advisory purposes in furthering the work of the board; the employment of persons, firms, and others for the performance of special services, including legal services and other miscellaneous expenses; all unexpended balances of appropriations for the Federal Farm Board are hereby made available for the purposes enumerated in this paragraph.

Mr. BINGHAM. Mr. President, I desire to ask the Senator from Utah whether it is true that the cuts made in the Federal Farm Board appropriation will necessitate the discharge of a considerable number of minor employees. I have been informed that under the statute the higher-paid employees will of necessity hold their jobs, and that the cut will mean that a considerable number of clerical help, people who are engaged in working many hours overtime, will be stricken from the roll.

Mr. SMOOT. Mr. President, the Senator from South Carolina [Mr. BYRNES] has the details in regard to this matter, I am quite sure, because he presented the subject to the committee, and the understanding was that if question were raised in regard to it on the floor I was to ask him to state the facts.

Mr. McNARY. Mr. President, I am advised that there will be some controversy over this amendment. I think probably it should go over until to-morrow, and that we might take a recess now until to-morrow at 11 o'clock.

Mr. BYRNES. Mr. President, I desire to offer an amendment to the committee amendment, and in order that it may be pending I offer it at this time.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment on page 18, line 21, after the word "board," the Senator from South Carolina proposes to insert the following words, "not exceeding \$600,000."

The PRESIDING OFFICER. The amendment to the amendment will be pending.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States, submitting sundry nominations, which were referred to the appropriate committees.

CONFIRMATION OF JUDGE PHILLIP FORMAN—NOTIFICATION OF PRESIDENT

Mr. KEAN. Mr. President, as in executive session, I ask unanimous consent that the President may be notified of the action of the Senate yesterday in confirming the nomination of Phillip Forman to be United States district judge, district of New Jersey. I am very anxious that the President shall be notified so that Judge Forman may go upon the bench and the people may have an opportunity to bring their cases before him.

Mr. McNARY. Mr. President, the rule requires that there shall be two executive sessions before the President is notified of a confirmation, and the Senator from New Jersey is simply asking that the President be notified immediately.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

RECESS

Mr. McNARY. Mr. President, as in legislative session, I move that the Senate take a recess until to-morrow at 11 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Saturday, June 25, 1932, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 24, 1932

UNITED STATES ATTORNEY

Harlan Besson, of New Jersey, to be United States attorney, district of New Jersey, to succeed Phillip Forman, nominated to be United States district judge, district of New Jersey.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY
TO COAST ARTILLERY CORPS

First Lieut. Willard Lamborn Wright, Field Artillery, with rank from November 1, 1930.

PROMOTIONS IN THE REGULAR ARMY

To be colonel

Lieut. Col. Edward Raymond Coppock, Field Artillery, from June 20, 1932.

To be lieutenant colonel

Maj. Harry Bowers Crea, Infantry, from June 20, 1932.

To be major

Capt. John Matthew Devine, Field Artillery, from June 20, 1932.

To be captain

First Lieut. Handy Vernon Brown, Infantry, from June 20, 1932.

To be first lieutenant

Second Lieut. John Albert Dabney, Infantry, from June 20, 1932.

MEDICAL CORPS

To be colonels

Lieut. Col. Albert Gallatin Love, Medical Corps, from June 20, 1932.

Lieut. Col. Harold Wellington Jones, Medical Corps, from June 20, 1932.

Lieut. Col. Mathew Aaron Reasoner, Medical Corps, from June 20, 1932.

Lieut. Col. Lucius Locke Hopwood, Medical Corps, from June 20, 1932.

Lieut. Col. Charles Ernest Freeman, Medical Corps, from June 20, 1932.

To be captains

First Lieut. Robert Edwin Peyton, Medical Corps, from June 16, 1932.

First Lieut. Robert Edward Lee, Medical Corps, from June 16, 1932.

First Lieut. John Horace Fountain, Medical Corps, from June 17, 1932.

First Lieut. Clement Franklin St. John, Medical Corps, from June 18, 1932.

First Lieut. Harold Hanson Twitchell, Medical Corps, from June 18, 1932.

VETERINARY CORPS

To be majors

Capt. Raymond Thomas Seymour, Veterinary Corps, from June 17, 1932.

Capt. Oscar Charles Schwalm, Veterinary Corps, from June 18, 1932.

POSTMASTERS

CONNECTICUT

Frederick A. Minnerly to be postmaster at Short Beach, Conn., in place of F. W. Foster, deceased.

GEORGIA

William Renfroe to be postmaster at Lumber City, Ga., in place of G. A. Renfroe, deceased.

KENTUCKY

Calvin H. Cash to be postmaster at Big Clifty, Ky., in place of S. A. Calvert. Incumbent's commission expired May 8, 1932.

Grant North to be postmaster at Hustonville, Ky., in place of Grant North. Incumbent's commission expired February 28, 1931.

MARYLAND

Charles F. Noble to be postmaster at Preston, Md., in place of C. N. Payne. Incumbent's commission expired May 26, 1932.

MISSISSIPPI

Leslie M. Harriman to be postmaster at Summit, Miss., in place of T. L. Cotten. Incumbent's commission expired December 17, 1931.

Annie K. Mauldin to be postmaster at Water Valley, Miss., in place of A. K. Mauldin. Incumbent's commission expired December 17, 1931.

NEW HAMPSHIRE

George P. Furbush to be postmaster at Rochester, N. H., in place of G. P. Furbush. Incumbent's commission expired January 5, 1932.

NEW YORK

Joseph Hrabovsky to be postmaster at Castle Point, N. Y., in place of S. M. Todd, removed.

OHIO

Walter E. Carter to be postmaster at Bainbridge, Ohio, in place of T. H. Sapp. Incumbent's commission expired February 17, 1931.

Joseph T. Scheutle to be postmaster at Beaver, Ohio, in place of J. T. Scheutle. Incumbent's commission expired December 15, 1931.

Harry R. Hebblethwaite to be postmaster at Berlin Heights, Ohio, in place of H. R. Hebblethwaite. Incumbent's commission expired April 9, 1932.

Everett Cole to be postmaster at Botkins, Ohio, in place of L. E. Blakeley, removed.

Charles R. Ames to be postmaster at Bryan, Ohio, in place of C. R. Ames. Incumbent's commission expired March 1, 1932.

Clyde W. Phillips to be postmaster at West Lafayette, Ohio, in place of W. E. Reed. Incumbent's commission expired December 17, 1931.

PENNSYLVANIA

Benjamin P. Dawkins to be postmaster at Oakmont, Pa., in place of F. A. Householder, deceased.

SOUTH CAROLINA

Mamie L. Bush to be postmaster at Ellenton, S. C., in place of C. L. Knight. Incumbent's commission expired May 7, 1932.

Lucie S. Hope to be postmaster at Union, S. C., in place of M. A. Peake, removed.

SOUTH DAKOTA

Alfred C. Schroeder to be postmaster at Miller, S. Dak., in place of J. M. Williams. Incumbent's commission expired December 18, 1927.

TENNESSEE

Doyle M. England to be postmaster at New Tazewell, Tenn., in place of Garfield Russell. Incumbent's commission expired May 19, 1932.

John T. Christian to be postmaster at Smithville, Tenn., in place of J. H. Christian, resigned.

VIRGINIA

John J. Carper to be postmaster at Pearisburg, Va., in place of J. J. Carper. Incumbent's commission expired February 17, 1932.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 24, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Grant, our Heavenly Father, that the ministrations of Thy Spirit may so abide in us that they shall be creative and inspire in us a fine conception of God, of our fellow men, and of our duty to the public service. Bring us into most reverent accord with Thy redeeming law. By its discipline may we be brought into harmony with the Master's teachings. O may we appreciate more of Thy moral perceptions and discern more thoroughly the moral significance of human life. Bless us with the rare privilege of possessing them with clearness, fullness, and with force. Blessed Lord, all over our fair land build up men in honor, fidelity, self-government, self-denial, and in devotion to our institutions which make our country great and permanent. Amen.

The Journal of the proceedings of Wednesday, June 22, 1932, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 16, 1932:

H. R. 8907. An act to authorize the Secretary of the Treasury to acquire land adjoining Lawrence (Mass.) post-office site.

On June 17, 1932:

H. R. 4738. An act to incorporate the Disabled Veterans of the World War.

On June 18, 1932:

H. R. 10048. An act granting to the metropolitan water district of southern California certain public and reserved lands of the United States in the counties of Los Angeles, Riverside, and San Bernardino, in the State of California; and

H. R. 10325. An act to authorize the transfer of certain lands in Fayette County, Ky., to the Commonwealth of Kentucky.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had agreed to the amendments of the House to bills of the Senate of the following titles:

S. 111. An act for the relief of Rosa E. Plummer;

S. 478. An act for the relief of Cicero A. Hilliard;

S. 943. An act for the relief of John Herink;

S. 1216. An act for the relief of the owner of the barge *Mary M.*;

S. 3119. An act for the relief of J. D. Stewart; and

S. 4425. An act relating to the immigration and naturalization of certain natives of the Virgin Islands.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, the bill (H. R. 12445) entitled "An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by authorizing and expediting a public-works program and providing a method of financing such program."

The message also announced that the Senate insists upon its amendments to said bill, requests a conference with the House thereon, and appoints Mr. NORBECK, Mr. BROOKHART, and Mr. WAGNER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 165) entitled "Joint resolution authorizing the President of the United States to present the distinguished flying cross to Amelia Earhart Putnam," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REED, Mr. WALCOTT, and Mr. FLETCHER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3987. An act for the relief of R. K. Stiles & Co.;

H. R. 4594. An act to fix the rate of postage on publications mailed at the post office of entry for delivery at another post office within the postal district in which the headquarters or general business offices of the publisher are located;

H. R. 7238. An act to amend section 5 of the suits in admiralty act, approved March 9, 1920;

H. R. 8548. An act authorizing the adjustment of the boundaries of the Siuslaw National Forest, in the State of Oregon, and for other purposes;

H. R. 8777. An act for the relief of J. N. Gordon;

H. R. 9306. An act to amend section 99 of the Judicial Code (U. S. C., title 28, sec. 180), as amended;

H. R. 10161. An act amending the act of May 25, 1918, with reference to employing farmers in the Indian Service, and for other purposes;

H. R. 10244. An act fixing the fees and limits of indemnity for domestic registered mail based upon actual value and length of haul, and for other purposes;

H. R. 10247. An act prescribing fees and corresponding indemnities for domestic insured and collect-on-delivery mail of the third and fourth classes, and for other purposes;

H. R. 10587. An act to provide for alternate jurors in certain criminal cases;

H. R. 10590. An act to prohibit the misuse of official insignia;

H. R. 10599. An act to fix the date when sentence of imprisonment shall begin to run, providing when the allowance

to a prisoner of time for good conduct shall begin to run, and further to extend the provisions of the parole laws.

H. R. 11153. An act to extend the times for commencing and completing the construction of a bridge across the Sabine River where Louisiana Highway No. 7 meets Texas Highway No. 87;

H. R. 11639. An act to authorize extensions of time on oil and gas prospecting permits, and for other purposes; and

H. R. 11944. An act to facilitate execution of and economy in field season contracts of the Forest Service.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 11361, entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes."

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. BYRNS. Mr. Speaker, on behalf of the conferees of the House I present a conference report on the bill (H. R. 11361) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1933, and for other purposes.

GENERAL RELIEF BILL

Mr. CRISP. Mr. Speaker, I ask unanimous consent to address the House for five minutes relative to the relief bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CRISP. Mr. Speaker, as the House knows, the Senate has just passed the House relief bill commonly known as the Garner bill, by amending it, striking out all after the enacting clause and substituting the Wagner bill and many other provisions. I think every Member of this House agrees that something must be done to try to relieve the horrible economic situation confronting the country, with millions of honest people out of employment and distress rampant throughout the country. To be effective it must be done as speedily as possible. I am told to-day there is a run on some of the large banks in Chicago. A number of them closed yesterday. It is of the highest importance that this Congress work at once diligently and speedily and try to find some measure that may aid in giving employment and relief.

Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12445) to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by authorizing and expediting a public-works program and providing a method of financing such program, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. SNELL. Reserving the right to object, Mr. Speaker, and I do not intend to object, I wish to say in addition to what the gentleman from Georgia has already said, that we on the minority side fully appreciate the importance of this bill. We shall do everything we possibly can to pass a reasonable economic relief bill, and the quicker it is done the better it will be for this whole country. I am anxious to have this bill sent to conference in the usual way at the earliest possible moment, and we will cooperate to that end.

Mr. LaGUARDIA. Mr. Speaker, further reserving the right to object, I am glad there is complete harmony and accord as to the necessity of immediate relief, I regret to note a difference as to methods. This is no time for differences of opinion. People are starving; unemployment increasing. Relief must be actual and it must be of sufficient magnitude to meet the critical condition of the country.

Now, Mr. Speaker, the views of the House should be reflected in this conference. There have been two or three occasions, I am sorry to say, where the views of the House were not reflected in the conference. At this very moment there are conferees in session on a certain appropriation bill who are not reflecting the views of the House. We do not want a high-school debate on this matter. We do not want any academic discussion of what may or may not be actual relief. We do not want any alibis as to constitutional limitations. What this country wants and what the real representatives of the American people demand is a real comprehensive relief bill, providing direct relief, authorizing a gigantic public-works program, establishing loans for housing and semipublic projects, loans for stimulating industry and agriculture, and above all it must be now in order not only to help the distressed unemployed people but to save our country.

I want to ask, Mr. Speaker, if it is not possible to have the conferees appointed from the House and not from any particular committee; energetic conferees who, understanding the serious situation, will represent the views of the House, and who will come back here promptly with a real compromise with the Senate that will do something?

Mr. MAPES. Mr. Speaker, further reserving the right to object, I have not had an opportunity to examine the bill as it comes from the Senate, but in view of what has been said by the gentleman from Georgia and others, it seems to me that this statement should be made, that while this bill is allowed to go to conference in the usual way, without objection, nobody should assume from that that the membership of the House generally favors what is in the bill. It should be understood by the conferees, that because this bill is going to conference, no one is committing himself to any of the provisions of it.

For myself, permit me to say I do not see what there is in this bill that can protect the banks in the city of Chicago, for example, to which the gentleman from Georgia has referred.

Mr. CRISP. May I say to the gentleman, of course, every Member of the House knows that no Member of the House is bound to support any bill or any conference report by the fact that they gave consent for the bill to go to conference. This is the usual request, to expedite getting the measure into conference, and when the conferees agree, if they do agree, each Member of the House exercises his right to vote for or against it. If the conferees do not agree, the bill will come back and each Member of the House will have an opportunity to express himself then.

Mr. MAPES. Mr. Speaker, further reserving the right to object, I recognize, of course, that no one commits himself in allowing a bill to go to conference, but it is rather unusual for any Member, before he asks to send a bill to conference, to ask for five minutes' time to address the House and then to stress the distressed condition of the country, as in this case, when some think that some of the provisions of this legislation instead of relieving the distressed condition of the country will add to that distress.

Mr. CRISP. May I just say this: I may have made a mistake, but the only reason on earth I wanted the five minutes was to present the necessity of prompt action to try to get consent for the bill to go to conference.

Mr. MAPES. I think everybody in the country, and certainly everybody in this House, appreciates the distressed condition of the country.

Mr. MICHENER. Mr. Speaker, reserving the right to object for the purpose of propounding a parliamentary inquiry to the gentleman who has the floor. The House passed the relief bill, the Senate struck out everything after the enacting clause. Now, what will be in conference? Will the conference be free to the extent that the conferees may write a new bill without reference to the House bill, or will the conferees be limited by the Senate bill on the one extreme and the House bill on the other extreme?

Mr. CRISP. My opinion would be that the matter in conference would be the adjustment of the differences exist-

ing between the two Houses as to all of the matters appearing in either the Senate amendment or the House bill.

I do not think the conferees could inject new matter that is not in one of those measures.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. LA GUARDIA. I am somewhat fearful for this reason: I do not want to see either proposition, or both propositions entirely emasculated and the House put in a position of having to vote for something meager and ineffective just to suit the whim of some individual.

Mr. CRISP. I may say to the gentleman from New York, so far as I am concerned, if I should be one of the conferees, and I would be delighted for the cup to pass from me, but if I am one, I will go to the conference to uphold the position of the House. [Applause.]

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. COCHRAN of Missouri. I may say to the gentleman from Georgia [Mr. CRISP] that there are certain States, and certain large cities in the Union, my own city of St. Louis and my own State of Missouri included, where the State constitution and the city charter will prevent them from benefiting under this particular relief legislation unless there is some specific language in the bill. This suggestion will be presented to conferees, and I want to express the hope now that they will give it very careful consideration. We must have some relief in St. Louis and it is needed now.

Mr. CRISP. My State can not borrow either.

Mr. SNELL. Mr. Speaker, as long as the parliamentary situation has been raised here I want to raise it still further.

As I understand from the Champ Clark decision on March 3, 1915, third session, Sixty-third Congress, when everything after the enacting clause of the original bill is stricken out in another body, there is carte blanche authority for the conferees to practically write a new bill on that same subject, and I want to read to the House just that particular paragraph out of the decision:

The House struck out the whole of the McCumber amendment. That is, it agreed to a substitute for the entire McCumber amendment. It did not leave a single line or word of the McCumber amendment. That put it exactly in the same situation as if everything after the enacting clause of a bill was struck out. And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject that it seems to the Chair that the question is no longer open to controversy.

It seems to me in the situation that exists at the present time the latitude of the conferees in this matter is almost unlimited and they can write practically any bill they see fit on the subject matter before the two Houses.

Mr. CRISP. I will be pleased if the gentleman will address his parliamentary inquiry to the Speaker and for the Speaker to answer the parliamentary inquiry.

Mr. MICHENER. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. MICHENER. I do not interpret the rule as read by the gentleman from New York as he evidently interprets it.

The fundamental principle of conference committees is that the House takes action on a given subject. The bill then goes to the Senate. The Senate then takes action on the same bill or subject matter. The only thing the Senate can do is to amend or accept the House bill. If the Senate strikes out all after the enacting clause in the House bill, it has simply amended the action of the House just the same as if it had struck out every other section or every other line in the bill. But the action of the Senate, if it retains the title of the bill, the purpose of the bill, is an amendment to the bill, whether it be to strike out the enacting clause or the last paragraph in the bill.

When the conference committee is appointed by the House, that committee goes to conference and, figuratively speaking, has under its arm the bill representing the action of the House, and it is the duty of the House conferees to insist upon the position taken by the House, and I contend that the conferees are limited to the bill as passed by the House

and the bill as amended and passed by the Senate. On the other hand, the Senate committee has under its arm the action of the Senate. That being the case, it seems to me that it would be doing violence to the very purpose of a conference if you create a situation where a conference committee might write a new bill regardless of the action of the House, and which might be brought back to the House under a rule which would prevent the House from making a single amendment, and the very purpose of free and open conference between the two Houses on the action of each House would be absolutely forestalled.

Mr. TILSON. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. TILSON. Is it not true, though, that the Senate by its amendment has brought in a number of additional subjects to those treated in the House bill and will not these subjects in the House bill which have all been stricken out by the Senate and all the subjects included in the Senate amendment be before the conference?

Mr. SNELL. Absolutely.

Mr. TILSON. And will not anything germane to any one of the subjects included either by the House in the bill as passed or by the Senate in the amendment substituted be the subject of consideration by the conference?

Mr. MICHENER. There is a limit placed upon the action of the conferees and that limit is the House bill on one side and the Senate bill on the other side, with possibly germane amendments.

Mr. RAMSEYER. What does the gentleman have to say about the Champ Clark decision?

Mr. MICHENER. The Speaker Clark decision is in exact harmony with what I have said. It depends on how you interpret it. Possibly the decision is susceptible of two interpretations, and surely the Senate can not destroy the right of the House to have its finding insisted upon by its representatives. If the position taken by the gentleman from New York is tenable, then the Senate could in any case strike out all after the enacting clause and the only guide left for the House conferees would be the Senate bill.

Mr. McDUFFIE. Mr. Speaker, these questions can be settled when the report comes before the House. This is no time for this discussion.

Mr. SNELL. I think this is a good time to decide these matters and get a decision from the Speaker. I think theoretically the gentleman from Michigan is right, but as a practical proposition anything brought in here would be between the two matters under consideration because all pertain to the same subject. I am in entire accord with the Champ Clark decision and I think it is fair and correct.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, reserving the right to object, I want to say that I think the majority of the Members of this House are of the opinion that this relief is more or less of an emergency nature and I intend to support it; but I do know there is a large number of the Members of this House who are interested in the subject of agriculture and that they are anxious to see some kind of legislation passed before this Congress adjourns that would at least do something to cause our farmers to get the cost of production from that part of the yield that is consumed at home. There is one thing sure, and that is we can never obtain permanent relief until we start at the bottom and work upward. I intend to vote for all of these relief measures, but I hope the House will give consideration to this particular subject at once.

The regular order was demanded.

Mr. LaGUARDIA. Mr. Speaker, I desire to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LaGUARDIA. I desire to ascertain from the Chair whether conferees may be appointed who are friendly to the principle of immediate and direct relief and whether conferees may be appointed from the House and not necessarily from any particular committee.

The SPEAKER. If the House will permit, the Chair will state what he has tried to do with reference to this conference. In the first place, the bill which passed the House of

Representatives carried provisions in it of which eight different committees of the House of Representatives had jurisdiction. The first title came under the jurisdiction of the Committee on Labor, and hearings were held before that committee on that particular title. The second title was purely within the jurisdiction of the Committee on Banking and Currency. As to title 3, five different committees had jurisdiction. To illustrate: As to flood control, that was within the jurisdiction of the Flood Control Committee. That part dealing with rivers and harbors was within the jurisdiction of the Rivers and Harbors Committee. That part dealing with Army housing was within the jurisdiction of the Committee on Military Affairs. That part dealing with public buildings was within the jurisdiction of the Committee on Public Buildings and Grounds, and that part dealing with roads was within the jurisdiction of the Committee on Roads. The bill was finally introduced and went to the Committee on Ways and Means, because it levied one-fourth of 1 per cent tax on gasoline, and that gave the Committee on Ways and Means jurisdiction over that portion of the bill.

The Chair believes the entire House ought to be represented, but knowing it would be impossible for each one of these committees to have representation on this conference committee the Chair undertook to bring about a situation which he thought would be desirable and that was this: That the gentleman from Illinois [Mr. RAINEY], the majority leader, the gentleman from New York [Mr. SNELL], and myself would represent the House of Representatives on this conference committee. [Applause.]

The Chair undertook to negotiate with the Members who would be interested, the gentleman from Mississippi [Mr. COLLIER] and the gentleman from Georgia [Mr. CRISP], and they were in entire agreement with that arrangement. The Chair undertook to interview the gentleman from New York [Mr. SNELL], and did so on two different occasions, including this morning. The Chair urged the gentleman from New York to take that responsibility. The gentleman from New York having been elected by the minority side as its leader, the gentleman from Illinois having been elected by the majority side as its floor leader, and the Chair having been elected by the majority side as Speaker, it seemed to the Chair that would be a typical representation of the House of Representatives on this particular multiple bill. But the gentleman from New York having declined to take the responsibility, the Chair thought that probably the better plan would be to let the bill take its ordinary course and appoint the five ranking members of the Ways and Means Committee. If this consent is granted and the Chair is permitted to appoint the conference committee, he will appoint the five ranking members of the Ways and Means Committee.

The Chair wanted to make this statement so the membership of the House would understand that the Chair did not desire to avoid any responsibility himself and the Chair is sure the gentleman from Illinois did not, and the Chair regrets to say that the gentleman from New York did not see proper to take the responsibility on his side of the House.

Mr. SNELL. Will the gentleman yield to me for a very short statement?

The SPEAKER. The Chair will, with pleasure.

Mr. SNELL. To a certain extent the statement by the Speaker is absolutely correct, but I say to him and I say to the House and to the country that the minority leader has never refused to take any responsibility that legitimately came to him. [Applause.]

The SPEAKER. Well, the gentleman has an opportunity now. The Chair will appoint the gentleman on this conference committee if the gentleman will accept it.

Mr. SNELL. Are you going to allow me to make a statement or not?

The SPEAKER. The Chair will give the gentleman a chance to assume the responsibility.

Mr. SNELL. I ask permission to address the House for one minute. I have listened to you and you had your time, now I want you to listen to me.

The SPEAKER. The Chair begs the gentleman's pardon.

Mr. SNELL. This is a matter that came from the Ways and Means Committee and the distinguished Speaker him-

self referred it to that committee. I have simply taken the position that there is no reason why this legislation should be considered in any other way than any other important piece of legislation that has been before this House. [Applause.]

The procedure suggested by the Speaker has never been done in the history of this Congress. I never heard of the Speaker on a conference committee, and furthermore, I have confidence in the men on the minority side of the Ways and Means Committee who would be entitled to appointment on this conference. As a matter of fact, I have never served on that committee and am not familiar with the details of the bill. Furthermore this appointment belongs to the men on the committee who have done the work and I am protecting the men on my side by taking this position. This is a matter of policy as far as I am concerned.

Any responsibility that comes to me direct, I will take, just as much so as the Speaker, and the Speaker need not doubt it for a single minute. [Applause.]

The SPEAKER. The gentleman from Georgia asks unanimous consent to take the bill from the Speaker's table, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate. Is there objection. [After a pause.] The Chair hears none.

Mr. CRISP. Mr. Speaker, in view of what has been said, may I say for myself that I am perfectly willing to stand aside, as one of the conferees, and permit the titular officers of the House to represent the House; and may I ask the Speaker if it would be in order as a privileged motion to move that certain Members of the House be designated as conferees on this disagreement? I am conscious, of course, of the fact that the rules of the House confer upon the Speaker power to appoint conferees, and under the rules the Speaker is not limited in the appointment of conferees from any particular committee but has the right to appoint conferees from the entire membership of the House, unless I am very greatly mistaken. I have not looked the matter up, because this question came up unexpectedly.

The SPEAKER. The Chair will state to the gentleman from Georgia that he is advised by the Parliamentarian, not having had an opportunity to look into the question himself, that you can not direct the Speaker as to the number or the manner in which conferees shall be appointed. The Chair, therefore, would have to hold that it is not in order to submit such a motion.

The Chair appoints the following conferees: Messrs. COLLIER, CRISP, RAINEY, HAWLEY, and TREADWAY.

Mr. LAGUARDIA. Mr. Speaker, may I propound a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. In the event the conferees fail to agree, it is certainly then within the province of the Speaker of the House to discharge those conferees and appoint others.

The SPEAKER. It is. When the conferees make their report it is within the power of the House to handle the matter just as the House may deem proper.

Mr. SNELL. Mr. Speaker, I am informed that the gentleman from Oregon [Mr. HAWLEY] is home, and it will be necessary to appoint the next ranking minority member of the Ways and Means Committee on the conference.

The SPEAKER. Without objection, the gentleman from New Jersey [Mr. BACHARACH] will be substituted for the gentleman from Oregon [Mr. HAWLEY].

There was no objection.

INVESTIGATION OF EXPENDITURES OF THE POST OFFICE DEPARTMENT

Mr. WARREN. Mr. Speaker, I present a privileged report from the Committee on Accounts, on the resolution (H. Res. 273).

The Clerk read as follows:

Strike out all after the word "Resolved" and insert the following:

"That the expenses of conducting the investigation authorized by H. Res. 226 to investigate the expenditures of the Post Office Department, shall be paid out of the contingent fund of the House on vouchers authorized by the committee, signed by the

chairman thereof, and approved by the Committee on Accounts, but shall not exceed the sum of \$10,000: *Provided, also,* That the official committee reporters shall be used at all hearings held in the District of Columbia."

Mr. WARREN. Mr. Speaker, on Tuesday the House passed the so-called Sabbath resolution. The House, no doubt, thought at the time that it was authorizing the expenditure of \$10,000 to conduct this investigation. The resolution as passed by the House was quite faulty. In the first place, it should have been referred to the Committee on Accounts, and it now develops that in spite of the action of the House, there are no funds for this investigation.

When the attention of the gentleman from Illinois was called to the matter he introduced a resolution which was referred to the Committee on Accounts, which was not in proper form, and now the Committee on Accounts, feeling that the House has spoken, has reported out a substitute resolution.

Mr. MICHENER. Will the gentleman yield?

Mr. WARREN. Certainly.

Mr. MICHENER. Does the Committee on the Post Office and Post Roads ask for this appropriation or is it simply the gentleman from Illinois [Mr. SABATH] who is asking for it?

Mr. WARREN. I am informed that the chairman of the Committee on the Post Office and Post Roads [Mr. MEAD, of New York] states that this amount, or possibly more, is necessary.

Mr. MICHENER. My question was, whether the Committee on the Post Office and Post Roads asked the gentleman's committee to bring in this resolution making this appropriation.

Mr. WARREN. No; they did not.

I will tell the gentleman how it happened. I was informed by the disbursing clerk of the House that there was no authority to pay out this money. Although I opposed the adoption of the resolution, in spite of the very partisan speech of the gentleman from Michigan [Mr. MICHENER], I thought the fair and honorable thing to do was to notify the gentleman from Illinois, the author of the resolution, and let him come in and have a chance to get the money, as the House thought they were giving him the other day.

Mr. MICHENER. I want to compliment the gentleman on the action he has taken. The gentleman has suggested that this is the proper and usual way to handle the matter. In this I agree with the gentleman, but it does seem unusual that one Member of the House can get a resolution of this kind enacted, giving duties to another committee, when the other committee does not want it, has not asked for it, and does not come before the Committee on Accounts and ask for the money. It seems to me this House would be going a long way if we attempted to-day to authorize the expenditure of \$10,000 to be used by one of the committees of the House when the committee itself is not asking for it.

Mr. WARREN. The gentleman from New York [Mr. MEAD], chairman of the Committee on the Post Office and Post Roads, informed us that \$10,000 would be necessary.

Mr. UNDERHILL. Mr. Speaker, I move to amend the resolution by striking out \$10,000 and inserting \$5,000.

The SPEAKER. Does the gentleman from North Carolina yield to the gentleman from Massachusetts for that purpose?

Mr. WARREN. Yes.

The Clerk read the amendment, as follows:

Page 1, line 2, strike out "\$10,000" and insert "\$5,000."

Mr. UNDERHILL. Mr. Speaker, I suppose it is futile for any one Member of the House to attempt to block this legislation at this time. It was only through passion and prejudice, or partisanship, excited as they were a day or two ago, that the House passed this resolution. The House, I think, has the good judgment and good sense to reverse itself on the proposition, if it knows the facts about it.

The facts are that one Member of the House introduced the resolution, and on account of a row in Chicago, which has nothing to do with Alabama or Nebraska or New York.

The House authorized an appropriation, in effect, of \$10,000. It did not take its usual course. I do not know as I would say that an insult was offered to the Committee on Accounts, but your chairman is as honorable and able a chairman as that committee has ever had since I have been on the committee [applause], and it certainly would have been ethical and courteous to refer the matter to the Committee on Accounts and let the Committee on Accounts come before the House and give it the benefit of its investigation. That was one of the errors made.

Furthermore, the House subconsciously, or unconsciously, has authorized the appointment of several committees, with an appropriation of about \$50,000 for investigations.

You all know my position on these investigations, and I will not attempt a repetition but will content myself with a statement I have made over and over again, that these committees accomplish nothing and lead nowhere. I will refer you to the reports of investigation committees, volume after volume, that are put on the shelves in the document room, and still remain there. I can refer you to the investigation of coal, the investigation of the Shipping Board, and a dozen others, where you will find the reports in the waste-paper department, with thousands of volumes of investigations printed at the expense of the public, and which never amount to anything, for nobody would ever think of reading them.

Now, Mr. Speaker, we have not a dollar in the contingent fund. The only way this \$10,000 authorized can be secured is for the chairman of the Committee on Appropriations to go on bended knees to the Senate and ask them to put in an additional \$10,000 in the deficiency bill and bring it over here and ask for a committee of conference, and get the House to agree to it.

I ask men like the gentleman from Georgia [Mr. CRISP], the gentleman from Alabama [Mr. McDUFFIE], the gentleman from Georgia [Mr. COX], the gentleman from Alabama [Mr. PATTERSON], who have been standing steadfast for economy, to come to my support; here is a chance for them to make a saving of a little money to the Treasury.

I would have moved to strike out \$10,000, but that is hardly constructive—\$5,000 is going to be amply sufficient. In the first place, it seems that it is unnecessary, as a committee of the House has recently made exhaustive investigation of air mail contracts and air mail routes.

You do not need to investigate that. Other phases of this investigation, as mentioned in the preamble of the resolution, have already been taken care of by other committees of the House. The Committee on the Post Office and Post Roads has practically all the information they need. The object, if the resolution had an object, has already been attained. The very fact that the subject has been brought to the attention of the House, the very fact that the Committee on the Post Office and Post Roads has the authority to make an investigation, is going to remove the evils claimed to exist to-day.

Mr. OLIVER of Alabama. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. OLIVER of Alabama. During last summer the gentleman from Pennsylvania [Mr. KELLY], if the papers reported him correctly, stated that it would be his purpose to ask for just this kind of an investigation. Does the gentleman recall that?

Mr. UNDERHILL. I do not know what the gentleman from Pennsylvania had in mind; I do not know what his investigation would ask for; but in this session, as I stated before, the Committee on Merchant Marine, Radio, and Fisheries have made an investigation. If you want to stop, or at least partially stop, this passion for investigating on the part of the House, which is a woeful waste of time, material, and money, you will vote for my amendment.

I yield five minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, this resolution, which the House of Representatives adopted a few days ago, directs our

Committee on the Post Office and Post Roads to institute an investigation. Our committee met this morning in keeping with your mandate and initiated the work, authorized the continuance of the committee through the recess, and we adopted certain rules by which we may conduct the investigation. We have requested the department to give us the information as set forth in the resolution; when this information is available, we intend to convene our committee again in order that we may proceed further with the investigation.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. MEAD. In a moment. The Committee on the Post Office and Post Roads of the House did not sponsor this resolution, but our committee has made arrangements to do the work required by the legislation which passed the House a few days ago. We will continue a subcommittee through the recess and until the Congress convenes again. We hope to make recommendations that will suggest ways of reducing the postal deficit. We will hear complaints and suggestions from mail users, from departmental employees, complaints that may result from the drastic cuts in the Post Office appropriation bill, as well as from the increases in postal rates. Conditions that may result because of legislation which has preceded the passage of this resolution in my judgment necessitate some consideration during the recess of Congress. We have received complaints with regard to the conduct of the air mail subsidy. We went into that matter exhaustively, but we did not have the authority of Congress to subpoena witnesses to put them on the stand before our committee. The Sabbath resolution gives us such authority, and we intend to carry out the mandate of the resolution, unless we are impoverished by either the elimination of the entire appropriation or by such a reduction in the amount of the appropriation as will absolutely prevent us from carrying out the will of the House.

We also have complaints from many sections of the country with regard to the acquisition of land leases, the construction of Federal buildings, the elimination of power plants in some buildings of great size, and the installation of power plants in small buildings where they seemed to be unwarranted. We are much concerned with the ever-increasing postal deficit; and when on the one side we find the personnel of the department increasing in efficiency by 100 per cent since 1913, when each man is doing more work to-day than two men did 25 years ago, when the department is handling a greater volume of mail, with a reduced personnel, we are wondering where this huge deficit originates; and the investment of a small sum of money that would keep 21 members of our committee at work, in my judgment, would more than repay the Congress for the small amount set aside to carry on the work. When a major department of the Government finds itself \$200,000,000 in the red, it is then the privilege of Congress to authorize the proper committee to investigate, and that task can not be carried on if on one day we authorize the work and the next day we destroy the possibility of doing the work. Now that we have started the job let us finish it. [Applause.]

Mr. UNDERHILL. Mr. Speaker, I yield five minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Speaker, I desire to support the amendment; but it must be apparent that if the Committee on the Post Office and Post Roads desires to send its 21 members around the country this summer to make as many investigations and inquiries as its chairman has mentioned, it can not be done for \$10,000. I am of opinion, in the first place, that the 21 members of that important committee will not care to travel very largely throughout the United States this summer; and if they do, they will find that dates that will suit one set of members will not suit another set. These members will be campaigning, and much of the inquiry and investigation will take second place. Further, the members of the Committee on the Post Office and Post Roads will find that this is going to be a very poor year for junkets, even though they think that they as members are seriously employed on public business.

Mr. UNDERHILL. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I wish to say to the gentleman from North Carolina [Mr. WARREN] that I opposed this original resolution. I did not oppose it for any political reasons whatever. I was running true to form on the position I have taken during the entire time of my service on the Committee on Rules. I am opposed to these needless investigations. I am opposed to the absolute waste of money. Nine-tenths of these investigations that have been authorized in this Congress have simply wasted money. At this time, with the condition of the country as it is, with the Congress fighting over every nickel, to spend \$10,000 on this matter, I think, is an absolute waste of money, and I shall support the amendment offered by the gentleman from Massachusetts, because it is less than the other.

Mr. UNDERHILL. Mr. Speaker, just a few words, and then I shall move the previous question.

I see the gentleman from Tennessee [Mr. BYRNS], chairman of the Committee on Appropriations, present in the Chamber. I wish to ask the gentleman one or two questions, if he will answer them. We authorized the appointment of a special committee to investigate railroad holdings, I believe, early in the session. I tried to get an amendment providing for \$15,000. I believe we appropriated \$30,000. Does the gentleman know how that money is being spent?

Mr. BYRNS. It is my understanding, and I get my information from the hearings, that it is being expended in paying the salaries of certain experts who have been employed to assist the committee in the investigation it is conducting.

Mr. UNDERHILL. I inquire, not in a spirit of criticism, but is it not a fact that one expert is being paid \$1,200 per month by this committee for his work on the committee, and that he has an assistant who is being paid \$600 a month, and a minor assistant being paid \$300 a month?

Mr. BYRNS. My information comes from some estimates which have been submitted, and I think the gentleman is correct, except that it is \$1,250 instead of \$1,200.

Mr. UNDERHILL. That is what I wanted to bring out.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. WOOD of Indiana. The evidence contained in one of the hearings held by the committee shows that the gentleman who was drawing \$1,200 a month drew \$2,500 for two or three months.

Mr. UNDERHILL. That is what I wanted to bring out.

Now, I criticize no one, and I am not criticizing anyone, but I am trying to show how these things function and what a waste and what an extravagance it is. I have gone along with the gentleman from Alabama [Mr. McDUFFIE] on every proposition he has made for economy, and I will stay with him.

Mr. McDUFFIE. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. McDUFFIE. The gentleman leaves the impression from the colloquy which has taken place that there are one or two individuals who have been hired by the Committee on Interstate and Foreign Commerce and who have been paid \$1,200 and even \$2,500 per month. The gentleman does not want to leave that impression upon the House, does he?

Mr. UNDERHILL. I am simply taking the word of the members of the Committee on Appropriations. I do not know what they have been paid.

Mr. McDUFFIE. Has any member of the Committee on Appropriations definitely assured the gentleman that those salaries are being paid?

Mr. UNDERHILL. The chairman of the committee told the House so.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. WOOD of Indiana. I will say to the gentleman that the testimony taken before the committee shows where they gave an account of the way in which this money was being disposed of. For two or three months they paid this expert \$2,500 a month, and they are now paying him \$1,200 a month.

That is the testimony, and I will be pleased to place it in the RECORD if the gentleman desires.

Mr. McDUFFIE. The chairman of the Committee on Interstate and Foreign Commerce is not present, but the ranking minority member, the gentleman from New York, Mr. PARKER, who presented and passed the resolution for that investigation through the House and appointed the experts, is familiar with what is being paid and what is being done. I would like for the House to have the real facts about it. I do not believe any such salary as \$2,500 per month is now being paid by the Committee on Interstate and Foreign Commerce to any experts. This investigation is a very important and comprehensive one, dealing with holding companies of public-utilities corporations. The work is in charge of Doctor Splawn, who is probably the greatest expert in the country in this kind of work. He is worth whatever is being paid him. The Congress will act on his report on a very important subject.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. COCHRAN of Missouri. It was discussed upon the floor of this House that the Committee on Interstate and Foreign Commerce had secured the services of one of the most outstanding men in the United States, who had resigned his position paying a very high salary to give all of his time to the committee, and, if I am not mistaken, the House was told at the time that he would receive a salary of that amount. The results warranted the expenditure. Mr. PARKER of New York made that statement. Now, if the gentleman has any information that the committee is not properly spending its money—and I am sure he has not—he is a member of the Committee on Accounts that must approve the vouchers. Why does not the gentleman bring it to the attention of the Committee on Accounts? You can not get outstanding experts for \$2,500 a year.

Mr. UNDERHILL. Oh, the gentleman gives the wrong impression. I am not criticizing any member of any other committee, the chairman or otherwise. I have the highest confidence in the chairman of the Committee on Interstate and Foreign Commerce. He is a gentleman. He is a student of government. He is an honest man. I do not question what his expenditures are. I am simply trying to show the House how this money is spent and trying to emphasize the statements I have made over and over again that it does not amount to anything. If it did, I would not object.

Mr. McDUFFIE. Can the gentleman say that until the work is concluded?

Mr. UNDERHILL. Oh, yes. We can judge the future by the past. I would call the attention of the gentleman to all of these past committees and the fact that they have not accomplished anything.

Mr. LINTHICUM. Will the gentleman yield?

Mr. UNDERHILL. In just a moment.

Mr. Speaker, I want to close. There is no use arguing any further. I want the House to understand now, however, just what the situation is, so that in the future when these resolutions for committees come before the House, the House will act on them intelligently rather than passionately or partisanly.

I would say a word with reference to the chairman of the Committee on Accounts, my successor in that position.

Never since I have been in Congress have I worked under a man in whom I had greater confidence. Never have I seen a man stand the gaff the way he has. The pressure that has been brought upon him has been tremendous, yet he has stood steadfast throughout it all.

I think it is very ungracious on the part of the House, whether it does it consciously, or unconsciously, to take from the chairman of that committee certain privileges and prerogatives, and vote directly on an appropriation instead of sending it to the committee where it belongs.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. MEAD) there were—ayes 53, noes 41.

So the amendment was agreed to.

The SPEAKER. The question is on the passage of the resolution as amended.

The question was taken; and on a division (demanded by Mr. SNELL) there were—ayes 52, noes 61.

Mr. MEAD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 154, nays 144, answered "present" 1, not voting 131, as follows:

[Roll No. 106]
YEAS—154

Allgood	Driver	Lanham	Fou
Amle	Evans, Mont.	Lankford, Ga.	Prall
Andrews, N. Y.	Fernandez	Larrabee	Ragon
Arnold	Fishburne	Larsen	Rainey
Barton	Flannagan	Lea	Ramspeck
Black	Frear	Lewis	Rankin
Bland	Fulbright	Linthicum	Sanders, Tex.
Bloom	Fuller	Loneragan	Sandlin
Boehne	Gambrill	Lozler	Schafer
Bolleau	Goldsborough	Ludlow	Schneider
Briggs	Green	McClintic, Okla.	Shallenberger
Browning	Greenwood	McFadden	Sinclair
Buckbee	Gregory	McLaughlin	Smith, Va.
Bulwinkle	Griswold	McReynolds	Somers, N. Y.
Burch	Guyer	Maas	Sparks
Byrns	Hall, Miss.	Major	Stafford
Carden	Hancock, N. C.	Maloney	Steagall
Cary	Hare	Mansfield	Stevenson
Chapman	Hill, Ala.	Mapes	Stewart
Christgau	Hill, Wash.	Martin, Oreg.	Summers, Tex.
Clark, N. C.	Hoch	Mead	Swank
Cochran, Mo.	Hornor	Miller	Tarver
Cole, Md.	Howard	Mitchell	Taylor, Colo.
Collins	Huddleston	Mobley	Thomason
Condon	Jacobsen	Montague	Underwood
Connery	James	Montet	Vinson, Ga.
Cooper, Tenn.	Jeffers	Moore, Ky.	Vinson, Ky.
Cox	Johnson, Mo.	Morehead	Warren
Crisp	Johnson, Okla.	Nelson, Mo.	Weaver
Cross	Johnson, Tex.	Nelson, Wis.	West
Crowe	Jones	Norton, Nebr.	Whittington
Cullen	Kading	Oliver, Ala.	Williams, Mo.
Davis	Kerr	Parker, Ga.	Wilson
Delaney	Kleberg	Parks	Wood, Ga.
DeRouen	Kniffin	Parsons	Woodruff
Dies	Kvale	Patman	Woodrum
Disney	LaGuardia	Patterson	Wright
Dominick	Lambeth	Pettengill	
Doxey	Lamneck	Polk	

NAYS—144

Adkins	Dallinger	Houston, Del.	Rich
Allen	Darrow	Hull, Morton D.	Robinson
Andresen	Davenport	Hull, William E.	Sanders, N. Y.
Arentz	Doutrich	Jenkins	Seger
Ayres	Dowell	Johnson, S. Dak.	Seiberling
Bacharach	Dyer	Johnson, Wash.	Selvig
Bachmann	Easton, Colo.	Kahn	Shott
Baldrige	Eaton, N. J.	Ketcham	Simmons
Barbour	Englebright	Kinzer	Smith, Idaho
Beedy	Erk	Knutson	Snell
Bowman	Estep	Kopp	Snow
Britten	Evans, Calif.	Kurtz	Stalker
Burdick	Fish	Lambertson	Strong, Kans.
Burtness	Foss	Lankford, Va.	Strong, Pa.
Butler	Free	Leavitt	Stull
Campbell, Pa.	French	Lehlbach	Summers, Wash.
Carter, Calif.	Fulmer	Loofbourow	Swanson
Carter, Wyo.	Garber	McClintock, Ohio	Taber
Cartwright	Gibson	McDuffie	Taylor, Tenn.
Cavicchia	Gifford	McGugin	Temple
Chase	Gilchrist	Manlove	Thatcher
Chindblom	Glover	Martin, Mass.	Thurston
Chlperfield	Hadley	Michener	Tilson
Christopherson	Hall, Ill.	Millard	Timberlake
Clague	Hancock, N. Y.	Moore, Ohio	Tinkham
Clancy	Hardy	Mouser	Turpin
Clarke, N. Y.	Haugen	Nelson, Me.	Underhill
Cochran, Pa.	Hess	Niedringhaus	Wason
Cole, Iowa	Hogg, W. Va.	Nolan	Weich
Colton	Holaday	Parker, N. Y.	White
Cooke	Hollister	Partridge	Whitley
Coyle	Holmes	Person	Williamson
Crall	Hooper	Purnell	Wolcott
Crowther	Hope	Ramseyer	Wolverton
Culkin	Hopkins	Ransley	Wood, Ind.
Curry	Horr	Reed, N. Y.	Yates

ANSWERED "PRESENT"—1

Doughton

NOT VOTING—131

Abernethy	Bankhead	Bolton	Buchanan
Aldrich	Beam	Boylan	Busby
Almon	Beck	Brand, Ga.	Cable
Andrew, Mass.	Blanton	Brand, Ohio	Campbell, Iowa
Auf der Heide	Bohn	Brumm	Canfield
Bacon	Boland	Brunner	Cannon

Carley	Golder	McCormack	Sabath
Celler	Goodwin	McKeown	Schuetz
Chavez	Goss	McLeod	Shannon
Collier	Granfield	McMillan	Shreve
Connolly	Griffin	McSwain	Sirovich
Cooper, Ohio	Haines	Magrady	Smith, W. Va.
Corning	Hall, N. Dak.	May	Spence
Crosser	Harlan	Milligan	Stokes
Crump	Hart	Murphy	Sullivan, N. Y.
De Priest	Hartley	Norton, N. J.	Sullivan, Pa.
Dickinson	Hastings	O'Connor	Sutphin
Dickstein	Hawley	Oliver, N. Y.	Sweeney
Dieterich	Hogg, Ind.	Overton	Swick
Douglas, Ariz.	Igoe	Owen	Swing
Douglass, Mass.	Johnson, Ill.	Palmisano	Tierney
Drane	Karch	Peavey	Treadway
Drewry	Keller	Perkins	Tucker
Ellzey	Kelly, Ill.	Pittenger	Watson
Fiesinger	Kelly, Pa.	Pratt, Harcourt J.	Weeks
Finley	Kemp	Pratt, Ruth	Wigglesworth
Fitzpatrick	Kendall	Rayburn	Williams, Tex.
Freeman	Kennedy	Reid, Ill.	Wingo
Garrett	Kunz	Reilly	Withrow
Gasque	Lichtenwalner	Rogers, Mass.	Wolfenden
Gavagan	Lindsay	Rogers, N. H.	Wyant
Gilbert	Lovette	Romjue	Yon
Gillen	Luce	Rudd	

So the resolution as amended was agreed to.

The Clerk announced the following pairs:

On the vote:

- Mr. Granfield (for) with Mrs. Rogers (against).
- Mr. McCormack of Massachusetts (for) with Mr. Wigglesworth (against).
- Mr. Douglass of Massachusetts (for) with Mr. Luce (against).
- Mr. Rogers (for) with Mr. Shreve (against).
- Mr. Gillen (for) with Mr. Hawley (against).
- Mr. Kemp (for) with Mr. Wyant (against).
- Mr. Oliver of New York (for) with Mr. Bacon (against).
- Mr. Gavagan (for) with Mr. Beck (against).
- Mr. Harlan (for) with Mr. Reid of Illinois (against).
- Mr. Fiesinger (for) with Mr. Pratt (against).
- Mr. Lichtenwalner (for) with Mr. Finley (against).
- Mr. Auf der Heide (for) with Mr. Weeks (against).
- Mr. Sutphin (for) with Mr. Watson (against).
- Mr. O'Connor of New York (for) with Mr. Goss (against).
- Mrs. Norton (for) with Mr. Aldrich (against).
- Mr. Rudd (for) with Mr. Bolton (against).
- Mr. Lindsay (for) with Mr. Andrew of Massachusetts (against).
- Mr. Boland (for) with Mr. Hartley (against).
- Mr. Drewry (for) with Mr. Connolly (against).
- Mr. Sabath (for) with Mr. Treadway (against).
- Mr. Bankhead (for) with Mrs. Pratt (against).
- Mr. Boylan (for) with Mr. Brumm (against).
- Mr. Chavez (for) with Mr. Cooper of Ohio (against).
- Mr. Kelly of Illinois (for) with Mr. Freeman (against).
- Mr. Tierney (for) with Mr. Golder (against).
- Mr. Williams of Texas (for) with Mr. Hogg of Indiana (against).
- Mr. Crosser (for) with Mr. Kendall (against).
- Mr. Keller (for) with Mr. Wolfenden (against).
- Mr. Gasque (for) with Mr. Perkins (against).
- Mr. Beam (for) with Mr. Magrady (against).
- Mr. McSwain (for) with Mr. Cable (against).
- Mr. Schuetz (for) with Mr. Hall of North Dakota (against).
- Mr. Corning (for) with Mr. Kelly of Pennsylvania (against).
- Mr. Rayburn (for) with Mr. Lovette (against).
- Mr. Milligan (for) with Mr. Johnson of Illinois (against).
- Mr. Fitzpatrick (for) with Mr. Swick (against).
- Mr. Dieterich (for) with Mr. Murphy (against).
- Mr. Sullivan of New York (for) with Mr. Stokes (against).
- Mr. May (for) with Mr. Sullivan of Pennsylvania (against).

General pairs:

- Mr. Abernethy with Mr. Pittinger.
- Mr. Buchanan with Mr. Withrow.
- Mr. Romjue with Mr. Swing.
- Mr. Garrett with Mr. McLeod.
- Mr. Almon with Mr. Goodwin.
- Mr. Brunner with Mr. Brand of Ohio.
- Mr. Igoe with Mr. De Priest.
- Mr. Riley with Mr. Campbell of Iowa.
- Mr. Blanton with Mr. Bohn.
- Mr. Doughton with Mr. Aldrich.
- Mr. McKeown with Mr. Peavey.
- Mr. Brand of Georgia with Mr. Karch.
- Mr. Shannon with Mr. Smith of West Virginia.
- Mr. Cannon with Mr. Sweeney.
- Mr. Griffin with Mr. Drane.
- Mr. Busby with Mr. Crump.
- Mr. Palmisano with Mr. Collier.
- Mr. Dickinson with Mr. Sirovich.
- Mr. Carley with Mr. Hastings.
- Mr. McMillan with Mr. Canfield.
- Mr. Douglas of Arizona with Mr. Haines.
- Mr. Hart with Mr. Overton.
- Mr. Dickstein with Mr. Spence.
- Mrs. Owen with Mr. Kennedy.
- Mr. Yon with Mr. Tucker.
- Mr. Gilbert with Wingo.
- Mr. Ellzey with Mr. Celler.

The result of the vote was announced as above recorded.

On motion of Mr. WARREN, a motion to reconsider was laid on the table.

ORDER OF BUSINESS

The SPEAKER. Let the Chair state, there is on the Speaker's table about a half dozen bills about which the Chair is fairly well informed as to their contents but has not a great deal of information about their merits.

The Chair submitted the list to the gentleman from New York. There will be no suspensions probably the balance of this session if Congress adjourns on Saturday week, because the next suspension day is Monday week.

The Chair feels that some of these bills are of such a nature that the Chair would recognize Members for the purpose of suspending the rules if the Chair had that opportunity. The next best thing the Chair can think of doing is to recognize Members for the purpose of asking unanimous consent that the House give them present consideration. This gives any Member the right to prevent their consideration.

Mr. STAFFORD. Mr. Speaker, will the Chair permit a suggestion?

The SPEAKER. Certainly.

Mr. STAFFORD. Mr. Speaker, I understand the majority leader is going to ask that on Monday we have the Consent Calendar called from where the call last left off. Would it be compatible with the desire and the wishes of the Speaker to have these bills listed on the Consent Calendar for consideration that day?

The SPEAKER. If such consent is given, the Chair will take that under consideration.

Let the Chair say, in addition, that a number of gentlemen have asked the Chair to recognize them for unanimous consent to extend their remarks in the RECORD, and some to address the House. So far as the Chair knows, and the Chair thinks this is the opinion of the majority leader, and also the opinion expressed by the minority leader, there is nothing to be done to-day other than by unanimous consent.

Mr. SNELL. Mr. Speaker, I would suggest that we first take up any legislation that is to come before the House, and then after that allow Members to make speeches if they so desire.

The SPEAKER. The gentleman from Wisconsin has suggested that the majority leader request unanimous consent that on Monday next the House take up the Unanimous-Consent Calendar; and if such consent is granted, the Chair thinks these bills can go over until that time.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order to call bills on the Consent Calendar, subject, of course, to conference reports and privileged business.

Mr. STAFFORD. Beginning at the place where the call last left off?

Mr. RAINEY. Yes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that on Monday next the Unanimous-Consent Calendar may be called, beginning where the call left off the last time, this agreement not to interfere with conference reports or other privileged business. Is there objection?

There was no objection.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that on Tuesday next it be in order to consider unobjected-to bills on the Private Calendar, beginning where we left off the last time, and under the old rule?

The SPEAKER. The gentleman from Illinois asks unanimous consent that on Tuesday next it be in order to consider in the House as in Committee of the Whole unobjected-to bills on the Private Calendar, beginning at the place where the call last left off. Is there objection?

There was no objection.

ADJOURNMENT OVER

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next.

The SPEAKER. The gentleman from Illinois asks unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next. Is there objection?

Mr. SCHAFER. Mr. Speaker, I object.

Mr. RAINEY. Mr. Speaker, I move that when the House adjourns to-day it adjourn to meet on Monday next.

The SPEAKER. The gentleman from Illinois moves that when the House adjourns to-day it adjourn until Monday next.

The motion was agreed to.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAPES. I assume there will not be any legislation brought up this afternoon. Am I correct in that assumption?

The SPEAKER. Except by unanimous consent. The Chair does not intend to recognize anybody to take up any legislation of any kind except to extend remarks in the RECORD and address the House of Representatives, or send some bills to conference by unanimous consent.

LAWS AND RESOLUTIONS PASSED BY THE NINTH PHILIPPINE LEGISLATURE

The SPEAKER laid before the House the following message from the President, which was read, and, together with the accompanying papers, referred to the Committee on Insular Affairs.

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith a set of the laws and resolutions passed by the Ninth Philippine Legislature during its first regular session, from July 16 to November 9, 1931.

HERBERT HOOVER.

The WHITE HOUSE, June 24, 1932.

CROW INDIAN TRIBAL COUNCIL

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8031) to provide for expenses of the Crow Indian Tribal Council and authorized delegates of the tribe, and agree to the Senate amendment.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to take from the Speaker's table House bill 8031, with a Senate amendment, and agree to the Senate amendment. The Clerk will report the bill and the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, after line 8, insert:

"Sec. 2. The Secretary of the Interior is further authorized to expend \$5,000, or as much thereof as may be necessary, of the funds standing to the credit of the Fort Peck Indians in the Treasury of the United States for expenses of the Fort Peck Indian Tribal Council and authorized delegates of the tribe."

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, this calls for an additional expenditure of \$5,000, and I think there should be some explanation.

Mr. LEAVITT. This comes out of the tribal funds of the Indians. We have discussed it with the Indian Bureau, and it has their approval.

Mr. SCHAFER. That is not any explanation. We are guardians of the Indians; and just because it comes out of their tribal funds is no reason why the bill should pass. Let us have some explanation.

Mr. LEAVITT. From time to time an authorization is made to pay the expenses of the tribal council, which is the same as the legislature to those Indians, and for necessary delegates to come here on tribal business. It is always done at the request of the Indians, and this has the approval of the Indians themselves.

Mr. SCHAFER. The Indians, through their representatives, approve of this bill in the form it has been amended by the Senate?

Mr. LEAVITT. Yes.

Mr. SCHAFFER. In view of that statement, I shall not object.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

CONVEYANCE BY THE UNITED STATES OF LAND TO THE BOROUGH OF STONINGTON, CONN.

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1003) to provide for the conveyance by the United States of a certain tract of land to the borough of Stonington, in the county of New London, in the State of Connecticut, with a Senate amendment, and agree to the Senate amendment.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to take from the Speaker's table House bill 10683, with a Senate amendment, and agree to the Senate amendment. The Clerk will report the bill and Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

On page 2, line 5, strike out the words "Lighthouse Service" and insert "United States."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

SPEECH OF HON. CLAUDE V. PARSONS

Mr. McCLINTIC of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered by my colleague the gentleman from Illinois [Mr. PARSONS] last night before the Society of American High School Students here in Washington.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCLINTIC of Oklahoma. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech by my colleague HON. CLAUDE V. PARSONS:

A NEW BIRTH OF FREEDOM—A GOVERNMENT OF HONESTY

Mr. Toastmaster, Commissioner Cooper, and students, I esteem it a great pleasure, as well as a solemn duty, inasmuch as an invitation was extended, to appear before this splendid group of young men and women holding the first annual convention of American high-school students.

The purpose, as I understand this organization, is to encourage worthy high-school interests and objectives, particularly with reference to creative expression, whether it be the written word or the spoken word.

This movement, I am informed, is sponsored by the American High School Journal and has the cooperation of a nation-wide group of committees, assisted by civic and other organizations. You are to be congratulated upon joining with and participating in a movement which I predict will grow by leaps and bounds as the years go by. A worthy motive predicated upon the intelligence and initiative of worthy young men and women must inevitably succeed. The new creative thought which will flow as a result of your humble efforts commenced here will reach not only the 20,000,000 youths of the land but no doubt will help to shape the destiny of adult activity as well.

I feel that if a Member of Congress must be invited to this gathering, I am entitled to a place. If you will pardon the personal reference, may I say that all the years of my life, with the exception of possibly seven or eight, have been spent in the school-room, either as a student, a teacher, or a superintendent. One can never forget his first love, and my first love was the school-room and my earliest associates were students. So I feel perfectly at home to-night among this splendid group of young Americans.

Next to general educational matters, I am interested in the science of government. It is a part of our educational system. In fact, government in a republic must go hand in hand with education. Thomas Jefferson, that great patron saint of representative government, realized that if the forefathers were to set up a Republic as dictated by the Constitution, a system of free public education must be instituted to instruct the citizens how to govern themselves.

We have had different cycles in education. Evolution has been the means of progress, not only in our educational institutions but in every line of thought. As one who has had experience in almost every phase of the educational field, I feel that I can make certain criticisms of our own work without being accused of prejudice or sympathetic understanding. The one outstanding criticism during my years of experience, which I think I can honestly make of educational methods, is that our teachers in the public schools, colleges, and universities have failed to present

the practical application of government and practical living under a republican form of government, to the fullest advantage.

We have in America to-day a specific and illuminative illustration of this failure. I will not bore you long with a dissertation on Congress, but I hope I may be permitted to briefly analyze the situation, for it illustrates how the public mind has been misguided by propaganda. Congress has been in session more than six months; it has had to face and deal with problems which no other Congress in all the history of America has had to deal. There are as many schemes and plans for curing our economic ills as there are economists, newspapers, and publicists.

Everybody knows all about this depression, and nobody seems to know anything about it. Certain minority groups have been interested in having their pet objectives enacted into law. The principal publicity agents of the country in the last decade have been joined into chains, monopolizing and usurping the powers of a free press. The news agencies are coordinated into a monopoly. Comparatively only a small group of people make up the thought of the publicity and propaganda which the American people feed on. They have only one purpose in life, and that is to serve their own selfish needs. Their selfish interest is not always in the interest of the American people. The one great sin in human nature is selfishness, but the American people in all of its history has subordinated in a remarkable degree their own personal welfare for the good of all.

But in this crisis, with only one line of thought, with only one panacea for ills, with only one schedule of action in mind, subsidized, monopolized, and dominated by this particular group of publicists, the American people have been misled into unjustified criticisms of their Representatives in the Congress. All because Members of Congress have the courage of their convictions and will not serve the owners of the press. If there is any one thing that I would try to impress upon you to-night, it is the creative thought of studying fundamental principles. Know the truth; and after having so based your case upon such a firm and strong foundation, create a new love, create a new patriotic spirit of worship, as it were, at the shrine of the Constitution.

We hear on all sides to-day that America needs this and needs that; this plan and that plan will reestablish prosperity. We even have thousands of citizens who advocate the overthrow of the best Government man has been able to devise through all the ages. My message to you to-night is that what America needs most is honesty in our citizenry. Our Government was predicated and founded upon honesty as a basis of the right to govern. Without honesty no government is good. Possessing honesty, no government can be bad. As it is said that charity covers a multitude of sins, so also may it be said that honesty includes a long list of virtues.

It is said that the best and strongest form of government is an absolute monarchy, provided, however, that the monarch is honest, but because honesty is not always lodged in every ruler—few there have been who possessed it—man evolved a plan of government that included individuals, thereby bringing into action in the affairs of men many individuals who might be expected to possess more honesty than one man. It was upon this theory that our forefathers fought the Revolution, and after their disappointing experiences with the Articles of Confederation sought to form a more perfect union and establish a stabilized government built upon honesty and justice. An honest government is a just government. Under its administration special privileges can not exist.

Equality of opportunity is obtained, peace and prosperity are the rules of conduct, and the welfare of the people is safeguarded and made secure in pursuance to the preamble contained in the Constitution.

Our Government eventually evolved itself into a government by parties and the term politics came into being. But here again honest politics begets honest leadership, and honest leadership inaugurates honest government. Back of it all and running through every thread of governmental action from the smallest town council, through the county and State to the Nation's Capitol, an honest electorate insures that honest leadership.

Government is instituted as a sovereignty, but it is conducted by men. In a monarchical form government is the rule of one man, in a limited monarchy it is the government of a few men, in a constitutional monarchy it is the government of more men, but in a republic or a democracy it is the government of many men and women chosen by all the people. It reflects the ideals, the standards, the faults, the virtues, and the failures of the people.

Ah, if honesty prevailed in the hearts of all men in this Republic, the problems of government would be solved. If honesty dwelt in the heart of the ruling class of every land, there never would be cause for any war. No honest people ever rose to rebellion, and no honest nation ever made war on an honest neighbor. It is as impossible for war and national honesty to coexist as it is for God and mammon to dwell together.

In our Nation, and in the various States of this Union, the people are responsible for existing government. We choose our public servants. If we have depression, if we have unemployment, if we have privation and tribulations, part of it is due to the people themselves, and more of it is probably due to the peoples' lack of judgment in selecting the men and women who administer their government. In the last analysis, then, it is the people themselves who are largely to blame, both directly and indirectly.

During the past 15 years our Government has grown powerful with bureaucracy and commissions. This tendency had its incep-

tion in the winning of the war. In that titanic struggle everyone forgot everything except the winning of the war and making money. No thought was given to our ideals of government, no prophet looked into the future to perceive the ultimate consequence. On every hand the battle cry was, "Win the war." The struggle, which started in Europe and finally engulfed in its clutches America, was conceived in conquest and achieved at the altar of greed, upon which was sacrificed the blood of millions. The same spirit of greed and selfish profit reached out into the land of every nation, and its citizens were swallowed up in the sentiment of profit and gain at the expense of human misery. When the war was over no effort was made to retrench in governmental expenditures.

Every municipality, every county, every State—in fact, every unit of taxation—as well as the Federal Government, pursued an orgy of taxation and spending that laid the palsied hand of indebtedness on all alike. Through newspaper advertising and high-powered salesmanship, the American people were sold non-revenue-producing articles that became a liability rather than an asset. Their salaries and earning power were mortgaged, not for a few weeks or months but even for years, through the system inaugurated by great corporations known as the installment system of merchandising.

Most commercial transactions are accomplished through credit, but every 30, 60, or 90 days, at the most, such transactions are usually converted into cash. Not so with installments. With inauguration of the installment system, men found it easy to buy not only the necessities of life but more or less the luxuries, giving in return therefor his promise to pay so much per week over a period of months and years. The automobile, the radio, the Frigidaire, furniture for the home, and even clothing and food were included in the installment plan. Every one of these items was a revenue-consuming article, but had no revenue-producing advantage for the average individual who purchased them. The art of living was perched upon wheels or in the air without any regard to the future results. In the mad scramble for gold the electorate forgot their Government. Their judgment was seared in the selection of public officials. Little wonder that all political units of Government are now sunk in the throes of a great depression. Little wonder that individual indebtedness, bankruptcy, despair, and suicide stalk throughout the land.

Let us return to the Constitution. In it there is an anchor for our hope of to-morrow. In a republic we choose our public servants for a given term to carry on the work of government for us; but their tenure of power belongs to the people. By virtue of our system of more or less frequent elections we retain the right to confer or revoke further authority when we decide that our wish has been complied with or has been abused.

This perilous situation is having a sobering effect upon the people. While officials in high positions of power have betrayed their trust, while the worship of the "golden calf" has been nation-wide, the condition is only temporary. We are now returning to sanity and reason. Honesty is and always will be in the majority, but honesty is seldom organized and never united except in a crisis. When honest men fall out thieves take the loot. America, as it were, has occupied that situation for the past 14 years, but we are in a crisis now and honesty of purpose, honesty of action are becoming organized. To-night as we gather here the honest, upright, conservative, thinking individual throughout America is giving serious attention not only to his own private affairs but to the attention of government, and when that vast majority is crystallized into dynamic action then, and only then, will this depression begin to wane.

Good citizenship is founded upon honest individuals. True citizenship means something more than standing at attention when the Star-Spangled Banner is played. It means something more than voluntary obedience to law, it means exercising an active part in the selection of all those who carry on the work of the Government, whether it be in the city council, on the board of supervisors, the executive of a State, or the Congress of the United States. It means conscientiously and honestly to act in the selection of those who are to administer these responsible undertakings.

A few days ago I had the pleasure of standing near the spot where Lincoln on November 18, 1863, dedicated our Nation to a new birth of freedom—a Government of the people, by the people, and for the people. As I stood on that hallowed spot and looked across the field, I could see in my imagination the lines of two great armies, I could see and hear the shot and shell of battle. I could see the lines of blue and gray falling as grape and canister cut through their ranks. Sixty-eight and one-half years later all was still and quiet on that Sabbath afternoon. As I stood on that spot my imagination carried me to another scene, if you please, which now grips our land. I could see two great armies marshaled to battle. On one side were arrayed the forces of greed and those who worshiped at the "shrine of the golden cross."

Arrayed on the other side were the masses of humanity girded with the shield of truth and armed with the sword of might. I could see their lines falling as the grape and canister shots of financial losses, bankruptcy, suicide, and despair plunged them headlong into disaster. In the rear of that army I could see and hear the wails of hungry mothers and starving children, but their general gives the order and again and again they advance into battle in defiance of the human creed of greed. It is this battle which honesty in government will win.

With this group of young men and women assembled here to-night let us resolve that our Nation shall have another birth of freedom, that we have a government of honesty, by honest officials, for honest people, that can not perish from the earth. If in the busy years of an active life your creative thought in both the spoken and written word shall hold steadfast to this creed, your new organization, in its first convention here, will subscribe anew to an old doctrine, which will not only encircle the globe but will strike from the human mind the shackles of selfishness, the chains of prejudice and passion, and usher into being a new day born of the Master, when He uttered these prophetic words, "And there shall be a new earth."

WORK OF THE COMMITTEE ON THE POST OFFICE AND POST ROADS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech delivered over the radio yesterday on the work of the Committee on the Post Office and Post Roads of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, the Committee on the Post Office and Post Roads is one of the five major committees of the House of Representatives. It is composed of 21 members, 12 Democrats, 9 Republicans, and 1 Delegate of the Territory of Hawaii.

It reports legislation relating to the Postal Service and has general jurisdiction of subjects relating to railway, ocean, and pneumatic-tube service, postal savings banks, and postal telegraphy.

Nearly 150 bills have been referred to the Post Office Committee by the House of Representatives at this session. After reaching the committee they are referred to subcommittees for consideration and recommendation. The titles of the 11 subcommittees indicate the nature of the bills referred to them and of their investigations. These subcommittees are: Salaries and allowances, classification of mails and postage rates, post-office quarters and facilities, air mail service, special postal services, foreign mails, rural mails, offenses against the postal service, postal savings, railway mail service, and the city and village delivery service.

The work of the committee is centered about the Postal Service, the largest business in the world. This activity which transports your letter from a convenient mail box to, perhaps, some far corner of the globe, keeps going 24 hours a day; it covers every street, avenue, and roadway in every section of our Republic; it travels by land, water, and air; and it serves every county, city, town, and village in the United States.

The Rural Delivery Service alone served nearly 7,000,000 families last year. With the coming of the automobile, rural routes have been consolidated and extended, the average length of a route to-day being 31 miles as against 26 miles in 1924. Last year more than 850 routes were consolidated. In this manner the saving of approximately \$900,000 to the department was effected.

The mail goes through, regardless of all obstacles. During one of the recent severe winters it was necessary for a mail carrier to have 30 head of horses to maintain the service in his mountainous territory.

One hundred and forty-three years ago our Federal Government, under George Washington, began operating the Postal Service. Since that time the receipts have grown from \$7,510 to \$705,484,098; the expenditures have likewise increased from \$7,560 to as high as \$803,667,219; and the 75 post offices of the year 1789 have become 49,000 in 1931.

Progressive as the service has been, however, we have what has been called a "jack-powered" conveyance in the Postal Service. Out in Colorado the mail has been transported from the post office to the railroad station for 37 years in a buckboard wagon driven by a jack mule, but the mail goes through.

In spite of this, the growth of the Postal Service has been phenomenal, and one that the ancient King of Persia could scarcely have foreseen when, enraged and piqued by his Queen, he planted the seeds of the postal system by sending letters into every Province of his vast empire, informing his

subjects that it was his imperial will that every man should bear rule in his own house.

Last year it took nearly 400,000 people to collect, deliver, and account for the mail. Among the largest groups performing this service were more than 71,000 clerks in first and second class post offices; 53,000 city letter carriers; 48,000 first, second, third, and fourth class postmasters; 42,000 rural carriers; 21,000 railway postal clerks; 4,900 watchmen, messengers, and laborers; 3,800 motor-vehicle employees; 2,800 assistant postmasters; 1,000 village delivery carriers; while over 150,000 employees were engaged in the air mail, international mail, inspection, contract, substitute, and special service.

The Post Office Committee might be termed the board of directors of this huge postal business. It considers and recommends bills for the more efficient conduct of the Postal Service, as well as bills for the welfare of the postal employees, their salaries, allowances, promotions, seniority rights, and working conditions.

The committee has charge of legislation affecting our great network of air mail, on which 25,000,000 miles were flown last year in this country, Canada, and Central and South America.

The committee has jurisdiction over all classes of mail matter and determines the rates, classifications, and conditions of mailability for each class.

The committee before reporting out bills grants hearings to all interested parties, including the Post Office Department, employees, Government officials, mail users, and others who might be affected in any way by the legislation.

We considered at this session bills aimed to prevent kidnaping, to prevent the shipment of poisons, slot machines, gambling devices, obscene literature, puzzle contests, and unsolicited merchandise through the mails, bills for the relief of substitutes in the Postal Service, and many others.

The Post Office Department, in addition to its regular revenue-producing business, aids in the development of the United States merchant marine, as well as the Air Service, by preferential rates oftentimes referred to as subsidies or subventions.

It provides free-in-county service for publications, free transmission through the mails of reading matter for the blind, and distributes, at a very low, below-cost rate, literature in the interest of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations.

The efficiency of the Post Office Department can be clearly proven by the records, which indicate that the productivity of the employees of the department has increased 100 per cent since 1913, and this without the aid of labor-saving devices, as is the case in other industries.

A recent survey instigated by the Postmaster General resulted in enormous savings by taking up 3,600 positions with a saving of \$9,500,000. As a result of this survey, no regular employee of the department lost his job.

Under the provisions of the economy bill, shortly to become a law, the furlough plan will be put into operation by the department, which will result in a reduction of the deficit, a spread in employment opportunities, and will, we all hope, bring about the enactment of a 5-day week to all postal employees. A deserved recognition of the loyalty and efficiency of these splendid men and women of the Postal Service.

On July 26 next we will celebrate the one hundred and fifty-seventh anniversary of the origin of the United States Postal Service, by the Continental Congress and the Bicentennial Commission in recognition of this historic event has suggested a program calling for a nation-wide celebration of the day.

General Washington was one of the sponsors of the Postal Service, and repeatedly in his messages to the Congress he called to their attention the need for the extension and expansion of this great department. Washington always believed the department to be one of service rather than profit, and in the diffusion of knowledge and light he saw the liberties of our people protected.

MY REPORT TO THE PEOPLE OF THE ELEVENTH CONGRESSIONAL DISTRICT OF OHIO

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. UNDERWOOD. Mr. Speaker, ladies and gentlemen of the House, I desire to present to the citizens of my district a condensed report of my attitude on important legislative matters that have been passed upon or considered during my service. My aim and desire as a Representative in Congress has been to serve faithfully all the people of my country and district. I have tried to vote and to speak for the best interests of my constituents at all times. I have asked for and appreciated receiving the views of the farmer, business, laboring, and professional men and women of my district. This has enabled me to become better acquainted with the direct needs of the good people of the eleventh district. The advice, help, and teamwork of my constituents in solving and helping to solve the many perplexing problems have been both beneficial and helpful. I am gratefully appreciative and thankful to all for this help. Measures of great importance to the people have been and are now before Congress.

Service in this great legislative body is an interesting and important work. Our Government is the greatest business institution in the world. It is a privilege and an honor to represent a cross section of the American people in what I consider to be the greatest lawmaking body in the world. I am pleased to say that most of our legislation has been enacted in either a nonpartisan or a bipartisan manner. The absence of narrow partisanship on many great business questions has been evident. I do not believe that blind partisanship should be the guide in voting on important questions that vitally affect the happiness and welfare of all our people. I can truthfully say that during my service as a Representative I have tried to adhere to this principle and to consider and cast my vote on every measure on the basis of its merits. A congressional honor and mantle becomes one of dishonor and shame when purchased at the price of the sacrifice and surrender of independent political thought and manly self-respect. I have tried to square my vote with my conscience and my best judgment. I have earnestly tried to perform my duty to the people whom I represent.

It has been truthfully said by a distinguished statesman who served approximately 25 years in the House of Representatives, "It is a high honor to be a Representative in Congress." I have learned by experience that a Member's usefulness to his country and district increases with his term of service. As Champ Clark once said:

A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor—that is, useful and influential Congressmen are made largely by experience and practice.

Many sections of the country have considered it an unwise performance to change Representatives at short intervals. As has been aptly said, "A new Congressman must begin at the foot of the class and spell up." In perhaps no other business does seniority or length of service amount to so much as in the Congress of the United States. Length of service in the House with the advantage of knowledge and acquaintance with the work of the various governmental departments, gained by years of experience on the job, helps a Member to be of more useful service to his country and to his constituents back home. A Member of Congress who has capacity, industry, honesty, sobriety, and courage, who is willing and strives to perform his duties faithfully and well is bound to gain position and influence with the seniority or length of his service in the House of Representatives. Due to this factor many Members of the lower branch of Congress have been serving the same district continuously for periods as long as 30 years. Experience counts in Congress.

UNFAIR PROPAGANDA AGAINST CONGRESS

In our country it is the privilege of all to freely criticize. However, criticism should be constructive, not destructive. I believe this Congress has been treated with gross unfairness by the vast majority of newspaper reports, spread throughout the country by organized lobbies, big business, and selfish interests. They have done this with the express purpose of misleading and concealing the real truth from the American people by creating a smoke screen to hide their manipulations and trickery. They have done this, for example, like the international bankers, who have unloaded some \$30,000,000,000 of practically worthless securities on the American people, thereby causing more than 3,000 banks to close and small investors to lose their life's savings, and virtually bankrupting American agriculture, industry, and commerce. These greedy and selfish interests, seeking special privileges and favors, have tried to shield their operations and guilty conduct from public view. They have sent billions of good American dollars abroad that should have been spent at home to employ the millions of our idle workmen. These financial pirates, robbers, and unfair and un-American selfish interests, with their swollen profits, care little for the average American citizen or his welfare. They freely misrepresent the attitude and voting record of Members of Congress upon important public questions. By broadsides of propaganda through the press, by editorials and cartoons, through magazines, by radio, by paid lecturers, and through the mails they have tried to mislead the American people and misrepresent the Congress.

They have even employed muckraking scandal sheets to attack the personal life and conduct of individual Members of Congress. They have published malicious, false, and untrue stories to injure and destroy men in public office whose lives and personal conduct have always been clean and above reproach.

Members of Congress who have served for many years, state that this Congress has faced more difficulties, worked harder, and under greater strain than any Congress in which they have heretofore served. I know this to be true. Congress has been bombarded with organized propaganda; it has been flooded with thousands of telegrams and thousands of letters, on legislation and relief measures. More complex problems have confronted this Congress than any session since the World War. Many Members have died and others collapsed from exhaustion under the intolerable strain. Congress should have been called in special session by President Hoover last fall, or earlier, to have given the proper attention and consideration to the far-reaching and difficult problems presented for solution. The average Congressman is but human and I believe, whether he be Democrat or Republican, is willing and anxious to help work out a solution of the serious economic problems confronting our country. I have never dodged a vote or evaded an issue during my service in Congress. In order that my position or votes may not be misunderstood or misrepresented to the people, I am making this report to the good people who have honored me with election as their Representative in Congress.

A Member of Congress is a public servant. Everyone who seeks this high office should not quibble or hesitate to make known his position on all important public questions. To conceal or refuse to state his position to the voters makes him unworthy of this high trust and position. I am restating my attitude upon all important public questions. A public office is a public trust. I have tried to serve all my people regardless of politics, honestly, faithfully, and efficiently. I stand squarely upon my record of nonpartisan service to all my people and submit this brief for the approval or disapproval of the people of my district.

CITIZENS' INTEREST IN CONGRESS

In the hope that it will stimulate thought and a deeper sense of responsibility and, in order to help my constituents to determine to what degree and in what manner they and their interests have been represented, I want to speak briefly of a few major legislative questions that are of vital interest to the country and the people whom I have the

honor to represent. I believe these problems deserve the serious consideration of every citizen. These remarks, principally for the benefit and information of the people of my congressional district, must necessarily be brief. During my service in Congress I have made speeches on certain public questions at the time they were before the House for action.

TAXATION

How time old and historical the tax problem is. It has always been burdensome. It bore down upon the parents of the Savior when they had to make the annual journey by the motive power of a mule to pay their taxes; it bore heavily in the days of the Revolution; and, gentlemen, it bears heavily to-day.

Society and government can not stand without taxation. We have greater privileges to-day, therefore greater taxes. It is the grave duty of Congress to equalize taxes as far as possible. Atlas, with the world on his shoulders, had a burden light as air in comparison with some of the unjust taxes the taxpayers shoulder to-day.

Taxes are paid by all of us alike, both Democrats and Republicans. We must all bear our share of the expense and burden of our Government.

I know that Congress should relieve the small taxpayer—the farmer, merchant, and laboring man—who is now overburdened, not only with Federal taxes but with State, county, and municipal taxes. My plea is for fair relief to all, and it can be done. It must be done. I do not believe it was the purpose of those who drafted our tax laws to place the hand of the tax gatherer into the pockets of the small-home owner and wage earner of this country. Why hamper the man "whose brow is wet with honest sweat, who earns what'er he can"? He needs all of his small income to clothe, educate, and support his family.

The huge fortunes which have been made and are being created in this country were made possible by our tremendous natural resources with which God Almighty endowed the land. Those resources have been exploited and have piled up many great fortunes that, to a large extent, do not represent so much creative genius as the ability to translate natural wealth into money. Wealth is necessary to conduct and maintain our business structure; but I believe that the big fortunes, which were made possible by the exploitation of the natural resources of the American people, ought to pay a generous share for the conduct of the Government, which makes them possible and which keeps them in existence.

The big business interests and the war-made millionaires want more than a reduction of their taxes. They know that the World War placed a tax burden on the country that it will take a generation to pay. In time of war we conscript the youth of our land. I do not believe that property is more sacred than blood. If necessary, we should conscript wealth to help pay our country's debts. Wealth paid smaller taxes in this country during the war than it did in any other country under the sun. The rich are now endeavoring to shift the burden of our war debt almost entirely to the backs of the people. Unless we stop it, big business will not rest until the common people are forced to pay every penny of the cost of the war.

The people are earnestly demanding and appealing for lower taxes and for further efforts toward a more simple, honest, and economical administration of our Government. I do not oppose the wealth of our country. It is necessary to conduct and maintain our business structure. I would not destroy the incentive to accumulate, but wealth must bear its share of the cost and expense of our Government. It should not ask special privilege at our hands. I do hope that Congress may say to the country that substantial relief has been given to all classes of taxpayers and that our acts will stand the test of analysis, the test of honesty, and the test of equality that will do justice to all taxpayers.

OPPOSED SALES TAX

I have always believed that the income taxes, excess-profit taxes, and the estate taxes should be the main sources from which our taxes should be drawn. Big business and

wealthy interests vigorously objected to increases in the higher income taxes, inheritance taxes, estate taxes, and gift taxes. They strongly urged the passage of the sales tax.

I voted against the sales tax. The sales tax, in my opinion, would unload more than half the taxes on the overburdened backs of those who are least able to pay. I have always believed that taxes should be levied according to ability and capacity to pay. The sales tax is not based on ability to pay, but necessity to buy. A sales tax would place additional taxes and burdens on the consumer and in effect would be double taxation. The sales tax, as originally proposed, included a tax on food, wearing apparel, and other necessities of life. A system of sales taxes is wrong. It is not based on ability to pay. A sales tax would increase the cost of living to the American people. It would affect the great mass of the consuming public most severely, and tax a large per cent of their earnings.

A sales tax is a consumption tax. It would result in and create a sales resistance against commodities taxed. It would cause a falling off in the demands of the consumers for the articles taxed and destroy industry and commerce. I believe the passage of a sales tax would encourage and promote extravagance in government. Succeeding Congresses could easily raise the rate of taxes. The sales tax would cause those who are now in distress and who are now suffering most from this depression to pay the taxes of those who have never been hungry and who have never wanted for the necessities of life. It would work an injustice against the farmers who are losing their homes and the workers of the country who have lost their positions and incomes. The sales tax was advocated by the wealthy income-tax payers, who hoped to reduce their own taxes. The wage earners, the farmers, and their families, who are to-day practically bankrupt, would shoulder the burden of the sales tax. Its adoption would mean that the taxes of those who are able to pay would be greatly reduced and the burden placed on those who are least able to pay. Those who advocate the passage of a sales tax are endeavoring to shift the burden of taxation to the backs of the people. The sales tax is so unfair and so unpopular, when fully understood, that both the Republican and Democratic Parties were afraid to take a stand for it in their platforms. Wealthy, greedy, and selfish interests are the chief supporters of this most unfair and unjust tax.

AGRICULTURE

I spent my early life on the farm. At the present time I own, operate, and live on a farm. I have carefully studied the agricultural situation and believe that I understand some of the difficulties confronting the farmer. During my service in Congress farm relief has been one of the most important questions for solution. Careful study, attention, and consideration have been given to agriculture by both branches of Congress, farm organizations, economists, leaders of industry, business, and commerce. Every fair-minded person admits the serious condition of agriculture.

The farmers of the country have been facing bankruptcy. Numerous bills and measures for relief have been presented for the solution of the farm problem. Congress has enacted some of these suggestions into legislation. Others have been rejected as being unsound, uneconomic, and unworkable. Agriculture to-day struggles under economic disadvantages and injustices. The tariff on farm products is ineffective. The debenture plan would have made the tariff effective on farm commodities. The price the farmer pays for everything he uses is fixed for him. The price he receives for his products is also fixed. He is not only told what to pay but the price paid to him is dictated. The farmer does not need additional loans alone; he needs an income that will insure him an honest living and a fair return for his labor. Many farmers to-day would be improving their farms, repainting their buildings, replacing their farm machinery, building fences, and generally improving the farm if they had the money with which to do these things. It seems to me that it is time that the industrial interests of the country realize that the farmer's dollar moves in a never-ending cycle. It is evident to all that the

business depression and the hard times existing in industrial centers to-day can be traced largely to the distressed condition that has existed in agriculture since the war. Agriculture is our basic industry. If agriculture is not prosperous, the other industries of the country will sooner or later feel the effects, and that is the case to-day.

I fear that Congress, by the enactment of the Grundy billion dollar tariff bill, by increasing the tariff on manufactured products, upon which there was already a practically prohibitive tariff, has taken away most of the benefits gained or to be gained by the farm relief bill. Congress has raised the price that the farmer has to pay for manufactured products for his family, his home, and his farm. I discussed this proposition in my remarks on the tariff bill. Agricultural tariffs are generally ineffective. Tariffs related to industry are very effective. The tariff has been raised on numerous articles that the farmer must purchase, thereby increasing his cost of living. Within my congressional district are many diversified industries. We have as fine farm land as exists anywhere in the country. Traveling over my district, I find many of the farmers are bankrupt and farms being sold at the courthouse. Something is wrong. I see fields grown up with weeds, houses deserted where once prosperous farmers resided but now gone. The farmers have been paying war-time prices for many of the necessities they use in the home and on the farm. They are receiving deflated prices for their farm products. At the present time the farmer's dollar measured in other than farm products is worth very little. Beef, pork, grain, and other products of the farm are selling at very low and unjust prices. Farmers have been toiling from early morning until late at night to find that they are making only a bare living. In many instances they are faced with a mortgage and bankruptcy.

We have a serious situation, brought about by the economic inequality of agriculture and by the steadily lessening buying power of the American farmers and the consuming public.

It seems to me that if the American farmers can be helped out of their present economic distress that it will do more to bring prosperity back to this country than all the artificial and abnormal stimulants will be able to accomplish. It is admitted that at least half of our population is in economic and financial distress to-day. It ought to be self-evident that a prosperous agriculture is necessary to continuous industrial prosperity. The future success of every business enterprise in America depends directly or indirectly upon the buying power of the agricultural part of our population.

When we pause and consider the vast number of farms that are being abandoned, when we think of the millions of American farmers who have been struggling against adversity for the past several years with insufficient income to meet their taxes and pay their obligations, when we think of the disastrous decrease in the buying power of American agriculture, we must all recognize that it is a serious situation, demanding the attention of all who are interested in the future of this country.

If we permit the farmers of this country to be driven from the farms, undoubtedly we will pay more for our food and raw materials. It will result in the destruction of agriculture, which is our basic industry.

I have always found the farmers of America to represent an honest, courageous, and hard-working body of our citizenship; law-abiding, home-owning, and country-loving people; and they have a right to demand and should receive the sympathetic and constructive consideration of our national lawmaking body. Their problem is a national problem. It is a State problem. It is an individual problem. A satisfactory solution of it would result in greater happiness and prosperity to all the people in our fair Republic.

UNEMPLOYMENT—OUR GREATEST PROBLEM

I have always supported all worthy legislation for the betterment of the living and working conditions and adequate compensation for the laboring men and women of my country and congressional district. I am pleased to say that I have a 100 per cent labor record.

I voted for the Norris-LaGuardia anti-injunction bill. I supported this measure, believing that labor should not have to bear in the future the burden of unfair and indiscriminate injunctions. This legislation will remedy and correct for the laboring men and women of the country many of the injustices which have existed in the past. The question of old-age pension and unemployment insurance is becoming more and more a matter of great public importance. In our social system thoughtful persons are attempting to work out and devise a means that will care for and assist the elderly, indigent, and deserving laboring men and women of our Nation who, through no fault of their own, meet destitution and want without the necessities of life or the means of providing a livelihood for themselves.

One of the most serious problems confronting our Government to-day is the unemployment situation. Approximately 10,000,000 people are jobless. The unemployment menace hangs over our country like the darkness of night. We have more people unemployed in this country to-day than in all Europe combined.

American industry, agriculture, and commerce are idle and stagnant. The panic still holds us in its grasp. We have an abundance of everything; but the consuming public, due to lack of employment, does not have any purchasing power.

To-day 10,000,000 workers are unemployed, and approximately 40,000,000 Americans are suffering from privation and want. These people have no income and no purchasing power. Misery is widespread in a time not of scarcity but of overabundance and plenty. Unprecedented unemployment, an untold fall in commodity prices, and unmeasured economic losses threaten our institutions.

The United States is, perhaps, the richest country in the world in resources. We are able to produce in the mills and factories far beyond our domestic needs and requirements. With all this surplus of wealth and resources, we have millions of willing, able-bodied men and women unable to secure work and, with no other source of income, sadly in need of food and clothing. These problems of unemployment and the distribution of our resources and wealth in a land where we have more of everything to eat and wear than we can possibly use, confronted with millions of human beings hungry and in distress, challenge the very foundation of our economical and political system. The distress has cost us in national wealth approximately \$85,000,000,000. The loss of wages due to unemployment for the two years 1930 and 1931 was \$21,600,000,000. It has been estimated that for every month in 1932 we have lost \$2,000,000,000. This loss is, and will continue, until conditions improve.

The unemployment situation will destroy the Nation unless our Government and industry can solve the problem. Immediate and constructive action is necessary. The loss of purchasing power of those unemployed has destroyed business and industry. The question is asked on every hand, What can be done to remedy this situation?

I have contended that this Congress should not adjourn without providing for immediate relief for those unfortunate American citizens who are to-day, through no fault of their own, enduring actual want, hunger, and starvation. This requires immediate national aid, as public funds in many States, cities, and other subdivisions are exhausted. The jobless and hungry must be fed and clothed; the cry of distress must be answered by the Federal Government. The cure and remedy for unemployment is work. Private industry is unable to furnish employment. It is absolutely necessary that our Federal Government set in motion a program that will give people employment. Loans to States and cities should be made. We issued bonds to win the war. We can issue bonds for worthy works, such as the building of roads, bridges, the paving of streets, the elimination of grade crossings, the construction of public buildings, parks, sewers, waterworks, and other worthy projects. This would employ our citizens and increase the wealth of the Nation. Employment would mean increased prices in sales, increased manufactured products, increased prices for the farmer's products.

We must reorganize our entire industrial system. We must, if necessary, control production. In this machine age improved methods have increased production. This means shorter hours for the laboring men in the governmental service and in private industry, with a fair and decent wage and a just share of the national income. This may mean a redistribution of the wealth of the country; but that should not alarm us, because too much of the wealth and industrial resources of the country has been concentrated in the hands of a few. This depression can be overcome.

In the meantime we must take care of our destitute and hungry citizens. We must inaugurate a widespread emergency program to meet the unemployment menace. We must inaugurate a shorter workday and shorter hours for labor. We must adopt emergency relief measures and legislation that will dispel the darkness, roll away the clouds that now overhang the people of this fair Republic, which we all love. If we can not do this, then I fear that this great Government of ours will collapse. I fear that we, as Americans, will lose all those sacred rights and privileges which all our people are entitled to enjoy.

We have argued much in this session of Congress concerning the responsibility of the Nation and States and local communities to provide relief and furnish work for the unemployed. We must admit and acknowledge that the primary responsibility is local. However, innocent victims of this panic and disaster do not and will not make any hair-splitting decisions or distinctions between local and national responsibility. The people of the Nation pay the taxes. They are our defenders in time of peril. They do not expect the Nation, for which they are willing to give their life and shed their blood in times of need, to desert or neglect them in their time of want and distress. Our country has boasted of its great progress. We have boasted of mass production. We proudly gave to the world many inventions reducing and eliminating labor.

I fear that our enthusiasm for the benefits derived from improved machinery has caused us to be unmindful of the hardships of those who toil with human hands. We would not turn back. Society must progress; but it is the duty of society to find a solution or means of livelihood for those unfortunate members of its ranks who to-day find their labor by human hands displaced by improved machinery and are no longer needed. Society must provide a way for them to share in the profits or support themselves and their families in accordance with our standard of living and wages. This may mean the shortening of the working day; this may mean inauguration of the 5-day week or the 6-hour day. This must be done in justice to all the people. Every laboring man and woman is entitled to his share according to his ability, needs, and opportunity.

Labor is not a commodity. As a reward for their toil, laboring men and women of the country are justly entitled to enjoy privileges and benefits which we as Americans believe are due all the people of our country.

Society must adjust itself to the changed conditions. If the so-called big-business and capitalistic classes of this country, who have reaped and are reaping enormous profits from their investments, do not make—and they have not made—a proper distribution of these profits in wages to labor, then it is the duty of our Government to exact in the form of taxes and redistribute to all the people a fair share in return for their toil and labor. It is a dangerous thing to have approximately 10,000,000 men and women unable to procure labor or support themselves in a land of plenty. These patriotic people—idle, hungry, and in distress—have been loyal, patient, and patriotic, hoping that a solution would be found for the ills which confront them.

Changed and unusual conditions rightfully demand reversal of beliefs and opinions. That is the case to-day. There must be a redistribution of the wealth of this country so that the average man, the farmer, the laboring man and woman, the small merchant and business man, and those who depend upon toil for their living shall have a fair share

of the returns. The future of the country depends upon the satisfaction of its people. The masses of the people who constitute the great backbone of this Republic must have an equal opportunity. We can not and must not allow them to be trampled by the greedy and selfish interests, by the gigantic mergers and monopolies that would take all and give none. If these combinations, trusts, and illegal conspiracies and monopolies are not broken up, if the average American citizen is not permitted to earn and enjoy his share of our natural resources, then I hesitate to say, I fear to predict what will happen to the country which we all love so much.

WORTHLESS FOREIGN SECURITIES UNLOADED ON AMERICAN PEOPLE

Mr. Speaker, ladies and gentlemen of the House, this is a sordid tale of our practically worthless foreign loans. This is the truth about the international bankers, bloated millionaires, financial pirates, and bandits who have sold America short, who have sent good American dollars to Europe and South America, and have unloaded billions of dollars of worthless securities on the unsuspecting American people. This story is one of the darkest pages in the financial history of our country. Lift the curtain and give the American public a glimpse.

American citizens have been taught to rely upon and to trust their bankers. Our people have always regarded their bankers with confidence and utmost reverence, depending upon their advice and counsel to make their investments and loans. Unfortunately, the small banker has, in many instances, been the victim of these selfish and predatory interests. Recent investigations by Congress of the transactions of international bankers and men prominent in high financial circles have shaken public confidence and lost in part the trust of the American people.

The rude awakening from the financial crash of the stock market of 1929 and repeated many times thereafter, resulting in bankruptcy and devastation of American industry, agriculture, and commerce, has caused our people to search for some of the underlying causes of our depression and serious economic problems. Destitute American citizens, their savings gone and life earnings dissipated, now ponder and meditate while great international bankers of the country wax fat with their ill-gotten profits and commissions from their gigantic loans to foreign countries. To-day with their swollen wealth we behold these same selfish interests propagandizing the country and belittling Congress for not doing something to relieve the terrible conditions that have arisen, principally as the result of their high-handed finance and manipulations. Much has been done by Congress to reassure and restore business to its normal activities. Never before has so much organized propaganda against every effort proposed by Congress come to my attention. Big-business men in high financial circles have repeatedly helped "put down" every effort to return to normal circumstances. They have preyed upon the financial distress of small investors who, in their distress, have had to let loose of their holdings to these financial buzzards, who have swollen their fortunes at the turn of the tide.

The truth should be told to those who have undergone great financial hardship and suffering during this depression. Tell the truth to those who are to-day blaming our Government and our Congress. The truth will disclose one of the principal causes of the panic and depression which now holds our country in its grasp. Here is the story of these financial racketeers: Approximately \$30,000,000,000 of practically worthless bonds and securities sold to and unloaded upon innocent and unsuspecting American investors. Do you read editorials in the papers condemning what has been done? No. The press in the great financial centers evidently considers the fleecing of the public out of the millions of dollars as a just and righteous business. The gigantic swindle of the hard-earned savings of millions of American citizens has been diverted from productive business enterprises here at home to be sent abroad and used for the benefit of the people of foreign countries.

Is it any wonder that this group of financial robbers, who have fleeced the American people out of billions of dollars,

now hope to shield and cover their crimes by directing public attention elsewhere? The truth of these investigations should be given to the people. Systematized, false, and misleading propaganda; vilifying and muckraking attacks directed against the Congress, have served as a smoke screen to hide the manipulations and crookedness of these financial pirates and bloated millionaires. By broadsides of unfair propaganda through the press, by misleading editorials and cartoons, through the magazines, by radio, by paid lecturers, and through the mails they have tried to shield their unscrupulous operations and guilty conduct from public view.

Much of this \$30,000,000,000 squandered or loaned abroad has been used by our competitors in other countries. Why did the international bankers do this? It has been admitted by many that they did this solely for the purpose of making gigantic and unholy profits aggregating millions of dollars in the way of commissions on loans. Foreign countries have used these loans to make great internal improvements. They have used these loans to develop parks, to build roads, bridges, canals, tunnels, and so forth. They have used a great part of these loans to create and build great manufacturing institutions to compete with American industry. They have used these loans in building and maintaining extravagant armies, navies, and war equipment, that endanger the peace of the world. All this has been done with American dollars, that should have been kept at home and spent for the benefit of our millions of patriotic American citizens who are now suffering privation and want.

We have in this country to-day approximately 10,000,000 people unemployed. Forty million Americans are suffering as a result of this unprecedented unemployment. It is estimated that the United States has more jobless men than Germany and France combined and almost twice as many as England and France combined. The American laboring man is idle, brooding over the unkindness of fate, unable to secure employment or make a livelihood for himself and family. The farmer, the small merchant, banker, business, and professional men are all virtually bankrupt. American industry, agriculture, and commerce are idle and stagnant. Would it not have been better to have spent at home a part of this \$30,000,000,000 sent abroad in the employment of American labor to revive American industry, agriculture, and commerce? We have played Santa Claus long enough to the nations of other lands.

Approximately \$30,000,000,000 of practically worthless foreign securities have been unloaded upon the American people. Did the international bankers truthfully warn American investors or the general public that they were unloading billions of dollars of worthless securities? Did the international bankers truthfully advise the American people and the small banks? Evidently not. The doors of several thousand small banks are now closed, and many of them have these worthless bonds as frozen assets in their safety-deposit boxes. The international bankers knew when they were floating these gigantic loans to Europe and South America that these countries would be unable to meet the interest and principal as the loans came due, having already defaulted or refused to meet their obligations. I am amazed at this recklessness upon the part of these bankers. They knew the situation. They did not heed the facts. They acted only from selfish purposes and for the profits they took. They gave no heed or thought to the American people or American industry, agriculture, and commerce. Is it any wonder that they now plead for the cancellation of foreign debts owed to our Government, a great part of which have already been cancelled? Is it any wonder that they asked for the moratorium or further cancellation of debts due our Government in order to protect themselves or their private loans? They would saddle the entire burden on the now already overburdened American taxpayer.

The American people may not know it, but we canceled all of Italy's debt except approximately 21 cents on the dollar; all of France's debt except 42 cents on the dollar; and like cancellations have been made to other countries of various debts owed to and borrowed from our Government before the end of the war. We are receiving less from these two

countries than they borrowed from us after the close of the war. It has been estimated that under the terms of the Italian debt settlement we placed an additional and unjust tax of \$14 on every man, woman, and child in the United States, or approximately \$70 on the average American family. Under the settlements negotiated with European nations we have canceled or remitted approximately \$11,000,000,000. The cancellations we have made place an average additional tax burden of \$28.33 on each man, woman, and child in the United States, or about \$141.65 on the average American family. I opposed these debt settlements. I spoke and voted against them. These same international bankers and their friends would have Congress cancel the debts contracted since the close of the World War. The moratorium was a step in that direction, other moratoria or postponements will mean a scaling down of these debts or lead to their ultimate cancellation. Is the now overburdened American taxpayer willing to assume this additional load? Farmers and home owners are unable to meet their local taxes. Beef, pork, wheat, corn, and other agricultural products are bringing practically nothing. Our people can stand no more.

Mr. Speaker, ladies, and gentlemen of the House, again I repeat that the American people should know the truth. The international bankers, bloated millionaires, financial pirates and bandits who have sold America short and have sent good American dollars abroad, never to return, have been guilty of high crimes and misdemeanors. Their swollen profits and ill-gotten wealth have brought destruction, destitution, hunger, hardship, and poverty to millions of patriotic American citizens. These same international bankers to-day oppose any and all efforts that would bring some measure of relief to widespread human misery and suffering.

Let the American press and the critics who sit in high positions in the affairs of our Nation tell the American people the truth, pull the curtain aside and give them the true picture. In so doing you will find one of the real causes of the American panic and serious economic conditions. You will find one of the real reasons for our unprecedented unemployment; untold fall in commodity prices; and the unmeasured economic losses that threaten and challenge the very foundation of our Government, our economic and political system. You will find one of the real reasons for the unequal and unfair distribution of the wealth of our country; one of the reasons why the average man of our fair Republic is not to-day enjoying the prosperity to which he is rightfully entitled.

I may repeat that the unloading of \$30,000,000,000 worth of these now worthless foreign securities upon the American public at a time when the same creditors were in default on their obligations which they owed our Government, was a sad tragedy and is one of the darkest pages of American history.

Did President Hoover or any of the members of his Cabinet or administration protest or object to the unloading of these worthless securities? The press boasted of the Hoover market with Wall Street waving the Hoover flag. Speculating tendencies were encouraged. The people were led to believe by acquiescence or silence that many of these investments were sound, safe, and secure. The markets went to unreasonable and dizzy heights. Domestic and foreign stocks and bonds, good and bad, skyrocketed and soared. Unsuspecting American citizens, lacking knowledge of the true conditions, dreamed of the day when they would be millionaires. Financial houses and big banking institutions became enormously rich in commissions and fees. At last the crash came. Fortunes were swept away. Dark pages were written in the financial history of our country; the confidence of the American public trembled and the inflationary bubble had burst. President Hoover refused to admit a panic. After the crash and the wild orgy of speculation, he still insisted that prosperity was just around the corner and that all the evidence indicated that the worst effects of the crash would pass within 60 days.

Hoover confidently predicted if we continued the policies which he advocated that the poorhouse would vanish from

among us, that poverty would be banished from the Nation. What has happened?

Since 1920 almost 10,000 banks have failed, about one-half of them under President Hoover. Business is ruined. The tax-burdened farmer is selling his products at less than cost of production. Hunger and despair are spreading among the masses. The Hoover prosperity myth has exploded. Millions of loyal, patriotic American citizens are out of work, without purchasing power, and are unable to buy. Additional taxes have been saddled upon the American people; billions of dollars of American money invested in foreign bonds, many of them worth about 10 cents on the dollar; millions of dollars tied up in business abroad, and foreign countries still owing us more than \$10,000,000,000 on their debts; and eight of our principal European debtor nations spent for armaments during the year 1930 the enormous sum of \$1,779,346,162.

Has the Hoover moratorium, which was a donation of \$252,000,000 to Europe, done us any good? Great Britain, France, Italy, and other European countries got their debt holiday from the moratorium, but the overburdened American taxpayers will have to make up that amount. Hundreds of mortgaged farms and the small-home owners in the city might have been saved. Millions of unemployed Americans might have been employed if the Hoover administration and our high financiers had shown their faith in America first and not played Santa Claus to other nations. It would have been a grand and glorious thing for the American people if charity had begun at home. I believe that if there was to be a debt holiday, it ought to have begun at home. It ought to have been given to the American farmer burdened with debts. It ought to have been given to the small-home owner, the merchant, and business man facing bankruptcy and ruin.

Unrestrained greed and gambling have been encouraged, helping to bring about the present deplorable conditions of the country. Wall Street and high financiers have dictated to the country and the Hoover administration. The country is in the midst of a panic. The American people have witnessed the growing power of special privilege that to-day threatens and presents a greater danger than ever before. Greedy and special interests are determined to rule or ruin. It is time that every American citizen should think seriously. Unfair attacks have been made upon the representatives of the people. They have been threatened with defeat and punishment because they have refused to follow the legislative demands of special and greedy interests. These same interests would destroy our representative Government, your Government and mine; they would write the tax laws; they would rule over all of us or ruin us; they would repeal the antitrust laws. They believe in and encourage gigantic mergers, monopolies, and trusts to rob the people.

The American people rightfully demand a new deal. Speculative tendency must be curbed. Mergers and monopolies in violation of law must be broken up or strictly regulated. The depression and the panic under Hoover is indeed terrible. There has been no shortage of gold or goods. There has been no nation-wide famine or flood. Our factories and granaries are full. America is enjoying under the Hoover administration to-day its first panic in a land of plenty. These abuses must and will be corrected or else our Government will collapse. Government must be restored to the people.

THE OHIO COAL SITUATION

The coal and mining industry, which but a few years ago ranked second to agriculture as the greatest industry in the State of Ohio, has collapsed. To-day thousands of miners are out of work. Some of them have not had work for more than two years. Most of these miners have families. Suffering and privation among these poor people in the Hocking Valley, Shawnee, and Crooksville fields have been the worst ever known. Of the hundreds of mines in the State very few are operating to-day. Ohio has the coal, the mines, and the miners to furnish all of its 70,000,000 tons a year consumption. For years Ohio controlled the lake trade, "the cream of the business." We were compelled to yield that business

slowly but surely to other fields by a prevailing system of coal freight rates which helped to literally kill one of the greatest industries in my State. Competing coal fields in neighboring States of West Virginia and Kentucky developed by discriminatory and unfair freight rates have gradually absorbed the markets and displaced the coal from Ohio mines. I have fought this unfair practice constantly since I became a Member of Congress. I have fully discussed this question in speeches delivered in the House of Representatives. I have always believed that a more just, fair, and equitable system of freight rates, based upon a mileage cost per ton of transportation, with proper terminal charges, should be inaugurated and put into effect by the railroads and the Interstate Commerce Commission. The coal fields of the country should be properly zoned, if possible. Distance and transportation costs should be in accordance with the rates charged. Unjust freight rates over long and short hauls exist to-day.

I have always contended that each producing coal field should have a fair chance to successfully compete for its share of the trade and not be discriminated against and lose its natural markets through unfair, unjust, and discriminatory freight rates. We must admit that the bituminous-coal industry of the country is overmanned. We know that there is an excess of production. We also know that in this industry the encroachments of electrical power, of natural gas, of improvements in consumption, have operated to slow down the annual demand from its high peak.

At the same time the introduction of labor-saving devices has decreased the demand for mine labor. Destructive competition and economic conditions have resulted in the final breakdown of wages and the industry. This has resulted in human misery and suffering which is wholly out of place in our American system. There must be a reduction of this destructive competition. It has tended to reduce to poverty all those who have engaged in it. We must have competition which will protect the consuming public, but it is time that the coal industry should be stabilized, if possible.

I have given my whole-hearted support to the principles incorporated in the Kelly-Davis regulation coal bill pending before Congress. I regret that favorable action by Congress on a measure of this character has not been taken. I know that there is much opposition against this legislation. It needs clarification, but I believe that the principle of cooperation contained in the bill will do much to solve the problems of this industry. It would do much to stop the unrestricted and senseless competition which for years has injured and almost destroyed the entire bituminous-coal industry.

This legislation provides a minimum of governmental regulation with stabilization supervised and developed through the experience of those in the industry itself. Since the World War, as a result of uncontrolled and unlimited expansion, the coal industry has been totally disorganized. The operators and miners are agreed that something must be done to remedy existing conditions. The rights of the public and mine workers must be protected and a relief plan worked out.

A coal commission is created by the measure, to be appointed by the President and approved by the Senate. It provides for regional sales associations and marketing pools in the coal ranks of the country. The action of these associations, concerning prices and production schedules, is subject to approval by the coal commission. This measure provides that the coal industry shall govern itself from within. It will do much to eliminate the destructive competition now existing within the coal regions of our country.

The labor provisions of the bill protect and guarantee the rights of the mine workers and the operators. Workers can not be deprived of the right of collective bargaining. It is only through collective bargaining that fair wages and reasonable hours of labor may be secured, their rights protected, and shorter working hours maintained. Fair wages would spread the benefits to all groups of the industry. The measure provides a reasonable control of prices and production, but the rights of the public must and will be properly safe-

guarded. The consuming public does not benefit when coal is sold at a price which means bankruptcy for the producers and starvation wages for the mine workers. There may be some question as to the constitutionality of the measure. However, the time has arrived when something must be done by the National Government. For the benefit of the industry and the interests of the country as a whole Congress must act on this vital question of coal control and stabilization.

I do not contend that this legislation would cure all the ills of the bituminous-coal industry. I do contend that it would do much to insure a fair share of the business to the different fields of the country; that it would protect the consumers against monopoly; that it would insure to the capital invested in this industry and the labor dependent upon it a fair return. I think it would do much to relieve the problem of unemployment, bankruptcy, losses, and starvation wages from which the industry now suffers.

We must meet the problems resulting from this new age, caused in a large part by machine production and cutthroat competition. At the same time, we must properly protect the public, maintain fair prices, just wages, and prevent unemployment and continued distress.

The Kelly-Davis coal bill would help, in a large part, to remedy existing conditions. We must meet the issues of the day and insure, if possible, to the people of our country an equal opportunity and a fair chance of life, liberty, and the pursuit of happiness. Any measure that will help the mining industry will also help the farmers, merchants, business and professional men of our country and my State and district.

I can see before me to-day in the mining fields, composing a part of the district which I have the honor to represent, thousands of these loyal, patriotic American citizens face to face with actual want and hardship. Ladies and gentlemen, the miners of Ohio, who have always been honest, fearless, and true to their families, their country, and their God, believe that partial relief can be granted.

If you will go with me into the mining fields of Ohio to-day, with which I am acquainted, I can show you the coal miner living in a modest and simple home, where he sits with his family brooding over the unkindness of fate. If you knew the miners of my district and State as I know them, if you had associated with them, as I have done, if you only knew the many hardships they have encountered and are encountering to-day, I am sure that you and the good people who have sent me here would not ask that I remain silent upon a question which is of so vital importance to the happiness and welfare of thousands of men, women, and little children in the coal fields of my State and district who are suffering from the pangs of hunger and unemployment.

We should remember that the coal miner is just like other men, with the same patriotic devotion to his country that is found in other men.

I am interested in their welfare. It is my duty to represent them, as well as all my people, in this Congress. I have been their friend and will continue to help them by my vote and influence whenever possible. The Ohio miner only seeks for himself and family what every true American wants—an honest living and a square chance to work in unrestricted and unhampered competition with his fellow workers in other fields. I want all sections and all the people of this great country to prosper and be happy. I regret that any of our people must suffer where it is possible to grant them a measure of relief.

SUMMARY

I have dealt very briefly with a few major legislative matters only and given a brief résumé of my work in Congress. In addition to the foregoing I have taken a definite stand on legislation providing for economy, salary-reduction legislation, emergency-relief measures, moratorium, cancellation of foreign debts, settlement of railroad-labor disputes, railroad consolidation, banking, public buildings, reduction of armaments, aircraft, retirement pension for Federal employees, rivers and harbors, Muscle Shoals, reapportionment, postal legislation, good roads, radio, Army, Navy, and numerous other questions of vital importance to the people of

the country. In addition to these all the various appropriation bills providing for the fiscal operations of the Government must be passed by Congress.

Many bills are introduced. In the Sixty-eighth Congress 17,415 bills and joint resolutions were introduced in the House of Representatives and 6,007 in the Senate. In the Seventieth Congress 17,769 were introduced in the House and 6,127 in the Senate. Almost an equal number of bills and resolutions have been introduced in this Congress to date.

Service in Congress is an interesting and important work. Again, I repeat, it is a great honor and privilege to represent the people of the eleventh congressional district of Ohio in the greatest legislative body in the world. For this privilege and the splendid cooperation of my constituents I am thankful.

EXTENSION OF REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by having published therein a splendid Flag Day address delivered over station WOL June 14 by Hon. Robert M. Tolson, chairman of the Flag Day speakers' committee of the American Legion.

Mr. SCHAFER. Mr. Speaker, reserving the right to object, who delivered the address?

Mr. JOHNSON of Oklahoma. The address was delivered by Robert M. Tolson, one of the most forceful and logical speakers in the entire country. Let me add further for the benefit of my friend from Wisconsin, that the address in question is one of the finest patriotic speeches I ever heard and should be read by every schoolboy and girl in America. I will assure my genial friend from Wisconsin that no mention is made in the address in question to the eighteenth amendment; so I assume he will not object.

Mr. SNELL. I object, Mr. Speaker.

THE CAPITAL EXPENDITURE CLAUSE AND RAILROAD LABOR

Mr. GRISWOLD. Mr. Speaker, I ask unanimous content to extend my own remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRISWOLD. Mr. Speaker, the railroads of the Nation have been much in the forefront of the news in recent months. Back of practically all relief legislation stood the specter of bankrupt railroads. Congress has never for a moment been allowed to forget their condition. We have been told that railroad securities were declining in value and that because of that decline the widows and orphans would suffer. To listen to some of the lobbyists of the railroad security holders a Congressman could not but believe that all the widows and orphans in America held railroad bonds; that bankers never acquired them for the purpose of making money; that railroad securities were invented and held their existence only for the benefit of the destitute and to protect the insurance policies of American farmers and laborers.

Newspapers have echoed the cry of the lobbyists and time after time the Government has come to the rescue of the roads at the public expense. Never once have the lobbyists of the security holders, the brokers, the bankers, and the insurance companies given a thought to the millions of American citizens who are not holders of these securities. These men and women who are affected by the raise in freight rates that the roads have been receiving—never once has their voice been raised in the interest of the millions of men who have spent their lives in the construction and operation of these same systems of transportation.

Someone has said that corporations are individuals without a soul. It has been said, too, that "Corporations have neither bodies to be punished or souls to be damned." Both definitions are certainly applicable to the transportation corporations of this Nation to-day.

Though we have given these corporations millions in aid through Federal gratuities, through Federal loans, through increased freight rates these same corporations have continued constantly to oppress the labor that operates and maintains them and to adversely affect the economic struc-

ture of every Main Street in America. Never in the history of any industry have the rights of the public been trampled upon as they are now being disregarded by the railroads.

Not so long ago we gave the railroads an increase in freight rates. They held that they were entitled to it under the law that allows them to make a return of 6 per cent on the investment. Included in this investment is what is known as capital expenditures. If the road lays new steel, if it builds a new station house or a bridge, if it buys locomotives or freight cars, those items are charged as a capital expenditure and the road is allowed to realize 6 per cent on that expenditure.

Railroads have bought steel under special contract at a price above the price that steel could have been bought on the open market and charged it up as a capital expenditure. One of the Van Swearingen railroads bought 40 new locomotives at a price of approximately \$145,000 each, when it had perfectly good locomotives in storage and even put most of the new ones in storage. Yet on this expenditure they are entitled to realize 6 per cent that must be obtained by freight rates.

But labor is not capital expenditure; the man who operates the train, the man who works on the section, the man in the shop, unless he is engaged on new work, does not find a place in the capital-expenditure list. And so his salary is cut at every opportunity—on every pretext. Not only is his salary cut but his name is eliminated entirely from the pay roll.

Labor is not a capital expenditure, and every dollar that can be saved by these corporations, "these individuals without a soul," is saved so that it may be expended in special contracts for steel in excess of the open market price—expended for locomotives that can be placed in white lead. An exact statement of the controlling interest of the other corporations from which purchases are made and the controlling interest of the railroad would be interesting and illuminating.

The Pennsylvania Railroad was one of the first to suggest a cut in wages. It was one of the first to make a cut in wages—a cut that affected every man in the shops, every man engaged in operation, from superintendent down to call boy. The Pennsylvania system cut every employee; but the Pennsylvania that forced its employees to take a loss because of the depression declared a dividend of \$42,000,000 that equaled 9 per cent on the investment. Within 60 days after that dividend was declared the Pennsylvania had borrowed 27 million from the Reconstruction Finance Corporation—\$27,000,000 that is provided from the pockets of the taxpayer who is already giving to the Pennsylvania Co. freight rates called for by a 6 per cent return on capital expenditures for steel bought in excess of the open market price and locomotives bought to place in white lead.

Among the very first to come hat in hand to Messrs. Dawes, Mellon, and Eugene Meyer to borrow the taxpayers' money was the Wabash Railway. It was in the hands of receivers. To be in the hands of receivers is nothing new for the Wabash. Jay Gould started the practice of fleecing small stockholders by this method years ago, and since the Pennsylvania acquired the property in defiance of the Interstate Commerce Commission orders the practice is continued.

The Wabash had eliminated thousands of employees from the pay roll. Employees that did not contribute to the "capital expenditure graft" on the shipper and consumer who pay the freight rates. It had talked depression and propagandized the fact that the employees should take a loss. It had cut wages. But it came to the Reconstruction Finance Corporation crying that it was wrong for the bankers to take a loss and received from the Eugene Meyer-Dawes corporation \$7,000,000 of the taxpayers' money to pay interest to Kuhn, Loeb & Co.

The ink was hardly dry on the approval of that loan until it moved its terminal from Peru, Ind., to Montpelier, Ohio; reduced its force; reduced superintendents, trainmasters, clerks, shopmen, and other employees; forced men to move; reduced the value of real estate; and deprived men of their

life savings. The Wabash, too, had bought new engines that went into white lead on delivery so that the Wabash could profit from the capital expenditure provision.

The Missouri Pacific is another instance of the capital expenditure graft at the expense of the shipper while it borrows \$11,500,000 from the Reconstruction Finance Corporation—the record is replete with examples—scarcely a railroad that has not offended.

The men who operate railroads from superintendents down and from section men up, from shop foremen to engine wiper are America's finest. They have made transportation what it is to-day in America. But each and every one of these employees is being sacrificed on the altar of banker's greed to the banker's god of interest and "capital expenditures."

The slogan of a famous railroad financier was "the public be damned." That slogan has been enlarged to-day. It includes the employee and taxpayer and shipper specifically—the slogan now is "all be damned except the banker who owns the securities and stock."

The corporation that takes from labor in the time of prosperity should take care of that labor in times of depression. The bankers who have laid the foundation for vast fortunes and increased those fortunes at the expense of labor and the taxpayer in times of prosperity through the "capital expenditure" provisions should not welsh in times of disaster.

Let the New York banker take a loss as well as labor and the taxpayer. If Eugene Meyer, Ogden Mills, and the other appointees of the President will not protect the taxpayer, the reconstruction finance act should be amended so that they must do so.

To-day we hear talk on every side of mergers. Mergers are merely another name for trusts. No group of lobbyists in Washington is more anxious to see the Sherman anti-trust law repealed than are the lobbyists of the railroad bankers. The only object of railroad mergers when all the camouflage is removed is that the securities of these roads may be easier manipulated—that the public may be more easily fleeced and that more labor may be eliminated. Every time a merger is consummated more men are thrown out of employment. With more than 10,000,000 men out of employment to-day it would seem to me very unwise for the Federal Government to provide ways and means for more and easier mergers to throw more men on the already overstocked unemployment market.

In the beginning of the Wilson administration many men were out of employment. At that time the unemployed were few compared with to-day. The railroads were suffering then, too. Sound governmental principles dictated that the slack be taken up in unemployment. Railroad employees were working on a 12-hour basis. A wise Chief Executive promoted legislation to change that basis to eight hours. Business revived.

To-day we talk of the machine age that has destroyed us. Machinery on the farm, larger locomotives, larger cars on the railroad. If this be true, then hours must again be reduced to "take up the slack." A wise leader at this time would promote another reduction in hours. He would promote legislation to employ more men. The 6-hour day on railroads would do it. But the bankers who govern railroads oppose. Labor is not a "capital expenditure." On labor 6 per cent can not be realized to boost freight rates. Our leader to-day talks of increasing employment. Talks against a dole, but he gives a dole to the railroad bankers—a dole of millions of the taxpayers' money so that the taxpayers can be further crucified on the altar of capital expenditures that is built with the public's money.

COMPACT OR AGREEMENT BETWEEN THE STATES OF WASHINGTON, IDAHO, OREGON, AND MONTANA

Mr. HALL of Mississippi. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5649) to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana, respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for

other purposes," with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 10, after "1935," insert: "Provided, That the State of Wyoming shall be made a party to such compact or agreement."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SCHAFER. Mr. Speaker, reserving the right to object, has every Member of the House Committee, which reported the bill in the first instance, approved the Senate amendment?

Mr. HALL of Mississippi. They have.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

INTERSTATE AND FOREIGN COMMERCE TRANSACTIONS IN COTTON

Mr. FULMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 8559 for immediate consideration.

The SPEAKER. The Chair does not recognize the gentleman for that purpose. Bills of that character will come up next Monday, if at all.

ESTATE OF ANNIE LEE EDGE CUMBE, DECEASED

Mr. BLACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2437) for the relief of the estate of Annie Lee Edgecumbe, deceased, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

Mr. PATTERSON. Mr. Speaker, reserving the right to object, what is the nature of the claim?

Mr. BLACK. The House amended the bill, cutting the appropriation from \$5,000 to \$3,000, I think at the request of the gentleman from Alabama.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and appoints the following conferees: MESSRS. BLACK, CLARK of North Carolina, and GUYER.

CUTTING THE COST OF GOVERNMENT

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMASON. Mr. Speaker, there is no phrase which has been used more in the first session of the Seventy-second Congress which is rapidly drawing to a close than "economy in government." The entire country is aroused, as never before, by the rising tax burden, and this proper interest in our public finances is reflected in the seriousness with which Congress has considered the problem.

Contrary to the comment of some of its critics, Congress has cut the cost of government. It has cut the expense for the next year drastically and it has paved the way for still greater economies. This has been accomplished despite the fact that the recommendations from the administration have been vague, contradictory, and incomplete. The present session of Congress has slashed \$627,422,101.42 from the amount required to operate the Government last year. Further, it has cut the running expense \$162,466,556.74 below the amount recommended by the administration in the Budget. In addition to this great saving, the economy bill has cut the annual costs approximately \$150,000,000 more.

The universal cry for economy has had a wholesome effect in that it has awakened more citizens to their responsibilities and has created a greater interest in the workings of Congress. Taxpayers are asking for an accounting, and they are to be commended for their attention to the actions of their Representatives. I hope that this increased interest in Congress and in the expending of public funds will continue long after the present depression has passed.

Federal, State, county, and municipal taxes must be reduced greatly. The State and local expenses now constitute the greater burden upon the taxpayer, and all governmental costs must be lowered before the public will get the relief

to which it is entitled. Useless boards and bureaus must be abolished. Real estate is bearing too much of the burden. Many officials and boards in the Federal, as well as in State governments, are duplicating and overlapping in their work.

I am glad that citizens in all parts of the country are asking Congress just what has been accomplished during this crisis; and I am confident that when they study the record they will be convinced that their Representatives have done much to curtail the heavy running expenses of the Nation and at the same time provide adequate means of relief for the country.

First of the major measures passed by the Congress was the 1-year moratorium on intergovernmental obligations. This moratorium, arranged by the Executive without consulting Congress nearly six months before the session started, allowed our debtors to suspend payments totaling about \$250,000,000, despite the fact that the debts have been scaled downward almost out of reason, and despite the fact that the payments were more acutely needed by this country than ever before. Relief for foreign nations before help was extended to our own stricken citizens seemed to be the keynote of this proposal, and I am glad to say that I voted against this unwarranted usurpation of legislative authority by the Executive.

Second of the important proposals approved was the reconstruction finance act which created the Reconstruction Finance Corporation. As a result of this measure, there has been a great decline in bank failures and confidence has been restored to some extent. I gave this plan my support and voted for it. Critics who have assailed the corporation as helping only big business interests in certain favored sections of the country are misinformed or else they are distorting the facts. I know of many business institutions in my own district in west Texas which have secured loans from the corporation, and which were enabled thereby to help their respective communities. These institutions have included banks, wool and mohair warehouses, building and loan firms, and other organizations. The largest bank in my district to close its doors, an institution at El Paso, obtained a loan from the corporation which enabled it to make a payment to its depositors and benefit every man, woman, and child in that vicinity. Every producer of wool and mohair in west Texas has been benefited directly or indirectly by the corporation. Bank failures have ceased altogether in that section now.

Prohibition received two record votes during the present session. I voted against the repeal resolution and the beer bill, as I had promised, flatly and explicitly, two years ago when I sought nomination. I believe it to be the highest duty of a Representative to carry out the expressed will of his people. I am ready and anxious to carry out their will as indicated by the Democratic national platform or by a direct vote of the people, such as is proposed on the ballot for Texas on July 23.

The "lame duck" amendment to the Constitution was one of the most constructive pieces of legislation enacted. When ratified by the States, this amendment will cause the Congress to convene within two months after its election, and it will prevent a Member's serving after he has been defeated. I voted for this resolution.

The immediate payment of the veterans' adjusted-service certificates, or so-called bonus, was a major problem before Congress. As passed by the House, this measure would substitute a negotiable medium for the acknowledged debt to the soldiers and would have put money in circulation in every section of the Nation. Approximately \$6,000,000 of this money would have gone into my district alone. I signed the petition which brought the measure to the floor of the House in order that the Members could discuss, amend, and act upon it. On the floor the Owen plan, which provided for controlling inflation of the currency by means of bonds to be held by the Federal reserve banks, was substituted for the original Patman plan, and I voted for the measure. This sound method of financing by bonds would not have necessitated additional taxes or appropriations.

Outstanding among the accomplishments of the Congress was the adoption of the economy bill. The House wisely rejected some of the ill-considered suggestions offered by the administration, chief among which was the proposal that Federal aid for vocational education be discontinued forthwith without allowing counties and States to prepare to assume the full burden of this invaluable work. I strongly opposed this recommendation of the President. I favored the proposals offered during the consideration of this bill which would cut the pay of the higher-salaried Government officials rather than the lowly clerks struggling to maintain their families on small wages. I voted for the proposition which would have cut my own salary and that of every other Member of Congress 25 per cent. I am strongly in favor of the consolidation of various Government bureaus and departments as well as the elimination of a great many of them. I voted for the portion of the economy bill which would have consolidated the Army and Navy under one head and which would have saved the taxpayers of this Nation from fifty to one hundred million dollars.

This Congress has been aware of the distressing conditions faced by the Nation's unemployed and has acted to provide relief. I am confident that before adjournment the two Houses will agree on a sound proposal of this nature.

In relating some of the achievements of this Congress and accounting for my stewardship in it, I think it is not out of order to point out that I am serving my first term here, having been sworn in when the House convened some seven months ago. I had the honor to be appointed a member of one of the exclusive committees of the House, the Committee on Military Affairs, which has jurisdiction over all legislation affecting the Army and national defense from a military standpoint, as well as a number of other major problems, the chief of which is Muscle Shoals.

As an advocate of satisfactory national defense and a foe of extravagance on the part of the Government departments, I have vigorously opposed the War Department's plan of abandoning certain posts along the Mexican border, principally Fort D. A. Russell at Marfa. It was the department's plan to abandon this needed post, which cost the taxpayers about \$1,000,000, and send the troops stationed there to Camp Knox, Ky., which is nothing more than a temporary cantonment. The original abandonment was scheduled many months ago, but I am glad to say that execution of the order has been postponed until January 1 next, and I still hope that the order of abandonment will be canceled.

I fought for a moratorium on construction charges for farmers in the irrigated valley of the Rio Grande, in the vicinity of El Paso, and the action of Congress in passing this bill has been of inestimable value to those farm owners.

The plan of the Department of Commerce to place a fish hatchery intended for west Texas in the northern part of the State was bitterly contested by me, and after a struggle of many months the department announced the hatchery would be placed in San Angelo, where it will serve the spring-fed streams of a large portion of that area.

The attacks on the Cavalry as an integral part of our Army have appeared to me to be without justification in view of the fact that cavalry is vitally needed as a means of defense in the rugged sections of the Southwest. I appeared before the Appropriations Committee and opposed the elimination of the fund to provide high-grade stallions for the use of horse breeders. Many of these stallions are loaned to west Texas ranchmen, who raise some of the finest horses in the world for the use of the Army.

The House was unwise, I believe, in its rejection of the amendment which I offered to the agricultural appropriations bill, which would have provided a small sum to fight the bitterweed, a poison plant infesting the ranges of many States, and which has done much damage in the San Angelo and Sonora country. When the amendment was rejected I urged the officials of the department to send at least one expert to the affected areas, paying for this service out of

existing appropriations, and recently I was pleased to learn that they had done so.

I have been diligent in my efforts to obtain needed Federal buildings in my district and have been in some measure successful. Contract for the project at San Angelo is to be let within the next few days; the Big Spring Building bids will be accepted soon. I am hopeful that early action will be taken with regard to the structures at Kerrville, Pecos, Midland, Colorado, and other places.

Congress did not alter the tariff schedules at this session, other than to adopt import taxes on oil, copper, and other commodities. I strongly favored the import levies on these two products, and I believe that adequate protection is due the producers of raw material in this country. My stand in favor of tariff on wool, mohair, hides, cattle, and other products of the ranch is well known.

Among the personal services I have rendered my constituents I regard my assisting them with applications for loans from the Reconstruction Finance Corporation as perhaps foremost in importance. I have helped all that asked me in this regard and am ready to continue to do so at any time.

A road construction bill was passed by the House which would have added to the Nation's highway system some needed links and which would have provided for employment for thousands of men. I voted for this bill, and I introduced an amendment, which was adopted by the House, which would have prevented the expenditure of any portion of the funds in the employment of any person not a citizen of the United States.

My consistent record on legislation in sympathy with labor has been indorsed by the representatives of the various labor organizations.

Correspondence from the district has been heavier than from many other districts, I am informed, and older Members of the House tell me that the mail this session has not been exceeded in volume by that of any other Congress, not excluding the war Congress. Personal letters and telegrams from constituents have averaged as high as 100 per day for prolonged periods, and requests for departmental work have been many and varied.

I have almost invariably answered every communication on the day it was received, and I have taken up every departmental matter requested. Outstanding among these have been veterans' claims, and I have handled hundreds of pensions, compensation, disability allowance, insurance, and other kinds of cases, appearing personally at the Veterans' Administration on many occasions to argue cases on appeal. I have given my services freely to every veteran or veteran's widow in my district who requested them.

I want to reiterate my contention that Congress has accomplished much in grappling with the tremendous problems this depression has created, and every citizen should study the record of its achievements carefully. If we are to maintain good government and at the same time lower its cost, it behooves every voter to scrutinize the record of the men asking election to Congress and act accordingly.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. LARSEN. Mr. Speaker, we had general permission last week to extend our remarks in the RECORD on the soldiers' bonus bill, but it was to be done within five legislative days. I failed to get my remarks ready, and therefore wish permission to extend them in the RECORD at this time.

The SPEAKER. Is there objection?

There was no objection.

Mr. LARSEN. Mr. Speaker, this caption, "Extension of Remarks," is made necessary by reason of curtailment of debate on bill providing for payment of adjusted-compensation certificates, which was under discussion when death came so unexpectedly on the floor of this Chamber to our late colleague, Hon. Edward E. Eslick, of Tennessee. If we had done justice to the ex-service men of the World War in the first instance, this vexing problem which confronts us to-day would have been disposed of years ago, but the same forces and interests which prevented payment then oppose

it now. They manufactured their odium at that time and designated it "bonus," and they apply it with vehemence to-day. Why designate an honest debt "bonus"? They know it is not a gratuity. They apply no words of odium when loans are made to large corporate interests—it is then termed "emergency relief" for depression!

Why appropriate billions for those we do not owe and refuse to pay those in dire need whom we do owe? These questions naturally present themselves to any thoughtful person interested in the solution of this problem. I am sure no Member in this Chamber desires to see the soldier debt settled unless its cancellation can be so arranged as not to endanger the public welfare. I am equally as sure no one would wilfully and knowingly permit the obligations of our Nation to become so impaired that its urgent needs can not be met. Those of us who advocate the immediate settlement of this debt, are as sincere and patriotic as are those who oppose payment, yet the opponents paint such a picture of havoc and distress which they say would result from payment that many of our best citizens firmly believe the ex-service men and friends of payment legislation are selfish erratics who endanger the welfare of the Government.

So far as I am concerned, I believe payment of the debt under plans proposed will result in substantial benefit to the Nation. Of course, I do not contend, nor do I believe, it will aid those who have hoarded the money of the Nation, for they will not be able to purchase quite so much with their hoarded dollars, but this is just the result I would like to see. If the average person is to pay debts at all, it must be through some arrangement which will enable the unemployed to secure work and those who produce commodities for sale, whether in factory or on farm, to obtain a reasonable price for that which they produce.

So long as those with money can purchase wheat for less than 50 cents per bushel, corn for 25 cents, cotton for 5 cents per pound, and tobacco at 3 cents, no one engaged in agriculture can live decently, much less pay obligations incurred. If we can expand the currency and put more money in circulation, we will accomplish something. Certainly this should result not only in benefit to agriculture but to commerce and manufacturing as well. Its tendency will be to give employment to millions of unemployed, put money into pockets of penniless masses, and spell prosperity to the Nation. I do not undertake to guarantee, but certainly if immediate payment will do what the opponents of the bill say will result, it will prove a long step in the right direction. If it will expand the currency, it will cheapen the dollar, and should enable those engaged in agriculture to obtain a better price for farm commodities. It will put into circulation \$2,200,000,000. What does this mean? Divide the sum among the 122,000,000 population of this country and you will see it increases the per capita circulation of currency more than \$18 per person. It means an average of more than \$5,000,000 distributed in every nook and corner of each and every one of the 435 congressional districts in the United States.

But they tell you the Government is not able to finance the proposition. Mr. Speaker, I assert that under the proposed plan it can be done without levying additional taxes upon any citizen. It is certain that it incurs no new obligation, for the debt already exists and must be paid in 1945. We are told by expert economists our supply of gold is amply sufficient to warrant the issue of Treasury certificates necessary to retire the adjusted-compensation certificates now held by the ex-service men. They contend 40 per cent of gold reserve is sufficient for this purpose and that we have more than the required amount.

Let us consider just how it is proposed to pay the debt in question. The plan is to have the ex-service men surrender the \$2,200,000,000 adjusted-compensation certificates owned by them to the United States Treasury, have the Government issue bonds due in, say, 20 years for the amount, and print Treasury certificates in an equal amount. When the bonds have been issued deposit them with the Federal reserve banks to be sold if and when necessary and deliver the Treasury certificates to the ex-service men in payment

of the debt we owe them. This does not create a new obligation—it simply changes the form of an existing one. Using the language of economists, it simply converts a non-circulating Government obligation into a circulating Government obligation. A noncirculating Government obligation does not affect the price level but, increasing the circulating obligations, will cause an increase in the price level. If bonds are payable in 20 years, it will in truth give seven years' additional time in which to pay the debt.

These bonds will expand the currency, cheapen the dollar so it will not purchase so much of our farm and manufactured commodities as it now obtains, and thereby raise the price of all commodities in commerce and agriculture. If and when the prices of these commodities are raised too high—that is to say the dollar becomes too cheap—the Federal reserve banks can put the bonds on sale and thereby prevent inflation of the currency. But we certainly shall not need this soon. I do not see how anyone can object to this except those who have already hoarded the money in this country, desire to purchase the world with it, and impoverish everyone but themselves.

It may be asked why such benefits as I have enumerated did not result from previous loans to veterans on adjusted-compensation certificates. The answer is this: Those loans were made from funds already in the Treasury and did not create a new and additional medium of currency. However, under the proposed plan of issuing Treasury certificates the national currency would be expanded \$2,200,000,000, and thus more money would actually be put into circulation. The volume of currency in the United States would be increased—a result not obtained from previous loans.

Some of those who have spoken in opposition to the pending bill seem greatly alarmed because they fear the proposed law will result in the issuing of fiat money. Fiat money may not be altogether desirable, but it is far better than none at all. If those who are alarmed will only study some of the statements which frequently come from the Treasury Department to their offices, they will find we already have considerable fiat money in circulation. I have before me the statement for June 17, and find on that day we had 501,073,250 silver dollars in circulation. What is the commodity value of that amount of such currency? About 28 cents per dollar, or \$140,300,510. The difference between this commodity value and the currency value is \$360,772,740, and must be considered purely and simply fiat money. Is it good money? Yes. The credit of the Federal Government is back of it. Why are not these cautious Members alarmed concerning this condition? If they are disturbed, there is still more cause for alarm.

Look at the Federal reserve bank notes as listed. We find \$2,791,931,000 in this kind of money. At the end of the line we find the letter "a," which designates the security back of the issue. What do we find it to be? It is \$519,313,000 in commercial paper. Does anyone believe this security rises to the dignity of fiat money? We know it does not. Then, again, we find as additional backing, \$401,700,000 in United States Government obligations, the same character of security proposed for issuance of Treasury notes with which to pay compensation certificates, and also \$1,879,307,000 in gold. Who can say this should not give as much cause for fiat-money alarm as does the pending bill? Again we find listed \$737,484,014 as a class of money in national-bank bonds. Part of this is secured by United States bonds held by the Treasury and part assumed by the United States on deposits of lawful money for their retirement. More fiat money, but all of it good currency because the credit of the United States is back of it.

The aggregate value of all property in the United States, exclusive of public highways and Government buildings, is estimated at more than \$300,000,000,000 and constitutes the credit basis of our Government; for from our Nation's wealth income is derived. The outstanding obligations of the Government do not exceed \$20,000,000,000. Who, then, can say that an issue of \$2,200,000,000 Treasury certificates will endanger the credit standing of our Government? It is silly to say that it will.

It is evident that a very large portion of those who oppose payment of the adjusted-compensation certificates must feel as I do regarding solvency and ability of the Government to pay, or they would not favor the issuance of Government bonds in such large sums for other purposes. Illustrating this point, I call attention to an article appearing in Monday's issue of the Washington Herald, carried on its front page, wherein it is said that some half dozen Senators or more—naming them—who voted against payment of the so-called bonus certificates now propose to enact legislation at this session of Congress to put over a public-works construction plan to be financed by Federal bond issue in the amount of five and a half billion dollars—more than twice the amount necessary to pay the adjusted-compensation certificates. We are pleased to know the Senate has rejected this extravagant proposal.

The paper also states that this five and a half billion dollar proposition is to be offered as a substitute for the \$2,000,000,000 program contained in the Wagner bill, sponsored by the President of the United States. Perhaps some one would like to know where the President, and these distinguished Senators, who could not find funds with which to pay the acknowledged debt owing to ex-service men, discovered so much money over night with which to finance such programs as the Herald indicates they intend to do through governmental agencies. The answer is simple. In principle they propose to do it in the same way which we, who advocate payment of soldier obligations, would finance the scheme. It is sometimes very easy to finance propositions when we are inclined to do so, but hard when we are not in favor of them.

Some of us who would now pay the suffering and destitute veterans remember the generosity of many who now oppose payment when they were dealing with foreign governments, bankers, and big corporations of this Nation. They were very willing some five years after the war, and when the Nation owed some \$10,000,000,000 more than it owes to-day, to adjust pay of the railroads to the amount of something like \$1,600,000,000; also to adjust pay of war contractors, who were fattened on profiteering contracts while our soldiers were wading in the mud of France and Belgium, some \$2,000,000,000.

Many of these same Members who oppose payment to the soldiers at present were highly in favor of canceling foreign debts, money which we had loaned European nations. The cancellations proposed amounted to approximately \$11,000,000,000. Oh, there is plenty of money to pay, to give, to lend, and for everything, until it comes to payment of the obligations due these poor boys who defended the Government and made its credit standing in the eyes of the world what it is to-day.

During the present session of Congress the Reconstruction Finance bill was enacted into law, obligating the Government to pay \$2,000,000,000, all of which funds are to be loaned to insurance companies, banks, railroads, and so forth. I voted for this bill myself because I thought it was better for the Government to aid our life-insurance companies, in which the small savings of so many million citizens are invested, than to see them lost; because I thought it better to aid them than to see farms upon which the companies have loaned money sold from under the owners who now occupy them and are producing food and clothing for our Nation. I was willing to aid the Federal banks which have loans on so many farms and homes throughout the country to extend loans rather than see mortgages foreclosed and property sold. I deemed it better to protect large transportation companies than to permit them to be junked and our means of transportation, necessary to commerce and agriculture, destroyed.

I also recently voted for the Garner bill, which would bind the Government for \$2,300,000,000 to be used in a building program throughout the United States, for loans to aid unemployment, and so forth. This bill was considered of sufficient importance by my own Democratic party for it to call a caucus and bind members to support it, regardless of individual views as to the advisability of such legislation.

But, Mr. Speaker, in voting for this legislation, I did not feel that my action would bind me to vote against any proposal which would enable the Government to pay just debts owing to other citizens in distress and without employment.

The present situation reminds me of an old poem, written almost a hundred years ago, entitled "The Moneyless Man." In those days human nature must have been about the same as it is to-day, for that sweet-singing poet, H. T. Stanton, wrote:

Is there no secret place on the face of the earth
Where charity dwelleth, where virtue has birth,
Where bosoms in mercy and kindness will heave,
Where the poor and the wretched shall ask and receive?
Is there no place at all where a knock from the poor
Will bring a kind angel to open the door?
Oh! search the wide world, wherever you can,
There is no open door for a moneyless man.

Go look in your hall where the chandelier's light
Drives off with its splendor the darkness of night;
Where the rich hanging velvet, in shadowy fold,
Sweeps gracefully down with its trimmings of gold;
And the mirrows of silver take up and renew,
In long-lighted vistas, the 'wondering view,
Go there at the banquet, and find, if you can,
A welcoming smile for a moneyless man.

Go look in the banks, where Mammon has told
His hundreds and thousands of silver and gold;
Where, safe from the hands of the starving and poor
Lie piles upon piles of the glittering ore;
Walk up to their counters—ah! there you may stay,
'Til your limbs shall grow old and your hair shall grow gray,
And you'll find at the bank not one of the clan
With money to lend to a moneyless man.

This philosophy is as true to-day as it was then, and may shed light on the motives of those who would indict the proponents of this bill.

AGRICULTURAL SITUATION

Mr. LARSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the agricultural situation.

The SPEAKER. Is there objection?

There was no objection.

Mr. LARSEN. Mr. Speaker, in his 1928 acceptance speech as presidential nominee of the Republican Party, Mr. Hoover declared:

The most urgent economic problem in our Nation to-day is in agriculture. It must be solved if we are to bring prosperity and contentment to one-third of our people directly and to all our people indirectly. We have pledged ourselves to find a solution.

If any solution of the agricultural problem which then existed has been found, it certainly has not been applied. I believe the agricultural marketing act may be regarded as the major agricultural effort of his administration. I was a member of a committee which framed this bill, and I am sure that, so far as members of the committee could ascertain, it was drafted and enacted to meet his approval. The Federal Farm Board, charged with administration of the act, was of his own selection, and all funds which he has requested have been made available for its operation, yet the situation to-day as regards agriculture is worse than it was when he entered office. Surely the condition of the country as a whole is no better, for the army of unemployed has increased from 4,000,000 to not less than 8,000,000.

The farmer's trouble began with the inauguration and secret arbitrary policy of the Federal Reserve Board, which deflated values of all farm products in 1920. At that time, in addressing one of the farm groups, I called attention to this policy and predicted its ultimate effect on agriculture. Within a short period cotton declined from 40 cents to 10 cents per pound. Decline in all farm commodities was marked and disastrous. Products were reduced to a price below cost of production. It is estimated that approximately \$30,000,000,000 was the loss to agriculture and not less than \$18,000,000,000 to merchants and business in farm communities as a result of this policy.

The War Finance Corporation, which was then in existence, undertook to check disaster, and by liberal loans restored prices to about one-half their former level. As the war had ended, however, the corporation did not long remain

in existence, and without its aid agriculture soon again fell into evil hands.

The Esch-Cummins Act of 1920 proved another hamper to agriculture, in that its administration increased transportation charges on farm products about 60 per cent. This act not only resulted in great loss to the farmer—amounting to several billions of dollars—but I doubt whether these increased rates on farm commodities greatly benefited the railroads, since its tendency has been to divert freight from rail transportation to motor trucks.

American loans to, and investments in, foreign countries are said to total about \$30,000,000,000. These loans and investments tend to deplete capital for our own domestic needs. They also increase our burden of competition with foreign countries, reducing the earnings and purchasing power of our own citizens. Thus, the consumption of our farm products has been decreased and the commodities reduced in price.

Agriculture has also suffered its portion of the burden resulting from extensive, expensive, unnecessary, and oftentimes wasteful and useless activities maintained and carried on, not alone in the Federal Government but in State and municipal organizations as well. While Congress has made considerable headway and progress during its present session in reducing and eliminating Federal expenses and abuses, there still remains much which should and must be done by Congress and the States before conditions conducive to general prosperity will prevail.

American citizens should realize that American capital is the result of American labor and resources. They should be patriotic enough in so far as American interests require, or necessities demand, to invest it and use it for American institutions and enterprises. Debts due the Government by foreign countries should be collected as quickly as possible. Foreign investments by American citizens should not be encouraged or financed by American capital, except in so far as may be necessary to our public welfare.

Congress and the States should enact legislation which will encourage agriculture and prevent manipulation of the markets and speculation in farm commodities when such practices prevent the producer of farm commodities from receiving the cost of production.

The House Committee on Agriculture, of which I am a member, favorably reported to the House at the present session of Congress a bill designed to accomplish these results. It was sponsored by the leading organized farm groups—the National Grange, American Farm Bureau Federation, and the Farmers' Union—and would have been passed by the House except that a Republican-controlled Senate, refusing to consider the bill, returned it to the Senate committee to die an ignominious death. This act on the part of the Senate makes it impossible to pass the only farm legislation which has been favorably considered by these farm organizations sponsored and insisted upon by their representatives in Washington.

During the present and preceding sessions of Congress large sums of money have been appropriated to aid the farmers in crop production, and so forth. As a temporary aid and emergency relief to agriculture such legislation is all right, but it is only palliative. The farmer should have substantial and permanent relief. Conditions created by legislation and otherwise which do not give to farmers the cost of production with reasonable profits do not afford opportunity to meet obligations or to remain in business very long. Legislation alone will not solve the problem. The farmer must realize that much of this burden rests upon him—that without aggressive and economic efforts and methods he can neither hope nor expect to successfully meet present-day competition. He needs not so much an opportunity to borrow money as to pay debts, a condition which will enable him to receive cost of production with a reasonable profit, and nothing less will meet his legitimate demands. In addition to all this we might also profit throughout the Nation from the exercise of more frugality, honesty, and a high conception of moral and spiritual life and obligation which characterized the boundaries of our country and brought peace and prosperity to our forefathers.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bonus bill.

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, because of the curtailment of the general debate on the bonus bill, which was caused by the death of our distinguished colleague from Tennessee, Mr. Eslick, on the floor of the House while he was eloquently advocating the passage of this bill, which made it impossible to obtain time to speak before the bill was passed, I am availing myself of the privilege granted me to extend my remarks in the RECORD. In view of the fact that all my Colorado colleagues in both the Senate and the House have voted against this bill, I feel that it would be appropriate for me to give my reasons for supporting the measure.

I am in favor of paying the adjusted-service certificates of the World War veterans. It is not a bonus. It was an obligation of the Government even before those certificates were issued. The boys who served in the World War received one dollar a day for service in this country and one dollar and a quarter a day for serving abroad. During that time the young men who stayed at home and took no risks and experienced no hardships received from \$3 to \$10 a day, and they quite largely took the jobs of those who entered the service to defend our flag. The 500,000 Federal employees with annual salaries of \$2,500 or less received an average of \$1,000 adjusted or additional pay for their war services; and they were paid cash at the time their services were rendered. That was a bonus in addition to their salaries. And that is practically the same as the veterans are now asking for—the payment of cash of \$1 and \$1.25 a day—that has been acknowledged by law as being due them.

The railroad owners were paid nearly \$2,000,000,000 in addition to their regular pay for their war services, and they were paid in cash at the time the services were rendered and shortly thereafter. Yet the opponents of this bill would compel the veterans to wait for their payment 26 years after the services were rendered.

About \$3,000,000,000 were paid to war contractors shortly after the war.

The foreign governments are using the nearly \$11,000,000,000 of their indebtedness that we have canceled toward paying their own soldiers and providing for the hungry and destitute of their countries, as well as also preparing for another war.

I was in Congress that tragic day of April 5 and voted at 3.30 o'clock in the morning of April 6, declaring war against Germany and forcing 3,600,000 of our boys into the service. We were all supremely proud of those boys, and we cheered them, both in this country and as they went abroad, and we promised to retain their jobs for them and give them whatever they wanted when they returned. At the close of the war when they came home we gave them \$60 apiece, which was scarcely enough to buy them a new suit of clothes.

In 1922 and 1924 Congress decided that, inasmuch as they had only received one dollar or one dollar and a quarter a day during their services in the Army, that they were entitled, as a just compensation for actual loss of time and service, and very largely losing their positions, to the payment of an additional dollar a day for service in this country and one dollar and a quarter a day for those who served abroad; and that was figured up, and they were given a certificate of indebtedness.

Uncle Sam issued them his promissory note for the payment of that amount of money; but it was made payable in 1945, with 4 per cent interest from that time till 1945. Now, owing to the tragic crisis which our country is now passing through and owing to the fact that one-third of all of those men who were in the service—1,200,000 of them—are to-day without employment and without means of any kind, many of them with families, many of them with homes partially paid for, they come to Congress and ask our Gov-

ernment to fund that indebtedness and pay them the face value of those certificates now. It does seem to me that that is a fair and honest request. It is not increasing the Government's indebtedness, because it is now an official and acknowledged indebtedness.

Under the bill, as now amended by the provisions written by former Senator Robert L. Owens, of Oklahoma, who was one of the coauthors, if not the main author, of our Federal reserve system and one of the most profound fiscal students of the United States, the Government can, in my judgment, pay this \$2,400,000,000 without any injury to our credit or without affecting the balancing of the Budget in any degree whatever. These men never needed this money so much in their lives, and the communities in which they live have never needed this money so much during the history of our country as they do now.

Regardless of the causes of this condition, the results are that money has been practically doubled in value and commodities have been cut down from 50 to 75 per cent, and before we can ever return to prosperity in this country we have got to deflate the dollar from nearly 200 per cent and inflate property values accordingly.

The payment at this time of that money in actual cash to these ex-service men would, I believe, be the greatest boom of anything that could possibly be done by Congress. It would increase the money circulating throughout this country approximately \$18 per capita. It would go into the most remote nooks and corners and crossroads of our country. It would not be wasted. It would be economically expended, and would probably pass through from 10 to 20 hands in the first 90 days, and revive business in every community and greatly help the whole country. But, more particularly, it would enable these ex-service men to pay their grocery bills and to pay off the mortgages on what little they have, if they have anything. It would benefit every storekeeper and everybody in every community.

When the payment was made on these certificates some two years ago, an exhaustive investigation showed that only 7 per cent of all that money was wastefully expended, and under existing conditions I doubt if 1 per cent of it would be wastefully expended. So that in fairness to the boys who defended our flag and our national honor and who are now without jobs and are destitute, we are abundantly justified in redeeming those certificates at this time; and for the welfare of the country, as a step toward readjusting our contracted currency and giving something like fairness to the values of farm products, I feel that it is not only fair but necessary to take some such step as this.

It is significant that most of the people opposing this settlement with our veterans are those who most vigorously urged the cancellation of about \$11,000,000,000 of the just indebtedness of the foreign countries to our country. I thought those cancellations were an infamous outrage upon the taxpayers of our country, and I voted against every one of them excepting the adjustment with Belgium. Likewise the Members of Congress who recently sponsored and voted for President Hoover's moratorium, relieving foreign countries from paying us \$252,000,000—which I voted against—are now vigorously fighting this appeal of the ex-service men, and they are holding up their hands in horror at the financial disaster and fiscal catastrophe that this would bring to our country. I voted against those debt cancellations not only because I thought it was unfair to the American taxpayers but also because I thought that we should be just to our own citizens before we should be generous to aliens. I have always felt that the executive branch of our Government and that Congress should first be just to those who left their homes and risked their lives and health in defense of our country and its honor before being so solicitous about the welfare and so generous to all the foreign nations, and especially to the big-business interests of this country. They were not concerned about any catastrophe to our country in making payment of hundreds of millions of dollars of not legal but what they called "equitable claims" on railroads and large corporations after the war, and those payments were made promptly in cash.

I do not question the good faith of those who say that because we have 10,000,000 or more people unemployed in this country, we should not single out the ex-service men and give them this much relief without affording adequate relief to the other unemployed. And while I am voting and doing everything I possibly can to relieve the tragically sad condition of all the unemployed in our country—and I hope we may yet devise some way of doing so—nevertheless, we have not worked out any system yet of accomplishing that, but in the meantime we can and should justly extend this relief to the ex-service men. They hold Uncle Sam's promise to pay this amount, which no other people do, and the payment of these obligations will go a long way toward relieving the distress of many millions of people besides the ex-service men.

During the past 12 years that I have been a member of the Budget Appropriations Committee of Congress, which handles all the appropriations our Government makes, I have necessarily learned something about our fiscal relations and the financial capabilities of our Government, and I can not with any degree of patience look upon the claims of dire disaster which some gentlemen assert will be occasioned by this relief.

The passage of this bill would not increase taxes a dollar and would impose no burden upon the public. Those certificates will be paid by the issuance of new currency in a manner which is declared by the highest authorities in our country to be perfectly sound. Our currency has become contracted, and much of it is now being hoarded. Our dollar is so high and commodities are so low that we can not have prosperity in this country until that condition is changed.

The dollar and commodities have both got to be stabilized and that is one of the great purposes of this bill, to bring back both the dollar and commodity prices somewhere near the basis that existed in this country in 1926. In fact, the debasing of commodity prices has gone very much farther even than the inflation of the dollar, which is estimated all the way from \$1.60 to \$2 nowadays. Corn, wheat, hogs, cattle, cotton, and practically all farm products are down to about one-fifth of what they were a few years ago, and neither the farmers nor anyone else can now possibly pay their debts that were contracted in those times when products were bringing from four to five times as much as they are now.

We have absolutely got to reduce the purchasing power of the dollar, and to do that we must expand the currency, and no method could possibly be devised, in my judgment, that would bring about—at least to a certain extent—a wider and more equitable extension of the currency than to pay these certificates to our World War veterans. This bill provides for the conversion of nonnegotiable Government obligations into negotiable obligations and puts them into immediate circulation throughout the country. It would not only be a godsend to all our 3,600,000 ex-service men but I believe it would turn this tide of deplorable depression back toward prosperity again, without imposing any new obligations upon the taxpayers, and would save the Federal Government \$112,000,000 a year from now until 1945, which amount is required under existing law to create a sinking fund to liquidate those adjusted-service certificates.

Our Nation is now in the throes of the most terrible economic and social cataclysm in its history. This Congress has been devoting its time to furnishing aid to industry, but has not given sufficient attention to the people, the consumers. Congress has aided banks, railroads, insurance companies, and big business; and while it has helped them some, business failures continue and commodity values are still rapidly decreasing, along with increasing unemployment and starvation. It is not a question of overproduction in this country; it is because the consumers have nothing to buy with. We can not restore normalcy by trying only to repair our financial structure from the top; we have got to pay some attention to the foundation.

As above stated, this bill will not increase our indebtedness; it will cancel that much indebtedness. Some one has

said, "We sent tens of billions of dollars to Europe without destroying the gold standard, but when it comes to paying a very small per cent of that amount to the men we sent to Europe, that is different." I believe the passage of this bill will reduce rather than increase taxes, and will largely tend to eliminate discontent; will instill confidence in the consumer and the general public; will hasten the return of prosperity, and it will be a general blessing to all of our people. We have enough gold as a reserve to warrant the issuance of these additional Treasury notes, and this money will be just as good a currency—as sound and as stable—as that issued by the Government or the banks against bonds. The law states that the gold reserve at any time must be at least 40 per cent of the notes in circulation. Our bullion reserve is about 60 per cent of the total amount of currency in circulation.

Under this bill as now amended sufficient claims will be issued to make the payment in the form of Treasury certificates. No one can honestly call Treasury certificates flat money or printing-press money. There is approximately \$5,600,000,000 in currency in the United States to-day. The redeeming of these certificates in Treasury certificates would increase the currency of our country to about eight billion dollars. The Treasury Department would issue \$2,400,000,000 in Government bonds bearing interest at 3½ per cent payable in 20 years with an option to pay after 10 years. These bonds would be placed in all the Federal reserve banks with instructions to the Federal Reserve Board to sell these bonds whenever deflation becomes necessary—that is, when the buying power of the dollar goes downward to the point at which it was in 1926. When that point is reached sufficient bonds will be released and currency correspondingly taken up to hold the value of money at a fairly stabilized position. When that condition is reached, our panic would be over.

If this bill would, as many eminent financiers predict, bring our country back to normal conditions, it would be worth many times more than the amount paid to the veterans. The currency issued for this purpose is controlled currency and is fully protected as to parity under the gold standards act. Prof. Irving Fisher, one of the Nation's foremost economists, testified before the Ways and Means Committee of the House, and said that this was a perfectly sound method.

In my own State of Colorado it will place into immediate circulation \$21,513,379.07. Of that amount \$2,939,827.34 would be paid the veterans living in my congressional district. The following table shows the amounts which would be paid to veterans residing in each of the counties of the State of Colorado:

Adams.....	\$420,488.65
Alamosa.....	178,663.54
Arapahoe.....	470,378.19
Archuleta.....	66,547.08
Baca.....	219,538.90
Bent.....	189,713.18
Boulder.....	674,111.12
Chaffee.....	168,777.02
Cheyenne.....	77,326.71
Clear Creek.....	44,759.35
Conejos.....	203,608.31
Costilla.....	120,029.83
Crowley.....	123,249.18
Custer.....	44,115.48
Delta.....	295,017.08
Denver.....	5,978,872.97
Dolores.....	29,327.24
Douglas.....	72,653.46
Eagle.....	81,501.48
Elbert.....	136,666.60
El Paso.....	1,029,568.90
Fremont.....	392,469.92
Garfield.....	207,180.75
Gilpin.....	25,173.24
Grand.....	43,783.16
Gunnison.....	114,795.79
Hinsdale.....	9,325.73
Huerfano.....	354,377.74
Jackson.....	28,787.22
Jefferson.....	452,993.70
Kiowa.....	78,635.22
Kit Carson.....	201,988.25
Lake.....	101,752.23

La Plata	\$269,490.75
Larimer	688,255.49
Las Animas	747,886.18
Lincoln	163,044.50
Logan	414,278.42
Mesa	538,109.16
Mineral	13,292.80
Moffat	100,962.97
Montezuma	161,964.46
Montrose	243,881.34
Morgan	379,758.68
Otero	506,580.30
Ouray	37,053.68
Park	42,620.04
Phillips	120,403.69
Pitkin	36,762.90
Prowers	306,606.74
Pueblo	1,371,609.26
Rio Blanco	61,894.60
Rio Grande	206,723.81
Routt	194,241.04
Saguache	129,812.50
San Juan	40,189.95
San Miguel	45,361.68
Sedgwick	115,896.60
Summit	20,499.99
Teller	86,008.57
Washington	199,205.07
Weld	1,352,064.69
Yuma	282,742.01
Total	21,513,379.07

If the benefits provided in this bill were to accrue only to those who served in the Army, the Navy, and the Marine Corps, the measure might be subject somewhat to the objection of being class legislation. But this measure will go vastly farther than that; it would not only directly benefit at least 20,000,000 people in our country, but it would provide a needed expansion of the currency in a practical, plain, sound, businesslike, and sane way which will benefit every part of our country from Plymouth Rock to the Golden Gate.

As everyone knows, money is subject to the economic laws of supply and demand; when it becomes scarce, its value increases and the prices of commodities fall. That is the condition which now confronts our country. Less than half of the total money in the United States to-day is in actual use.

It was shown before the Ways and Means Committee in the hearings on this bill that it would be not only possible but perfectly safe to issue as much as \$3,500,000,000 of new currency against our present gold reserve of the United States without bringing that gold reserve below the 40 per cent minimum required by law. It was shown in the hearings that the total amount of money that does not do any actual business is \$2,900,000,000, and that the active money is only about \$2,500,000,000. Of the money that is inactive, it was testified that about one and three-quarter billion dollars is hoarded, and that there is about a hundred billion dollars estimated to have been destroyed in various ways. In other words, the testimony before the Ways and Means Committee was that less than half of the money which should be in circulation through the channels of business is now in circulation.

It is not surprising that the large financial interests of our country are very vigorously opposing this bill, because it would tend, they fear, to break their grip on the control of money in our country. There is no possibility of the farmers of our country being able to pay their debts with 25-cent wheat, 20-cent corn, 3-cent hogs, 11-cent butterfat, 9-cent eggs, which means that a dollar is from two to three times more difficult to obtain to-day to pay off these debts than when the debt was contracted. In fact, the debt of \$1,000 has now become a debt of twenty-five hundred dollars or \$3,000 as measured in terms of the commodities received by those who have to pay these debts. It is often said that the prices of some commodities to-day are the lowest they have been in 300 years.

An expansion of the currency and a corresponding cheapening of money is the only way of raising the prices of the products the farmer has to sell. This plan of inflation of the currency is not only practical but it is just. It has a

tendency to make our money honest money and to make the American dollar an honest dollar.

It is estimated that the present deflation has cost the United States from \$150,000,000,000 to \$200,000,000,000, while the cost of the World War itself to our country was about \$35,000,000,000. Both parties have declared in their platforms in favor of an honest dollar. Every citizen of our country wants an honest dollar, and it should be a dollar that would purchase as much commodity one year as it does another. A few years ago the total indebtedness of the United States was about \$207,000,000,000, but this amount has been increased by the growing value of the dollar to about \$400,000,000,000 at the present time. There is no way in which the American people can escape bankruptcy or repudiation except by increasing the prices of commodities. With 9,000,000 people out of employment and with farmers everywhere unable to sell their products, our country has absolutely got to resort to some measure that will to some extent restore commodity prices.

Our country is entirely without sufficient money to meet business demands. Our country has been drained of its money by high finance and stock speculation. Big business has been in the saddle for the past 12 years and has ridden the American people almost to death. Something must be done to relieve this condition. Our shrunken values in the wealth of the United States during the past three years have amounted to nearly \$200,000,000,000. Our country has been bled until it is practically white. Those loudest in opposition to this relief are among the class who reaped enormous profits under war conditions when prices were high, and to whom have been refunded in income taxes something over three billions of dollars.

This is the class who rush to buy tax-exempt securities, and loan and invest abroad, and urge cancellation of foreign loans to the United States so that their private loans may be enhanced in value, and they cry out loud against "flat money." I have supreme contempt not only for the international bankers' attitude in this matter but for all public officials who aid and abet them and assist their propaganda trying to put the entire burden of the cost of the World War onto the backs of the taxpayers of America. I feel that every official of our Government, from the highest to the lowest, who is advocating or indirectly encouraging the propaganda for the cancellation of the European war debts, should be put out of office as a disloyal friend of the American people.

I have always had a feeling of resentment against the propaganda, and what seemed to me disloyal cant of the international bankers and others about saving Europe, and I have never had any confidence in the efforts of the eminent officials of our country and big business appealing to Congress to pour out large sums to stabilize big business. We have had too much gigantic financial racketeering in this country, and splitting up stock, fake market regulating, blue-sky salesmanship to our inland banks, and investors of worthless European and South American securities which went on unchecked; and, in fact, encouraged in high places from 1921 to 1929 until it burst in ruin all over the country. I confidently feel that the period from 1921 to 1929 will go down in history as the most infamous chapter of exploitation of the American people the world has ever known.

EXTENSION OF REMARKS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a short petition from a temperance organization in my district.

Mr. STAFFORD. I object.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a brief editorial from the Manikato Free Press commending the work of Congress.

Mr. STAFFORD. I object.

Mr. MANLOVE. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address made by General Harbord at the graduation exercises at West Point.

Mr. BLACK. I object.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and incorporate therein a brief article.

Mr. STAFFORD. I object.

THE REVENUE ACT AND RELIEF

Mr. GARBER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and incorporate therein a brief table showing the rates in the tax bill.

There was no objection.

Mr. GARBER. Mr. Speaker and Members of the House, the reduction in the cost of Government, both Federal and State, the lavy of taxes to balance the budget and their equitable apportionment, the restoration of the purchasing power of farm products, and jobs for the unemployed have been the main subjects under consideration by the present Congress and still remain the most important questions before the country to-day.

WE MUST RETURN TO THE SOIL TO FIND PROSPERITY

In an address delivered in the House on June 18 of this session, I endeavored to show that inasmuch as prosperity originated in the soil, we must return to the soil to find it; that before we could furnish jobs for the unemployed, we would have to find a market for the products of labor; that in view of the existing world-wide depression, with diminishing markets abroad, such market was to be found on the farms of the country, with their 40,000,000 consumers, producing the foodstuffs for the Nation; that a restoration of their purchasing power would mean not less than an annual increase of \$6,000,000,000 to the market for the products of labor here at home; that with such a market thus assured, capital would employ labor to resume its operations in the mines, mills, and factories of the country, and thus jobs for the unemployed would be furnished in the natural and normal channels of trade. The farmers would again resume the payment of taxes, interest, and mortgage indebtedness, the debtor class generally would be given an opportunity to pay their debts, which otherwise would never be collected, the dollar would be brought back home for the use of the common people, to its normal level, to facilitate trade in vindication of the common saying, "When money is plentiful we have good times, and people can pay their debts."

1932 REVENUE LAW

In this address I propose to furnish to the country and the citizens of the eighth congressional district of my State information relative to the main provisions of the 1932 revenue law, passed at this session of Congress to provide sufficient revenue to balance the budget.

The following table gives the rates, sources, and estimated amounts of revenue provided by the act:

HOW THE NEW TAX LAW WILL BALANCE THE BUDGET

Additional revenue for the fiscal year 1932-33 will come from the following items. The new income taxes are payable in 1933 on 1932 incomes. The other taxes become effective June 21, except as otherwise noted.

INCOME TAX

Individual—normal, 4 and 8 per cent; exemptions, \$2,500 and \$1,000.....	\$63,000,000
Surtax—1 per cent over \$6,000 to 55 per cent over \$1,000,000.....	88,000,000
No earned income credit.....	27,000,000
Total.....	178,000,000

Corporation, increased from 12 per cent to 13 3/4 per cent.....	22,000,000
Exemption eliminated.....	16,000,000
Consolidated returns, 14 1/2 per cent.....	3,000,000
Total.....	41,000,000
Limitation of security losses and other administrative changes.....	80,000,000

MANUFACTURERS' EXCISE TAX

Lubricating oil, 4 cents a gallon.....	33,000,000
Brewers' wort, 15 cents a gallon; malt sirup, 3 cents a pound; grape concentrates, 20 cents a gallon.....	82,000,000
Tires and tubes, 2 1/4 and 4 cents a pound.....	33,000,000
Toilet preparations, 10 per cent; dentifrices, 5 per cent.....	13,500,000
Furs, 10 per cent.....	12,000,000
Jewelry, 10 per cent on amounts over \$3.....	9,000,000

Automobiles, 3 per cent.....	\$32,000,000
Trucks, 2 per cent.....	3,000,000
Parts and accessories, 2 per cent.....	7,000,000
Radio and phonograph equipment, 5 per cent.....	9,000,000
Mechanical refrigerators, 5 per cent.....	5,000,000
Sporting goods and cameras, 10 per cent.....	5,000,000
Firearms and shells, 10 per cent.....	2,000,000
Matches, wood, 2 cents the 1,000; paper, 1/2 cent the 1,000.....	4,000,000
Candy, 2 per cent.....	4,000,000
Chewing gum, 2 per cent.....	1,000,000
Soft drinks, various rates.....	7,000,000
Electrical energy, 3 per cent on domestic and commercial sales.....	39,000,000
Gasoline, 1 cent a gallon.....	150,000,000
Total.....	450,500,000

TARIFFS

Oil, 1/2 cent a gallon; coal, 10 cents 100 pounds; lumber, \$3, 1,000 feet; copper, 4 cents pound.....	6,500,000
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MISCELLANEOUS

Telephone, 10 cents between 50 cents and \$1, 15 cents, \$1 and \$2, 20 cents over \$2; telegraph, 5 per cent; cable and radio, 10 cents.....	22,500,000
Admissions, 1 cent per 10 cents on admissions over 40 cents.....	42,000,000
Oil pipe-line charges, 4 per cent.....	8,000,000
Safe-deposit boxes, 10 per cent.....	1,000,000
Checks, 2 cents each.....	78,000,000
Boats, various rates (July 1).....	500,000
Total miscellaneous.....	152,000,000

STAMP TAXES

Issue of bonds or capital stock, 10 cents per \$100.....	\$6,500,000
Stock transfers, 4 cents per \$100 par or 4 cents per share no par, 5 cents for shares selling over \$20.....	20,000,000
Bond transfers, 4 cents per \$100 par.....	5,000,000
Conveyances, 50 cents on \$100 to \$500, 50 cents per \$500 in excess.....	8,000,000
Produce sales for future delivery, 5 cents per \$100.....	6,000,000
Total.....	45,500,000

ESTATE AND GIFT

Estate tax (June 6, 1932, collections begin June 30, 1933).....	
Gift tax (assuming tax effective June 6, 1932).....	5,000,000
Total estate and gift tax.....	5,000,000
Total, all additional taxes.....	958,500,000

POSTAL

Increase first-class to 3 cents (July 6); various second-class increases (July 1).....	160,000,000
Grand total in bill.....	1,118,500,000

The sudden collapse of the revenues from incomes, by reason of the tremendous shrinkage in values and resultant losses, made it necessary to raise additional revenues to balance the budget, and the provisions set forth in the table above for the fiscal years 1932 and 1933 are estimated to yield a total revenue of \$1,118,500,000.

INCREASE TAX ON INCOMES

The first major increase is that in relation to the taxes on incomes, the normal tax being 4 per cent on the first \$4,000 of net income and 8 per cent on the remainder. The surtaxes are 1 per cent on incomes between \$6,000 and \$10,000, increasing to a maximum of 55 per cent on incomes in excess of \$1,000,000, whereas the maximum under the old law was 20 per cent. It will be noted that the exemptions are \$1,000 for a single person and \$2,500 for married persons, and \$400 for each dependent. The act requires every single person with a net income of \$1,000 a year or more, and every married individual with a net income of \$2,500 or more, and every individual with a gross income of \$5,000 or more, regardless of the amount of net income, to file a return. It requires husband and wife living together with an aggregate net income of \$2,500, or a gross income of \$5,000 each to make a return, or to include their joint increment in a joint return.

This increase in these income rates at least will not directly affect either the farmers or the laboring men. Under the preceding act, only one person out of every fifty in the United States had a net income of sufficient amount to require him to pay a tax upon it to the Federal Government,

or only about 2 per cent of the population paid any income tax, representing a total of about 2,500,000 persons paying income taxes, leaving 98 per cent without income sufficient to pay.

We cite these figures for two purposes: First, to show that the increase of income taxes will be upon those having the capacity to pay, upon those being fortunate enough to make incomes in excess of the exemptions; and, second, as tending to show that the income-producing wealth of the country is concentrated in the hands of the few. Of course, the incomes may be and often are the result of the industry, the good judgment, and the foresight of those who make them, instead of being attributable wholly to the properties they own.

The war-time rate during the calendar year 1921 for surtaxes ran up as high as 65 per cent on amounts of income over \$1,000,000. Successive general tax reductions reduced this high rate down to 20 per cent, and stopped the graduation of incomes at \$100,000. However, high as even such taxes were in fact, they were low in comparison with the British. In 1929 and 1930, 130 persons returned incomes in excess of \$500,000 in Great Britain. Their average income was \$930,000. We had 1,471 in this group in 1929, with an average income of \$1,250,000. The total net income of the 1,471 was \$1,848,585,793, on which they paid a tax of about 16 per cent, or \$291,337,965. Under the British rates then effective they would have paid a tax of about 48 per cent, or approximately \$900,000,000.

CORPORATION TAX INCREASE

The second major provision of the act increases the rate of taxes on corporations to 13¼ and 14½ per cent on corporations filing consolidated returns for affiliates. It exempts the usual nonprofit corporations, associations, and civic organizations, but it requires every corporation to make a return, as the exemption of \$3,000 in the existing law is repealed.

ESTATE TAX WILL REDISTRIBUTE ACCUMULATED WEALTH

The third major provision increases the tax imposed on net estates, starting with a tax of 1 per cent and graduating upward with a maximum of 45 per cent. The exemption in the existing law is reduced from \$100,000 to \$50,000; the tax thus increased is more than double the levy in the 1928 law, and the excess is not subject to any credit for inheritance taxes paid to the various States. We believe this to be among the most important of the major provisions of the law. It is a new departure and a much-needed one. The increase, in time, will not only produce a large amount in revenue from sources having the capacity to pay, but to some extent will afford a means of redistributing the enormous estates of the country, and put a check to the concentration of wealth in the hands of the few.

THE CONCENTRATION OF WEALTH SHOWS INEQUITY OF DISTRIBUTION

The 504 largest income-tax payers, according to the 1929 returns, had an aggregate net income for taxation purposes of \$1,185,000,000. It is estimated that these 504 persons could have purchased with this income virtually the entire wheat and cotton crops of 1930—the two chief cash crops of the Nation, representing the labor of 1,300,000 wheat farmers and 1,032,000 cotton farmers. It is further stated that 85 of the wealthiest of the group returned a net income of \$538,664,187, an amount in excess of the wages received by the 421,000 workers in the clothing industry, said amount being \$475,318,677. According to a report from the Industrial Relations Commission, it is estimated that 2 per cent own about 60 per cent of the accumulated wealth of the country, 33 per cent own about 35 per cent of the wealth, and 65 per cent own 5 per cent of the wealth.

This rapid and enormous accumulation of wealth in the hands of the few is unanswerable evidence of the inequity and injustice of our distributive system, a system that should be entirely overhauled and reorganized in the interest of the producing masses of the people. The heavy increases in the income-tax rates and the inheritance-tax rates are important counter moves against such concentration, placing the burden of the cost of government upon those having the capacity to pay, and redistributing the estates by requir-

ing the payment of such distribution to be made into the Treasury for the benefit of the people.

In a message to Congress in 1906, President Roosevelt advocated a heavy increase in death duties for the purposes, he stated, of putting an increasing burden "on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate." In his Gospel of Wealth, Andrew Carnegie said, "Of all forms of taxation, this seems the wisest. It is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of the State." Prof. Thomas S. Adams, of Yale, said, "We should raise from this source enough revenue to measurably relieve the farmers and the general taxpayers."

THE GIFT TAX TO PROTECT THE ESTATE TAX

In order to prevent the evasion of the inheritance tax the fourth major addition provides for a gift tax, so that a person can not escape his inheritance tax by the giving away of his property before his death. It provides a tax ranging from three-fourths of 1 per cent to a maximum of 33½ per cent, with an exemption of \$50,000.

The three major provisions of the act, viz, the heavy increases of rates in the higher income brackets, the heavy increase in the inheritance tax, and in the gift tax to protect it, while necessary to raise revenue, are equally beneficial as a check upon the ever increasing concentration of wealth, and as a means of redistribution of such accumulations with payment into the Treasury to measurably relieve the burdens of taxation of the masses of the people, and it is generally conceded that they deal effectively with one of the most perplexing and menacing problems of the country.

TAX OF PETROLEUM IMPORTS

The act provides for a tax on the imports of crude petroleum, fuel oil, gas oil, and of liquid derivatives of crude petroleum, except lubricating oil and gasoline, or other motor fuel, of one-half cent per gallon; gasoline or other motor fuel, 2½ cents per gallon; lubricating oil, 4 cents per gallon; paraffin and other petroleum wax products, 1 cent per pound. The Tariff Commission made two investigations, both of which disclosed a difference in the cost of production here and abroad in an amount that would have permitted the above rates to have been more than doubled in order to afford adequate protection against the cheap imports of monopolistic companies exploiting foreign fields, and crushing out the independent producers in this market, with their wells already capped by proration to prevent the accumulation of domestic surpluses. Such are the sinister influences of monopolistic companies rapidly acquiring control throughout the world.

THE MENACE OF MONOPOLY IN THE OIL INDUSTRY

By United States Supreme Court decision in 1911 affirming a decree of the circuit court of the United States, the holding company of the Standard Oil Companies, was then found to be monopolistic and inimical to the public interest. Since the separation of the companies by such decree, they have been gradually returning to a common control by combination and merger, until they will finally find shelter again in a common holding company, daily fixing the price of gasoline, oil, and its refined products at the filling stations to the helpless consumers of this country. They will only permit the few independents to act as pioneers in the discovery of new fields, where the hazard and risk is too great to insure satisfactory returns upon the capital invested. We have continuously opposed the combination and merger of such monopolistic companies as being against the public interest. In fact, we oppose the general trend of mergers and combinations of corporations creating monopolies specializing in mass production as permitting the accumulation and centralization of power in trade and commerce destructive of competition essential to protect the people from undue exactions and exorbitant profits. It was such monopolistic influence, with its cross currents running in all directions, through all kinds of business and sections of the country, that defeated our efforts to secure adequate protection for the preservation of such competition. But a start in the right direction has been made, which, under

more favorable conditions, will increase the duties so as to represent the difference between the costs of production.

Under normal conditions the oil industry contributes in excess of \$500,000,000 of new wealth annually to the State of Oklahoma, not including the rentals and royalties paid to farmers on their lands.

TAX ON LUBRICATING OIL AND GASOLINE

The act provides for a domestic tax of 4 cents per gallon on lubricating oil and 1 cent per gallon on gasoline.

The States have already preempted the field of taxation on gasoline, and incurred obligations dependent upon such taxes. We opposed the additional imposition of 1 cent a gallon by the Government. The tax on gasoline in the several States is in many instances already greater than the market price of the product. The States should have been permitted to have reduced and standardized such taxes and limited the use of the revenues strictly to the building and maintenance of the public highways, including farm to market roads, and to their extension and upkeep in a good state of repair. In other words, the gasoline tax should provide revenues for the States to build and maintain their respective systems of highways.

TAX ON ELECTRIC ENERGY

The act provides for a tax of 3 per cent of the amount paid for electrical energy for domestic or commercial consumption, "to be paid by the person paying for such and collected by the vendor." This is the most indefensible provision in the act. It shows the inordinate greed and boldness of the power companies. They had to be assured that the tax "would be paid by the person paying for such and collected by the vendor." What brazen effrontery! Such provision was written in the bill in the Senate, where the changes in votes became so frequent as to attract the attention of the entire country. The provision should have been, "to be paid by the producing companies and not to be passed on to the consumer." The power companies are among the very few companies whose charges to the consumers have not been reduced and whose profits from them have survived this depression.

IMPORT TAX ON LUMBER NOT JUSTIFIED

We also opposed the tax of \$3 per thousand on the imports of lumber, provided in the act. Early this year the Tariff Commission made a thorough investigation and found that lumber was not entitled to a tariff duty. The existing tariff law makes the commission the umpire to determine all such questions of controversy arising between the producers and consumers, and each industry should be required to abide by the rules of the game. It was upon such consideration that I supported the existing tariff law, knowing that there were many rates too high and many too low, and many inequities and discriminations in the bill, all of which could be eliminated and revised by the Tariff Commission established for that purpose. Subsequent events have proven the correctness of our views.

The Commission has received 164 applications for readjustments under the flexible provisions of the law. Based on the Commission's work, the President has proclaimed 31 tariff changes, 13 increases and 18 decreases, leaving rates on 42 commodities unchanged. The articles coming under these rate-adjusting investigations comprise about 11 per cent of the dutiable imports of 1931, or \$75,000,000. Duties were decreased on nearly \$14,000,000 and increased on \$9,000,000. Rates were left unchanged on the balance of \$52,000,000.

The Commission is a bipartisan one, provided with experts to thoroughly investigate and determine each case upon the facts. The President is then authorized to either increase or lower rates to the extent of 50 per cent.

We believe that the lumber industry, as with other industries, should be compelled to abide by the rules of the game. Their unwillingness to do so and their demand for the undeserved rate shows that all hogs are not in the pens on the farm. For over 10 years the farmers of the country have been unable to purchase even sufficient lum-

ber to make necessary repairs. Their actual lumber needs are greater than those of any other class. With a restoration of the purchasing power of farm products, their market would be the greatest market for lumber in the world. Under normal conditions agriculture consumes in excess of 50 per cent of the lumber and lumber products of this country. To impose a tariff duty of \$3 per thousand on lumber at a time when the farmers are unable to purchase lumber at present prices, would seem to be an attempt on the part of the lumber interests to hold up the lumber dealers, knowing that they in turn will be unable to secure higher prices from the consumers. We do not say that the tax of \$3 will be added to the cost; but where the production is in the control of a monopoly and the tax is sufficient to shut out imports, as in this case, you may rest assured that the monopoly will impose as much of the tax on the existing price as it will be able to exact from its trade.

IMPOSITION OF TAXES, THE UNPLEASANT DUTY OF CONGRESS

To vote in favor of a bill carrying such increases in taxes was the unpleasant duty of the membership of the House, but it was recognized as being absolutely necessary to balance the budget and maintain the credit of the Government. It was supported by a large majority of the Members of both parties as a duty to the Government, coupled with the determination to reduce the expenses of government to the lowest limit, in order that the nuisance taxes provided in the act might be repealed at the earliest moment, the vote in the House being 327 for and only 64 against. When the final vote was taken it was on the conference report, which prohibited any amendments.

THE MOUNTING COST OF GOVERNMENT MUST BE REDUCED

The per capita cost of all Government has increased as follows:

In 1890 it was.....	\$13.56
In 1903 it was.....	19.39
In 1913 it was.....	30.24
In 1923 it was.....	88.94
In 1929 it was.....	107.37
In 1932 it will be, approximately.....	124.00

The first thought will be that the war did it—the war itself and the aftercosts of war in such things as veterans' relief, pensions, and the increased outlay for national defense. But these are Federal expenditures, and they have much less to do with the rise in the cost of government than you would suppose. By the figures of the National Industrial Conference Board, which are standard, the rise in the cost of (a) Federal Government, (b) State government, and (c) city and local government, separately stated, has been as follows:

	Year	
	1913	1929
Cost of Federal Government, per capita.....	\$7.17	\$32.36
Cost of State government, per capita.....	3.97	16.38
Cost of city and local government, per capita.....	19.10	58.64

Half the total cost of all government is the cost of city and local government, and that per capita cost in 1929 was three times what it was in 1913.

The second question of major importance was the reduction of the expenses of government. Before proceeding with discussion of this question, it may be well to definitely ascertain the fixed charges of the Government, from which no reductions can be made. According to the latest figures issued by the House Appropriations Committee, the following table will show for what purpose the Federal dollar is being expended:

War-debt retirement.....	\$0.13
War-debt interest.....	.16
Pensions, hospitals.....	.27
National defense.....	.16
Total for war and its consequences.....	.72

Buildings, sites.....	\$0.03
Roads.....	.03
Rivers, harbors.....	.02
Flood control.....	.01
Total for public improvements.....	.09
General administration.....	.04
Civil functions, including foreign relations, immigration, science and research, territories, law enforcement, Indian affairs, public domain, etc.....	.05
Promotion and regulation of commerce, industry, transportation, agriculture, fisheries, labor, public health, and education.....	.05
All other costs.....	.05
Total.....	1.00

From the above, it will be seen that 72 cents out of the Federal dollar goes to pay for war and the direct consequences of war. While we believe that our national policy should be adequate for our national defense, yet such policy should not include the building and maintenance of expensive battleships which modern warfare from the air will render helpless in actual conflict. We believe that our agencies for national defense should be limited to fast modernized cruisers, submarines, and bombing planes, with a sufficient number of aircraft carriers. We have steadfastly refused to support appropriations for increased numbers of battleships, and believe that great savings can be made in the further limitation of such agencies. The program of public works to furnish jobs in buildings now approved, roads, rivers, harbors, flood control, has been enlarged to absorb the labor slack as much as possible and yet at the same time promote the public interest in furnishing competitive transportation for heavy farm products. Subtracting the fixed charges, and those for work projects and needed improvements, leaves a balance of \$1,700,000,000 from which the immediate reductions in the cost of Government must be made.

PRESIDENT AUTHORIZED TO REORGANIZE GOVERNMENTAL AGENCIES

In view of the fixed charges resulting from the war, to what extent can reductions in the expenses of Government be made? The average chamber of commerce would say, "Reduce your expenses at least to the amount of your revenues and balance your Budget." The average citizen would say, "If I were in control, I would direct a wholesale firing of useless Government clerks and a slaughter of boards, bureaus, and commissions, and reduce salaries, including those of Members of Congress, to the all-commodities basis." This expresses the views of a large majority of the Members of Congress; but when you come to tackle the job, the difficulties begin to multiply.

Undoubtedly a material saving could be effected by a thorough overhauling and reorganization of all of the departments of the Government, cutting out all duplication and unnecessary overlapping of functions. Congress can not overhaul and reorganize the departments of government; it can not select from the enormous personnel of Government employees those whose services could be dispensed with. When drastic cuts were suggested for a department, it immediately resisted the efforts. It was in favor of reorganization, yes, but only for the other departments and not for itself. So Congress wisely delegated this power to the executive branch of the Government, the President of the United States, who can call in his appointees and insist upon such reorganization as will cut out unnecessary duplication and weed out unnecessary employees.

REDUCTION OF FEDERAL SALARIES INCLUDES ALL

Drastic cuts in the cost of government must be made. The expenditure of every unnecessary dollar must be prohibited. All unnecessary boards, bureaus, and commissions must be abolished. It was with this program in view that at the very beginning of this session, on December 11, 1931, before a reduction of salaries was mentioned or even considered in the reduction of the cost of Government, I introduced a bill to reduce the salaries of all employees in the Government service, including the Navy, the Army, the judiciary, the members of the Cabinet, and all Members of Congress. This bill, I thought, was conservative. It pro-

vided for a graduated scale of reduction of salaries, beginning with a 10 per cent cut of a salary of \$1,200 and reaching the Members of Congress and the higher salaries with a 25 per cent reduction. This bill would have cut the expenses of the Government \$131,169,571.95.

The Democratic committee, however, in its wisdom laid the bill on the table with a view of a report to be made from the newly created Economy Committee providing for salary reductions. The report of such committee provided for a flat reduction of only 11 per cent on all salaries exceeding \$1,000 per annum, refusing to recognize the equity and justice of the principle that the higher the salary, the greater the reduction should be. This, however, was remedied to some extent by the conference committee of the House and Senate, which finally reported out the economy bill as amended with the cut and furlough provisions, estimated to reduce the annual cost of government \$100,000,000.

Under this plan employees, excepting those determined to be indispensable because of their specialized service, are to be furloughed for one month without pay, and even those who are held to be indispensable by reason of their specialized service must contribute from their salaries the equivalent of the month's furlough, without pay, the reduction being equivalent to $8\frac{1}{3}$ per cent of the salary, beginning with \$1,000, with a graduated upward scale as salaries increase. In speaking of the furlough plan the President said:

The furlough plan is the application of the stagger system, the 5-day week or equivalent symbol of indicating the shortening of the hours of labor for the purpose of giving some employment to the maximum number of people.

In speaking of the delegation of power to the Chief Executive to reorganize the departments, he said:

It is one of the most important avenues for economy in Government that has been proposed for an immediate reduction of expenditures.

PRACTICAL ECONOMY IN GOVERNMENT

The reduction in departmental appropriation bills as they passed the House was \$571,106,955.95 less than the total sum carried in such bills for the preceding fiscal year, or a reduction of 15.23 per cent. This amount of reduction in appropriations, coupled with the reductions made by the Economy Committee and to be made by the Executive in a reorganization of the several departments, should total a substantial reduction in the cost of Government, when we take into consideration the twofold program of improvements for their need and to furnish employment to labor.

THERE CAN BE NO PROSPERITY UNLESS THE FARMER IS INCLUDED

I can not conclude this address without again reminding the Members of this House, and especially those of the majority in control, that until the purchasing power of farm products is restored to its normal economic level of, say, 1926 or 1928, they can not purchase the products of labor, and you will be unable to furnish jobs to the unemployed. Thus far the main objective of this session has been to liberalize the laws to facilitate the extension of credit in all directions. The Federal reserve act has been amended. In the administration of the act, the Federal Reserve Board, with its policies of deflation and restriction of credit, has exercised a power for the destruction of values and reasonable prices for the producers far beyond that which should ever be entrusted to any human agency without a penalty of life imprisonment or death for the wilful violation of such a sacred trust.

As yet the many laws enacted liberalizing the credit currency of the country are not perceptible in the improvement of conditions. It is true that they have protected the depositors in many banks throughout the country that would have closed, and liberated the deposits in many closed banks reopened. It is now generally conceded that if the trade activities below do not demand and use the credit facilities afforded, the results will be disappointing. You can not compel the use of credit and the investment of money by legislation. Unless we supplement the remedial legislation enacted with basic legislation to restore the purchasing power of farm products, the depression may continue indefinitely.

THE PURCHASING POWER OF FARM PRODUCTS MUST BE RESTORED TO
ESTABLISH MARKET

I am just in receipt of the following letter from the Chief of the Bureau of Agricultural Economics:

DEAR MR. GARBER: In response to your request of June 16, we are pleased to supply the following price-index numbers.

Our index of prices received by farmers averaged 136 per cent of pre-war in 1926, 139 per cent in 1928, and 56 per cent in May, 1932. Our index of prices paid by farmers for the same dates averaged, respectively, 156, 156, and 112. These two indexes indicate that the purchasing power of an average unit of farm products had an exchange value in 1926 of 87 per cent of its exchange value in the five years 1910-1914, 90 per cent in 1928, and 50 per cent in May, 1932.

Sincerely yours,

NILS A. OLSEN, Chief of Bureau.

This letter shows what is the matter with the country and why the legislation enacted has not relieved us from this depression. Measured in terms of the Bureau of Labor Statistics index, the value of farm products has fallen 52.9 per cent since July, 1929, but the value of farm implements has fallen only 13.4 per cent. With their purchasing power gone, the market is gone for over 40 per cent of the products of labor. Restore their purchasing power and you will restore the market, with jobs to labor. The people on the farms must not only be placed in a position to produce at a profit to furnish a market for the products of labor but to enable them to pay off their indebtedness with a purchasing power equal to that of the indebtedness when incurred. In fact, the debtor class of the country and the home owner in the city must be rescued from the inequitable increased exactions of the gold dollar. The farmer who mortgaged his farm prior to 1929 for \$5,000 when measured in wheat received 5,000 bushels, but when measured in wheat to-day, at the market price of 30 cents, it represents more than 15,000 bushels; and the same is true when measured in the terms of bales of cotton or other farms products. With prices ranging from 50 to 100 per cent above the prices to-day, thousands of farms were mortgaged, thousands of little home-building loans incurred in the cities, office buildings and apartment houses were erected, vast public utility enterprises were created, and indebtedness incurred which can never be paid with the 50-cent dollar; and unless the purchasing power is restored and the dollar brought back home to the people upon its normal economic level to be used in the channels of trade and commerce as formerly such debts never will be paid.

Several months ago the major farm organizations, through their accredited representatives, appeared before the committees of Congress with many witnesses. They agreed upon a major measure for agriculture, even to the extent of formulating and agreeing upon the terms of the proposed act. They insisted that such legislation was necessary to restore the purchasing power of farm products. And now we are approaching the closing day of the session, and as yet the legislative program of the farmers has never been presented. As yet we have never been afforded an opportunity to even consider it, much less vote for it. Surely the majority in control will not adjourn until the legislation proposed by the farmers can be considered.

If you are not in favor of such legislation, you should frankly say so. But how can you expect the farmers to continue to produce at a cost of 50 per cent below the price they receive? How can you expect them to pay their debts with a 50-cent dollar? If your leaders will not approve the bill proposed by the farmer organizations, then give us something. Or take my suggestions: With the same amount of credit we extended to the banks to protect the depositors and to the railroads to protect the employees with jobs, we could refinance the farm mortgages as they come due over a long period of years at a low rate of interest and save the farm home from foreclosure proceedings.

In addition to that, we could invoke for a period of, say, two years, the emergency powers of the Government as we did during the war, and guarantee a minimum price for the basic farm products used for domestic consumption, and establish a selling price for domestic consumption sufficient to take care of the price to the producer. The minimum

price for the now 30-cent wheat should be at least \$1 per bushel, and the same is true with reference to the now 5-cent cotton, which should be at least 12 or 15 cents per pound.

With such prices for farm products, the market of 40,000,000 people on the farms would be restored, and your mills and factories would reopen and furnish jobs to the unemployed. It would start up the trade activities throughout the country, in all directions. Instead of continuing to depend upon relief extended to the top, to trickle down to the producers, let us extend our relief direct to them, so they will get the full benefits, instead of the few crumbs which may fall under the table.

GIVE AGRICULTURE A CHANCE

Mr. MCGUGIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address over the radio by my colleague [Mr. LAMBERTSON].

There was no objection.

Mr. MCGUGIN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address of my colleague Mr. LAMBERTSON, delivered under the auspices of the National Grange program on the farm-and-home hour over the National Broadcasting hook-up June 18, 1932:

Ladies and gentlemen of the radio audience, it is a pleasure to greet you from the Nation's Capitol in the closing days of this long session of Congress. I appreciate the courtesy of the National Broadcasting Co. and the National Grange in giving me an opportunity to address the great nation-wide audience which I know is listening in at this hour.

As a farmer and a citizen, I consider it a high honor to be a member of the Grange, which is the oldest general farm organization in America. Those of us who are affiliated with Indian Creek Grange, located in Shawnee County, Kans., still remember with pleasure that happy evening last summer when our splendid national master, Louis J. Taber, Vice President CURTIS, and Senator ARTHUR CAPPER were all in attendance.

I believe in the principles and policies of the Grange, which stands for the greatest good for the greatest number, and which is animated by the spirit of live and let live. I also believe in Fred Brenckman, the Washington representative of the National Grange, whom I consider one of the most competent and trustworthy men that any farm organization ever had in Washington.

While there is a considerable number among the Members of Congress who own farm property, comparatively few of the 533 who make up the membership of both Houses of our National Legislature actually till the soil. Farming has been my only occupation.

Four years ago, when the people of my district chose me to represent them in Washington, I cherished the hope that I might have a hand in the promotion of policies which would bring equality to agriculture. My connections with farm and cooperative organizations and my experience as a member of the committee of 22 associated with the Corn Belt committee, which backed the McNary-Haugen bill, helped to give me some conception of the difficulties to be encountered in securing fair play for the farmer, particularly in the national arena.

President Hoover manifested a real interest in correcting the inequalities confronting agriculture when he called a special session of Congress, which convened a few weeks after his inauguration. The President's purpose in calling this special session was to secure the enactment of legislation establishing better marketing facilities for the farmer and to revise the tariff so as to put agriculture on a parity with industry under our protective system.

The agricultural marketing act was not exactly what the farmers wanted, but it was the best they could get. It was recognized from the beginning by farm leaders that this legislation did not make adequate provision for handling the agricultural surplus. We have been trying ever since to amend the marketing act in such manner as to include the equalization fee, the debenture plan, or some form of the allotment plan, but thus far without success. We still hope to be able to accomplish something in this connection before the close of this session of Congress.

If the agricultural marketing act was not exactly in accordance with the specifications that the farmers had in mind, the same is equally true of the Hawley-Smoot Tariff Act. While the work of tariff revision was undertaken primarily to meet the needs of agriculture, other industries were not slow to take advantage of the opportunity thereby presented. Notwithstanding the copper-riveted protection which most of these industries already had, as one of my colleagues expressed it, their spokesmen came before the Ways and Means Committee on wheel chairs and crutches, asserting that they were meeting insurmountable competition from abroad, and asking for higher rates, which were granted. In this manner the benefits accruing to agriculture were nullified. As is well known, the reaction in other nations was anything but favorable, and we have paid the penalty in the diminished volume of our exports.

William McKinley has been one of my ideals, and sentiments expressed by him in the memorable address which he delivered

at the Pan American Exposition at Buffalo on the day preceding his assassination I accept as my tariff views exactly. He said:

"By sensible trade arrangements which will not interrupt our home production, we shall extend the outlets for our increasing surplus.

"We must not repose in fancied security that we can forever sell everything and buy little or nothing. If such a thing were possible, it would not be best for us nor for those with whom we deal.

"We should take from our customers such of their products as we can use without harm to our industries and labor. A policy of good will and friendly trade relations will prevent reprisals. If, perchance, some of our tariffs are no longer needed for revenue or to encourage and protect our industries at home, why should they not be employed to extend and promote our markets abroad?"

Agriculture had not yet recovered from the effects of the deflation which began in 1920 when the present depression set in, following the stock-market crash of 1929.

Since then we have gone on down faster than the rest. According to the price index of the Department of Agriculture, the average price of farm commodities is now 56 per cent of the pre-war level. The price of things the farmer must buy is at 112 per cent of the pre-war level. The purchasing power of the farm dollar stands at 50 per cent of the pre-war level, and not taking into consideration taxes.

As a farmer I saw good in the Reconstruction Finance Corporation, but I could not overlook the fact that the legislation which brought this giant corporation into being largely left out those who had needed help the longest and had suffered the most.

Other legislation which has been enacted at the present session primarily for the benefit of our financial institutions seems only to have given our large banks a greater incentive to hoard. Is it not about time for the heads of these institutions to give some thought to meeting the legitimate needs of industry and business, the purpose for which they were created? Such a step would go far toward dispelling the depression.

As Federal revenues began to fall off, it was easy to foresee as early as last summer that one of the biggest battles in the present session of Congress would be fought to determine who should be taxed to make up the deficit, the rich or the poor. In due time, the forces of organized greed launched a campaign of propaganda in favor of a general sales tax, a measure to which we did not resort even during war times. It was worthy of note that among the principal backers of this tax proposal were those who had advocated a sales tax prior to 1929, when there was plenty of money in the Treasury, and who wanted it to take the place of the income and inheritance taxes.

A general sales tax, falling heavily upon the necessities of the people, would be the most unfair of all taxes, particularly under prevailing conditions. While there are many taxes in the new revenue act which will prove irksome and burdensome, I am glad that we escaped a general sales tax, to which I was strongly opposed.

A great American whose body rests in Arlington, just across the river from Washington, once said that there were just two schools of political thought in this country. The one school, he said, believes that this Government hangs from the top, while the other believes that it is built up from the bottom.

I have heard the exponents of these two conflicting philosophies argue the subject in the cloakrooms of Congress when they were at ease and could freely speak their minds. Those who believe that everything begins at the top, and that everything important and worth while trickles from there to the bottom, hold that, after all, there is nothing we can do for those engaged in agriculture nor for those who toil in industry; that we must simply let needed economic readjustments work themselves out; that we can not lift ourselves by our boot straps; and that it is pure demagoguery to state anything else.

Let me say with all the emphasis at my command that I do not believe in this doctrine. If it is possible for Congress to enact legislation for the benefit of business, commerce, and finance, it stands to reason that legislation can also be passed that will help the farmer, the workingman, and the average citizen.

Having levied the taxes to balance the Budget, and having passed the legislation deemed necessary for the welfare of big business, the metropolitan press and the spokesmen for big business now say to Congress, "Adjourn, go home, and give business a chance!"

There is never a time when anything constructive for the benefit of agriculture comes from these spokesmen of special privilege. That is one of the reasons why we are in such a predicament to-day. If we had been willing to pass prosperity around and give the farmer a fair chance along with the representatives of other groups, the whole country would now be infinitely better off. If the purchasing power of the 30,000,000 people on our farms could be restored, the revival of industry would follow as a matter of course.

I assert boldly that it is not sufficient that Congress should enact legislation to save the railroads, the banks, the insurance companies, and similar institutions. It is the solemn duty of Congress before adjournment to do all that lies in the power of the Government for agriculture. We need legislation for monetary stabilization in harmony with the plan contained in the Goldsborough bill, which passed the House but struck a snag in the Senate Banking and Currency Committee; we need more liberal credit facilities, backed by the Federal Government, to save many thousands of farmers from losing their homes through mortgage foreclosure; and we need a policy of protection that will give us an American price for our products consumed in

America, as advocated by the grange and the other farm organizations of the country.

May God give Congress the vision to conceive and the courage to formulate and make effective now, and yet, measures that will keep alive the spirit of hope in the breasts of those who dwell in our farm homes.

OUR ANCIENT AND UNSCIENTIFIC MONETARY SYSTEM MUST BE REFORMED OR ELSE REVOLUTION WITH ALL OF ITS HORRORS IS INEVITABLE

Mr. CROSS. Mr. Speaker, the monetary system of a nation is its financial heart and when that system is materially defective the nation will at irregular intervals suffer great economic distress, and unless corrected will inevitably sooner or later, result in national dissolution.

Mr. Speaker, this Congress is the only physician that can correct the disorders of the financial heart of this Nation and restore it to prosperity, and yet, with the exception of having applied a few makeshift experimental remedies, we are preparing to adjourn, leaving our patient to writhe in his agonies and perchance to die.

Mr. Speaker, through the years every industry as well as every science has made wonderful progress, except that of our monetary system, and I suspect the reason for its not having progressed is that legislative bodies, imbued with the idea that it was a mysterious science incapable of being understood save by the major banking fraternities, have let these high priests of finance dictate laws giving them power to control and manipulate, inflate, and deflate, and these things they have not always done with an eye singular to the welfare of the country.

Mr. Speaker, not so many years ago the doctors in their ignorance bled people when they were in dire need of more blood and not less blood to regain their health, and for any physician to question this vicious practice so long established meant professional ridicule and ostracism. Finally, however, there were those who did have the temerity to question it and condemn it and ultimately convince the profession it did not help but hurt their patients. But since our superfinancial medicine men consist of our so-called international banking groups, who often profit by bleeding their patient, the public, I am afraid if they are to correct the evil, will continue to be bled.

Does anyone doubt that our unscientific, vicious monetary system is the cause of our present economic tragedy? Mr. Speaker, in theory, barter furnishes an ideal system of traffic, and if such a system was practicable, with all our farms and ranches amply stocked with all the animals that go to fill the smokehouse, with all our barns filled with all the grains that go to feed, and all our warehouses stored to capacity with all the materials that go to clothe mankind, with all of our obligations contracted and payable in commodities, and therefore easily discharged, would we not be enjoying an era of wonderful prosperity rather than being as we are, "crucified on a cross of gold"? [Applause.]

Mr. Speaker, the things that possess real or intrinsic values are those things that feed and clothe and shelter and add to the comforts and welfare of mankind. And while their value may vary from time to time in relation to each other as the result of supply and demand, yet in the aggregate they are as valuable to-day as they were five or a hundred years ago, and will be as valuable five or a hundred years hence. The common commodity used as a medium of exchange, and which we call money, whether it be the shells used by the tribes of Africa, the silver tael of the Chinese, or the gold dollar of America, has but little intrinsic value, but as the medium of exchange it becomes the token of the values of property, and if properly adjusted, controlled, and regulated, would, like a mirror that reflects the true image of an object, reflect the true values of commodities as well as that of all other property; neither magnifying nor minimizing those values. Or, if I may personify an honest or stabilized dollar, it is one that holds in its hands a pair of scales, a measuring cup, and a yardstick that give correct weights and measures; while those carried by the dishonest or unstabilized dollar give false weights and measures, registering pounds as ounces, quarts as pints, and yards as feet, or vice versa. Such is the record of the American un-

stabilized dollar, and its photograph ought to be hanging in every rogues gallery in the country.

Mr. Speaker, it is estimated that the sum total of the public and private debts of this country exceed \$203,000,000,000. This stupendous amount of money is nearly twenty times greater, according to the recent report of our mint, than the entire stock of gold in all the world. With the exception of an insignificant minor fraction, this vast sum represents an equation, in purchasing power of the dollar at the time it was borrowed and of the purchasing power of the dollar at present of one to four. That means, translated into commodity values, that the borrower is to pay back four times as much as he borrowed, since it will take four times as much wheat, corn, cotton, wool, livestock, farm or ranch land, or other real estate to purchase as many dollars to-day as when the loan was made. It means that the taxpayers, in order to discharge the bonded indebtedness of the Nation, the States, the counties, and municipalities must pay back four times in property values what they borrowed, and that the wealth of those who hold the bonds have been trebled. In other words, through the trickery of the unstabilized dollar, the debtor classes of this country are being hijacked out of two to three additional dollars for every dollar they received.

Mr. Speaker, is it not inevitable that such injustice must lead as surely to revolution as that "the night follows the day," and no amount of patriotic appeals to men whose wives and children are hungry can prevent it.

Mr. Speaker, every country in the world has gone off the gold standard, either officially or unofficially, except the United States. Every country in the world is permitting its citizens to pay off their debts in a currency having practically the same purchasing power as the money they borrowed. That is, they have stabilized the purchasing value of their money on a parity with property values. For instance, France, in 1928, stabilized her franc practically at par with commodity and other property values, and when the American dollar is at par with property values, \$1 is equal to about 5 francs, but with the present abnormal purchasing power of our skyrocketing dollar, it takes 25 francs to equal in purchasing power \$1. The same may be said of the Italian lira, as well as the money of other countries.

Mr. Speaker, Canada, Mexico, and this country produce only 24 per cent of the gold of the world while these same countries produce about 75 per cent of the world's silver. The world's gold supply has for years been on the decline. The world's yearly average production of gold from 1908 to 1917, inclusive, was 21,908,270 fine ounces, while the world's yearly average production from 1918 to 1930, inclusive, was only 18,296,742 fine ounces or an average yearly decline of the last period of 3,611,528 fine ounces. In 1915, according to the report of our mint, this country produced 4,887,604 fine ounces of gold, while in 1930, being the last year reported, only 2,285,603 fine ounces, or a decline of more than 53 per cent in 15 years. Gold-producing areas in Africa controlled by European countries furnish more than 58 per cent of the world's supply. A fraction more than 22 per cent of the world's annual production is consumed industrially. The United States mint reports the total gold coin and bullion in the treasuries and banks of the world, authenticated and unauthenticated, at \$10,975,311,000.

Mr. Speaker, this country's future foreign trade does not lie across the Atlantic but across the Pacific. The major part of Asia including China is now on a silver standard, and if this country would but take the step, every country in the Americas would gladly follow her. It would mean tremendous trade advantages for us approaching a monopoly. Mr. Speaker, if we are to bring about a more equitable distribution of the wealth of this country and save it from revolution, we must get off the gold standard and stabilize the purchasing power of our dollar at par with the average commodity value index line over a period of normally prosperous years such as from 1925 to 1928, inclusive, and this can be accomplished by the Treasury issuing stabilization

certificates backed up by bullion or coin, dollar for dollar, these certificates to be put in circulation by the Federal reserve banks through means of its member banks.

This stabilization currency to be supplied, without interest, to the Federal reserve banks and to be furnished by them to their member banks at a nominal rate of interest, but the Treasury reserving the right to withdraw a certain per cent at stated periods. Thus in this way its ebb and flow can be so regulated as to keep the purchasing power of the dollar constantly stabilized at par with the average commodity value index line.

Mr. Speaker, with the exception of having patted big business on the back, I regret that this Congress is to adjourn without doing aught to help our stricken country out of its tragical plight, and God grant that we may have the privilege of again meeting before the lightning strikes and the storm destroys the temple. But, of course, Mr. Speaker, I fully realize that it would have been utterly futile to have attempted to bring about any such reform during this session of Congress when those occupying key positions with the Government and in high authority have been reared as worshippers at the shrine of "the golden calf" and whose judgments I fear have been shaped, though maybe unwittingly, by itching palms.

"But och! mankind are unco' weak
And little to be trusted;
If self the wavering balance shake,
It's rarely right adjusted."

[Applause.]

COL. WILLIAM CRAWFORD

Mr. MOUSER. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MOUSER. Mr. Speaker, I ask for this short time to direct the attention of the House to a resolution which I am introducing, and which I hope will be adopted. It is short, and I am going to read it to you:

House Resolution 275

Resolved, Whereas Col. William Crawford, an American soldier, native of Virginia, and assistant surveyor to Gen. George Washington, lost his life in the service of his country; and

Whereas he accompanied Braddock's luckless expedition against Fort Duquesne in 1775 and in 1776 was appointed colonel of the Fifth Virginia Regiment; and

Whereas in 1782, at the request of Col. George Washington, he assumed command of an expedition against the Delaware and Wyandot Indians near the Sandusky River in Ohio, and on June 4 of that year he encountered a combined force of about 300 Indians and British soldiers who had been dispatched from Detroit; and

Whereas he was captured by a band of Delaware Indians and burned at the stake approximately 3 miles from Carey, Wyandot County, Ohio; and

Whereas there has been erected to his memory a monument on rural route No. 1, approximately 3 miles east of Carey, Ohio; and

Whereas his valiant memory has never received recognition from a grateful country for this valiant and heroic service to his country: Now therefore be it

Resolved by the House of Representatives, That the Postmaster General be, and he hereby is, authorized to cause to be printed a series of stamps, the design and number of which is to be decided by the Postmaster General, to be known as memorial stamps in recognition of the great service and martyrdom of Colonel Crawford.

I may say that the people in Ohio and likewise, I am sure, the people of Virginia, and all those who reverence the name of George Washington, would like to see some belated recognition of the wonderful life, statesmanship, and character of this illustrious citizen of Virginia.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FREAR, for one week, on account of business.

To Mr. GIBSON, for the balance of the week on account of important business.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles: S. 111. An act for the relief of Rosa E. Plummer;

- S. 157. An act for the relief of Sarah Ann Coe;
- S. 217. An act authorizing adjustment of the claim of J. G. Shelton;
- S. 224. An act authorizing adjustment of the claim of Lewis Semler;
- S. 229. An act for the relief of Don C. Fees;
- S. 248. An act authorizing adjustment of the claim of the David Gordon Building & Construction Co.;
- S. 250. An act authorizing adjustment of the claim of the Sun Shipbuilding & Dry Dock Co.;
- S. 258. An act authorizing adjustment of the claim of H. E. Hurley;
- S. 478. An act for the relief of Cicero A. Hilliard;
- S. 860. An act for the relief of William Girard Joseph Bennett;
- S. 943. An act for the relief of John Herink;
- S. 1028. An act for the relief of W. Stanley Gorsuch;
- S. 1216. An act for the relief of the owner of the barge *Mary M.*;
- S. 1280. An act for the relief of National Ben Franklin Fire Insurance Co.;
- S. 1436. An act for the relief of the Copper Ridge Mining Co.;
- S. 2159. An act for the relief of the Columbia Casualty Co.;
- S. 2364. An act to authorize the Secretary of the Interior to extend or renew the contracts of employment of the attorneys employed to represent the Chippewa Indians of Minnesota in litigation arising in the Court of Claims under the act of May 14, 1926 (44 Stat. 555);
- S. 2909. An act for the relief of Ross E. Adams;
- S. 3119. An act for the relief of J. D. Stewart;
- S. 4425. An act relating to the immigration and naturalization of certain natives of the Virgin Islands; and
- S. J. Res. 182. Joint resolution amending the joint resolution authorizing the erection on the public grounds in the city of Washington, D. C., of a memorial to William Jennings Bryan.

EXTENSION OF REMARKS
OFFICIAL SPENDTHRIFTS

Mr. DISNEY. Mr. Speaker, as this session of the Seventy-second Congress is about to draw to a close, I desire to make certain observations upon the work of this session and to comment on the problems that have confronted us.

When the history of the American Congress is written this Seventy-second Congress, coming into existence, as it did, with a deficit of more than \$2,000,000,000 facing it, and with the problem of a foreign-debt moratorium confronting it, the moment the Speaker was sworn in, will be classed as the most hectic since the Civil War, with its attendant problems.

Ever since the World War—for a dozen years—this Government has been in the hands of three administrations noted for corruption, extravagance, and inefficiency. The greatest orgy of official extravagance that the world has ever known has taken place in the United States Government in the last 10 years; part of the time with Calvin Coolidge, so-called economist, at the helm. Since 1924, governmental expenses have increased on an average a billion dollars a year. During that period of time the people were interested in making money, and they and their spokesmen, the newspapers, were sound asleep as to what a vast scale governmental expenses were growing and to what an alarming extent the Government was getting into competition with private business. Every once in a while some one would visualize the matter and make some suggestion about economy, but the word was somewhat taken out of the Nation's dictionary, only to be rediscovered by this Congress, when Democratic Congressmen started offering resolutions looking toward economy, shocked as they were by the awful spectacle of a deficit of from two to four billions of dollars.

VOTED TO CUT HIS OWN SALARY

In this session of Congress I voted to cut my own salary, first on the so-called McReynolds amendment, which would have reduced the salaries of Congressmen to \$7,500 a year. When this failed I followed by voting for the salary cut in

the economy bill, which, as it passed the House, cut my salary 11 per cent. After the Senate worked on the economy bill, and powerful influences set in motion the so-called furlough plan and as the bill was changed, I voted for a cut of 10 per cent in my salary. This became the law. I was not so much interested in the loss of 10 per cent of my salary as I was to show the people of my district and the Nation, that my heart was with them in this awful calamity and depression, when industry, labor, agriculture, and all other activities have each taken a deep cut.

NO RELATIVES ON THE PUBLIC PAY ROLL

Mr. Speaker, I have never had any relatives on the public pay roll. I served two terms in Muskogee County as county attorney, and three terms in the Oklahoma Legislature, and this term in Congress. Not once during that entire time has a relative of mine, either by blood or marriage in any degree, ever drawn a penny from the Public Treasury. The practice of nepotism is abhorrent, because it is looked upon by the people as a species of bribery, whereby the official takes unto himself an undue advantage on account of his official position, to the benefit of himself and his kinsmen and to the detriment of the people who placed him in office.

CUT APPROPRIATIONS \$627,422,101.42

Mr. Speaker, I have always been the foe of useless expenditures. Any useless expenditure is a moral wrong. The tax bill of this Nation is unreasonably and outrageously high because of unscientific and log-rolling methods in making appropriations. During this session of Congress I voted for a decrease of \$627,422,101.42 in appropriations for 1933, as compared with the appropriations for 1931 passed by the preceding Congress. This indicates how the taxpayers can be saved if there is the will on the part of the Congress and the Executive to save it. The bills for which I voted in the House of Representatives during this session were \$161,000,000 less than the Budget estimate submitted by the President at the convening of Congress last December. This proves that the way to cut appropriations is simply to cut them, regardless of what or where it hurts.

To be more specific, I voted to cut the following amounts from the following bills:

House Office Building repairs, proposed appropriation \$780,000, voted to cut to \$60,000, a saving of.....	\$720,000.00
War Department, voted to cut under 1931 appropriation, or an amount of \$24,000,000 under estimate of President.....	56,000,000.00
First deficiency bill.....	15,171,120.00
Department of Agriculture.....	10,834,591.00
State, Justice, Commerce, and Labor.....	5,568,144.56
Treasury and Post Office.....	22,797,742.00
Independent offices.....	55,463,610.00
Legislative.....	2,293,973.00
District of Columbia.....	4,173,109.00
Navy Department.....	15,323,991.00
Interior Department.....	6,258,930.00
Abolishing Army and Navy transport service, approximately.....	2,000,000.00
To consolidate Army and Navy, approximately.....	100,000,000.00

These are vast sums, which the taxpayer should carefully study and inquire about.

INTRODUCED BILL TO REPEAL DESTRUCTION OF VALUABLE BUILDINGS

During the Seventy-first, the preceding, Congress, a law was passed by Congress and signed by the President providing for the demolition of four valuable buildings in the District of Columbia, namely, the State, War, and Navy Building, the Southern Railway Building, the Post Office Building, and the Municipal Building. These buildings cost millions to build. Their destruction would simply be wantonness, only benefiting the building-contracting clique. Consequently I introduced a bill to repeal that statute. I am fortified in the judgment that these buildings should not be demolished by the fact that, in the District of Columbia, right at this time, in spite of the vast acreage of public buildings, the Government is paying rent on privately owned buildings. It appears to me to be little less than criminality to even contemplate the demolition or change in the State, War, and Navy Building particularly, as it is a landmark in the history of this Republic.

MORATORIUM ON FOREIGN DEBTS

At the beginning of the session we were confronted with the President's moratorium granted last July on foreign war debts to this country. I voted against this as ill-advised and as a step in the wrong direction, for I was certain that it would lead to ultimate cancellation of the debts, and the current news of to-day proves that judgment to be correct. International bankers who have milked the American public for billions of dollars appear to have been back of the move, and that suspicion has not been removed. Approximately \$12,000,000,000 are yet due on the foreign war debts; but if we pursue a vacillating policy, we will never collect the balance. Imagine Andrew Jackson or Grover Cleveland yielding to the importunities and false propaganda of the international bankers!

Since the World War and up to 1925, the United States had canceled, remitted, or lost the enormous sum of \$10,705,618,006.90 in war debts, counting interest at 4½ per cent, and now it is proposed that we lose approximately the same amount by the present policy being pursued.

This Government settled those debts with Italy at 24 cents on the dollar and with France at 46 cents on the dollar, and yet by the news of last week, France proposed to repudiate the balance of the European debts to the United States. This at the expense of the already overburdened American taxpayer!

VOTED AGAINST \$2,000,000,000 FINANCE CORPORATION

When the Reconstruction Finance Corporation was before the House I voted against it and gave my reasons, chiefly that this did not provide for assistance to the rank and file, but only took care of the immense corporations, banks, railroads, life insurance companies, and others, to the exclusion of the average of the people. Almost before the bill was signed tremendous loans were made to the railroads so that they might pay off notes to Morgan & Co. Yes; there was relief in that bill, assistance to the creditor class, but not to the people.

EXCISE TAX ON IMPORTED CRUDE OIL

The Oklahoma delegation appointed me House leader in the fight for a tariff on crude oil. The public knows how successful that fight was. The flood of cheap foreign crude oil produced by foreign labor in competition with labor in America had all but destroyed the independent oil producer. I made this subject my night and day religion, and when the bill left the House it carried an excise tax of 42 cents a barrel on crude oil. This ought in the nature of things to be of assistance to the oil industry, notwithstanding the fact that the Senate cut down the tax to 21 cents a barrel, but the tax on imported gasoline was raised.

THE GENERAL SALES TAX

A general sales tax would have raised about \$650,000,000 by taxing every article that the people of my district have to buy, from the cradle to the grave. Whatever the citizen should turn his hand to would bear this sales tax. I opposed this as a matter of principle, for once placed upon the backs of the people the sales tax is never removable, when we take into consideration its history in other nations. As extravagance in Government grows, so the sales tax is enlarged until it becomes unbearable. The chief proponents of the sales tax advocated it as a substitute for the income tax, which to my mind is the fairest tax ever devised. They hope to finally completely supplant the income tax with the sales tax, and their vow is to drive out of Congress every man opposed to a general sales tax. The revenue bill carries some nuisance taxes, such as enlarged postal rates, stamps on checks, and electric power. I opposed these also, but they are preferable to the general sales tax, for these nuisance taxes only last until 1934, then automatically expire. If they did not expire automatically by law, the interests affected would fight them to a repeal, but the general sales tax would always go on undisturbed, because it is in the nature of an invisible taxation.

REVENUE BILL HAD TO BE PASSED

The people are entitled to complain about the revenue bill. It is preposterous that it was necessary to pass it. It is the

result of a long debauch in governmental expenses and extravagance. When this session of Congress came into being we were confronted with a deficit of more than \$2,000,000,000 and which has grown to nearly \$4,000,000,000. Not a dime of this \$2,000,000,000 was appropriated by a Democratic Congress, but it had to be passed in order to balance the Budget and to save the Government from bankruptcy, as the result of governmental corruption, extravagance, and inefficiency, which have in turn characterized the last three Republican administrations.

VOTED TO CONSOLIDATE ARMY AND NAVY

When the question of the combination of the Army and Navy was before the House, I voted for it. Chairman BYRNS, of the Appropriations Committee, stated, and it was undenied, that this item alone would save \$100,000,000 per year. This bill was defeated by lobbyists from the Army and Navy Departments, by Cabinet influence, and by the President's own private secretary, an ex-Congressman, lobbying against the bill on the very floor of the House! Whence comes the talk for economy!

INCREASED GIFT TAXES, INHERITANCE TAXES, AND ESTATE TAXES

The country has long demanded that gift taxes, inheritance and estate taxes be increased, in order to take power from the tremendous estates that have grown up. For an illustration, an immensely wealthy man could dispose of his estate by gift and avoid any inheritance tax, and his heirs would take the property upon his death free of any tax except an inheritance tax. This Congress raised inheritance taxes, gift taxes, and estate taxes so as to prevent such subterfuges. My vote aided.

FOR SOLDIERS' BONUS

The veterans of the World War were settled with in 1924 with adjusted-service certificates. England gave her veterans a bonus of \$1,427, Belgium \$492, Canada about \$750, France \$249, while the United States, the richest Government under the sun, gave her boys a bonus of \$60. Since the debt was adjusted in 1924 and the soldiers are now in need, they demand the payment of their certificates now in full instead of waiting until 1945. There was no issue as to the existence of the debts or its justice. The only question was whether it should be paid now. I supported this measure and signed the petition to bring it to the floor of the House. It would not have added one penny to the public debt, for the debt already exists. It would not have required a dollar of appropriation, for under the plan proposed by ex-Senator Robert L. Owen and incorporated in the Patman bill, new money would have been issued by the Federal reserve system, based upon bonds into which the certificates would have been converted. This two and one-quarter billion dollars going into every nook and corner of the Nation would have created a currency expansion and circulation that economists have all been clamoring for. It would have paid bills at the store, notes at the bank, and fed hungry mouths and clothed worthy people.

No greater financial mistake was ever made by the Government of the United States than the defeat of this measure by the Senate. The President had declared he would veto it, the Senate saved him the trouble. Big business declared against it, so that the administration and the Treasury Department, representing big business in official life, obeyed their master's voice. There was the cry of "The Nation's credit will be ruined" and "it means fiat money" and "it will drain the Treasury"—each one was false. But we did not hear those cries when Congress was appropriating two billions for the Reconstruction Finance Corporation for the banks, railroads, and internationalists.

VOTED FOR TAX ON STOCK-MARKET OPERATIONS

The curse of this country has been the stock market and the way it has been handled and managed. It created a mania for stock-market gambling that existed until 1929; and, when the bubble burst, those who had made the money slunk into darkness and, with their money, went into seclusion and hoarding. The Democratic House of Representatives passed a bill taxing all sales on the stock market one-fourth of 1 per cent and sent it to the Senate. Again big

business was horrified, and again it cried out that the credit of the country was about to be ruined and that the Nation was on the brink of despair, and again the administration and the Treasury soft pedaled and again the Senate yielded to its master's voice, and the stock market escaped unscathed. This would have produced from one to three hundred million dollars per year and would have been of vast assistance in balancing the Budget. But we heard little about balancing the Budget when this bill was suspended mid-air in the Senate.

VOTED FOR LAME-DUCK AMENDMENT

I supported the so-called lame-duck amendment, as a progressive step in governmental affairs. A newly elected Congressman should not have to wait 13 months before the issues upon which he was elected should be expressed. Every genuinely progressive issue during this session has received my support.

PHILIPPINE INDEPENDENCE

There never has been any sound economic, financial, or racial reason for our retention of the Philippines. None was developed at the hearings before the committee on the subject, so in the House I voted for freeing the Philippines and their 13,000,000 in population at the end of eight years.

ANTI-INJUNCTION BILL

To prevent abuses in labor disputes, the Norris-LaGuardia anti-injunction bill was presented to the House, and I voted for this on the ground that labor should not have to bear the brunt of indiscriminate injunctions. This legislation remedies the injustice that has heretofore existed.

OLD-AGE PENSIONS

I introduced a bill providing for old-age pensions. This subject is more and more becoming a matter of public importance; and thoughtful persons are looking forward to the time when a system shall be devised looking to the assistance of the elderly, deserving, and indigent of our Nation.

CURRENCY EXPANSION

Everyone has agreed that what this country needs is a sound expansion of the currency; the only disagreement is on the question of methods and means. I voted for the Goldsborough currency expansion bill, the object of which is to restore the 1926 price level, but the Federal Reserve Board and the Treasury Department would have none of it, because big business was against it. Consequently it stopped in the Senate and there it will stay. It will never be brought out of that body until there is a new order of things, until big business is released of its hold on the executive department and the Treasury as well as upon the Senate.

BANK GUARANTY LAW

Every public officer, under a penalty of prison sentence and removal from office, is required to insure the deposits of public money before he may place them in a bank, by means of a surety bond furnished and paid for by the depository bank. There can be no sound reason why the money of the ordinary depositor should not be protected by a similar system. This plan has been tried by several States but never by the Federal Government, so when the bill came before the House it was passed by an overwhelming majority. I voted in the affirmative. The bill went to the Senate, where it will either be killed or will stay until the old order passeth and a new order of things takes place, if that time ever comes.

INDIAN LEGISLATION

I voted and worked earnestly on legislation pertaining to the Pawnee, Cherokee, and Osage Indian Tribes and was successful in procuring the passage of the Osage civilization tribal fund bill, which means much to the Osage Nation. I was instrumental in assisting Congressman HASTINGS in his advocacy of the Cherokee jurisdictional bill for Cherokee claimants and have a similar bill pending for the Pawnees. I procured the passage for the Pawnees of a bill permitting the reinvestment of funds from restricted lands condemned by municipalities in lands that would again bear the restricted feature.

ADDRESS OF THE MINORITY LEADER AS PERMANENT CHAIRMAN OF THE REPUBLICAN NATIONAL CONVENTION

Mr. SNELL. Mr. Speaker, under unanimous-consent request to extend my remarks in the RECORD, I beg to print the speech I delivered on June 15, 1932, as permanent chairman of the Republican National Convention.

The speech is as follows:

Fellow Republicans, you have done me the honor of asking me to preside over the convention that is about to name the next President of the United States.

I thank you for the trust thus imposed and shall try to merit it by dealing fairly with all.

You have heard the note of exultant Republicanism as sounded by the distinguished chairman, Senator DICKINSON. I have heard your enthusiastic response. I congratulate Senator DICKINSON upon his eloquent and accurate presentation of our cause.

I congratulate our great party upon the selection of a body of delegates whose solidarity and militant enthusiasm insure the nomination of candidates and the formulation of a platform that will command the support of the Nation.

The Republican Party is accustomed to victory. From Abraham Lincoln, our first Republican President, who was nominated in 1860 not far from the stadium in which we are assembled, the Republican Party has elected 11 of the 13 Presidents down to and including President Hoover.

Victory has come to the Republican Party because victory has been earned.

Our doctrines and policies have been hammered out on the anvil of experience.

We have never shirked responsibility.

We have never become a disorganized mob under the pressure of great emergencies.

We have never offered quack remedies for national disorders.

By long trial in the actual responsibility of conducting the Government, the Republican Party has become capable of governing. From Lincoln to Hoover, our Republican Presidents have met the shock of war and the storms of depression and weathered every gale.

The Nation has been safe when the Republican Party has been in control of the Government. It has never been safe when Republicans were not on guard.

The Republican platform of 1860 to which Abraham Lincoln gave his allegiance declared that the perpetuation of the Republican Party was necessary for the national existence. That declaration is as applicable to-day as it was then. The national welfare demands the success of the Republican Party.

Everywhere, outside of the Republican Party, is confusion and chaos. The only sound and united public sentiment of the United States is represented in this convention.

The Democratic Party is fatally weak because it does not command the support or confidence of the Nation and because it is utterly lacking in teamwork.

The Democrats have a minority complex which they can not change. As a fault-finding, cavilling minority opposition they are 100 per cent perfect. As a driving, constructive majority they are 100 per cent failure.

As proof of this I need not recall to your mind the false gods they have pursued for over a century; the panaceas they have proposed and a wise people have rejected. Events of the past five months furnish abundant evidence of their failure.

Accepting their promises at face value, the country placed them in charge of the House of Representatives. They had assured the Nation that if given this power, they would restore economic equilibrium. This much must be stated to their credit: As long as they followed the leadership of the one man in America who has furnished leadership in this great crisis—Herbert Hoover—they functioned in splendid fashion.

But when they set out to carry forward their own program they exhibited colossal incapacity, hopeless division, and disintegration, with the result that there was a complete collapse of their party machinery.

As tragic as is the breakdown of a great political party, had the party alone suffered the situation would not have been so bad. But it was the country—the whole people of these United States—who suffered. In a few months the confidence of the country in the House of Representatives, which had been lifted to a high degree during the past 13 years under progressive, forward looking, constructive Republican leadership, was utterly destroyed.

And with what consequences? Uncertainty about the future increased; confidence all but disappeared; business continued to slow down. The country was thrown into a state of mind approaching chaos. No one could foretell what the Democratic majority would propose or would do next. There followed a period of anxious waiting, of trembling inactivity.

This was a natural state of things for the Democrats came into control of the House of Representatives without any definite program. They had the good judgment, at first, to follow the lead of the President. So long as they did, all was well. When they started casting about for a program of their own they became mired. They began with a blaring of trumpets. They organized what they grandiloquently termed "a policy committee," which was to arrange a program to put the world back into joint.

This committee was made up of the Democratic leaders in both the House of Representatives and the Senate. They called in

for consultation and advice all of their defeated candidates for president and all their other master minds.

But not all of these geniuses combined were able to evolve a plan because no two of them could agree on any plan. And with this division among the generals it was not at all surprising that there was utter confusion—nay, open revolt—within the ranks.

With this record behind it in this grave hour of national distress, the Democratic Party is about to ask the country to accept a candidate whose identity is still unknown, standing upon a platform whose planks will probably contradict themselves. The Nation is to be asked to accept confusion as a national policy and disorder as a rule of government.

The Democratic Party has as many wings as it has candidates, and certainly its candidates are legion. These wings do not flap together, they flap against each other.

The Democratic Party is a mob of feuds and of factions unable to bring order out of the chaos in its own ranks. How can it be expected to maintain order in government?

An intelligent order in government is what the American people demand in this crisis. They want a party in control that has a program, knows where it is going, and has the courage, leadership, and the sense of responsibility to get to its destination. They want a party in control that knows what constructive legislation is and has the ability to enact it into law.

My countrymen, the solidarity of the Republican Party in this crisis means the salvation of the United States.

If this country is to be governed with judgment and prudence, the Republican Party must do the job.

Call the roll of the Presidents from Lincoln to Hoover. The illustrious names of Republican Presidents are an epitome of the history of the United States. Supported by the people and united in a responsible party they perpetuated the Union; they linked the coasts by railroads and opened the West to settlement; they preserved the honor and integrity of American currency; they liberated Cuba, and placed the Stars and Stripes over Alaska, the Philippines, Hawaii, and Puerto Rico; they built the Panama Canal; they created a Navy; they brought about a genuine regulation of interstate commerce and suppressed monopolies; they halted the mistaken attempt to involve us in European politics and wars; they ended the naval rivalry of the great powers and compelled recognition of the equality of the Navy of the United States; they dealt generously with foreign debtors while protecting American taxpayers; they provided that the United States Army should always be ready for mobilization on a scale sufficient to repel any enemy; they prevented the invasion of hordes of immigrants pauperized by the World War; they protected the American farmer, manufacturer, and workman against ruinous competition in the American market; they have fought with stout heart the dreary battle against world-wide depression, and thank God, they are on the way to win it.

We can not pause to enumerate to the full the list of Republican accomplishments. Our task is to continue the process of achievement. We point to the past as evidence of work well done. We face the future with eagerness to grapple with its problems.

We know that Republicans and Republican principles have brought safety and national well-being out of very trial.

We do not offer experiments as candidates.

We do not offer quack remedies and exploded theories as a platform.

We offer to conduct the Government on tried principles, to be administered by men who have met the supreme test of intrepid leadership.

In Lincoln's day the people stood loyally by their President, who brought them out of the shadow of disunion. In Hoover's day the people stand loyally by their President, who is bringing the country out of the shadow of vast economic adversity.

The people will not strike down the pilot who keeps eternal vigil on the bridge of the ship of state.

And Herbert Hoover, courageously and determinedly, has kept this vigil for three years.

No man, living or dead, has had to grapple with such gigantic problems at home and abroad.

No man, living or dead, has fought world-wide economic adversity with so stout a heart and so deep an understanding.

No man, living or dead, has had such tremendous calls from home and abroad upon his energies and his unusual resources.

No man, living or dead, has given so unreservedly of his experience, intelligence, and leadership as has Herbert Hoover.

A government that does not protect its people is not in fact a government. The American people, after forming the Union and insuring justice and public order, declared that their first object was to provide for the common defense.

The Republican Party holds that common defense means protection of the people in their livelihood as well as protection against armed invasion. Our Union is a union against economic invasion and all other forms of aggression. Our national resources and advantages are useless unless they are defended.

We hold that a protective tariff is necessary for the common defense. The Democratic Party refuses to provide this protection, although I could name Democrats by the score who eagerly seek such protection on the sly for their own States and districts, while denying it to the Nation at large.

The tariff was revised by the Republican Party just in time to avert a catastrophe. This tariff law has been the bulwark of the common defense against world-wide depression. But for that law the United States would have been inundated with foreign imports and vast additional numbers of workers would have been

unemployed. That law has kept over 40,000,000 American citizens at work in spite of world-wide adversity. Americans have had the advantage of a monopoly of their own market, the greatest consuming market in the world. This market belongs to them, and the Republican Party protects it for them.

What would be thought of an army that defended every frontier but one and left that one open to invasion? Yet that is what the Democratic Party does when it refuses to defend the economic front.

Against all falsehoods, all sophistries, and all sectional selfishness, the Republican Party moves triumphantly forward in the common defense of all the people in all sections, for the protection of their livelihood against any form of foreign aggression.

We meet here in this bicentenary year of the birth of George Washington.

Washington, as an engineer, solved stupendous and vexatious problems for the benefit of mankind.

It was said of Washington then, as it is said of Hoover to-day, that he was not a politician. In the baser sense he was not, but in the higher sense he had the profound political instinct of statesmanship and his statesmanship was good politics. The substratum of Washington's statesmanship was his engineering experience, his practical accomplishments, and his profound human sagacity.

President Hoover's mind is the mind of an engineer. He first gets his facts and then he acts. No engineer has attained success by deciding his problems on a basis of expedience. Equivocation is directly contrary to the fundamentals of the profession. Sureness of decision, solidity of formation and enduring construction by using tested materials is ingrained in the education and thought processes of an engineer. These traits are governing in all decisions on all questions.

Herbert Hoover, the engineer President of the United States, is solving and will solve stupendous and vexatious problems, as did our first engineer President, for the benefit of all mankind.

We are now engaged in a war of defense. We are fighting under the leadership of the most capable citizen in the United States. Already he has gained many battles, and the victorious end of the war is nearly in sight.

Our enemy is the invisible but ghastly pestilence of world-wide economic depression. It is the ghost of the World War stalking over the earth. It is the reaper that gathers the harvest of 10,000,000 lives and the destruction of \$10,000,000,000 of hard-earned wealth.

In its present gigantic form this is a new enemy, and our people have been mystified and terrified in trying to defend themselves. Fortunately our President was well prepared for the task of generalship in fighting off this enemy.

You know the record. You know the battles he has already won.

He solidified labor and capital against the enemy.

He avoided the deadly pit of the dole.

He rescued the drought victims.

He beat off the attacks upon railroads, agriculture, banks, and public securities.

He mobilized the Nation's financial resources.

He warded off the stealthy approach of panic by way of Germany.

He preserved the integrity of the gold standard.

He had the manhood and courage to tell the people that their Government's revenues were depleted and must be replenished.

He fought and won the battle of the Budget, by resolutely lopping off extravagance and by instituting severe economies. Throughout this war the American dollar has been as stable as the American flag.

The Republican Party is conscious of its responsibility and realizes its stewardship. Under the wise leadership of President Hoover the Republican Party is functioning with solidarity to the satisfaction of the country, but to the confusion of those who offer no constructive ideas.

During the entire world-wide depression every civilized nation has looked to America for leadership. They have looked to us to lead them out of their economic and financial morass and to place their feet once more upon solid ground. And out of it all, and through it all, the one man who to-day stands head and shoulders above any leader among the nations of the world is the Republican President of the United States, Herbert Hoover.

As Lincoln once said: "The occasion is piled high with difficulty." Nevertheless, the Republican Party is equal to the occasion. That party has its plow to the furrow and is not looking backward. It is now, as ever, the party of rehabilitation.

The way to resume specie payments after the Civil War was to resume, and the Republican Party accomplished it; the way to restore prosperity following Democratic free-trade depression was to open the mills, and the Republican Party did it; the way to establish the gold standard was to establish it, and the Republican Party did it, and now, the way to restore good times is to restore them, and the Republican Party has set itself resolutely upon that course.

With indomitable courage and confidence, with faith in our Commander in Chief and with a comradeship of purpose to meet every foe of the Republic, foreign or domestic, let us press onward, shouting the great American battle cry:

"Forward to victory!"

ZIONISM AND AMERICANISM

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my speech before the conven-

tion of B'rith Sholom, held at Atlantic City, N. J., June 19, 1932.

The speech is as follows:

Zionism in the United States is compatible and consistent with American ideals and traditions. Although I am not a Jew, I am a convinced Zionist, and more so to-day than when I introduced the joint resolution in 1922 in favor of a homeland for the Jewish people in Palestine, which was unanimously adopted by the Congress and signed by President Harding.

I deem it an honor to serve in an executive capacity on the recently organized American committee, composed of non-Jews, to further the aims and purposes as expressed in the joint resolution and to encourage the actual work now being done to rehabilitate Palestine. It is only just and fair that the Jewish people be afforded an opportunity to help build up that ancient land of their fathers and of their faith given to Abraham by Jehovah, and which they maintained until driven out by Titus and the Romans 1,900 years ago.

The Balfour resolution was a definite pledge given during the critical days of the World War to the Jewish people of the world, and indorsed by practically all the allied nations, that Palestine would once again be restored to the Jewish people as a homeland, and an opportunity afforded to them to reestablish a center of Hebrew culture and training. The Jews of the world look forward with religious fervor to this long-sought opportunity to carry on their glorious traditions and ideals founded on justice and righteousness as handed down to them by the great pioneer lawgiver and liberator, Moses, the immortal prophet statesmen of Israel, the wisdom and religious genius of the judges, and the valor and brilliant leadership of the princes of the house of David.

The American people are sympathetic toward a rehabilitation of Jewish thought, culture, and education in Palestine and will gladly cooperate with the Zionist movement headed by the distinguished scholar, Dr. Nahum Sokolow, to build up Palestine through Jewish energy, genius, and funds and make it once again a land of milk and honey and a homeland for those Jews who are oppressed and persecuted wherever they may be. We in this country should in the midst of our tribulations and afflictions take to heart the following words of Theodore Roosevelt: "The foes of our own household shall surely prevail against us unless there be in our people an inner life which finds its outward expression in a morality not very widely different from that preached by the seers and prophets of Judea when the grandeur that was Greece and the glory that was Rome still lay in the future."

There is no better or more loyal citizen than a religious Jew. We do not anticipate that many American Jews will return to live in Jerusalem, but that they will make it possible for their coreligionists in central Europe, where they are discriminated against and are in great distress, to enter Palestine, from whence they were brutally driven out centuries ago to endure centuries of persecution in many climes and in many foreign lands. The Jewish immigrants in the last 10 years have already developed the waste places of Palestine from Dan to Beersheba into fruit orchards and fields of grain. They have erected hydroelectric power stations and built modern cities like Tel Aviv, and brought the newest attainments of science and research to that most ancient of lands that gave birth to three of the world's greatest religions. They have built a university at Jerusalem and established hospitals and homes for the aged and other charitable institutions, as they have done all over the world. They have merely scratched the surface; the future of Palestine is secure just as long as we Americans uphold the pledges given in the Balfour resolutions, backed by the heart and mind and the religious faith of millions of Jews throughout the world.

The matchless oratory and intellectual genius of Isaiah rings true to-day with added force, in view of the recent shameful disclosures of stock-market manipulation by small groups of rich men at the expense of the public. Isaiah arraigned the unjust business practices of men of wealth and leaders in the economic life of his day who were above the law and who oppressed the poor and betrayed the common welfare in the following expressive words: "The spoil of the poor is in your houses; what mean ye that ye crush my people and grind the face of the poor?" We still have much to learn from the prophets and seers of Israel; and what would be finer and nobler than to help revive the ancient faith of the prophets and lawgivers in their ancient and sacred homeland for God and humanity?

In this day of turmoil, and attempts to array class against class, and loss of religious faith, I commend the words of the courageous Hebrew prophet Micah, who loathed shams and hypocrisy, to both Jew and gentile: "What doth the Lord require of thee but to do justly and to love mercy, and to walk humbly with thy God?" We need a revival of religious faith in the world, and anything that will tend to revive and spread the wise principles of the Hebrew prophets will be for justice, righteousness, and happiness, and for the fatherhood of God and the brotherhood of man.

No one can honestly impugn the loyalty of the American Jew. He has participated in all our wars since the American Revolution. The people of Jewish origin in this country have contributed freely their share of blood and treasure in defense of our free institutions and republican form of government. There were 27 Jewish officers in the Revolutionary Army. Among our most distinguished patriots were Maj. Benjamin Nones and Hayim Solomon, of Philadelphia; the latter supplied the finances to keep Washington's army in the field. After the victory had been won Washington received numerous congratulatory addresses, among

them one from the Jewish congregation at Newport, R. I., to which he replied as follows: "It is now no more that toleration is spoken of as if it were by the indulgence of one class of people, that another enjoyed the exercise of their inherent natural rights, for happily the Government of the United States, which gives to bigotry no sanction, to persecution no assistance requires only that they who live under its protection should demean themselves as good citizens in giving it on all occasions their effectual support. May the children of the stock of Abraham who dwell in this land, continue to merit and enjoy the good will of the other inhabitants, while everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid."

The people of the United States are in the midst of celebrating the two hundredth anniversary of the birth of George Washington, and we can well pause in the midst of our present-day difficulties and take to heart and for our guidance those characteristics of Washington that made him the greatest figure in American history. When the Declaration of Independence was written by that great Democrat, Thomas Jefferson, it was a mere scrap of paper until George Washington, through his leadership, courage, determination, and faith, translated it into a political actuality, our republican form of government—the Government of the United States. My message to you in the midst of this economic depression and the afflictions that go with it is to uphold the same principles as shown by Washington under more trying conditions, and above all, to maintain your faith in the traditions and ideals that have been handed down to us and in our free institutions and our republican form of government.

There was never a time when there was more need for faith in America than at the present time. Men and women of radical persuasion, communists, socialists, pink intellectuals, and college professors have been going around this country in the last few years talking to groups of young people, and particularly to women, telling them that everything was wrong and rotten and corrupt in our democratic institutions, and that our economic system was brutal and oppressive to the wage earners, that religion is the opium of the people, and that everything that had been handed down to us by Washington, Jefferson, Lincoln, and Roosevelt was wrong and should be scrapped for some temporary form of foreign dictatorship—socialism, communism, or fascism.

In answer to all these charges, made by those who would undermine the faith of the American people in their own institutions and Government, is that for the last 50 years our wage earners have been the best housed, the best fed, the best clothed, and the most contented in the world, and that at any time within the last 50 years, if we had let down our immigration barriers millions upon millions of foreigners would have flocked to the United States, and if Soviet Russia, where these American visionaries, without any experience in business or government, find everything beautiful and peaceful, should let down her barriers to-morrow one-half of her terrified population would try to get out within 30 days.

Fifty years ago American labor worked 12 and 14 hours a day on a pitiful wage scale and standard of living. Step by step the various State legislatures and the Congress of the United States, at the demands of the American people, have gradually brought about shorter hours for labor, provided better wages and more sanitary working conditions, and have enacted child labor laws, workmen's compensation laws, and now old age pension laws. We still have in America the same capacity, the same intelligence, and the same patriotism to solve all our economic problems as we have done in the past, for the best interests of all the American people without recourse to socialism, communism, or fascism, and we propose to continue to solve our problems as we have in the past, along purely American lines. We do not propose to surrender our civil, economic, and political liberties, including freedom of speech and of the press, for any foreign form of dictatorship.

When we emerge from this depression—as emerge we will through the courage, hard work, and faith of the American people—I hope and urge that prosperity will be passed around to a greater degree than it has been in the recent past; that labor shall be given larger benefits and a greater share of the fruits of their labor. The rank and file of the American people, including the unemployed, have been loyal and faithful to our institutions in the midst of this depression, because they know from past experiences that under them they have been better off than the people in any other nation in the world.

I urge more specifically that when we get back to normal times the American wage earner be provided with security insurance in their industrial life by requiring corporations in the various States employing labor to provide adequate health, life, and retirement insurance for all their employees. One of the greatest tragedies of our economic collapse is that men who have worked 25, 30, and 35 years for the same corporation to build up the wealth and greatness of our Nation have been let out on a day's notice without any pay or retirement to maintain their family or home. In these days of mass production and industrialization we must take steps to see that such a situation as exists now shall not happen again. If security insurance had been in effect for the last 30 years the economic situation in the country would not be one-half so appalling.

I do not deny that there are still evils and abuses in our economic system, but they can be corrected and remedied just as they have been in the past for the best interests of all the American people. My message to you is not to be led astray by false remedies that seek to destroy both our political and economic system, but rather to use your influence and abilities to stabilize and improve our economic system, which is erroneously called "cap-

talism" by its opponents as a word of reproach and opprobrium. In the United States labor as well as capital are both "capitalists." A man who owns his house, car, and garage is just as much a capitalist as the man who owns a bank. The difference between our economic system and communism or socialism is the difference between individual liberty and compulsion.

Let us make every effort to wipe out any abuses and evils that exist in both our political and economic systems by further liberalization of our laws, and make changes where necessary for the public good. Let us make the fight within our own American institutions rather than follow the revolutionary and false doctrines advocated by Karl Marx in Germany in 1848 at a time when labor had no civil, economic, or political rights. I agree with Theodore Roosevelt when he said: "The more we condemn unadulterated Marxian socialism the stouter should be our insistence on thoroughgoing social reforms."

RELIEF MEASURE PASSED BY CONGRESS DURING THE SEVENTY-SECOND CONGRESS

Mr. FREAR. Mr. Speaker, it is asserted that Congress has done little or nothing during this session to relieve the depression. Any such statement is untrue, so far as legislative authority could be exercised.

During a service of nearly 20 years I have never known, with one exception, any Congress that put aside partisanship or worked harder to meet demands, considering worldwide economic conditions. That exception was the war Congress in 1918, when both branches and the Chief Executive were all under the same political control and without any pending political campaign to arouse suspicion of motives for legislation.

Not in 20 years, or possibly in double that period, has Congress, in committees and in legislative debate, worked more exhaustively, sometimes from 9.30 a. m. with committee hearings to midnight in the legislative Chamber. Twenty deaths during the year, of which 17 were Members of the House, double the usual number, give only a limited understanding of strenuous labors by those directly engaged on the most important committees.

Constitutional limitations, governmental difficulties of financing, administration and scope of possible relief were problems to be debated and overcome. Divergent views of employing expenditures that would not involve the Government's credit in a battle with world-wide conditions were also factors on which opinions and judgment necessarily varied.

Not all of the hoped for program was carried out, but Congress gave the best it had and with a Democratic House, close Senate, and a Republican President, no equal record for performance, I submit, can be found during the century. It might have been better. It could have been far worse. Here are a few of the relief laws passed.

Mr. Speaker, the World War left Europe topsy-turvy, depending on an alleged "vengeance" Versailles treaty, impossible of performance, German reparations that Great Britain, France, Italy, and other Governments insisted by military force should be paid. These conditions threatened a European financial crash last year that would have disastrously affected European and American economic conditions. Congress granted a one year's moratorium for its first world-wide act providing only that Germany must be given a like postponement as a condition for postponing an annual \$252,000,000 debt payment from European \$11,000,000,000 debtors.

In that first month of December, 1931, Congress also extended a \$100,000,000 fund, authorizing extension of installments on mortgages held under the Federal farm loan act. Seed loans to insolvent or needy farmers and other relief measures were among minor items Congress also authorized by law.

When it was realized an economic war, second only to the World War, was to be faced, a Reconstruction Finance Corporation of \$500,000,000, to be increased to \$2,000,000,000 if need be, was authorized by Congress and immediately it furnished money to save 4,000 banks and other semipublic institutions from failing. Over 60 per cent of these were in small cities under 5,000 inhabitants with many hundreds of thousands of small depositors and others clamoring for that aid. This act was necessary to prevent a crash that could

not be accurately measured but was certain to injure both debtors and creditors and affect the stability of the Nation.

Over 2,000 banks had closed in 1931. The reconstruction act furnished liquid credit, and it helped save the 4,000 banks and other companies with frozen assets, if possessed of sufficient security. When funds so advanced were paid to the banks and investment associations the money was held by them for their own self-protection and not reloaned as intended by Congress to meet needs of individuals and industrial concerns, but it helped save the situation. Congress set aside \$50,000,000 in the reconstruction act to make loans to individual farmers for production purposes. The same privilege of extension to \$150,000,000 additional, or \$200,000,000 in all, was made a direct aid to agriculture.

Congress next extended power to the Federal Reserve banks to buy Government bonds and undertake the issuance of credit to the extent of \$700,000,000 thus far reached in additional currency circulation so as to meet a known deflation in prices alleged to have occurred through a restricted currency.

A \$50,000,000 credit to the Secretary of Agriculture to loan to agricultural credit corporations was next in order, closely followed by a 40,000,000-bushel wheat contribution to the Red Cross to save hungry people. Of this wheat and flour, over 65,000 families in Wisconsin received relief but calls from the unemployed not yet fully met caused Congress to appropriate 50,000,000 additional bushels of wheat or a total of 90,000,000 bushels of grain was given the Red Cross. Held by the Farm Board in its effort to stabilize farm prices—an experiment in agricultural relief attempted by Congress, only partially successful, it could serve no better use.

Responding to calls from the unemployed, the House appropriated \$120,000,000 for extraordinary highway construction to be met by an equal amount from the States, affording practically a combined quarter of a billion dollars for new constructive highway work to help the unemployed.

The Federal farm loan act was amended by authorizing the appropriation of an additional \$125,000,000, to enable the Secretary of the Treasury to subscribe to additional stock in the bank to replace extensions made to farmers.

Mr. Speaker, believing deflation in agricultural prices was largely responsible for prevailing conditions, the House passed the Goldsborough stabilization of money bill that proposed to issue more currency secured by a bond reserve, to inflate money price values, equal to those current during normal times. A \$250,000,000 home building Federal loan act was among other relief laws passed by Congress.

A relief appropriation reaching approximately \$2,000,000,000 for the Garner (House) bill and the Wagner (Senate) bill met with serious question as to the Government's ability to handle either amount without serious economic injury, but both branches of Congress passed their respective bills to be ironed out in conference. The latter Senate bill included a \$300,000,000 item for Federal loans to municipalities to aid unemployment. This amount was conceded to be needed for emergency aid.

Another \$500,000,000 bill to cover bonds for public construction was also given right of way, although two other bills or amendments, one for \$3,500,000,000 and another for \$5,500,000,000, for public works and other relief work offered in the Senate failed to pass that body.

In addition to this direct aid sought to be given agriculture, as briefly noted, Congress, by protective tariffs through the Ways and Means Committee, of which I was a member at the time, endeavored to prevent the importation of food products, including dairy competition from Denmark, Canada, and New Zealand.

A Philippine independence bill passed by the House laid the ground for protection against large free imports of sugar and of vegetable oils used in oleomargarine.

Agricultural tariff rates, with additional rates fixed by the President under the flexible tariff provision where needed, also helped retain to our own industries their home market. This home market is by far the greatest asset in the world

now possessed by American agriculture. Although the Farm Board's effort to stabilize wheat prices failed after costing several hundred million dollars, much of which was lost by the experiment, some protection has occurred by holding surplus wheat and cotton from the market.

The experiment was approved by Congress, based on the advice of reputable farm experts, many of whom differ to-day on the relative values of the debenture, equalization fee, allotment system of restriction, and other proposed remedies for overproduction of home market agricultural needs. Bills to embrace all these methods were introduced this session in both House and Senate together with a proposed remedy for handling farm loans through the Frazier bill method of financing. Strong arguments in their support were based on the necessities of our greatest industry.

Had these bills been passed by the Senate in a way to give substantial relief I believe they would have been approved by the House, but the proposals did not get senatorial sanction during this session. They are on the program for additional agricultural relief when Congress again meets. A reason advanced why full consideration could not be given several other proposed relief bills was found in the necessary passage by Congress of a dozen great appropriation bills to run ordinary expenses of the Federal Government.

Mr. Speaker, some of these bills, numbering hundreds of pages and including many hundreds of items, under the rules, as we know, must all be read in the House and thereafter in the Senate. Numerous amendments were offered and debated which added or deducted from the amounts set forth in these bills. To illustrate the character of this legislation it should be understood that the amounts requested were originally recommended by Cabinet officers at the head of that particular branch of government.

Recommendations were then scrutinized and materially reduced by a Budget official provided under law by Congress to limit Government expenditures to the amount of revenues collected. When both Houses took up the carving knife they lopped off many millions more in efforts to economize.

National expenditures, like those of States and smaller municipalities, have increased since the war, but expenditures and taxes by the States and local governments have increased more than twice as fast as those incurred by the Federal Government.

Increased Federal Government expenditures may be traced to the national debt and veterans' relief directly due to the World War.

The record will nowhere hold me accountable for our entrance into that conflict. Once in, we had to win, and every effort was to that end, but though ready to defend national honor, I was not one of those who believed in advance it was necessary to sustain an enormous financial loss, now estimated at possibly \$50,000,000,000, with an indirect loss of far more than that amount.

A loss of life of 100,000 American boys killed or died in Europe and several hundred thousand disabled by casualties or sickness was of far more importance. National honor is cherished by every American, but it was not to be expected that warring nations would permit noncombatants to travel in a recognized war zone, especially if lending aid and munitions to the enemy. These matters, with evidence, I have heretofore presented to the House in detail.

We should never again make Europe's quarrels ours. This war burden reaches an economic form because while the direct war costs may have been less than \$50,000,000,000 in actual cash, the ultimate direct cost through pensions and debts is now a national burden and will reach double that enormous amount.

In its Budget of Federal expenditures, the following large annual items of approximately \$4,000,000,000 annual expenditures now are paid by the taxpayer:

Veterans' pensions, hospitalization, etc.....	\$1,000,000,000
War bond interest and sinking fund.....	1,000,000,000
Army and Navy.....	750,000,000
	<hr/>
	2,750,000,000

Leaving a balance, broadly speaking, of only 30 per cent for actual Federal increases, which latter amount includes ap-

propriations for local highway aid, local food-control aid, and various other local relief, reducing costs of actual Federal Government activities to less than 25 per cent of its total expenditures.

Mr. Speaker, with war items deducted, Federal expenditures are practically no more than normal increases.

Two major bills have occupied much time of Congress this session. A proposed economic bill or reduction in Federal expenditures has been buffeted like a medicine ball from the House to the Senate, thence to the President, and thence back again, traveling forward and back over the road of "furloughs without pay," direct salary cuts, and various other controversial items in order to cut from net annual Federal expenditures of \$1,000,000,000 not covered by the 70 per cent war and national-defense items an amount of \$200,000,000 if practicable—below figures recommended by the Budget officer.

A second bill of equal importance and accompanied by long debates in both House and Senate was a tax bill that also was intended to balance the new relief expenditures added to the Budget. This latter tax bill occasioned bitter resentment because the House committee without notice reported an obnoxious general sales tax for \$600,000,000, or one-half of the \$1,200,000,000 additional annual tax alleged to be required to balance the Budget.

This general sales tax was discussed before the committee so reporting in only 15 pages out of a couple of hundred pages of its tax hearings. Not one expert tax witness supported a general sales tax which would collect \$600,000,000 from the American public by a "painless" raise in prices on their necessities and luxuries bought by the average individual but so inequitable that a farmer or laborer with a family of five or more would pay five times as much for the necessities of life as Mr. Rockefeller, senior, or others in his class of multimillionaires.

Although slight exemptions were named, it was a tax distinctly opposed to the principle of paying according to ability and was favored particularly by those who purposed shifting their income and estate taxes over to the average layman now paying direct taxes on his farm, home, and other property for State and local taxes. This layman ordinarily pays no direct tax for the support of the Federal Government, but his local taxes are extremely heavy.

Those advocating the sales tax based their demands on a shift of income taxes which now will furnish nearly one-half of the total required Federal Government revenues. Having good incomes, they should pay like Congressmen, all of whom have accepted without question a cut in their own pay and also a heavy income tax as their part of the economy program.

The tax bill now in force contains bank-check stamps, higher postage, and other items that I opposed, offering substitutes therefor, but by the defeat of the general sales tax, upward of \$50,000,000 was saved to the people of Wisconsin annually. Tax experts generally agree that a consumption tax on necessities heavily oppresses the poor and is unjust and merciless. It was defeated.

In offering this brief statement of accomplishments by Congress in one session I have not referred to a possible thousand other measures on the private or committee calendars out of many thousands introduced every session, all of which have served to keep Congress on the jump morning, noon, and night.

Mr. Speaker, business recovery may continue slow and results may not meet one-half of demands, but next Congress will take up the work where this one left off and also pass other emergency relief which will save suffering to those in greatest need.

I have not sought to trace the present world-wide depression with the World War, because apparent to every student of events and history, but our entire economic system has now undergone a change. That too, due to the war. We were told to produce, produce, and produce more. This we did until we were providing food, clothing, and war materials in 1918 for armies numbering 30,000,000 men or more in addition to caring for our own people. When we overproduce in peace times the result is to destroy our own

markets and prosperity. A supply now in store of one year's foodstuffs and clothing is reported due to that quantity production.

The Department of Commerce is quoted as saying that 120,000,000 people in the United States compose only 6 per cent of the total number in the world, yet we lead the world in production and consumption to almost unbelievable proportions. Our 6 per cent consume 15 per cent of world's wheat supply, 17 per cent of world's wool supply, 23 per cent of world's sugar supply, 26 per cent of world's cotton supply, 51 per cent of world's coffee supply, 61 per cent of world's oil supply, 66 per cent of world's rubber supply, 72 per cent of world's silk supply, 75 per cent of world's automobiles.

Thus, we live far better than any other people in the world.

Yet we have 8,000,000 or more unemployed. The Government's entire wealth is estimated around three hundred and twenty billions; private company bond debts reach forty-seven billions; municipal bonds twelve billions; Federal bonds eighteen billions, but a credit against the latter of Europe's eleven billions has a cash value of less than six billions. We may never collect half or even any of that amount from ungrateful debtors who urge repudiation.

Bank deposits in this country were recently reported at \$56,864,000,000, while deposits in the family stocking may add ten billion or more to the bank balance. Currency and gold of \$18,500,000,000 is only a small part of the exchange medium offered by bank checks.

These statistics are interesting, but to the man with an unpaid mortgage, unpaid interest, or threatened unemployment they are valueless to aid his needs. Yet they indicate a sound Government that must speedily be righted and placed on the road to complete recovery. There can be no other result.

ENORMOUS WORLD WIDE LOSSES DELAY RECOVERY

It has been said that apart from the \$50,000,000,000 or more we shot away or wasted during the war we have also lost since that time \$70,000,000,000 in deflation of speculative securities. Securities that have been punctured and are now flat. Agriculture through deflation has suffered many billions of dollars and yet people wonder why Congress in one short session of unprecedented grind while feeding the hungry millions now in need can not set the world aright in one session. Never before has Congress given so much to aid the States in meeting a national emergency.

How much the world has lost no man knows but every country is badly in debt, every municipality in our own country is in debt, and with few exceptions every individual is in debt. Business is depressed because people are not able to pay or to buy.

Mr. Speaker, a people who possess all the estimated national billions and have wasted or lost \$70,000,000,000, must sacrifice a portion of their pleasures and supercomforts found nowhere else in the world. Those who groan over taxes, not half as heavy as those in the average European country, are now enjoying all the privileges of this country in which free education for their children, opportunity for themselves, and comforts in dress, food, and leisure for their families, are to be found as nowhere else in the world.

Congress is now expected to provide immediate relief for communities that spent their substance and bonded themselves for public buildings, schoolhouses, highways, and for innumerable individual expenditures.

Every dollar expended by Congress must be raised by taxation or by borrowing. Congress is made up of men 75 per cent of whom have been in humble circumstances, worked hard for their education and living, often in the same school of hard knocks and sacrifice. I receive letters which indicate writers seem to think Congressmen believe they are of different clay from the average mortal. A brief survey would convince to the contrary. Suffering of their fellow man whether due to his own folly or extravagance finds its counterpart in the experience of those in Congress.

Responsibility to their country and constituencies may make them more deliberative and investigating of facts pre-

sent and they employ the best experts to be found in reaching conclusions, but within its field of labor Congress is ready to lend all Government aid permitted under the Constitution which governs its activities like it does the course of every other official.

In olden days Congress was never expected to aid local conditions. Due to present economic and industrial changes the national body has been subject to constant appeals. In so far as Federal finances and governmental activities permit, as one of the 435 Members of the House which, with 96 Senators, are in part responsible for the welfare of our people, I am sure every such official is anxious to extend all possible aid to those in need.

Those who unjustly criticize or fail to understand the limitations of legislative power to cure economic ills are often impelled to hold Members individually and collectively personally responsible for failure to meet all demands.

Mr. Speaker, others familiar with legislative procedure and not influenced by political or personal motives will not be deceived nor misled by unjust criticism. Speaking personally, I have sought to present fairly and frankly a situation that confronts Congress and the country as I understand it. Without offering apologies for failure to extend more adequate relief or measure up to expectations of those who do not understand or fairly consider many problems to be faced in securing agreements and concessions when drafting laws, I modestly offer my judgment of the record during the session.

Based on a fairly long service in State and national legislative bodies, some valuable experience is afforded in such schools that constantly seeks to separate good from impracticable legislative proposals. I do not rely upon personal judgment alone in meeting unwarranted criticisms which are the lot of practically every other Member, but during that legislative work those best acquainted with efforts and results have generously expressed confidence in my judgment particularly in the field of agriculture, labor, economic, and tax legislation. Such opinions I can not here offer except possibly by brief reference to two outstanding agricultural legislative authorities whose recent letters afford full answer to constituents who seek the truth. One is from Senator FRAZIER, author of the "Frazier bill," whose work in agricultural relief and other legislative fields, notably Indian welfare, is outstanding because of his close study of such needs. It came to me without personal solicitation near the close of the session and is as follows:

UNITED STATES SENATE,
June 23, 1932.

HON. JAMES A. FREAR,
House Office Building.

DEAR CONGRESSMAN FREAR: You have proven yourself to be a real representative of the people. I especially appreciate your fight in behalf of the farmers and labor.

You are to be congratulated on your success in helping to defeat the sales tax which was so strongly advocated by the great financial interests; also on the fearless fight you have made toward reducing Federal expenditures in general and especially in the Army and Navy.

The progressive voters of your State and of the Nation appreciate the good work you have done.

Wishing you success in your coming primary election, I am,
Yours truly,

LYNN J. FRAZIER.

One of several letters received from heads of agricultural organizations and from an acknowledged able national organizer and student of the farm problem is as follows:

THE FARMERS' EDUCATIONAL AND
COOPERATIVE UNION OF AMERICA,
Washington, D. C., June 11, 1932.

HON. JAMES A. FREAR,
United States Representative,
Washington, D. C.

DEAR MR. FREAR: As the end of this session of Congress approaches I want to thank you for the assistance you have given the measures introduced in the House of Representatives and endorsed by the National Farmers' Union.

I have watched your record in Congress for nearly 20 years. I assure you that I approve of practically every position you have taken on public questions, including war times and all, during that 20 years.

I sincerely hope you will be successful in your campaigns, both in the primaries and general election, and thus the farmers have your services in Congress another two years.

Yours very truly,

JOHN A. SIMPSON, *President.*

These letters speak for themselves. That Congress met all demands would be idle to assert, but in response to savage and easily understood motives for criticisms by certain metropolitan papers I suggest it is unjust to write scathing attacks in the safe confines of an editorial chamber.

Next Congress will have further work to do along the line of direct aid to those in need, because it is unreasonable to believe that a long reign of national and individual extravagance which ignored world-wide war suffering and economic conditions can be corrected by any brief legislative treatment. It is equally certain that the most wealthy country in the world, both in national and natural resources, possessed of the best minds in this or any other country, will bend every effort to a quick and complete recovery in our present business conditions.

Until that result has been reached it is well to face the future with optimism instead of pessimism, because what the country needs most in the present emergency is faith in its form of government. Better to recognize the wonderful possibilities, privileges, and opportunities found in our land over those of any other people in the world and seek to maintain and protect those rights and privileges than to lose faith in a government handed down to us by brave pioneers who met far greater sufferings and difficulties when making certain the rights we now enjoy.

SOME RECENT FEDERAL AIDS TO AGRICULTURE

Mr. DAVENPORT. Mr. Speaker, many Federal activities are carried on primarily to benefit farmers. This is true of much, though by no means all, of the work of the Department of Agriculture. Research in the department develops ways of reducing farm costs of production, discovers new uses for farm products, promotes the adjustment of agriculture to market requirements, and through standardization, grading, and commodity inspection protects farmers in their marketing operations.

Other branches of the Federal Government do work of great importance to agriculture. The Federal Farm Board fosters agricultural cooperation and conducts important marketing functions. The Federal Reserve Board, Federal Farm Loan Board, and the Reconstruction Finance Corporation exercise great influence upon credit in ways that reduce the cost and widen the area of efficient financial service for agriculture. With the consuming public generally, farmers benefit from the administration of regulatory laws by the Federal Government. Many regulatory laws benefit them also in their capacity as producers, as, for example, the food and drugs act, which widens the market for farm products by enforcing standards of purity and honest measure.

The Federal Government has made notable advances in recent years in its service to agriculture, particularly in economic planning, in research tending to increase the dependability of crop growing and livestock breeding, in the extension of useful information to producers, in agricultural credit, and in agricultural marketing. Following are a few typical accomplishments of the last two years:

UNITED STATES DEPARTMENT OF AGRICULTURE LAND UTILIZATION

A definite, constructive land policy for the United States is rapidly coming into the agricultural picture as a result of the lead recently taken in this all-important field by the Secretary of Agriculture.

Almost from its inception the Department of Agriculture has been pointing out the need of a national policy of land use. In the domain of lands for forest use and for game preserves the department has partially translated its ideas into action. In these fields we now have a sound national policy.

Eight years ago the department suggested in broad outline a national land policy. A few States took up the idea but real progress languished. Farmers continued to suffer

from the mistakes of the past, mistakes based on the assumption that all cultivated land is destined to be used in the production of food and fiber, and that the sooner it could be put to use the better. Ours has been a policy, not of land use but of land exploitation.

Agricultural leaders cooperate with department: Realizing that a reversal of this policy was needed, that many important problems of the farm, such as overproduction, could not be permanently bettered until the Nation as a whole established a sound program for the use of its land resources, the Secretary of Agriculture called a national conference at Chicago, November 19 to 21, 1931. This was the first national conference on land use ever held. Some 350 agricultural leaders attended, discussed the multitude of problems involved, and approved 18 recommendations, one of which authorized the creation of two national land-use committees. In this way a continuance of the progress made was provided for. Immediately renewed interest in this vital problem sprang up in all the States. Indicative of this interest was the recent national meeting of the American Association for the Advancement of Science which devoted its entire program to a study of the land-use problem.

Objectives of a land program: Broadly speaking, a national land-use program has seven principal objectives. They are: (1) A scientific classification of our land resources, so that crop, pasture, and forest requirements may be most efficiently met; (2) a definite and immediate check upon acreage expansion and a contraction in some areas; (3) all public agencies—local, State, and Federal—should divert tax-delinquent lands or lands obviously submarginal for farming purposes to other uses; (4) our national reclamation policy should be reconciled with the need of restricting farm production; (5) reforestation should be encouraged; (6) our public-domain policy should equally serve the interests of the local farming and grazing industry, the interests of agriculture as a whole, and the interests of the Nation; (7) information should be made available to guide private enterprise in land settlement.

SOIL EROSION

Just three years ago Congress placed upon the department the responsibility of checking the appalling national losses that are occurring through soil erosion. Much has already been accomplished. The department has aroused farmers to a realization of the cost of this insidious form of land depreciation. And it has started practical methods of slowing down the wastage. In many respects this is one of the most important agricultural programs undertaken in recent years.

More than a million acres of crop land were terraced in the State of Texas alone during 1931. A system of comparatively inexpensive strip cropping has been developed. The rapidity with which farmers have taken hold of this practical method indicates that it is going to be extensively used in many localities, not only for checking erosion by water but for controlling wind erosion in the dry regions.

A machine has been developed which digs 10,000 holes per acre on fallow land, each excavation having a capacity of about 5 gallons of rain water. This scarification process, which can be done as cheaply as ordinary cultivation, holds back not less than 50,000 gallons of rain water per acre, thus enormously increasing the absorption of water and at the same time reducing erosion. The loss of rain water from areas in western Kansas cultivated with this machine has amounted to only 1.5 per cent of the total precipitation, as against 34 per cent for untreated areas immediately alongside. This machine will find an important place in the Nation's program of soil conservation.

An inexpensive method of controlling small gullies has been worked out and is being rapidly adopted by farmers. This consists of filling old fertilizer sacks, no matter how rotten they may be, with soil and grass roots and placing them in the bottom of the washes. The roots go through the sacks, take hold of the ground, and quickly establish effective grass dams.

Accurate measurements have shown that soil is being lost from moderately steep slopes of the Corn Belt at the rate of 1 inch annually where the land is used continuously for corn. This means the removal of the entire depth of fertile topsoil within a period of about 10 years and the exposure of comparatively infertile subsoil, such as produced in the good corn year of 1931, only 14 bushels of corn as against 51 bushels from land still retaining its topsoil. In the great cotton-producing belt of central Texas one rain in 1930 washed off 23 tons of soil per acre.

It is obvious that farming can not withstand such losses. Already in excess of 21,000,000 acres of land formerly in cultivation in this country have been rendered essentially useless largely by gullying. The impoverishing effects of sheet erosion are far greater than those of gullying. This slow process, which takes a part of the soil during every heavy rain, is gradually whittling away the productivity of 75 per cent of the crop land of the United States. Department investigations indicate that no nation in history has permitted its agricultural lands to suffer as rapidly as those of the United States. Many thousands of farmers are trying to make a living on erosion-pauperized land, where there is little real opportunity for success even when prices are good. Our good land is largely in cultivation, and this is being cut into by unrestrained erosion. The move made by the Federal Government to stop this devastating waste will in the future be recognized as a move to save for agriculture its basic resources.

ADVANCES IN PLANT INDUSTRY

The development of new varieties of plants and the introduction of foreign varieties to American soil make it possible better to utilize our land resources. Pima cotton, for example, was developed by selection from cotton originally brought from Egypt. It is of great length and strength and is now grown in the Salt River Valley of Arizona. Other plant research accomplishments help to reduce production costs and to meet market demands. Here are some examples of the last two years:

Seed of the Jersey Queen, a newly introduced variety of cabbage resistant to yellows, has been selected from the Early Jersey Wakefield variety. The Jersey Queen has proved highly resistant to yellows under conditions where the ordinary Early Jersey Wakefield variety has developed 50 per cent infection.

The Blakemore strawberry, introduced commercially in 1929, has met the requirements anticipated for it. During the spring of 1931 in the tidewater region from New Jersey to North Carolina, it commanded a premium on the market as compared with the older commercial varieties commonly grown there. Another superior strawberry selection, the Redheart, has been introduced in the Pacific Northwest. It has proved to be a superior early market berry for the region and desirable for canning. It is adapted to many different soil types.

The Katahdin potato, recently released for extensive cooperative tests, is the result of many years of critical hybridization and selection of different varieties, conducted in different potato regions of the United States. It is resistant to mild mosaic diseases. Among other good qualities, it is remarkable for the uniformity in size and shape of the tubers and for uniformity in cooking quality.

In tomato breeding, an outstanding recent achievement is the dissemination of the variety Break o' Day. This variety has been widely tested for the past three years and has given unusually good results.

The yields of crosses developed in a corn-breeding program cooperative with the Iowa Agricultural Experiment Station exceeded the yields of the best open-pollinated varieties in each of the 12 districts of the Iowa corn-yield test. The average excess-acre yield of the crossed seed was 8.7 bushels, or 13.2 per cent.

A new variety of oats, Brunner, originated in cooperative experiments at the Akron, Colo., field station as a selection from Burt, is proving very promising throughout the central spring-sown redcoat region. This variety is very early, uniform, and awnless, and is of the red-kerneled type.

In the north-central hard red spring wheat area the breeding program is centered around hybrids between the Hope variety and the best commercial varieties, Ceres, Marquis, and Reliance. Certain selections from these crosses have been entirely free from rust under all conditions where tested, and in addition are resistant to stinking smut.

During the dry season of 1930 the Korean lespedeza, an early-maturing species (*Lespedeza stipulacea*), introduced by the United States Department of Agriculture, showed unusual capacity to resist drought conditions. In some sections it was the only plant left in pastures during midsummer.

The development of strains of sugar beets resistant to curly top has reached a point where extensive field trials of the resistant stock can be carried out in the important curly-top areas to determine the commercial possibilities.

The acreage planted to sugar-cane in Louisiana is still short of that planted before the epidemic of mosaic, but the performance of the varieties introduced by the department has restored confidence in the cane crop and there is a tendency to gradual resumption of planting upon sugar-cane lands that have long been idle.

In February, 1930, the first two strains of lettuce which are highly resistant to both brown blight and mildew, or "double resistant," were distributed.

Bison, a new variety of wilt-resistant flax, selected and distributed by the North Dakota station, is now widely grown. It is estimated that approximately 250,000 acres of this variety were grown in 1930. The 1931 acreage of the bison variety was considerably greater.

Conditions during the past year indicate that citrus canker will be entirely eradicated from the United States. The eradication of this disease, which 15 years ago threatened to destroy the citrus industry of the South, is the result of the intensive campaign conducted by the department in cooperation with the Gulf States.

Through an investigation of the car-reicing requirements of precooled and preiced shipments of California oranges, a modified icing service has been found practicable, making possible a saving to shippers in excess of \$30 per car on through shipments to points on the Atlantic coast. The annual saving to producers through this is estimated at from \$500,000 to \$1,000,000 per year.

The department has completed the third year of the campaign for the eradication of the phony disease, an infectious virus confined to the root system of peach or nectarine trees and to other trees grafted or budded on these roots, which causes them to become dwarfed and to produce abnormally small and poorly flavored fruit. The campaign is succeeding.

The so-called blue stain of sapwood is caused by fungi that enter logs and lumber before they are seasoned, and is particularly prevalent in the Southern States. With the increasing proportion of sapwood in lumber and the growing insistence of buyers that lumber be free from defect, blue stain has become a factor of great importance, particularly in southern pine and gum. With the cooperation of the lumber industry, a successful preventive treatment has been developed which costs from 9 to 12 cents per thousand board feet for application.

In connection with the campaign to control white pine blister rust in New England and New York more than 7,000,000 acres of land were included in Ribes-eradication work during 1930. Since 1918 control work has been performed on approximately 8,500,000 acres of land in this region.

Stem-rust epidemics on wheat and other small grains in the spring-wheat region have decreased with steady progress in the elimination of the common barberry and with wide dissemination among farmers and city people of information concerning the principles of rust control. In the case of wheat, for example, the average annual loss for the period from 1916 to 1920 was estimated at 57,000,000 bushels, while for the 5-year period, 1926 to 1930, after millions of barberry bushes had been destroyed, the average annual loss attributed to this disease was estimated at less than 10,000,000 bushels.

A new method for determining the boron content of irrigation waters has been developed. The findings with respect to the occurrence of boron in irrigation supplies is being utilized by farmers and irrigation companies to minimize losses from this cause, in some cases by eliminating the sources of boron from the irrigation supplies and in others by blending these sources with larger supplies so as to dilute the boron concentration to the point of safety for general use.

AIDS IN FIGHTING INSECT PESTS

Two methods were recently developed for sterilizing citrus fruits infested by the Mexican fruit fly. One involves the utilization of heat and the other the utilization of low temperatures. The latter method was effectively used in connection with moving a small part of the citrus crop in the lower Rio Grande Valley in the spring of 1932.

A new poison-bait spray has been developed to aid in the control of the Mexican fruit fly. This spray is fully as effective as sprays heretofore used on fruit flies and has no detrimental effect.

An economical and effective method of controlling citrus thrips by sulphur dusts has been perfected.

Chemically treated bands were developed recently which greatly aid in reducing the numbers of the overwintering brood of the codling moth. These bands are economical and effective and have been brought to the attention of the apple growers throughout the United States.

During the seasons of 1930 and 1931 grasshopper outbreaks occurred in many areas previously affected by drought. Specialists of the department predicted these outbreaks and aided States in planning campaigns for grasshopper control. During late summer and autumn of 1931 a survey was conducted to furnish accurate information as to egg deposition in order to aid in control of the anticipated outbreak for 1932.

Real progress has been made in controlling insects affecting cured tobacco by advising tobacco companies on methods of fumigation. Millions of dollars worth of cured tobacco in storage has been protected.

A method has been developed for controlling the tobacco flea beetle in areas where tobacco is grown under shade.

Methods have been developed for controlling the gladiolus thrips, an insect which has recently caused excessive losses to the floral industry.

Investigations on the control of sand flies have developed an effective, economical insecticide. It will probably soon be practicable to control the pestiferous sand flies and mosquitoes of the Atlantic coastal plain.

A method has been developed by which nursery stock can be safely and economically treated with lead arsenate to eliminate infestations by grubs of the Japanese and Asiatic beetles. And it is now possible to fumigate small perishable fruits such as blueberries, blackberries, and so forth, to remove infestations by the Japanese beetle.

Specialists have developed a method of preventing the Japanese beetle from injuring sweet corn.

The Mexican bean beetle at first caused almost complete destruction of the bean crop. This pest has now been brought under commercial control as a result of the work of the department's entomologists.

Here is an attempt to place a money value on research. An analysis was recently made of 20 continuing projects in pest control, the projects cost \$300,000 a year, they result in saving crops that are worth about \$70,000,000 a year.

AIDS TO THE BEE INDUSTRY

By standardizing shipping cages for package bees there has been a very material reduction in express rates and this has enabled fruit growers to purchase with distinct savings bees for pollination purposes.

Investigating the spore content of commercial honeys proves conclusively the inadvisability of subjecting honey to inspection. These investigations have apparently forestalled legislation contemplated by many States requiring certification of honey. These investigations have thus prevented unnecessary restrictions on its interstate movement.

PLANT-QUARANTINE WORK

The pink bollworm of cotton, an insect equally as destructive to cotton as the boll weevil, has been eradicated from extensive areas of Texas and Louisiana, resulting in the complete freedom of the main Cotton Belt from this pest. An infestation in Arizona has been reduced to negligible proportions with hope for a successful conclusion.

The gypsy moth, an important pest of fruit and shade trees, was completely eliminated from an area of over 400 square miles in New Jersey, the department withdrawing from this work after the inspection season of 1932.

The Mediterranean fruit fly, perhaps the worst known fruit pest, was discovered at Orlando, Fla., April 6, 1929, and subsequently found in 20 counties in that State. An intensive eradication campaign conducted by the department and the State of Florida in cooperation, was apparently successful as no specimens have been found since July 25, 1930.

The port-inspection service is constantly intercepting dangerous insect pests and plant diseases, many of which are new to this country. Among these are the Mediterranean fruit fly, West Indian fruit fly, Mexican fruit fly, citrus black fly, melon fly, pink bollworm of cotton, turnip gall weevil, avocado weevil, sweetpotato weevil, gypsy moth, brown-tail moth, gold-tail moth, dagger moth, European tussock moth, sawflies, Lima-bean pod borer, citrus canker, rice smut, and red rot of sugar-cane.

The Mexican fruit worm, a serious pest of grapefruit and oranges in Mexico, has been prevented from becoming firmly established in the United States. The occasional local outbreaks in Texas since 1927 have been stamped out as they arose and have been prevented from spreading to other fruit-growing sections of the United States.

The number of palms infested with the parlatoria date scale in California and Arizona has been reduced from 1,590 in 1929 to 232 in 1931. Total eradication is anticipated by 1935. This pest is so serious that the success of the promising young industry of date culture in the United States is believed dependent on the insect's total extermination.

SOME ANIMAL-INDUSTRY ACHIEVEMENTS

Increased economy in meat production: Department investigators recently announced improved means of raising and fattening domestic animals and safeguarding them from diseases and parasites. One recent finding is that beef and lamb of high quality can be produced on pastures. For maximum gains beef animals should have a small amount of grain in addition to good grazing pasture, but with lamb a supplementary grain ration has no material advantage so far as the quality of the meat is concerned. These results point to increased economy in meat production. In a swine investigation pigs on somewhat restricted rations were more efficient in utilizing their feed than those given all they would eat. These results indicate a means of further reducing swine-production costs.

America can export Wiltshire sides: American production of satisfactory Wiltshire sides for export is foreshadowed by a comparative study of this commodity as produced in Denmark, Sweden, Poland, Ireland, and the United States. Wiltshires produced from American-grown hogs were noticeably lean compared with those produced in the other countries. Chemical analyses, however, showed the American Wiltshires to be more heavily cured than those from the other countries, yet the latter Wiltshires, though milder, were in sound condition. The study suggests a milder cure of Wiltshires intended for the English markets.

New disinfectants discovered: In combating many diseases that threaten domestic animals, dips and disinfectants that are economical as well as efficient are needed. Tests of common, cheap, readily available substances, such as sodium hydroxide and sodium carbonate alone and in combination with other substances, have disclosed new economies in this field. For general disinfection, even in the presence of organic matter, a 2 per cent solution of sodium hydroxide is effective. The same inexpensive chemical also makes certain other disinfectants—commonly applied hot—effective at ordinary temperatures. These investigations showed the

chemical orthophenylphenol to be practically odorless as well as effective in disinfecting dairy barns and stables in connection with tuberculosis eradication.

Aiding the poultry raiser: A simple test for detecting pul-lorum disease in poultry has been favorably received by the poultry industry which has needed a rapid yet accurate means of diagnosing this destructive malady. In poultry research, investigation has shown that, contrary to general opinion, high egg production during the breeding season is apparently conducive rather than detrimental to good hatchability. Inbreeding tends to decrease the hatchability of eggs, whereas the breeding of unrelated parent stock tends to increase it.

A program of controlling liver flukes in sheep, based on previous scientific investigation, has helped sheepmen in California and other Western States to restore flocks that had previously been devastated by the destructive parasites. This work has again placed sheep raising in affected areas on a safe basis of production.

Foot-and-mouth disease stamped out: In conducting the eradication of destructive livestock diseases, in supervising public-livestock markets, in the inspection of meat, and in maintaining preventive quarantines the department performs services often taken for granted but that would be sorely missed if suspended. The outbreak of the foreign-livestock scourge, foot-and-mouth disease, occurring in southern California April 28, 1932, was effectively suppressed in 10 days—the shortest time for an achievement of this character. The United States Bureau of Animal Industry, which conducted this work in cooperation with local and State authorities, used the drastic but proved method of promptly slaughtering and burying all affected and exposed animals, thereby destroying all centers of infection before the highly infectious virus could spread. This is the only large livestock country in the world free of foot-and-mouth disease.

The campaign against bovine tuberculosis has gone forward at moderate expense and with noteworthy effectiveness. On June 1, 1932, more than 46 per cent of all counties in the United States were officially recognized as modified accredited areas, signifying the practical eradication of bovine tuberculosis in those counties. The estimated extent of bovine tuberculosis for the entire country is now 1.4 per cent as compared with 1.7 per cent in 1930, and 4 per cent back in 1922. Practically all livestock diseases are now being eradicated or effectively controlled by scientific methods or suitable regulations in which there is excellent cooperation on the part of stockmen, State officials, transportation companies, and others interested. The definite economic benefits of this work are well recognized.

Commission rates reduced: Savings even more tangible have occurred recently in the administration of the packers and stockyards act which provides for supervision by the Secretary of Agriculture over commission rates and various stockyard charges. Through recent official action, estimated savings to shippers at the Kansas City market are approximately \$250,000 annually and at the South St. Joseph market about \$100,000 a year. Protective features, such as bonding of market agencies, supervision of trade practices, inspection and testing of scales, and investigation of complaints also have resulted in substantial savings to producers.

DAIRY INDUSTRY AIDED DURING THE PAST YEAR

The department recently developed methods for determination of the suitability of casein for paper coating and for eliminating some of the defects which occur when inferior casein is used.

A process of which milk sugar can be removed from skimmed milk without affecting the casein has been perfected. This will make it possible to increase the amount of milk solids not fat in ice cream by about 20 per cent without danger from the defect known as sandiness. This additional quantity of milk solids improves the quality of the ice cream and increases its nutritive value.

A method has been developed by which milk may be held in a frozen condition as long as three weeks and restored to its normal state without impairment of the flavor or physical

properties. This process offers possibilities for the shipment and storage of milk when fresh milk is not readily available.

Equipment has been devised by which the albumen can be separated from cheese whey without impairing its physical properties. The powder obtained by this process, added to cow's milk, gives it the approximate composition and physical properties of human milk.

Scientists have found that certain of the minor ingredients of milk act as auto-oxidants and that by insuring the proper distribution of these ingredients in certain dairy products their keeping qualities can be materially increased.

Work has been completed on a process by which American cheese can be ripened in cans without molding or the swelling of the cans due to gas generated in the normal ripening of the cheese. This permits the marketing of unprocessed cheese in an attractive package and eliminates waste due to loss of moisture and the formation of a rind.

Herd improvement: The Bureau of Dairy Industry cooperates with the State agricultural colleges in promoting dairy herd improvement associations, organizations which keep production and feed records of dairy cows. By means of these records unprofitable cows may be eliminated and only the best cows retained in the herd. During the past year there were nearly one-half million cows on test and the individual cow records were sent to the bureau for tabulation and study. These records show that cows which freshen in the fall and winter months produce more milk and butterfat, consume more feed, and return a larger profit over feed cost than cows that freshen in the spring and summer months. The records also show that the large cows within the breed are better producers and more profitable than smaller cows in the breed.

The bureau also assists the States in organizing cooperative bull associations, which enable the dairy farmers to cooperatively own registered dairy bulls, of high quality at a low cost per herd. During the year 1931 there were 1,852 such bulls owned by 8,024 farmers. These bulls were mated with more than 68,000 cows. On an average the cows produced 387 pounds of butterfat, yet the daughters sired by association bulls produced an average of 412 pounds, an increase of 6.6 per cent.

The department has demonstrated that dairy cows will produce milk and butterfat profitably when fed exclusively on cheap, home-grown roughages, such as alfalfa hay alone, or alfalfa and silage, either with or without pasture grass.

Investigations have also shown that the best hays are made from plants cut at a somewhat immature stage and cured with the retention of the natural green color and without the loss of leaves. Artificially dried hay is superior to field-cured hay in color and in certain substances that are essential for perfect nutrition of dairy cattle. Work is in progress to perfect the methods of drying so as to bring the artificial hay dryer within the reach of a larger proportion of dairymen.

In many regions of the United States pasture grass is the salvation of the dairyman. And yet perhaps no farm crop is so badly neglected. The department has found that the application of manure or fertilizer, and the practice of rotation grazing, greatly increase the carrying capacity of pastures as well as the nutritive value of the grasses. All of which leads to the more economical production of milk.

Recent results prove that many dairymen could milk their cows three times a day with increased profits, especially on farms where milking machines are used.

Dairy research has definitely shown that milk secretion takes place between milkings, that it is more or less continuous, and that practically all of the milk is present in the udder when milking is commenced, instead of being secreted chiefly during the milking period as was previously supposed by many. This explains why heavy-milking cows yield more milk when milked three or four times daily than when milked twice daily.

A distant contribution to the knowledge of reproduction was made recently through the location and study of the fertilized ovum as found in the Fallopian tube of the cow. This should throw some light on the best time to breed to

obtain conception and on the reason for frequent failure of conception.

Improving quality: The department recently developed programs for improving the quality of milk produced in this country. One of these is an area plan whereby the quality of the milk will first be improved in a small area, after which the improved area will be used as a demonstration area from which quality improvement may radiate over the remainder of the State. The department assists in inaugurating and developing the project in the first area within the State. After the project is well established and the quality of the milk has been improved, the project is turned over to the State for further promotion. Improving the quality of milk not only maintains the dairyman's present market but it extends his market. In addition to this, it prevents losses due to off-flavored and sour milk and from poor-quality dairy products. The dairy farmers of this country could increase their annual receipts millions of dollars if only milk of high quality were produced.

Recent investigations have shown milk dealers how to hold down costs of processing and distributing milk and thus reduced the spread between the farmer and the consumer. This enables the average market-milk producer in the United States to receive nearly 50 cents of the consumer's retail dollar, which is a high average for an agricultural commodity, especially in view of the services rendered, the quality supplied, and the perishable nature of the product.

Eighteen Ohio and six Wisconsin cheese factories recently cooperated with the department in the use of the culture method of making Swiss cheese. The quality of Swiss cheese made has been greatly improved in a number of these cooperating factories, and more quality cheese has been made than before the adoption of department methods.

Domestic casein improved: At a casein-tariff hearing held a few years ago several domestic consumers of casein testified that the quality of domestic casein was inferior to that of the imported Argentine. On June 9, 1932, at a similar hearing the consensus of testimony was that domestic casein was much improved in quality and equal if not superior to the imported. Much of this improved quality has resulted from the work of department specialists. Some 150 casein factories have been visited during the last two years and improved and new methods of making casein demonstrated and introduced into a number of these factories in the principal casein-producing sections.

ENGINEERING AND IRRIGATION

The department has developed a vertical drier for seed cotton, which is simple to build and to operate, and which by improving the ginning quality both of green and rain-soaked cotton increases the capacity of the gins and raises the market value of the lint much more than the cost of drying.

For the benefit of the landowners in irrigation and drainage districts in financial difficulties, and of the purchasers of securities of such districts, the department has formulated principles of refinancing such enterprises with minimum losses to landowners and to investors based upon the amount that the lands can produce for repayment of investment.

Mechanical means have proved the most effective in combating the European corn borer. The department has devised simple and inexpensive attachments for plows by which practically complete coverage of stalks and trash is obtained, also low-cutting devices for harvesting the whole stalk for ensiling or destruction, and rakes particularly adapted for cleaning the field of debris.

To lower the cost of producing sugar beets through substitution of mechanical methods for imported labor the Bureau of Agricultural Engineering has, by altering and rearranging the tools on an ordinary beet cultivator, devised a simple and effective cross-blocking implement that greatly reduces the amount of hand labor required for growing the crop.

For efficient and safe use of commercial fertilizers the Bureau of Agricultural Engineering has devised improvements in mechanical distributors which will measure the applications accurately and place them in correct relation to the seed, thus avoiding injury to the seed and obtaining maximum yields. The improvements are being incorporated in a new commercial distributor.

A fertilizer attachment for beet, cotton, and potato planters has been devised by the bureau's engineers for placing the fertilizer in various locations with respect to the seed. With this attachment the fertilizer is so placed as to give the maximum benefit to the crop as weather, soil, and crop conditions may dictate.

The methods of uniformly distributing poison grasshopper bait by mechanical means have been worked out. One is a reconstructed end-gate seeder and the other an attachment for a lime spreader.

A cottonseed planter with a variable-depth attachment has been invented by the engineers. It tends to insure a fair stand of cotton by placing at least part of the seed at the optimum depth which is determined by weather and other conditions.

Cheap nitrogen from air produced by a synthetic ammonia process in many American plants is a reality in large part because of research in the department. This successful development has resulted in the collapse of the foreign monopoly in nitrogen fertilizers; and the United States is well on the road to independence in its requirements for fertilizer raw materials. Indeed, the department's fertilizer studies have been extraordinarily conductive in the last two years, and as a result we have better and cheaper fertilizers than ever before. They have developed improved methods for phosphate production from United States deposits and have resulted in greatly increased methods for producing phosphoric acid by the use of the electric furnace and the fuel-fired blast furnace, the product being suitable not only for fertilizer production but also for food and technical products. They have shown the advantage of fertilizers containing higher percentages of plant food than heretofore ordinarily used and new products of this character are now available to farmers. They have shown how profitable crops can be grown on certain nonacid soils by the application of manganese sulphate and other heavy materials. Areas of apparently fertile land in the Florida glades failed to respond to ordinary commercial fertilizers. Our chemists found that these soils were deficient in manganese. When this was supplied in the proper amounts, profitable crops of tomatoes, potatoes, beans, and other vegetables resulted.

A few triumphs of the past two years:

The basic facts necessary for the economical conversion of ammonia into urea have been determined and made available to the industry for use in establishing urea manufacture in the United States. American producers are thus put on a fair footing to compete with foreign producers.

Investigation of the corrosion resistance of the various metals suggested for use with phosphoric acid was recently completed and the results made available to the fertilizer and chemical industries. This will help in improving the production of phosphate fertilizers costing the farmers some \$80,000,000 annually.

A detailed study of the composition of all the commercial types of domestic phosphate rock was recently completed. Special attention was given to the occurrence of such elements as manganese, chromium, vanadium, iodine, copper, zinc, and arsenic, which may affect the growth of plants. These investigations have shown the influence of fluorine on phosphate availability in fertilizer and suggest new methods of fertilizer manufacture.

Work on the treatment of superphosphate with ammonia and the availability to plants of the water-insoluble phosphate thus formed has resulted in a change in the official laboratory method for the determination of available phosphoric acid in such a way as to permit a 100 per cent increase in the direct use of ammonia. This possible increase

would normally amount to 80,000 tons of ammonia, valued at about \$8,000,000.

Fundamental studies of conditions affecting potash volatilization from Wyoming leucite (wyomingite) have definitely demonstrated that complete recovery can be accomplished with the aid of promoters, preferably calcium chloride, at fusion temperatures easily attained in the blast furnace. Blast-furnace smelting of wyomingite has been conducted on the small pilot plant scale with the commercially complete volatilization of the potash, indicating a practicable process to be applied to the manufacture of agricultural potash from the great leucite deposits of Wyoming.

Investigations of Utah alumite, a potash ore of importance, have advanced the technology of its utilization in the manufacture of potassium sulphate, an important fertilizer salt, essential for certain crops, and of alumina, an essential by-product obtainable from that ore. These investigations have effected the recovery of the valuable sulphate constituent of that ore and the purification of the by-product alumina.

The extraction of potash and by-products from Wyoming leucite, with nitric acid as the extracting agent, has been demonstrated on a laboratory scale, yielding potassium nitrate, a highly concentrated, double fertilizer salt and high-grade alumina as product. As a process it is new and offers excellent promise of becoming adaptable to the commercial utilization of those vast deposits.

A new process has been developed and successfully tested whereby, with the use of ammonia and carbon dioxide, potash and ammonium sulphate can be easily manufactured from polyhalite, the potash mineral recently found in large subterranean deposits in western Texas.

Economic surveys have shown that coal gas and blast-furnace gas, by-products of the blast-furnace smelting of Wyoming potash ores, can be applied in various collateral operations in the development of a well-rounded chemical industry for that section.

HELPING THE FARMER THROUGH SOIL IMPROVEMENT

Field studies with pecan soils show that to produce this desirable nut successfully the orchards must be tilled and fertilized. Tillage and fertilizers influence pecan-tree growth, nut yield, and size and quality of the nut.

Cotton-root rot investigations in Texas reveal that the rational use of fertilizers and a practice of modified tillage, in conjunction with crop rotation, soil conservation, and other fertility-maintaining or restoring measures, will control cotton-root rot in the black-land region of Texas.

As a result of soil fertility and fertilizer investigations with sweetpotato soils in the Southeast, growers are profiting by using a higher-potash fertilizer and by applying fertilizer broadcast over the row after the plants have been set.

Fertilizer investigations on prominent soil types with cotton show the fertilizer requirement for cotton varies for different soil types. In general, nitrogen, phosphoric acid, and potash are required for best results, the proportion varying with the different soil types. Nitrogen is the important fertilizer element in cotton production.

Investigations with strawberry soils on the Atlantic coastal plains reveal that quickly available fertilizer materials applied in late summer result in healthier and more thrifty plants in early spring, which produce larger yields of good-quality berries than when fertilizers are applied in winter or early spring in several applications. This change in practice of fertilizer has netted berry growers considerable profit.

Manganese sulphate is effective in improving the vigor of citrus trees, character of foliage, color and quality of fruit, investigations in Florida show.

Large areas of truck lands, which formerly were unproductive, have been made to produce profitably by the use of manganese sulphate.

Fertilizer experiments on sugar cane soils show that increases of 12 to 16 tons per acre may be obtained with nitrogen fertilizers alone.

Fertilizer experiments on sugar beet also show that with 20 to 40 pounds of phosphoric acid as superphosphate an

increase of 3 to 7 tons of sugar beet per acre can be obtained.

Commercial fertilizer is used extensively in the United States on soil types devoted to general and specialized crop production. From ten to twenty million dollars is lost annually owing to improper distribution and placement of commercial plant food. Recent experimental studies indicate the importance of applying the fertilizer properly. Direct contact of fertilizer with the seed or seed piece should be avoided. Manufacturers of fertilizer distributors are utilizing these results to develop their machinery.

A method for utilizing peat for the production of fertilizer material of accredited quality has been developed. The peat is treated by a comparatively simple chemical process which may be a part of a process employed in the preparation of other fertilizer materials, such as the concentrated fertilizer salts of commerce. This has been patented as a public-service patent.

CHEMICAL AND RELATED DISCOVERIES

Rotenone, the chief insecticidal ingredient of the East Indian plant derris and the South American plant cube, is the most promising weapon recently developed by the chemists of the United States Department of Agriculture for warfare against insects. Rotenone has been tested against a variety of insects and has been found to be among the most potent poisons known.

It is both a contact and a stomach insecticide, and has the added advantage of being nonpoisonous to man and animals. When sprayed upon some aphids it is at least ten times more toxic than nicotine. This means that 1 pound of rotenone is equivalent to not less than 25 pounds of the 40 per cent nicotine solution now on the market. Tests have also shown rotenone to be thirty times more toxic than lead arsenate to certain caterpillars. Because of the undesirable residue which is left on fruit sprayed with lead arsenate, which is the only effective control for the ravages of the codling moth in apple orchards, and because of the cost of its removal, chemists have long been seeking a substitute for it. Rotenone rivals pyrethrum in toxicity to many insects, and its use as a substitute will make the United States independent of foreign source of supply.

Utilizing wastes: Sweetpotatoes constitute the second largest vegetable crop in the United States, but a large proportion of the crop grown in the commercial producing sections of the South is thrown out as culls due to rigorous grading. The present means of utilization, which consist chiefly of canning and of feeding to stock, are entirely inadequate. The department has succeeded in working out a procedure whereby a high-grade starch can be produced from any of the commercially grown varieties of sweetpotatoes that is suitable for sizing of cotton textiles, and can, therefore, be substituted for fine white imported potato starch, of which in 1929 over 28,000,000 pounds were imported into the United States from Holland and Germany in spite of the duty of 1¼ cents per pound (recently increased to 2½ cents per pound). If the market now enjoyed by imported starch could be displaced by sweetpotato starch of equal quality, utilization of culls for starch production would result in an estimated extra return to the growers of about \$3,000,000 a year. This project has now reached the stage where it is ready for commercial development. In fact, one factory designed for the production of starch from sweetpotatoes has already been placed in operation.

The loss in stored eggs is estimated to be over \$15,000,000 annually. The Bureau of Chemistry and Soils has developed a method by subjecting the eggs to a vacuum and then treating them with a colorless, tasteless, and odorless mineral oil, which gives promise of effecting a great saving in the handling of eggs.

Preventing spoilage: The value of the foods which are subject to spoilage by rancidity is considerably over \$1,000,000,000. Feeds and industrial products likewise subject to rancidity amount to several hundred millions more. The department recently discovered that certain wave lengths of light play an important rôle in hastening the spoilage of

foods by rancidity. The foods most easily affected are oils and fats, nuts, biscuits and crackers, pretzels, potato chips, self-rising flour, phosphated flour, corn meal, whole-wheat flour, mayonnaise, and so forth. Besides the foods just enumerated, certain feeds and industrial fats are subject to spoilage by rancidity. Experiments by the department with biscuits and crackers, wheat germ, potato chips and pretzels, and certain oil-bearing feeds have shown that when these products are wrapped with black paper, which excludes all light, or with a certain shade of green, these products remain fresh and free from rancidity for weeks and even months longer than when they are kept in the original commercial package. This discovery is of the utmost practical importance to the various industries utilizing fats in the manufacture of foods, feeds, and industrial products.

Huge savings in checking dust explosions: Losses from dust explosions in grain-handling operations have been reduced, and also a saving of human life has resulted from research in the department. The average loss for each grain-dust explosion has decreased from \$520,000 in 1921 to approximately \$28,000 in 1931, a net reduction of almost \$500,000 in each individual case. The yearly losses have dropped from \$4,160,000 in 1921 to \$1,100,720 in 1931. This result may be largely assigned to the application of facts determined by research.

Grain-threshing operations in certain sections of the country have been so improved and the hazard of dust explosions so much reduced, due to the research work of the Bureau of Chemistry and Soils, as to make possible a direct saving in the form of reduced insurance. This saving, practically \$9.50 on a hundred dollars of insurance, or a potential saving of \$570,000 annually in the Pacific Northwest alone, is credited to the work of the department on machines valued at \$7,500,000.

The potential saving on cotton-gin insurance, on gins properly equipped with grounding systems for fire prevention developed and advocated by the department, has been estimated at \$300,000 annually.

The rare and expensive biochemical product, asparagin, formerly obtainable only by importation from Europe, can now be produced in the United States on a commercial basis as a result of research in the department. Dr. M. Dorset, chief of the biochemic division of the Bureau of Animal Industry, reported the successful production of asparagin in the division's laboratory and the receipt of a shipment of the chemical as produced by the first firm to undertake its manufacture commercially.

Bagasse is the pulp of the sugar-cane left after the extraction of the cane juice. The sugar mills formerly used it as fuel for the mills. Not long ago the idea was conceived of manufacturing this bagasse into insulating board. To-day an enormous business stands as a monument to that idea, to the ingenuity of private business, and to the cooperation of the United States Department of Agriculture and the capacity of its scientists. The chemists of the department found that by the use of low-priced nitric acid a high-grade cellulose, the base material for rayon, may also be produced from bagasse. The process is important to rayon producers as it indicates a large new source of raw material available each year.

FORESTRY AND THE FARMER

In 1931, 400,749,000 acres of land were protected from forest fires; 1,608,000 more acres of State and privately owned land were protected from fire under the Clarke-McNary Act in 1931 than in 1930. There were 9,000 less fires on the protected area in 1931 than in 1930.

Benefits to stockmen: A 50 per cent reduction was made in the fees for grading domestic livestock on the national forests during 1932. The President's authorization for this decrease was made in recognition of the emergency situation facing stockmen as a result of last year's drought, the unusually heavy snows, and the prevailing hard winter. In reducing the fees an average of 50 per cent for the year 1932 more than 26,000 ranchers and stockmen will benefit.

In 1931, 25,510,000 trees were distributed to farmers by the States cooperating under the Clarke-McNary Act.

During the biennial period ending June 30, 1932, the national forests east of the Great Plains were increased by a total of 884,702 acres at an average price of \$3.77 per acre. The total acreage which has been purchased upon recommendation of the department and approval by the National Forest Reservation Commission now aggregates a net area of 5,011,777 acres, for which an average price of \$4.48 per acre has been paid.

Help for the unemployed: 26,814 acres of open national-forest land were planted with small trees during 1931, and about another 10,000 acres were planted in the spring of 1932. This work not only put idle acres back into production but also gave opportunities for work in the early spring and late fall when such opportunities were scarce. The work gave employment for a total of at least 35,000 man-days, exclusive of the small amount of labor required in nurseries throughout the growing season.

With an emergency appropriation of \$2,000,000 for national-forest roads and trails, made available on December 29, 1930, the Forest Service constructed 1,824 miles of simple, inexpensive, and low-standard roads and motor ways; improved the standard on 862 miles; and maintained 5,767 miles. Of trails 1,210 miles were constructed, 280 miles bettered, and 17,477 miles maintained, providing employment to residents of national-forest communities in 35 States. A maximum number of individuals was given employment through the rotation of crews; the neediest and most deserving cases were reached by cooperating with the Red Cross and other social agencies.

Subsistence camps for the unemployed were maintained on national forests in the West during the past year. Financed partially from State funds and with the cooperation of many other organizations and individuals, the camps were established, equipped, and managed by forest officers. Men qualified to construct firebreaks and to do other forest-protection and improvement work were selected from an apparently unlimited number of volunteers anxious to leave charity soup lines to work for a period each day in return for shelter and meals. Starting in California, this system of relief has spread to other sections of the West, the most active camps at the present time being located in Colorado.

CONTROL OF INJURIOUS ANIMALS

During the past two years a total of approximately 37,560,000 acres in the United States have been treated for the control of injurious rodents in cooperation between the Bureau of Biological Survey and more than 220,000 stockmen and farmers. The estimated savings to the farmers and stockmen as a result of these operations is placed at approximately \$9,500,000.

The Biological Survey assisted in protection of the public health through the control of rodents that are carriers of such diseases as tularemia, bubonic plague, spotted and typhus fevers. The brown rat not only affects the public health but is probably our most destructive rodent.

In the eastern United States during the past two years rat-control work has been done in 21 States in which 333 county-wide campaigns have been instituted in cooperation with 134,000 citizens, mainly farmers. These co-operators estimate the damage by the rat to these areas at over \$5,000,000 annually. Since the bureau's specific development and improvement of raticides, the foremost of which is red squill, it has become the leading agency in effecting rat-control measures. Rat control in cities, as well as on farms, has been given attention through publicity and demonstrations.

Control of the larger predators such as the coyote, the bobcat, the mountain lion, and the wolf has made the growing of livestock and poultry less hazardous in the far western country particularly. Numerous areas abandoned as poultry-producing sections because of heavy predator infestation have again taken up the work of poultry production because of the increased control effected in the interval mentioned.

For several years the Biological Survey has been acquiring lands for wild-life refuges and now has approximately

350,000 acres under control. This enterprise has contributed toward solving some problems of the farmers by withdrawing submarginal lands from agricultural competition. The more abundant bird life is also beneficial in the control of injurious farm pests.

RESEARCH IN THE STATE EXPERIMENT STATIONS

The agricultural appropriation act for the fiscal year 1932 includes \$4,357,000 for payments to the agricultural experiment stations in the States, Hawaii, and Alaska under the Federal acts providing for the establishment and endowment of agricultural experiment stations. Here are a few examples of recent results from research supported partly by these Federal funds:

Examples of aid to the livestock industry: Scientists of the Texas State Experiment Station discovered this season that "sore mouth" of sheep and goats is an infectious disease and have developed and demonstrated a vaccine for its control. By resolution sheep and goat raisers recently declared that this one discovery is worth more to ranchmen in southwest Texas than the several hundred thousand dollars expended for the development and maintenance of their ranch experiment station since it was established in 1915.

Through their research the stations have found that fowl pox, a destructive disease of poultry, may be transmitted to baby chicks by mosquitoes and may be prevented by screening the runs and houses. Effective vaccines for preventing the disease have been developed, demonstrated, and put into commercial use.

Effective means of preventing rickets and anæmia in swine have been discovered, demonstrated, and are now in extensive use.

Recent advances in the control of plant diseases: A number of new developments from research at the stations are assisting producers in their battles against plant diseases which annually are a heavy toll through actual losses and increased cost. Wilt-resistant greenhouse tomatoes have been developed and introduced by the Illinois station. The Indiana station has found varieties of wheat resistant to leaf rust, and the Nebraska station has developed strains of red winter wheat resistant to stinking smut and black stem rust. The New York station has produced raspberry hybrids which show outstanding resistance to mosaic. The discovery of a simple method of identifying carriers of cotton-root rot, announced by the Texas station, will greatly aid in the control of this destructive disease. The Alabama station has found nematode-resistant pole snap beans which give high yields and compare favorably in quality with commercial standard sorts, thus offering possibility of avoiding losses from nematode injury which is widespread and serious in the South.

Reducing the cost of production: American farmers pay more than \$2,000,000 annually for sugar-beet seed, mostly to foreign seed producers and distributors. The New Mexico station, cooperating with the United States Department of Agriculture in a study of the possibility of developing domestic production of seed, has found that under the mild climatic conditions prevailing in the Rio Grande Valley seedlings from seed planted in the fall may be overwintered in the field and brought to satisfactory seed production the succeeding year, thus greatly speeding up and reducing the cost of seed production.

Research by the Connecticut station has shown that the cost of fuel for curing tobacco may be reduced fully 40 per cent by substituting coke for charcoal, with a resulting saving to the tobacco growers of the Connecticut Valley of about \$200,000 annually.

In reducing production costs and improving market quality the main aids from station research continue to be development of improved crops and varieties to replace less suitable older ones. Work of this nature can not be "chopped off" by calendar or fiscal years. A great number of improved varieties of field crops, fruits, and vegetables have been developed which are rapidly replacing older varieties extensively grown. Such new varieties, together with continued improvement in general farm practices, enable the farmer to produce better crops on fewer acres of their best lands.

Through farm management and other economic studies the stations are assisting farmers daily in the difficult task of adjustments to find uses for the less productive areas.

aiding the home maker

During the winter of 1930-31 many agricultural communities faced the problem of feeding their families from a larder depleted by drought. To help them meet this situation the Bureau of Home Economics prepared a bulletin on food selection for the use of extension workers located in these districts and later issued the same material in popular form for home makers.

Low-cost food budgets: The increase of unemployment in cities indicated the need of similar material for urban groups; so leaflets were prepared listing the food materials required for adequate feeding of families of different sizes. To facilitate the use of the food suggested, a weekly news service—The Market Basket—has been sent to some 6,000 papers since January, 1931. In times of falling incomes the only way to maintain a standard of living is by more careful spending and by "making at home" where time is available. To help in this, typical family budgets meeting varying conditions have been collected and sent on request. To supplement these budgets, material on wise buying of various commodities has been prepared.

Every effort has been made by the department to develop a farm-production program which would supply adequate food for the family. This meant not only a production program based on family needs but preservation of the surplus for "off seasons." The Bureau of Home Economics has prepared directions to help the housewife preserve the food produced on the farm for use throughout the year.

Cooperative studies on meat production have shown not only how to produce the quality of meat most desired but how to use the less desirable cuts most satisfactorily, thus spreading out the cost of production and increasing the return to the producer.

To increase the consumption of cotton and wool, special studies have been made by the Bureau of Home Economics to develop new and more satisfactory materials specially suited to household needs. A cheap cotton fabric has been produced to take the place of burlap as a backing for hooked rugs. Suggestions for draperies made from cheaper cotton fabrics have bettered the appearance of the home and increased the yardage sale of these materials. Designs for children's clothes have shown more satisfactory uses of cotton and woolen materials and introduced to the homemaker certain new fabrics.

GRAIN FUTURES

Under the provisions of the grain futures act close supervision has been maintained over speculative transactions on the commodity exchanges. While the operations of large-scale speculators have been on the short side of the wheat market most of the time for more than two years, close supervision of their short selling, together with the support given to the market by agencies of the Federal Farm Board, has resulted in wheat prices being maintained above a world parity. The grain futures act does not contain authority to deal fully and effectively with the matter of speculative short selling. Investigation of numerous complaints by customers regarding the improper execution of orders has led to the uncovering of several cases of irregularities resulting in loss to the customer. Several suspensions of board of trade membership privileges have already been made as a result of these irregularities and other cases are pending.

RECENT SUCCESSES IN FOOD AND DRUG ENFORCEMENT

The department, through the enforcement of the food and drug act, the import milk act, and the insecticide act, brings benefits not only to all the people as consumers but also brings additional benefit to farmers as producers. During the last two years special attention has been given to those features of the laws which are of economic benefit to the agricultural industries.

Spray-residue problem: The amount of spray residue remaining on fruits has been reduced to the point that removes the danger of having domestic and foreign markets closed to the products of the orchards of the United States. The

department has developed methods for washing apples and pears and the industry has applied the methods so that the fruit will now meet the world tolerance for spray residue and thus remove restrictions on its sale either in the domestic markets or in foreign countries. Without this action several foreign countries would have barred the sale of apples shipped from the United States.

The improvement in the quality of canned foods brought about by the enforcement of the pure food law has increased greatly the consumption of canned foods and thus made a wider market for the fruits and vegetables produced on the farm. The Mapes amendment to the pure food law, passed in 1930 with the indorsement of the department, served to improve still further the quality of canned fruits and vegetables. During the past year the department has formulated a number of standards which are now being applied by the canning industry.

American farmers and ranchers annually spend millions of dollars on veterinary preparations of one kind or other. Unless such preparations will do what their manufacturers say they will, this expenditure is a great financial loss. Even more serious is the false sense of security thus attained. Although the need for legal action to prevent fraud of this sort will doubtless continue indefinitely, rapid strides in ridding our markets of falsely labeled veterinary preparations have recently been made through cooperation with the industry.

Enforcement of the import milk act has made it necessary for all milk and cream imported into the United States to meet rigid sanitary requirements, thus enabling the domestic producer to compete on even terms.

COOPERATIVE EXTENSION

The rapidly changing agricultural situation caused by world-wide depression, the existence of burdensome crop surpluses, and the effects on production of the widespread drought of 1930, and the more limited drought of 1931, necessitated vigorous action by extension agents. They brought to the service of farmers every source of information helpful in a solution of their problems, which were more numerous, more complex, and more widespread than ever before.

The year 1931 opened on a territory refreshed with some rains but still bearing the marks of the country's most severe drought. In many areas feed supplies and food were depleted or totally lacking. In the 18 States embracing the area most severely affected extension workers strove to assist farmers in establishing quickly usable feed crops, in planting gardens with a view to obtaining food for their families at the earliest possible time! Extension workers outside the area cooperated in locating good seed stock of varieties that would grow and mature in the drought area. They gave many hours to necessary relief work.

In general the effort to augment farm incomes and maintain farm living standards, home-demonstration agents aided farm women and girls in preparing and selling surplus garden, poultry, and dairy products, and in the development of home industries. They helped in the economical buying of supplies, the preservation of foods, the making and remodeling of clothing, the refinishing of furniture, and in home beautification.

Vigorous efforts were made to acquaint farmers with the objects and business possibilities of cooperative associations and with the requirements of membership. Extension agents presented technical and economic facts bearing upon the production and marketing of farm commodities.

PERISHABLE AGRICULTURAL COMMODITIES ACT

Supported by the fresh fruit and vegetable industry, the perishable agricultural commodities act approved June 10, 1930, regulates through a licensing system commission merchants, dealers, and brokers who handle fresh fruits and vegetables in carload quantities in interstate and foreign commerce, with a view to suppressing certain unfair and fraudulent practices from which producers and distributors formerly suffered without adequate remedies.

While failure to deliver or to accept goods in accordance with the terms of a contract have always entitled the injured party to a judgment in the courts, this remedy has not been

adequate in most of the disputes arising between parties separated by long distances. Failure properly to account or settle for goods handled on commission, or purchased, or the making of fraudulent or false or misleading statements concerning the quality, quantity, disposition, or condition of the market for any of these products when received in interstate commerce are also offenses for which the Secretary of Agriculture may issue reparation orders or may suspend or revoke the licenses of offenders.

Nearly 4,000 complaints have been received since the approval of the act. Nearly 3,000 have been successfully closed without proceedings, and approximately 1,000 cases are now in process of handling.

In the relatively short time the act has been in operation, it has demonstrated its usefulness as an authoritative medium for prompt settlement of disputes. It is regarded generally as a wholesome influence in the marketing of these perishable commodities under highly competitive conditions.

FEDERAL-AID ROADS AND UNEMPLOYMENT

In Federal-aid and forest-road construction the period since December, 1930, has been marked by a greater activity and a larger result than any other period since the inauguration of these important works under the administration of the Department of Agriculture in 1916.

Aside from the benefit that has resulted in every State from the improvement of the main interests and inter-county roads with the financial aid of the Government, these important public works have given employment directly and indirectly to large numbers of workers.

It was for the purpose of giving work and useful employment to thousands of men otherwise idle that Congress, in December, 1930, as an emergency measure, appropriated \$80,000,000 to be advanced to the States and used by them in addition to the regular Federal-aid road appropriation for an augmented program of construction to be carried out in the first eight months of 1931.

Six months before, the regular appropriations authorized for the ensuing three years had been increased from \$75,000,000 to \$125,000,000 annually.

The combined results of these two constructive measures have been manifested in a great increase in the Federal-aid road-building program and in the mileage of improved roads completed. In the fiscal year 1931, ended a year ago, improvements were completed on more than 11,000 miles of road—a performance that had been slightly exceeded in only one previous year; and in the fiscal year 1932, just ending, all previous records have been broken by the completion of projects totaling more than 15,000 miles in length.

Two hundred and sixty million dollars paid to States: In these two fiscal years the Federal Government has paid into the several State treasuries a total of more than \$260,000,000 as its share of the cost of completed road-construction work, to which has been added nearly \$80,000,000 advanced during the emergency which will be deducted in annual installments from future allotments. Throughout these two active years the cooperative road-building program of the Federal and State Governments has involved a total cost ranging from a minimum of nearly \$200,000,000 to a maximum of more than \$388,000,000, including at all times a Federal share amounting to nearly 45 per cent.

Throughout the calendar year 1931 the augmented road program in which the Federal Government participated gave direct employment to an average of nearly 100,000 men. The number employed varied seasonally from a minimum of less than 20,000 in January to a maximum of nearly 165,000 in July. These figures include only the men employed on the roads, and do not cover the larger army of workers required to supply and transport the materials and equipment employed in the construction.

The tangible and lasting benefit of the effort put forth so steadily since 1916, and lately with increased vigor, is shared by all—farmer and city dweller alike—who for business or pleasure make use of the Nation's most important highways. It is these highways to the extent of nearly 200,000 miles which constitute the Federal-aid highway system upon which the Federal-aid road appropriations are expended.

AGRICULTURAL LOANS THROUGH THE SECRETARY OF AGRICULTURE

Loans for crop production were made in the spring of 1931 to 385,000 farmers in a total amount slightly in excess of \$47,000,000. Severe drought in the Northwestern States in 1931 necessitated the making of loans during the succeeding fall and winter to enable farmers to maintain their breeding herds. These loans were made to 57,000 farmers in a total amount slightly in excess of \$8,860,000. In the spring of 1932, under a provision of the Reconstruction Finance Corporation act, the Secretary of Agriculture made loans for crop-production purposes to 510,000 farmers in a total amount of slightly less than \$65,000,000. These loans have enabled many farmers to continue their operations following periods of extreme drought and crop failure at a time when local credit was not available.

As a result of the decline of bank deposits and the impairment of credit facilities in agricultural communities, a large number of agricultural credit corporations and livestock loan companies have been established in recent years. These organizations, if properly capitalized and capably managed, are able to rediscount agricultural paper with the Federal intermediate credit banks in an amount equal to several times their capital. More than 400 of these organizations are now financing farmers in various parts of the country.

To assist in the capitalization of local organizations of this character, Congress last year provided a fund to be administered by the Secretary of Agriculture in making advances or loans to individuals in the drought-stricken or storm-stricken areas of the United States, for the purpose of assisting in organizing or increasing the capital stock of agricultural credit corporations and livestock loan companies. From this fund loans amounting to \$1,421,036 were made to 936 individual stockholders of 50 corporations located in 21 States. So valuable was this form of Government aid that Congress provided for its perpetuation through Public Resolution No. 11, Seventy-second Congress, which was approved March 3, 1932.

NEW CAPITAL FOR THE FEDERAL LAND BANKS

While the funds which the Federal land banks have loaned to farmers on the security of first mortgages on farm lands have been obtained principally through the sale of bonds in the general market, they have received substantial financial assistance from the Federal Government. When they were organized in 1917, the Federal Government subscribed the principal portion of their initial capital stock in an amount aggregating \$8,892,130. Since this date all but \$175,939.25 has been retired in the manner required by the Federal farm loan act.

One hundred and twenty-five million dollars new funds: In an amendment to the Federal farm loan act dated January 23, 1932, the Congress again authorized the subscription of capital stock in the Federal land banks and an appropriation of \$125,000,000 was made for this purpose. The proceeds from the subscriptions made from this appropriation have greatly strengthened the position of the banks and will be of material assistance to them in continuing their operations. The amendment also authorized the Federal land banks to extend obligations of borrowers that may be or have become unpaid under the terms of their mortgages when, in the judgment of the directors, conditions justified such extensions, and the amendment specified that \$25,000,000 of the amount appropriated was to be used only for the purpose of supplying any bank with funds to use in its operations in place of amounts of which such bank may be deprived by reason of the extensions authorized and granted. Through this latter provision \$25,000,000 becomes immediately available to aid worthy farmers who have been unable to meet their obligations to the banks.

THE NORBECK-STEAGALL BILL

During the period of financial stringency in the fall of 1931 and spring of 1932 the Federal intermediate credit banks found great difficulty in marketing their debentures. As the debentures are their chief source of funds, the banks were faced with the prospect of having their lending power substantially limited. Indicative of this development, the rates at which the Federal intermediate credit bank deben-

tures could be sold rose so much that the lending rates of these banks increased from an average of 3.81 per cent in September, 1931, to 5.44 per cent in March, 1932. On January 15, 1932, an issue of \$13,965,000 was offered at 5 per cent. Only \$4,115,000 could be sold on the market, and the Federal reserve banks, to alleviate the situation, took the remaining \$9,850,000.

The principal market for Federal intermediate credit bank debentures has been large banks and other financial institutions. During this period these institutions were suffering from such large demands for funds that they were loath to acquire any form of investment which could not be readily sold. Federal intermediate credit bank debentures fell in this category; hence the market for them was substantially narrowed.

The Norbeck-Steagall bill was passed with the intention of increasing the salability of Federal intermediate credit bank debentures; thus improving their market among banks and other financial institutions. To accomplish this purpose, the bill provided that the debentures could be used as collateral for 15-day advances of Federal reserve banks to their members.

This permitted member banks to use the debentures as a means of obtaining immediate funds even if the market of the debentures was seriously impaired. The Norbeck-Steagall bill was approved May 19, 1932, and almost immediately there was an improvement in debenture rates. As a consequence, the lending rates of Federal intermediate credit banks have declined from their high point of 5.44 per cent in March, 1932, to the following rates on June 15, 1932: 3½ per cent in seven banks, 3¾ per cent in one bank, 4 per cent in three banks, and 4¼ per cent in one bank.

Under the regulations of the Federal Farm Loan Board no paper on which the farmer has been charged a rate of interest in excess of 3 per cent above the discount rate of the Federal intermediate credit banks may be discounted by these banks. A great many of the local agricultural credit corporations and livestock loan companies which offer this paper for discount at Federal intermediate credit banks charge the full spread allowed them. This makes it of great importance to the farmer that the lending rates of the Federal intermediate credit banks be maintained at low levels. Farmers consequently will be greatly benefited by this provision of the Norbeck-Steagall bill which has assisted in lowering the rates at which they may borrow from the Federal intermediate credit system.

The credit granted by Federal land banks and more especially by the Federal intermediate credit banks during the past year or two has been of unusual benefit because of the abnormally small supply of credit available to farmers from other lending institutions growing out of the closing of many country banks, the restricted loaning policies of others, and other factors limiting the volume of credit.

THE RECONSTRUCTION FINANCE CORPORATION AND SOME RESULTING BENEFITS TO AGRICULTURE

The bill creating the Reconstruction Finance Corporation was approved January 22, 1932, and the corporation began business almost immediately thereafter. The corporation was capitalized at \$500,000,000, and was given power to expand its resources through the sale of debentures or other obligations to a total of \$2,000,000,000. This immense pool of credit, in part supplied and in remaining part guaranteed by the Government, was established to liquidate frozen assets and increase the availability of credit throughout the Nation.

Provision was made for farmers, railroads, and depositors in banks that have failed. A fund of \$50,000,000, with possible increase to \$200,000,000, was set aside for direct loans to farmers. This fund is administered by the Secretary of Agriculture. Furthermore, a sum not exceeding \$200,000,000 may be used for loans to banks that are closed or in process of liquidation. This is intended to avoid preventable loss to depositors and liquidate the purchasing power that is tied up in suspended banks. Provision was also made for assistance to railroads, whose obligations are held by thousands of private and corporate investors.

From February 2 to March 31, 1932, inclusive, \$192,346,308 had been advanced to 935 institutions. Eight hundred and fifty-eight were banks and trust companies, including closed banks; 30 were building and loan associations; 18 were insurance companies, 2 were joint-stock land banks; 3 were livestock loan companies and agricultural credit corporations; 8 were mortgage loan companies; and 16 were railroads, including receivers. Of these institutions, 119 were located in Northeastern States, 343 in North Central States, 249 in Southern States, and 153 in the Mountain and Pacific States.

Bank suspension had reached enormous proportions at the time the corporation was established. The failures for the four months from October, 1931, to January, 1932, inclusive, were, respectively, 522, 175, 358, and 342. In February, after the corporation had opened for business, the number was reduced to 124. It was reduced in the following months to 46 in March, 71 in April, and 77 in May.

Agriculture has benefited immeasurably from the corporation's activities. Every bank or other financial institution that has been protected from suspension is a credit resource saved. The purchasing power represented by the deposits of banks that would have failed without the corporation's help has supported the markets for agricultural goods as well as for the products, services, and so forth, of urban industries.

Up to June 4, 1932, the corporation had loaned approximately \$500,000,000 to 4,000 banks, agricultural credit corporations, and life insurance companies, and about \$170,000,000 to railroads. Of nearly 3,000 borrowing banks, more than 70 per cent were located in towns of 5,000 population or less, and 84 per cent in towns of 25,000 population or less. Only 4.5 per cent of the money was loaned to banks in cities of more than 1,000,000 population. More than 10,000,000 bank depositors benefited. A large majority of the loans were made to small banks serving agricultural sections. One hundred and twenty-five closed banks were reopened or their depositors paid.

Bank failures which amounted to nearly 100 a week when the Reconstruction Finance Corporation began, February 2, are now down to normal casualties. Two hundred and fifty building and loan associations have borrowed from the corporation to make routine payments to their depositors and participants and to avoid foreclosures of mortgages.

In agriculture the corporation has underwritten or subscribed for issues placing \$68,000,000 of the Federal intermediate credit bank debentures, the whole of which sums were loaned directly to farmers for production and marketing purposes.

Loans are made to a number of agricultural, market, and livestock corporations which have continued loans upon livestock and loans to farmers.

Seventy-five million dollars were set aside to be loaned directly to farmers by the Department of Agriculture for seed purposes. Four hundred and fifty thousand farmers obtained loans and 1,000,000 individual farmers were directly or indirectly helped.

The corporation agreed to make loans to Federal land banks amounting to \$30,000,000 to ease the farm-credit situation. Authorized loans to railroads aggregating \$170,000,000 have increased employment by continuing necessary construction work, preventing receiverships, and safeguarding the great investments of trustee institutions, such as insurance companies and savings banks. More than \$30,000,000 of the money loaned has been repaid.

BENEFITS FROM THE GLASS-STEAGALL BILL

The Glass-Steagall bill, approved February 27, 1932, was passed largely as a result of one of the most devastating drains that the banking institutions of this country ever have sustained. At the end of August, 1931, the monetary gold stock of the United States was about \$4,995,000,000. Two months later it had been reduced by approximately \$700,000,000, and at the end of May, 1932, the reduction was approximately \$845,000,000. In the same period, which was characterized by a tremendous number of bank failures, hoarding and the increased need for a circulating medium

arising out of bank failures caused the money in circulation—that is, money outside of the Treasury and the Federal reserve banks—to increase approximately \$500,000,000. The deposits of reporting member banks fell from about \$31,000,000,000 to slightly more than \$25,000,000,000. In country banks the proportionate decline of deposits was even greater.

With gold rapidly leaving our shores, bank deposits falling precipitously, and money in circulation increasing at a rapid pace, it was necessary for the Federal reserve system to step into the breach with aid to sorely stricken member banks. From August to October, 1931, the Federal reserve banks increased their average volume of credit by nearly \$1,000,000,000, chiefly by purchasing bills and discounting for member banks. About two-thirds of this expansion was represented by the increase in Federal reserve notes, most of which had to be collateraled by gold. This used up so great a part of the reserve banks' gold resources that their power of future expansion was severely limited. The Glass-Steagall bill was passed to remedy this situation. Its most important provision was to permit the Federal reserve banks to use direct obligations of the United States Government as collateral for Federal reserve notes, thus releasing gold for other purposes. Other provisions gave the Federal reserve banks power to make advances to member banks on paper which was ineligible for discount.

Clothed with this power, the Federal reserve banks began purchasing United States securities in large amounts, so that from October, 1931, to May, 1932, their holdings of United States securities increased by nearly \$700,000,000. To June 24 the increase was more than \$1,000,000,000. The effect of these purchases was to place additional funds at the disposal of banking institutions throughout the country, by that means enabling these institutions to meet the tide of withdrawals, reduce their borrowing at the Federal reserve banks, and improve their reserve positions.

So far this policy, rendered possible by the Glass-Steagall bill, has not caused any substantial increase in the volume of credit made available to farmers and business men. It has relieved much of the pressure on the banks, however, and placed many of them in a position to increase the volume of their loans whenever business prospects warrant such action. Together the Reconstruction Finance Corporation and the Glass-Steagall bill probably prevented a wholesale collapse of the financial institutions of this country.

WHAT THE FARM BOARD IS DOING FOR AGRICULTURE

The inequality between business and agriculture, growing up over a long period of years and accentuated by readjustments at home and abroad following the war, brought about the passage of the agricultural marketing act and the creation of the Federal Farm Board. The avowed purpose was to restore to agriculture equality of economic opportunity.

The Farm Board had scarcely been organized when the market for farm products was totally undermined by an unprecedented economic crisis.

Neither the organization of farmers nor production readjustments could prevent a drastic decline in farm prices. But farmers organized in sound cooperative marketing associations occupy a much stronger position than do unorganized farmers. The board therefore used its resources to develop and keep intact farmer-owned and farmer-controlled marketing organizations. As a result, no major failure of a farmers' cooperative association has occurred during the past three years. Moreover, disorderly liquidation of farm commodities which would have accelerated bank failures and financial panic in rural areas has been prevented to a large degree. While most lending institutions were sharply reducing credit, the Farm Board increased its advances.

By the end of May, 1932, the board had made net loan commitments from the revolving fund of \$1,016,006,161.55. Loans outstanding on that date totaled \$469,225,738.58. On the average, banks and other private investors have supplied \$2 of credit to cooperatives as primary loans for every dollar of credit that the Farm Board has supplied as secondary loans. The cost of administering Farm Board loans has averaged less than three-tenths of 1 per cent.

From June 15, 1929, to May 31, 1932, inclusive, approximately 3,700 cooperative-marketing associations, with more than one and one-quarter million farmer members, have benefited from Farm Board loans amounting to \$351,749,392.74, which were made either directly to the association or to the central cooperative-marketing agency with which the association is affiliated. Of the money borrowed the cooperatives had repaid \$185,576,904.25, leaving balances outstanding of \$166,172,488.49. Direct loans were made by the Farm Board to 152 national, regional, and local cooperatives.

For stabilization purposes the Farm Board had made loans totaling \$633,546,034.50, of which \$330,492,784.41 had been repaid, leaving balances outstanding of \$303,053,250.09. Of the balances outstanding the Cotton Stabilization Corporation had \$98,477,531.33 and the Grain Stabilization Corporation had \$204,575,718.76.

ASSISTANCE IN DEVELOPMENT OF COOPERATIVE ASSOCIATIONS

The board's assistance in the development of cooperative marketing has included (1) aid in the organization of cooperatives; (2) improvement in marketing methods and business practices; (3) coordination of marketing through assistance in the federation of local and regional units to form national cooperative agencies; (4) loans from the revolving fund.

About one-third of the farmers in this country are now active members of cooperative organizations. The board has record of about 12,000 cooperative associations, with a total volume of business of \$2,400,000,000 in 1930-31. This season the business of cooperative organizations will maintain or increase the relationship to farm income which obtained during the previous year.

Cooperative marketing of all products increased on the average 41 per cent between 1927-28 and 1930-31. Cotton increased 137 per cent, dairy products 28 per cent, poultry products 195 per cent, fruits and vegetables 28 per cent, grain 43 per cent, livestock 20 per cent, wool and mohair 614 per cent. The cooperative marketing of tobacco declined 35 per cent.

The board assisted in establishing national or regional cooperative organizations to handle practically all of the major agricultural products, including cotton, grain, livestock, wool and mohair, dairy products, fruits, vegetables, nuts, poultry, and poultry products. Some of these organizations, such as the American Cotton Cooperative Association and the Farmers National Grain Corporation, provide a complete marketing service for their members, which reaches every important market in the United States and abroad. Through a subsidiary finance corporation the National Livestock Marketing Association now extends production credit to ranchmen and farmers.

BENEFITS OF STABILIZATION OPERATIONS

The agricultural marketing act authorized the use of stabilization corporations to purchase, store, and handle agricultural commodities for the purpose of controlling surpluses. World supplies of wheat and cotton were already burdensome when the board was created; prices of these products were among the first to give way. Early in the course of the depression Congress, cooperatives, and other groups called upon the board to use its powers to protect farmers from disorganized markets for their products. The board acted, first by assisting cooperatives to make loans to producers to help them to avoid dumping commodities on already weakened markets; and later by recognizing the cotton and wheat stabilization corporations and lending them funds to purchase and hold stocks of the commodities off the markets. This procedure moderated the decline in prices and shielded farmers from the worst effects of price demoralization.

The stabilization activities protected the farmers, both directly and indirectly, by moderating the price decline and deferring the full shock of the depression from one to two years. Farmers' incomes were increased \$150,000,000 from wheat, probably better than \$200,000,000 from cotton, and about \$35,000,000 from wool and mohair, above what they

would otherwise have received—indirect benefits amounting probably through cooperative marketing associations, local banks, and other financial institutions.

LEGISLATION ENACTED BY CONGRESS SINCE DECEMBER, 1930, OF INTEREST TO AGRICULTURE

An emergency construction act (Public, No. 550, approved December 20, 1930) appropriated \$80,000,000 as advances to States for the construction of Federal-aid highways and various sums for the construction of fire-protection roads, highways within the national forests and within Indian reservations, and roads and trails in the national forests. The act also appropriated funds for control work on the Mississippi River and its tributaries.

Under an act (Public, No. 551, approved December 22, 1932), Congress appropriated an additional \$150,000,000 to carry out the provisions of the agricultural marketing act of June 15, 1929. This money became part of the Federal Farm Board's revolving fund. Another appropriation of \$100,000,000 for carrying into effect the provisions of the agricultural marketing act was made under the independent offices appropriation act for the fiscal year 1932 (Public, No. 720, approved February 23, 1931).

Advance planning and regulated construction of public works in such a manner as to assist in the stabilization of industry and employment, was provided for in an act—Public, No. 616, approved February 10, 1931. This measure established the Federal Employment Stabilization Board consisting of the Secretaries of the Treasury, Commerce, Agriculture, and Labor. It authorized the President to transmit to Congress, whenever circumstances warrant, supplemental estimates for emergency appropriations to be expended in authorized construction.

Legislation previously passed for the relief of drought-stricken areas was amended by an act—Public, No. 112, approved December 20, 1930—providing that the funds appropriated might be used for the purchase of feed for "other livestock" as well as for workstock. This same measure appropriated \$20,000,000 for advances by the Secretary of Agriculture for two purposes: First, for loans to individuals to assist in forming local agricultural credit corporations, livestock loan companies, and similar financial institutions, and for the purpose also of increasing the capital stock of existing corporations of that character, and second, to make advances to farmers for crop production and for agricultural rehabilitation.

The agricultural appropriation act for the fiscal year ending June 30, 1932 (Public, No. 117, approved February 23, 1931) carried a total of \$215,578,862. This amount included \$137,500,000 for Federal aid and forest road construction.

Benefits of the Federal highway act were extended to Hawaii under an act (Public, No. 722, approved February 23, 1931) amending the Federal highway act.

An act (Public, No. 776, approved March 2, 1931) authorized the Secretary of Agriculture, in cooperation with States, individuals, and public and private agencies, to conduct a 10-year cooperative program for the control of predatory and other wild animals. For this purpose it authorized an appropriation of \$100,000,000 for the fiscal year 1932 and a similar amount annually for each of the fiscal years from 1933 to 1941, inclusive.

Benefits of the Smith-Hughes Vocational Education Act of 1917 were extended (by Public, No. 71, approved March 3, 1931) to Puerto Rico for the fiscal year 1932 and annually thereafter. Another act (Public 846, approved March 4, 1931) extended the benefits of the experiment stations act and the extension acts to Puerto Rico. These measures are the Hatch, the Adams, and the Purnell Acts.

Congress provided (Public, No. 798, approved March 3, 1931) that on contracts for the construction or repair of Federal public buildings the rate of wages for all laborers and mechanics employed by the contractor or by any subcontractor shall not be less than the prevailing rate of wages for work of a similar nature in the city, town, or village in which the construction is located.

For the relief of farmers in drought, storm, and hail stricken areas Congress authorized an appropriation (Public,

No. 112, approved December 20, 1930) of \$45,000,000. This money was made available for the purchase of seed, fertilizer, feed for work stock, fuel and oil for tractors, and for other purposes incident to crop production.

The Reconstruction Finance Corporation act (Public, No. 2, approved January 22, 1932) set aside \$50,000,000, plus 10 per cent of whatever additional debentures might be issued by the corporation, for loans to farmers for the purchase of seed, feed, fertilizers, and so forth. This provision, should the maximum authorized amount of debentures be issued, would make \$200,000,000 available for such loans to farmers. The Secretary of Agriculture was authorized to administer the fund. He issued regulations enabling individuals to obtain loans from it up to \$400. Other help to agriculture through the Reconstruction Finance Corporation act was made possible by its general financial provisions.

The corporation was authorized to make advances on approved security to commercial banks, agricultural credit corporations, livestock loan companies, Federal intermediate credit banks, joint-stock land banks, Federal land banks, mortgage loan companies, and life insurance companies. Since all these institutions serve agriculture in varying degrees, the support they get from the corporation tends to rehabilitate agricultural credit facilities.

Congress authorized an additional appropriation of \$10,000,000 for loans to individuals for the purchase of stock in agricultural credit corporations, livestock loan companies, and so forth. This authorization (Public, No. 11, approved March 3, 1932) was designed to continue the plan tried out under the provisions of the act (Public, No. 112, approved February 14, 1931) which covered emergency loans to agriculture, and, as noted above, included a special arrangement for loans to individuals for the purchase of stock in financial institutions. At this writing, however, Congress has not yet appropriated the \$10,000,000 authorized in Public Resolution No. 11.

Additional capital for the Federal land banks was provided by legislation (Public, No. 30, approved January 3, 1932) amending the Federal farm loan act. By this measure the Secretary of the Treasury was authorized to subscribe for capital stock in the Federal land banks. For this purpose the measure authorized an appropriation of \$125,000,000. It also provided for extensions of overdue mortgages held by the Federal land banks.

The distribution of Government-owned wheat to the American Red Cross and other organizations for the relief of distress was authorized (Public, No. 12, approved March 7, 1932). This measure directed the Federal Farm Board to deliver wheat to the National Red Cross and to any other organization designated by the Red Cross for use in providing food for the needy and depressed people and for providing feed for livestock in areas that suffered crop failure in 1931.

Agriculture benefited through legislation (Public, No. 44, approved February 27, 1932), improving the facilities of the Federal reserve system for the service of commerce, industry, and agriculture. This act authorized the Federal reserve banks to make advances to groups of five or more member banks on their time or demand promissory notes in cases in which the borrowing institutions lacked the rediscountable paper which would otherwise have been necessary. Other clauses in the bill widened the rediscount privileges of member banks in the Federal reserve system. Specifically the reserve banks were authorized to accept the direct obligations of the United States Government as collateral security for advances to their member institutions.

Provisions for strengthening the Federal intermediate credit banks were adopted (Public, No. 138, approved May 19, 1932). The act authorized Federal reserve banks to discount notes payable to and bearing the indorsement of any Federal intermediate credit banks covering loans made by that bank. Another clause in the act contained provisions for action in case the paid-in capital of any Federal intermediate credit bank should be impaired. It authorized the Federal Farm Loan Board to determine and assess the amount

of the impairment against the other Federal intermediate credit bank on an equitable apportionment.

A RETROSPECTIVE SURVEY

Mr. HALL. Mr. Speaker, I desire briefly to discuss some of the outstanding measures enacted during the first session of the Seventy-second Congress, particularly emergency relief legislation.

First, I want to say a few words about the adverse criticism and abuse which has been and still is being heaped upon Congress. For a month or longer congressional critics have been urging in the press that Congress adjourn so as to permit the economic recovery of the Nation, implying, if you please, that Congress has done nothing to relieve the economic situation, and that Congress is blocking the return of better times. To that I merely wish to say that none of these invective utterances were heard prior to the enactment of the Reconstruction Finance Corporation act and the Glass-Steagall credit expansion bill, designed primarily to aid the banks, railroads, and other institutions identified with big business. While I am glad to have had the privilege of supporting those measures, I can not acquiesce in adjournment until legislation to help the rank and file is approved, especially since one of the first measures approved postponed payment to the United States of \$252,000,000 of European war debts.

Because I believed it was a step toward scaling down or eventually canceling \$11,000,000,000 of European war debts due this country, thereby saddling the burden upon American taxpayers, I could not conscientiously support the President's moratorium. Reopening upon his recommendation the war-debt question was thwarted only by incorporating in the moratorium resolution a blunt amendment declaring against further reduction of these debts. Notwithstanding, these debtor nations are now clamoring for revision of their obligations, funded on an average of about 50 cents on the dollar and to be paid over a period of 62 years. I am glad that a majority of Congress is opposed to such a proposition, and besides I want to say that I shall never vote to reduce these just obligations one red cent.

May I say to those charging that the current session has done nothing to relieve the economic situation that emergency relief has not only been the keynote of the session, but the keystone of the Democratic legislative program. Except annual appropriation measures and private bills, practically every measure was designed to dissipate the prevailing economic panic. Motivated by that one purpose, we have worked like Trojans, with partisan politics largely subdued. However, I contend that the President has not played entirely fair. Though we Democrats have collaborated with our Republican colleagues in enacting his legislative program virtually in toto, he has persistently denied us credit for a single legislative act. He even vetoed the 1932 tariff bill, drafted by the Democrats, because it stripped him of the arbitrary power to regulate tariff rates.

Notwithstanding the enactment of numerous relief measures, there has been scant, if any, improvement in the economic situation. Not a solitary bill heretofore signed by the President affords genuine relief to the farmers or unemployed industrial workers. If, indeed, such a measure is enacted, it will be the Garner-Wagner unemployment relief bill, threatened by a veto because it provides jobs for the idle.

A man commencing a chimney at the top would at least be dubbed foolish. In my judgment, the main trouble with the administration's emergency relief program is that it starts at the top instead of the bottom. I contend, and many of my colleagues concur, that the economic recovery of the Nation must begin with our basic industry, agriculture, and work upward. As it was in the case of the Federal Farm Board, however, the President insisted upon having his own way; consequently he alone is responsible for the outcome.

So much already has been said about the deplorable plight of the farmer that I would like to pass it up altogether; but a plain statement of fact is relevant to the question of farm relief.

The status of agriculture is self-explanatory. During the last decade the value of farm lands shrank from \$66,000,-

000,000 to \$44,000,000,000, and the farm income dropped from \$16,000,000,000 to \$7,000,000,000. The average price of farm products is hardly 50 per cent of the pre-war figure—utterly insufficient to pay the cost of production. On the other hand, there has been very little decline in the price of articles the farmer has to buy. And farm taxes are exorbitant.

Between 1910 and 1928 it is estimated that the farm-mortgage indebtedness soared from about \$3,000,000,000 to more than \$9,000,000,000. With the great disparity between monetary and agricultural commodity values, it goes without saying that the farmers can not pay off their mortgage indebtedness. As a consequence, thousands of farm mortgages annually are being foreclosed. During the last five years nearly 700,000 farms are estimated to have been lost through foreclosure. That is alarming. It is high time our financial and industrial leaders were realizing that their own salvation depends largely upon their refraining from deflating and impoverishing the Nation's basic industry. The Goldsborough bill, passed by the House, was designed to restore normal commodity price levels and stabilize the purchasing power of the dollar. However, Senate approval is doubtful, and, besides, the President is represented as being ready to veto it when and if it reaches the White House.

Despite the claim of the administration to the contrary, agriculture under the present tariff law is not on a parity with industry and labor. The tariff on agricultural commodities is ineffective; consequently the farmer sells in an unprotected market and buys in a protected market. In other words, the Government is protecting one half of the people at the expense of the other half. But the Government went too far when it set up the Hawley-Smoot embargo, which not only shut out practically all imports but goaded other countries into adopting retaliatory duties that have shut out practically all American exports; and consequently world commerce is paralyzed.

During the present session we Democrats drafted and Congress passed a tariff bill paving the way for rectification of the present tariff muddle, but the President elected to veto it.

Furthermore, the House passed the Hare bill granting independence to the Philippine Islands, which would have stopped the entrance into this country, duty free, of huge quantities of Philippine products, such as coconut oil, hemp, tobacco, and sugar, in direct competition with domestic agricultural commodities. Besides, we long ago promised the Filipinos their independence, and we ought to live up to our agreement. This measure doubtless escaped a veto because it was shelved by the Senate.

That the Government made a serious mistake when it undertook to stabilize the price of farm products is obvious. True, it has pegged prices, but at the lowest figure in the history of American agriculture. And the farmer finds himself in this dilemma: While the Department of Agriculture is urging him to make two stalks of cotton grow where but one grew before, the Farm Board is urging him to plow under every third row.

What is the proper solution to the farm problem?

In my judgment, it consists largely in according to agriculture the same degree of protection as that accorded to industry and labor; in fact, placing agriculture on an equality with industry and labor. The farmer will, if given an even break, take care of himself. He never has asked for a "hand-out," nor is he seeking one now.

I believe the farm-relief measures passed at the present session would, if wisely administered, tend to alleviate the hardships of the farmers. The Reconstruction Finance Corporation act allocated \$200,000,000 to the Secretary of Agriculture for loans to individual farmers unable to borrow elsewhere, thus enabling them to produce a crop this year. Because of arbitrary rules and regulations promulgated by the Secretary, who is not in sympathy with this provision of the act, it became necessary for the House to adopt a resolution directing him to negotiate these loans in accordance with the intent of Congress. Why we do not have a genuine "dirt" farmer at the head of the Department of Agriculture is a mystery to me.

Mr. Speaker, I heartily indorse the act directing the Secretary of Agriculture to aid in the organization of agricultural credit corporations. This eventually will enable the farmers to finance their operations as well as control the marketing of their crops. The Secretary is empowered to loan from a \$10,000,000 revolving fund up to 75 per cent of the par value of the capital stock of a corporation; that is, a farmer desiring to join a credit corporation could borrow \$750 on ten \$100 shares of stock. The Secretary subsequently will announce the regulations governing these loans.

By another act, the Secretary of the Treasury was authorized to subscribe to \$125,000,000 of farm-loan bonds as a means of strengthening the Federal land bank system, and also to enable the banks to grant extensions to farmers unable to meet their farm-mortgage payments. But, in my opinion, all of those relief measures will go for naught unless normal commodity price levels are restored. This should be made the unfinished business of the next session.

The Reconstruction Finance Corporation also is benefiting the banks and railroads in my district, as well as throughout the country. This is evidenced by the decline in bank closures since the law became effective. Had not those bank failures been checked, confidence in our financial system soon would have been utterly destroyed. It is significant that a great number of the banks saved by the Reconstruction Finance Corporation are rural banks, serving agricultural districts.

Moreover, the Glass-Steagall credit expansion bill has by liberalizing their discount facilities enabled the Federal reserve banks the better to take care of the needs of member banks. Administered according to the intent of Congress, this act also would permit through expansion of the volume of currency in circulation the restoration of normal commodity price levels.

Mr. Speaker, the most disagreeable job of the session was the enactment of the billion dollar tax bill. The administration had piled up a huge Treasury deficit, and it behooved the Democrats to help pull Uncle Sam out of the hole. The deficit for 1931 aggregated \$900,000,000, while that for 1932 totaled \$2,885,000,000, both of which were met by bond issues. It is hoped that additional revenue to be raised under the emergency tax bill will offset the estimated deficit for the current fiscal year. Had not Secretary Mellon in 1924 insisted upon drastically reducing the income taxes of his wealthy friends, the chances are that the Budget would now be balanced.

However, we Members of the House nipped in the bud an attempt to force approval of a general manufacturers' sales tax which would have placed the big end of the burden upon the common people. Although the imposition of many excise taxes was necessary in order to balance the Budget, the rates on gift and income taxes, and surtaxes, were raised to the extent that the wealthy will contribute their pro rata share of the Federal revenue.

Faced with the aforementioned deficit, Congress recognized at the outset the necessity of reducing the overhead expenditures of the Federal Government. Instead of economizing on governmental expenditures at the outset, the administration for two years had been sitting idly by, waiting for prosperity to round a certain corner. Due largely to Democratic leadership in both House and Senate, upwards of \$600,000,000 was pared from appropriation bills, and besides it is estimated that additional savings approximating \$150,000,000 will be made under the provisions of a special economy bill, originated by Democratic leaders—approximately half a billion dollars, all told, under the Budget estimate submitted by the President in his annual message to Congress. The economy bill authorizes a substantial reduction in salaries of Members of Congress, their secretaries and clerks. Saving upwards of \$750,000,000 in one year is, in my estimation, a good start toward great economy in government.

Recurring to the question of relief for the masses, Congress authorized distribution by the Red Cross, out of Government-owned stocks, of 85,000,000 bushels of wheat and 500,000 bales of cotton for feeding and clothing the needy. Besides relieving the distressed, this will help get the Gov-

ernment out of business as well as remove from the market large quantities of wheat and cotton that are now adversely affecting the prices of these commodities.

The Garner-Wagner emergency relief bill, originated by Democrats, passed by both Houses and approved in conference, authorizes \$100,000,000 as a "mercy fund" to be administered by the President in relieving distress in all parts of the country; \$200,000,000 to be loaned to the States on a population basis for relief purposes; \$300,000,000 for financing a public-works program; and \$1,500,000,000 to be loaned by the Reconstruction Finance Corporation for the prosecution of self-liquidating construction projects that will provide work for the unemployed. By and large, it should tend to stimulate business throughout the Nation. When President Hoover dubbed this measure "pork barrel" legislation, Speaker GARNER retorted:

To serve the special interests is statesmanship; to serve the people is pork.

Mr. Speaker, I supported the Almon emergency highway construction bill to relieve unemployment, and which would have allocated to the various States \$120,000,000 for road building during the current fiscal year. Matched by the States on a 50-50 basis, this measure would have relieved unemployment to the extent of \$240,000,000. It would have made available to my own State approximately \$5,000,000. That would have helped out in a big way, for, according to the Bureau of Public Roads, 85 per cent of every dollar spent in highway construction goes for labor.

I also voted for the Patman bill authorizing immediate payment of the World War veterans' adjusted-service certificates, approximately \$2,400,000,000. As paying this debt now would not place any additional tax burden upon the people, it seems to me that we might as well pay it now and have it over with. Briefly, this bill authorizes use of the adjusted-service certificates as the base for the issuance of Federal reserve notes for paying the former service men. In my judgment, distribution of \$2,400,000,000 throughout every State in the Union would not only relieve the veterans and their families but sufficiently expand the volume of currency in circulation to start a general business revival. Opponents of this measure argue that it is not due until 1945. On the other hand, it must be borne in mind that Congress waited seven years before granting these certificates to the veterans. What is more, every civilian employee of the Government drawing less than \$2,500 a year during the period of the war was granted a bonus of \$20 a month. Our soldiers were paid \$1 and \$1.25 a day. Commercial workers received from \$5 to \$15 a day. Meantime, the Treasury must set aside each year until 1945 \$112,000,000 for paying the certificates when due. Hence it could not cost any more in the long run to pay them now.

I am happy to congratulate the delegates to the Democratic National Convention on their selection of Governor Roosevelt, of New York, and Speaker GARNER, respectively, as candidates for President and Vice President. By remaining in Washington during the convention, Mr. GARNER demonstrated that he is more interested in the Nation's welfare than his own political advancement. With this pair of aces running on a straight-from-the-shoulder platform, the Democratic Party will sweep the country next November.

RESTORE THE FARMERS' BUYING POWER

Mr. SELVIG. Mr. Speaker, at no time as now since I have been a Member of Congress has there been such concern expressed by people in all walks of life regarding what the future holds in store for our beloved country. There is little to be gained merely by reviewing in great detail what transpired in the past to bring about the conditions which now prevail. I shall not attempt that.

Some would place the blame for the present world depression upon Congress. Others blame the international bankers who peddled foreign bonds, many of them now valueless, which drained our country of billions of dollars. Others blame the world-wide system of embargo tariffs, stifling trade among the nations of the world. Others have emphasized monetary problems. All of these have con-

tributed beyond doubt, but we must agree that underneath there lies a more fundamental cause of the discord and distress which prevails in the world.

All recall we had a World War some 15 years ago, and that between 1914 and 1919 billions upon billions worth of property, representing accumulated savings and wealth of millions of people, were shot away and wantonly destroyed. It was like a great conflagration that consumed everything. The losses entailed millions of lives, billions of wealth, structures, and ships without end.

As a Nation we were set back by that war the stupendous sum of \$26,000,000,000, including loans, very few of which have come back to us. We are still fondly expecting and hoping to get some of these billions back, but conditions do not appear to be very promising.

Let me say here in passing that the only path that will lead to salvaging our foreign loans must come through disarmament. The President's epochal appeal for reducing armaments points the way. A reduction of one-third, at least, below the present world expenditures for military and naval budgets of four billions a year is one of the most important of all world problems to-day.

Then after the war we entered into temporary occupation of "rainbow" land. The American people began to buy expensively printed slips of paper with the idea of becoming suddenly rich. Stock speculation and the purchase of foreign securities literally siphoned off American wealth from its producers and from savings into other channels. These words tell the story: World War, inflation, speculation, gambling in securities.

Everything was offered for sale on time and the American people bought with an ardor that defies description. Everything was sold on the installment plan. Huge credits were extended based on conditions as they then existed. There is no need to go on with this story. Recent events are too well known to need repetition here.

Much as present conditions are to be deplored, we must not fall into the error of thinking that the United States has been displaced from its preeminent position in the world's economic affairs. With but 6 per cent of the world's population living in the United States, we consume 15 per cent of the wheat consumed in the entire world. We consume 23 per cent of all the sugar consumed in the world. We drink 51 per cent of the coffee drunk in the world, use 20 per cent of the cotton, 72 per cent of the silk, 17 per cent of the wool, 66 per cent of the rubber, 43 per cent of the pig iron, 36 per cent of the lead, 35 per cent of the zinc, 46 per cent of the tin, 39 per cent of the coal, 61 per cent of the petroleum, 35 per cent of the water power, 40 per cent of the electrical energy.

We, the 6 per cent of the world's population, own three-fourths of the autos in the world. We use 60 per cent of all the telephones. We send 25 per cent of the telegrams. We mail 35 per cent of the pieces of mail delivered all over the world. We handle 38 per cent of the freight tonnage.

There was never a time when our people more urgently needed to remember our preeminent position in the world's economic structure. The figures I have just given you bear eloquent testimony to our fundamental economic status. We shall recover. I have faith in our country's future.

But something has gone wrong in our economic life. I have previously stated that the war and the postwar frenzy of mad speculation must bear a part of the onus of blame for what has happened. Nationalistic points of view prevailed in international affairs. An orgy of selfish exploitation and profit seeking was permitted in domestic affairs. To-day we are reaping the harvest of this insane policy.

I come from an agricultural State. For three terms I have been intrusted with the responsibilities of Congressman from a strictly agricultural district in that State. We felt the cruel blow which struck agriculture through the deflation policy inaugurated by the Federal reserve bank in 1920, and have suffered through the events and circumstances which followed since that date.

The devastating conditions which now prevail everywhere in this country, in industry, in transportation, in mining, in

finance everywhere were inevitable when the purchasing power of our farmers was curtailed. Time does not permit full amplification of this fact. The interdependence of the city people and of the farmers has been stressed so often that it would seem unnecessary to say more about it here.

It is necessary to maintain equality of income between agriculture and industry. George Washington recognized that in one of his first messages to Congress. Abraham Lincoln cited it repeatedly. It has become a commonplace in speech. This equality of income is necessary for the prosperity of both.

There can be no permanent prosperity as long as money does not flow both ways, but concentrates on one side. The effect is like the blood stream flowing out of the heart, and only part of it returning. This soon causes trouble.

The recent conditions in the United States are largely due to the concentration of wealth in industry and the impoverishment of agriculture that have been going on since 1920.

The Members of Congress from agricultural States—and let it be said, some with vision and foresight from industrial districts—have stated and reiterated the plain philosophy of the interdependence of industry and agriculture. We appeal again for equality of income as between those two great groups. It must be done. There can be no permanent prosperity until it is accomplished.

When the prices of farm products are high and the wages of labor are high the country is prosperous. When the contrary conditions exist we have poverty and distress. That has always been true, and probably always will be true. It follows that the big problem before the Nation, and before Congress, so far as it can aid, is to reestablish higher price levels for the products of the farm, the mine, and the factory. In comparison with this all our other problems fade into insignificance. We must get back to higher price levels.

It is pertinent right here to examine data in regard to costs of production of farm products in order to understand what needs to be done. The United States Department of Agriculture has furnished me with information covering these costs.

The estimated average cost of producing wheat during the 5-year period 1925-1929 was \$1.24 per bushel. The cost figure includes interest on investment or a rental charge on a cash-rent basis and going wages for the farmer and working members of his family. If the cost just equals the price paid to the farmer, he is being reimbursed for his cash expenses and for return on his investment and wages for his work. The cost at present may be somewhat lower than in the above 5-year period. For instance, for 1930 the estimated cost of raising wheat is \$1.09 per bushel. But the reduction is mainly in allowance for labor and seed. The cash-outlay items are almost as high as they were during the above 5-year fiscal period.

For corn during the 1925-1929 period the cost estimate is 71 cents per bushel. Oats cost 52 cents a bushel to produce during the 5-year period. Barley during the 5-year period cost 80 cents a bushel to produce. Flaxseed had a production cost per bushel of \$2.16. It cost the cotton grower \$81 to produce a bale of 500 pounds during 1925-1929, or an average of 16.2 cents a pound.

Cottonseed was produced at a cost of \$26 per ton during the 5-year period mentioned. Potatoes had a cost production of 61 cents per bushel during the 5-year period 1925-1929.

Beef cattle were produced at an average cost of \$8 per hundred pounds during the 5-year period, paying wages and fixed charges. The cost of producing hogs during 1925-1929 was \$5.60 and of sheep was \$7 per hundred pounds.

Eggs during 1925-1927 showed a production cost of 27 cents per dozen. The cost of producing butterfat varied greatly in different localities, but these are typical: In Polk County, Minn., the cost for 1926, 1927, and 1928 averaged 44 cents and in Pine County, Minn., for 1925, 1926, and 1927 the average cost was 41 cents per pound.

The problem of "farm relief" is to bring the price level above the cost of production. Nothing else will help materially. Whenever the farmers are able to pay their way

there is employment for labor, plenty of business for the merchant, plenty of traffic for the railroads, and a general forward movement in every line of endeavor. Let every citizen who has the welfare of the Nation at heart keep that in mind.

It is generally agreed that some powerful force reacting with cruel certainty on the price of nearly all commodities on a world-wide basis brought them down to the present levels. I have not the time to go into causes in detail, but we know the tragic conditions which this price deflation brought to the producers of raw materials everywhere. Our problem is to remedy this condition.

The foremost remedy which has the sanction of serious-minded students and leaders everywhere is a moderate and controlled inflation of the currency. Gold has become too high priced the world over as measured in all other commodities. There should be an attempt also to secure the recognition of silver as a basis of money, especially in India, China, and other parts of the world, with their teeming millions of people, where silver has always until recent years been the basis of currency. This would decrease the demand for gold and make it cheaper, as measured in other commodities, and cause farm products to increase in price.

To secure a higher price level for basic commodities, including farm products, is of paramount importance. It is absolutely necessary in order that people may pay debts based on the same value as they were contracted.

A great deal has been said during recent months about an "honest dollar." We ordinarily think of the dollar as being an accurate measure of value, as the yard is an accurate measure of length and the pound an accurate measure of weight. This has been seriously questioned by the proponents of the "honest dollar." It is because the dollar is such an uncertain measure of value that the whole economic machine gets into trouble now and then.

The value of every product depends on supply and demand. That is just as true of money as it is of wheat and hogs. When the price of hogs goes down while other prices are stationary, the reason is that there are too many hogs in proportion to the demand for pork. But when the average level of all prices drops one-third, that is not due to the supply and demand of goods. The cause in such a case is a change in the supply of money and credit. The price of money can not change, for it is fixed by a law at 22.23 grains of gold to the dollar. So when the supply of money and credit changes the effect can only be shown by a change in the price of goods. Commodity prices not only must change to compensate for changes in their own supply and demand but also to compensate for the changes in the supply of money and credits and the demand for them.

Leading economists differ widely in discussing this problem. I have given it serious study and am convinced that Dr. G. F. Warren, of Cornell University, has reached the nub of the problem when he states that the supply of gold has not equaled the demands of trade, that gold is too "dear."

By whatever means it can be accomplished, a moderate and controlled inflation of the credit and the currency is needed.

We have a method of measuring changes in the purchasing power of the dollar by what is known as the wholesale commodity price level. This is determined each month by the United States Bureau of Labor Statistics by taking the average of the wholesale prices of some 500 commodities, each figured according to its own importance. This wholesale commodity price level is expressed by a percentage figure called an index number.

"Restore the wholesale commodity price level to a point somewhere near that at the beginning of the present inflation; then keep it there by fitting the volume of money and credits to the volume of business, instead of having to close down factories and farms and throw men out of work every now and then in order to fit the volume of business to an arbitrary volume of money," say the proponents of the "honest" dollar.

In addition, agriculture must be financed during the next few years on a more favorable basis than ever before in order to regain its losses. How to do this has engaged the atten-

tion of Congress, but nothing far-reaching enough has yet been done. Debts contracted when farm products were twice as high can not be repaid at the present level of prices. The years and years when the farmer was compelled to sell his produce below the cost of production has impaired his capital. These losses must be regained in order that our farmers may become firmly established by ownership in full of the land by its occupants.

Taxation must be reduced by rigid economy in all parts of our governmental structure, from the township up to the Central Government in Washington. During the flush years of prosperity, and they really did exist here in the East, our different governmental units—local, State and Federal—took on a good deal of weight in the way of new activities, new extensions of old activities, and larger pay rolls. We are now in the position of a fat person trying to reduce, and it is not easy. But it must be done.

When Washington became President there were three distinct tax systems in the United Colonies. In New England, where everyone worked and saved and owned property, there was a direct levy on real estate and personal property. In the South tax money was raised by levies on imports and exports. In the New York and Philadelphia area they had the Dutch system of excise taxes on goods bought and sold. When it came to divide the taxing powers between the States and the Government, the New England system was adopted for State and local taxation and the other two sources left largely for Government taxation. There has been very little change in this arrangement since. Thus we have inherited a local tax system that bears very heavily on land.

Taxation on farm land must be reduced by an equalization process whereby the capacity to pay, rather than the visible property, shall be the basis in sharing the costs of government, either National, State, or local.

Before I close I wish to point out another factor in our present economic life which must be considered. I shall refer to it as mass production by machinery. Displacement of men by machines began on an appreciable scale in 1923. Reliable figures estimate the number of unemployed in 1923 to be 1,300,000, 1,775,000 in 1925, 2,000,000 in 1927, 3,000,000 to 5,000,000 in 1929. Presumably the 3,000,000 measures the unemployment in the early part of 1929, before the plunge into cyclical difficulties.

We developed the machine to the point where in 7 months we can just produce everything we can consume in 12 months. Mass production came and with it the replacement of man power by machine power.

The machine age brings the new problem of fitting people into employment. Here is a problem we must frankly meet and solve. It stands as a challenge to America and modern civilization. It must be recognized as an imperative duty of the Government to see that all citizens are given a place in our economic system whereby they may, by reasonable contribution in work, secure a decent and comfortable living and security for old age.

The benefits of invention and of machinery must not be used for the enrichment of the few and the enslavement of the many, but these benefits must be made to reach all people, from the greatest to the humblest in the land, and equally distributed.

I realize it is relatively easy to state what American industry should do. It is more difficult to indicate how the necessary steps might be accomplished. A serious study is being made, and there are favorable indications that the leaders in government and industry will solve the problem.

America can do what it must to protect itself and its people against the weaknesses of its own man-made economic system. An economic system 150 years old has come to an end. It is for this reason chiefly that this depression is so heartlessly cruel and serious beyond its immediate effects.

I believe a wise solution will be found. In this our farmers will gain in common with all the other elements of our population. Merely to produce goods and food with no one able to buy simply spells continued disaster.

Production can and will develop in the future as in the past. From now on, however, production must depend on the growth of consumer demands, and these are stimulated

by new inventions, financed by new methods, and, finally and most vital of all, increased by a more effective and equalized distribution of purchasing power. National economic planning, in which an able government cooperates with understanding business managers, looms before us. America can and must save itself. Are we equal to this stupendous task?

To my mind, the first approach must come by Congress in recognizing the necessity of restoring the purchasing power of agriculture. I repeat what has been said so often before: Until farm prices rise prosperity can not and will not return.

THE SOLDIERS' BONUS

Mr. YATES. Mr. Speaker, this House of Representatives, on the 24th day of June, granted my request, when I asked unanimous consent to extend my own remarks in the RECORD, the daily CONGRESSIONAL RECORD. Accordingly, in consequence of that gracious consent, I hereby insert in the RECORD a very short statement, a very few lines.

I have received five letters from friend and foe, reproaching me, for voting wrong on the soldiers' bonus bill, meaning the so-called Patman bill, to pay to all veterans of the World War immediately the balance of their bonus certificates; in other words, to pay in cash their unpaid adjusted compensation, and to do it immediately.

At the last general election, November, 1928, I was running for Congressman at large on the Republican ticket, receiving 1,000,000 votes; to be exact, 1,673,000, and was elected, my majority or plurality being, to be exact, 502,442.

Out of that 1,000,000 and more voters who voted for me in November, 1928, five are now heard from, complaining; the remaining number, 1,672,995, being silent.

Again, in the general State-wide voting for the nomination, Republican nomination, for Congressman at large, which occurred last April—April 12, 1932—three months ago, the vote for me was 436,000, while the vote for my chief contender for the nomination was 160,000, there being 16 other contenders for the nomination.

From and out of these 436,000, plus 160,000, plus many others in far-flung divisions of the field—out of all these votes only five have criticized me by letter.

I am well content with such a situation.

Whatever reasons other Members have or had, and whatever other reasons I may have had at the time, myself, there was in this case one thing, one intensely dramatic magnetic thing, that, in particular, was a compelling thing, that made it impossible for me to vote against Representative PATMAN'S bill (H. R. 7726), or for that matter, against any law or statute, promulgated to be a good veterans' bill.

That powerful reason was a positive, unlimited pledge, or rather oath, delivered by myself with full approval of the dictates of my own conscience and delivered verbally, at least a hundred times, in 1917 and 1918.

I can never forget, and I never will,
The promise that I made to Bill.

These are the words, the closing words of a war-time poem which I heard recited one afternoon in this hall, in 1920, by a Member of the House from Michigan, namely, Hon. Joseph W. Fordney, of Saginaw, Mich. I felt then I could never forget.

Just so, I can never forget or evade or apologize for my pledge which I gave, from June, 1917, to November, 1918, on many occasions. Well do I recall a certain one.

The place was the county seat of one of our beautiful little Illinois counties, a prosperous, powerful, progressive, and patriotic smaller county of Illinois. The words and deeds of that occasion are burned in my memory. The feeling and animus and mental attitude of the public was tense.

When I mounted the platform to speak for the Liberty loan, the Red Cross, and the other sublime causes of the day, I saw, on that platform, the city officers, the county officials, the post-office force and other Federal employees, the clergy of the community, the principals and teachers of the schools, the veterans of the Spanish War, the veterans of the Civil War, and one veteran of the Confederacy, while the whole courthouse yard was filled by the people. Oh, yes, the people, and what a people!

The children were there, singing; there was a vocal quartette, there was a quartette of trumpeters, there was a drum corps, and a chorus, and a brass band.

And the young sweethearts were there; and the young mothers and all the babies; and boys and girls—another battalion of youth—and the mothers and fathers and the Rotary and Kiwanis and the Lions and all the secret fraternities, and the women, from a thousand homes, with all the members of their clubs and organizations.

As I stood there, I found myself saying to myself, I must make some pledge or promise.

And as I stood there wondering, every fiber of my being vibrating to all this patriotism, I saw 250 young men, and when I said, "Who are these?" the judge, who was presiding, said, "These are the 250 who go away to-day; it is going-away day," and there came to me, as if from above, the words of this pledge: "We will build a bridge of sympathy and support from Yankee land to no man's land, and when you come back you can have what's left."

All I can say now, when asked why we must forever be grateful to our veterans, is, "They are entitled to what is left—'and if this be treason make the most of it.'"

ADJUSTED-COMPENSATION CERTIFICATES

Mr. SMITH of Idaho. Mr. Speaker, under leave granted by unanimous consent of the House I wish to insert in the RECORD the following letter, which I have addressed to Hon. H. K. Wiley, of Springfield, Idaho, explaining my reasons for voting for the payment of the adjusted-compensation certificates of the World War veterans:

HOUSE OF REPRESENTATIVES,
Washington, June 21, 1932.

Hon. H. K. WILEY,
Springfield, Idaho.

MY DEAR SENATOR WILEY: I am in receipt of your letter of the 18th, criticizing my recent vote on the bill providing for the payment of the adjusted-compensation certificates of the World War veterans, issued under the law providing for the payment to them of \$1 per day for each day of service in this country and a dollar and a quarter for each day's service abroad.

I feel that your criticism is based on a misunderstanding of my attitude in the matter and the reasons which impelled me to vote as I did. Six weeks before this measure came up for a vote, and before there was any indication of a "bonus army" en route to Washington, I publicly outlined my attitude, at which time I stated that I would not vote for the present payment of the soldiers' certificates if the money was to be raised by a further increase of taxes or by a bond issue, but that I was seriously considering and probably would support a proposal to expand the currency. My stand on this question has not altered since that time.

I voted against the rule to bring up the legislation for consideration by the House of Representatives, as the report of the Committee on Ways and Means on the bill was adverse. However, a sufficient number of Members of Congress voted for the rule to permit the bill to be brought up, and I then voted for its consideration. An amendment to the bill was proposed which provided for the payment of the bonus by funds raised through the expansion of the currency. I voted for this amendment, which insured that the payment of the bonus would not further increase the deficit in the Treasury, would not increase taxes, and would not be a further strain on the credit of the country. This amendment to the bill was adopted, and when the bill as amended was voted upon, I cast my vote in favor of it.

My support of this measure was based on my conviction that the expansion of the currency is the only remaining means by which the Federal Government may materially aid in overcoming the present depression and restoring normal trade and business relations throughout the country.

It is the opinion of many prominent economists that the primary cause of the present depression was the overinflation of credit, and speculation, and that the reason for the continuance of the depression is the shortage of currency or money to pay the debts so easily incurred prior to the fall of 1929. Credit largely took the place of currency, and so long as this condition prevailed, commodity prices remained high and prosperity continued. Money was spread too thin, and when debts began to be called, and credit sharply contracted, there was found to be an insufficient supply of money to pay the debts. This does not necessarily mean that there is actually less currency in the country than there was in 1929, it means that the money is concentrated in fewer hands and that the average person—forming the great mass of consumers as well as producers—has much less money and consequently has a greatly reduced purchasing power.

The major panics of 1837, 1873, 1893, and 1907 were due to speculation and overextension of credit, with a resultant contraction of credit and a shortage of currency. As in the present depression, the result of the shortage of money was that the price of commodities sharply declined, and the price of the dollar correspondingly increased. The farmer and business man who in-

currred a debt in 1928 or 1929 must pay that debt from the proceeds of the sale of farm commodities, or from the profits of his business. If he received greater prices for his commodities, he could more readily pay his debts. An expansion of the currency would necessarily raise the price of commodities, relieve credit, and materially speed up the economic recovery of the country. At the present time, banks are afraid to extend credit, individuals are afraid to spend their money, corporations are afraid to expand their activities—the shortage of money and credit is paralyzing the normal business and trade relations of the Nation.

Congress has tried many plans with the view to restoring normal business conditions. Up to the present time, none of these attempted solutions has proved of material benefit. It is my firm conviction that only by increasing the currency of the country can credit be loosened and purchasing power returned to the great mass of consumers. No other plan proposed to the Congress offered as great an opportunity for the immediate distribution of a new supply of currency throughout the country as did the proposal for the payment of the soldiers' bonus. This proposition would have released over \$2,000,000,000 of money among those people who most need it. It would not benefit the veteran alone. Every dollar which the veteran would spend in his community would have been of value in releasing credit and increasing the price for commodities.

I believe that the placing in circulation of the money which was to have been paid to the ex-service men would immediately have resulted in its expenditure in a way that would give employment to the millions now out of work. There is no other proposal before Congress which would be so apt to relieve the unemployment situation as the bonus bill. The great problem confronting Congress at this time is to find work for the six or eight million men who have been idle for months and a large proportion of whom have been living on charity. Will those of you who are criticizing my vote suggest a better plan which will meet this unfortunate situation?

Congress is given the power by the Constitution to regulate the currency of the country. This power includes the power to prevent the dollar from becoming too dear by increasing the number of dollars; it also includes the power to prevent the dollar from becoming too cheap by withdrawing dollars from circulation. It was in the exercise of this power that I voted for the payment of the soldiers' bonus by funds raised by the expansion of the currency, as provided by what is known as the Owen plan, which was incorporated in the bill as it passed the House.

This plan provided for the issuance of a sufficient supply of currency to pay the bonus. This currency was to be secured and backed by bonds issued in an equal amount, which bonds were to be placed in the custody of the Federal reserve banks, to be sold only in the event that the increased supply of currency should unduly inflate commodity prices to a point above that of the 1926 level. If commodity prices went above that level, the Federal reserve banks were to offer the bonds for sale and retire a sufficient amount of the new currency to lower commodity prices.

We have as much wealth and as much of the circulating medium in existence as we had three years ago, but credit has collapsed and the money is being hoarded by banks, corporations, and individuals, and has not been enticed from under cover by any opportunities for investment offered. However, the sale of bonds by the Federal Reserve Board in the case of an emergency would doubtless induce the holders of money to invest in such safe securities as Government bonds.

In short, the currency needs to be expanded to take the place of that which is now hoarded. In addition to the provision for the expansion of the currency, the Owen plan provided for the recall of the new currency should commodity prices rise too high. The final object was the stabilization of the balance between the value of money and the value of commodities at a level conducive to the return and maintenance of normal economic conditions.

Of course I resent the suggestion or insinuation that my vote for this legislation was cast with the hope of political advantage, but it is not an uncommon thing for men in legislative bodies to be charged by those who are dissatisfied with their vote with considering only the effect their vote would have on their continuance in office. I know of no man in either branch of Congress who has escaped a charge of that kind at one time or another, because a legislator can not please all of the people all of the time. Probably you, as a member of the State legislature, may have incurred the criticism of some of your constituents, who may have suspected even yourself of voting with a view to aiding in your continuance as a member of the legislature. This is one of the penalties which every member of a legislative body has imposed upon him, but I hope that my record in Congress during the last 20 years has been such that but few people will fail to give me credit for being conscientious and patriotic in the discharge of my legislative duties, and having in mind always the best interests of the country in any votes which I have cast for or against pending legislation.

I would not object to a criticism of my conclusion or of my vote on economic grounds, as I realize that there is a very great divergence of opinion as to the most beneficial and proper legislation for the relief of the country. But your criticism that my vote was based on political grounds is not warranted, as I had in mind only what I considered to be the best interests of the country when I voted as I did.

Yours very truly,

ADDISON T. SMITH.

ADJOURNMENT

Mr. VINSON of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes p. m.), in accordance with the order heretofore made, the House adjourned until Monday, June 27, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

621. A letter from the Secretary of the Navy, transmitting a request that letter of December 8, 1931, be canceled, and that no further consideration be given to the bill H. R. 5354; to the Committee on Naval Affairs.

622. A letter from the Secretary of the Interior, transmitting a list of files in the Office of Indian Affairs which are not needed or useful in the transaction of the current business of the department and have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CONDON: Committee on the Judiciary. House Joint Resolution 443. A joint resolution directing the President of the United States of America to proclaim October 11, 1932, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; with amendment (Rept. No. 1714). Referred to the House Calendar.

Mr. WARREN: Committee on Accounts. House Resolution 273. A resolution authorizing an appropriation of \$10,000 for investigation of Post Office Department (Rept. No. 1715). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CHRISTGAU: Committee on Claims. H. R. 8256. A bill for the relief of William Thomas; with amendment (Rept. No. 1716). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 11994. A bill for the relief of James Evans Monroe; without amendment (Rept. No. 1717). Referred to the Committee of the Whole House.

Mr. PATMAN: Committee on the District of Columbia. H. R. 12768. A bill to authorize the closing of a portion of Virginia Avenue SE., in the District of Columbia, and for other purposes; with amendment (Rept. No. 1718). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MALONEY: A bill (H. R. 12782) to prohibit a maximum age limit on eligibility to appointment in the classified civil service; to the Committee on the Civil Service.

By Mr. JOHNSON of Texas: A bill (H. R. 12783) to amend the revenue act of 1932 by repealing section 751, imposing a tax on checks; to the Committee on Ways and Means.

By Mrs. NORTON: A bill (H. R. 12784) to provide fees to be charged by the recorder of deeds of the District of Columbia; to the Committee on the District of Columbia.

By Mr. CURRY: A bill (H. R. 12785) to provide for enlistments in the Army, Navy, or Marine Corps of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. LAGUARDIA: A bill (H. R. 12786) to prohibit the appointment of corporations as trustees in bankruptcy; to the Committee on the Judiciary.

Also, a bill (H. R. 12787) to amend the Judicial Code prohibiting the appointment of corporations as receivers in equity; to the Committee on the Judiciary.

Also, a bill (H. R. 12788) to prohibit the appointment of corporations as receivers in bankruptcy; to the Committee on the Judiciary.

By Mr. SHALLENBERGER: A bill (H. R. 12789) to abolish the Federal Farm Board, the United States Tariff Commission, and the United States Shipping Board, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. JAMES: A bill (H. R. 12790) to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. CURRY: A bill (H. R. 12791) to provide for a 5-day week, for the use of man power on Government construction projects, and for other purposes; to the Committee on Labor.

By Mr. BLACK: Resolution (H. Res. 274) for a conference on hours of labor; to the Committee on Labor.

By Mr. MOUSER: Resolution (H. Res. 275) authorizing the Postmaster General to cause to be printed a series of memorial stamps in recognition of the service and martyrdom of Colonel Crawford; to the Committee on the Post Office and Post Roads.

By Mr. McSWAIN: Joint resolution (H. J. Res. 446) to suspend for one year the authority for the acquisition of privately owned land pursuant to the act entitled "An act to provide for the enlarging of the Capitol Grounds," approved March 4, 1929, as amended, and to revoke the unobligated balance of the appropriation allocated for such acquisition; to the Committee on Public Buildings and Grounds.

Also, a joint resolution (H. J. Res. 447) relating to evidence in condemnation proceedings in the District of Columbia; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ARNOLD: A bill (H. R. 12792) granting a pension to Nelle M. Jones; to the Committee on Pensions.

By Mr. BOWMAN: A bill (H. R. 12793) for the relief of Jessie D. Bowman; to the Committee on Claims.

By Mr. COYLE: A bill (H. R. 12794) granting an increase of pension to Elizabeth Starner; to the Committee on Invalid Pensions.

By Mr. CRAWL: A bill (H. R. 12795) for the relief of Cecil Evans; to the Committee on Military Affairs.

By Mr. FIESINGER: A bill (H. R. 12796) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 12797) for the relief of Amos Bennett; to the Committee on Military Affairs.

By Mr. GILLEN: A bill (H. R. 12798) granting a pension to Roy White; to the Committee on Pensions.

By Mr. JENKINS: A bill (H. R. 12799) granting an increase of pension to Caroline Lowery; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 12800) granting a pension to Lucy Leshner; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 12801) granting an increase of pension to Carrie Sturdevant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12802) for the relief of Genevieve S. McKibbin; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 12803) granting an increase of pension to Amanda B. Thomas; to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 12804) granting a pension to Louie William Skala; to the Committee on Pensions.

Also, a bill (H. R. 12805) granting a pension to Clarinda Stevenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12806) granting a pension to Daisy Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12807) granting an increase of pension to Tamandra Beals; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12808) granting an increase of pension to Cynthia Spicknall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12809) granting an increase of pension to Melissa E. Burns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12810) granting a pension to John J. Boesl; to the Committee on Pensions.

Also, a bill (H. R. 12811) granting an increase of pension to Fannie F. Wilson; to the Committee on Invalid Pensions.

By Mr. SWANSON: A bill (H. R. 12812) granting an increase of pension to Bridget Epperson; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12813) granting a pension to Jane Davis; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 12814) granting a pension to Bernard M. Baer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12815) granting a pension to Malisa J. Boyer; 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:

8430. By Mr. CARTER of California: Petition of the California Citrus League, relating to regulation of motor transportation; to the Committee on Interstate and Foreign Commerce.

8431. By Mr. CRAIL: Petition of many citizens of Los Angeles County, Calif., offering suggestions for a reduction of governmental expense and a saving in taxes; to the Committee on Ways and Means.

8432. By Mr. CULKIN: Petition of Anna M. Kennedy and 32 other citizens of Cazenovia, N. Y., urging the immediate repeal of the eighteenth amendment and a levying of taxes on the resultant liquor traffic; to the Committee on the Judiciary.

8433. Also, petition of Sarah Swift Wendell and 19 other citizens of Cazenovia, N. Y., urging the ending of prohibition and a tax on legalized liquor as a means of relieving the present tax burden; to the Committee on the Judiciary.

8434. By Mr. GILCHRIST: Petition of citizens of Boone County, Iowa, and other counties, asking the President and the Congress to enact legislation that will enable small farmers to retain ownership of their farms and homes, and demanding the passage of Senate bill 1197, known as the Frazier bill; to the Committee on Agriculture.

8435. Also, petition of 80 citizens of Duncombe and Lehigh in Webster County, Iowa, asking legislation to provide lower interest rates on farm mortgages as provided in the Frazier bill; that the agricultural marketing act be amended to make available the principles of the equalization fee, the debenture plan, and the domestic allotment plan; that the Goldsborough "honest dollar" bill be passed; and that gambling in agricultural commodities be brought to a halt; to the Committee on Agriculture.

8436. By Mr. JOHNSON of Washington: Petition of the Unemployed Citizens' League, favoring the enactment of legislation for the relief of unemployment; to the Committee on Ways and Means.

8437. By Mr. RUDD: Petition of New York Library Association, office of the president, Frank L. Tolman, Albany, N. Y., favoring Federal loans for construction of library buildings projects; to the Committee on Banking and Currency.

8438. Also, petition of Edith S. Grimm, vice leader Queensboro League of Women Voters, Queensboro, Long Island, N. Y., favoring the passage of Senate bill 4860 for unemployment relief; to the Committee on Banking and Currency.

8439. Also, petition of Mrs. Frank Clark, treasurer League of Women Voters, Fourth Assembly District, Queens County, N. Y., favoring the passage of Senate bill 4860, unemployment relief bill; to the Committee on Banking and Currency.

8440. Also, petition of Carol M. Wilde, New York League of Women Voters, Queensboro, Long Island, N. Y., favoring the passage of Senate bill 4860, for unemployment relief; to the Committee on Banking and Currency.

8441. Also, petition of Mary B. Waterbury, vice chairman New York City League of Women Voters, favoring the passage of the Wagner bill, for the relief of unemployment; to the Committee on Banking and Currency.

8442. Also, petition of Mrs. E. L. Greenwald, vice chairman Fourth Assembly District, Queens County, N. Y., favoring the passage of Senate bill 4860, unemployment relief bill; to the Committee on Banking and Currency.

8443. By Mr. TEMPLE: Petition of Albert W. Lyons, 11 East Walnut Street, Washington, Pa., requesting the repeal of the eighteenth amendment; to the Committee on the Judiciary.

8444. Also, petition of K. L. Gilmore, George Washington Hotel, Washington, Pa., requesting the repeal of the eighteenth amendment; to the Committee on the Judiciary.

SENATE

SATURDAY, JUNE 25, 1932

(Legislative day of Friday, June 24, 1932)

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

Ashurst	Costigan	Kean	Robinson, Ark.
Austin	Couzens	Kendrick	Robinson, Ind.
Barbour	Dickinson	Keyes	Sheppard
Black	Fletcher	King	Shortridge
Blaine	Frazier	La Follette	Smoot
Borah	George	McGill	Steiwer
Bratton	Goldsborough	McKellar	Stephens
Broussard	Hale	McNary	Thomas, Idaho
Bulow	Hastings	Metcalf	Thomas, Okla.
Byrnes	Hatfield	Moses	Townsend
Capper	Hawes	Norris	Trammell
Caraway	Hayden	Nye	Vandenberg
Carey	Hebert	Oddie	Wagner
Connally	Howell	Patterson	Walsh, Mass.
Coolidge	Johnson	Pittman	Watson
Copeland	Jones	Reed	White

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

HOOR OF MEETING AND CALENDAR FOR MONDAY

Mr. McNARY. Mr. President, I desire to ask unanimous consent that when we shall have concluded our session today we adjourn until Monday at 11 o'clock a. m., at which time we shall proceed to the consideration of unobjected bills on the calendar under Rule VIII, beginning with the calendar number at which we left off on yesterday.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon?

Mr. JONES. Mr. President, I would like to make just a brief statement before that request is acted on.

Mr. McNARY. Has the Senator any objection to the proposal?

Mr. JONES. No; but I desire to call the attention of the Senate to a situation which I am afraid many of us have overlooked. We have only four legislative days left before the 1st day of July. Of course the matter of final adjournment by the 1st day of July is not important, but the matter of getting our appropriation bills passed by the 1st of July is extremely important. If we should fail in getting any appropriation bill through by the 1st of July, so it could not take effect at the beginning of the next fiscal year, it would immediately disrupt the Government organization. It would necessitate the passage of a joint resolution continuing the appropriation for the current year instead of passing the bill upon which we have worked and curtailed in the interest of economy and all that sort of thing.

I think practically all of our time should be devoted to the consideration of and action upon appropriation bills, so as to get them through and into effect by the 1st day of July.