and inhuman acts unjustly committed against the people of the Jewish faith now residing in Germany; to the Committee on Foreign Affairs.

272. By Mr. RUDD: Petition of Amalgamated Paint Co., New York City, favoring the passage of House bill 3754, providing for the repeal of section 15-A of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

274. By Mr. SUTPHIN: Petition of Tecumseh Tribe, No. 60, Improved Order of Red Men, Asbury Park, N.J., pledging whole-hearted support to our President, Franklin D. Roosevelt; to the Committee on Foreign Affairs.

275. By Mr. WILLIORD: Memorial of the Legislature of the State of Iowa, favoring the passage of Senate bill 1197, for the liquidating and refinancing of agricultural indebtedness and providing for a reduced rate of interest for the same through the Federal farm loan system and the Federal Reserve Bank System; to the Committee on Banking and Currency.

276. Also, memorial of the Legislature of the State of Iowa, requesting the Iowa Representatives in Congress to uphold the President of the United States in action proposed by him for the solution of this emergency, particularly with regard to those policies which may apply to or affect agriculture; to the Committee on Agriculture.

277. Also, memorial of the Legislature of the State of Iowa, favoring legislation tending to promote and develop the production of grain or ethyl alcohol to be used as a blend with petroleum products for motor-vehicle fuel, and then an import duty be placed on blackstrap molasses entering the United States, etc.; to the Committee on Ways and Means.

278. By Mr. WITHEROW: Memorial of the Legislature of the State of Wisconsin, relating to the importance of maintaining and developing the work of the United States Forest Products Laboratory; to the Committee on Labor.

SENATE
FRIDAY, MARCH 31, 1933
(Legislative day of Monday, Mar. 13, 1933)

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

BROOKS, a Senator from the State of New Mexico, appeared in his seat today.

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States, submitting several nominations, were communicated to the Senate by Mr. Latta, one of his secretaries, who announced that on March 28, 1933, the President approved and signed the following acts:


CALL OF THE ROLL

Mr. LEWIS. Mr. President, I note the absence of a quorum, and I move a roll call.

The VICE PRESIDENT. The clerk will call the roll.

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

Alger, Arthur
Ashurst, John
Austin, Tom
Bailey, Joe
Bankhead, John
Barbour, John
Barkey, John
Beck, John
Bone, John
Borah, Henry
Bucksley, Wm.
Byrd, S.
Byron, John
Carvel, J.
Cary, L.
Clark, W.
Copp, J.
Copp, T.
Costigan, F.
Cox, H.
Dann, W.
Davis, W.
DeBakey, H.
Dewey, R.
Duffy, J.
Egan, H.
Fletcher, L.
Foster, R.
Fuchs, H.
Fusco, R.
Gage, H.
Gates, H.
Gellhorn, F.
Gillam, E.
Glover, F.
Gordan, W.
Gordon, W.
Graham, W.
Greene, W.
Guy, S.
Hale, J.
Harmon, W.
Head, H.
Heber, W.
Johnson, H.
Kean, H.
Kendrick, W.
Kearny, C.
Kellogg, R.
Keeley, W.
King, R.
Kirk, J.
Kirkland, T.
King, W.
Kleberg, W.
Knox, W.
Krause, K.
Kuhlenschmidt, C.
Kuykendall, H.
Lamb, C.
Lamb, T.
Lamb, W.
Lambert, C.
Lambert, J.
Lambert, S.
Lambert, W.
Land, T.
Lansing, J.
Lanier, J.
Long, W.
Lord, W.
Luce, J.
Ludington, W.
Ludlow, W.
Lunn, C.
Maddox, H.
McBride, F.
McDowell, J.
McDowell, S.
McFarland, W.
McGovern, A.
McKellar, D.
McKelvey, J.
McKibbin, W.
McNamara, T.
McNary, R.
Mech, H.
Meissner, H.
McNulty, T.
Menefee, W.
Meyers, T.
Meyer, J.
Miller, J.
Miller, R.
Miller, S.
Minta, C.
Mitchell, J.
Montgomery, W.
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Whereas said Canadian halibut fishermen import their catches into the United States and receive in payment therefor American funds, the value of which is enhanced greatly upon the same adequate exchange rate; and

Whereas it is of the highest importance that the salmon canneries of south-eastern and south-western Alaska, or a major portion of them, shall not operate during the coming season, unless the owners of such plants receive some assurance of adequate protection from the competition by the importation of canned salmon from Japan of a character not so well suited for marketing in this country; and

Whereas the work of this laboratory in helping to protect and enhance the value and marketability of forest products is of great significance to the economic returns from forestry expenditures along the lines set forth in the depreciated currency bill, sometimes called the Hill bill (H.R. 18890), to meet this condition, asking only that the competitive status prevailing prior to the injection of the depreciated-currency element be restored. And your memorialist will ever pray.

Passed by the senate March 9, 1933.

Attest:  
ALLEN SHATTUCK, President of the Senate.

Passed by the house March 15, 1933.

Attest:  
AGNES F. ADZEI, Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Resolved, That this general assembly, representing the people of the State of Wisconsin, and of the several counties and the several cities and villages therein, do hereby order and command that the officers of the Department of Agriculture shall immediately report to the Governor of the same State the cause why the Department of Agriculture, at the present time, is not operating with its full force and vigor in the prosecution of said work, and to call upon the members of the legislature to aid in promoting the same; and that proper steps be taken to secure the necessary appropriations for the same.

Passed by the Senate February 22, 1933.

Attest:  
C. H. HELLESEN, Chief Clerk of the Senate.

Mr. MURPHY also presented the following concurrent resolution of the Legislature of the State of Iowa, which was referred to the Committee on Manufacturers:

Resolved, That the several state and county officers of the Department of Agriculture of said States shall immediately report to the Governor of this State the cause why the Department of Agriculture in the said States is operating with less than its full force and vigor in the prosecution of the work of that Department; and that proper steps be taken to secure the necessary appropriations for the same.

Passed by the Senate February 22, 1933.

Attest:  
R. A. CONRAD, Chief Clerk of the Senate.

Resolved, That properly attested copies of this resolution be sent to the Governor and to the officers of the marketing laboratories of the United States, to the Secretary of the United States Department of Agriculture, and to each Wisconsin member of Congress of the United States.

Resolved, That properly attested copies of this resolution be sent to the Governor and to the officers of the marketing laboratories of the United States, to the Secretary of the United States Department of Agriculture, and to each Wisconsin member of Congress of the United States.

Mr. MURPHY presented the following concurrent resolutions of the Legislature of the State of Iowa, which were referred to the Committee on Agriculture and Forestry:

Concurrent resolution memorializing Congress that it is the sense of the members of the Iowa General Assembly, the senate and house concuring, that the Government of the United States should perform its solemn promise and place American agriculture on the basis of equality with other industries by providing equal credit and protection; and

Whereas immediate relief is given, hundreds of thousands of farmers will lose their farms and their homes and millions more will be forced into cities and villages, and the army of unemployed will necessarily increase to alarming proportions; and

Whereas the price of agricultural products during the past year has in fact been far below the cost of production; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and

Whereas Senate bill No. 1197, Introduced in the Senate of the United States by Senator LYNN J. FRAZIER, of North Dakota, provides for the liquidation of current mortgage indebtedness and provides for a reduced rate of interest for the same through the Federal Farm Loan System and the Federal Reserve Bank System; and

Whereas the provisions of this bill will have a vital effect upon the agricultural industry of the State of Iowa; and

Whereas at the present time many loans relating to the agricultural industry should bear a reduced rate of interest; and

Whereas agriculture is the basic industry of this country and there can be no sound business prosperity unless agriculture is put on an equality with other industries: Now, therefore, be it

Resolved, That it is the sense of your memorialists, the members of the Iowa General Assembly, the senate and house concurring, that the Congress of the United States shall enact the provisions of the said Senate bill No. 1197.

Passed by the Senate March 15, 1933.

Attest:  
BYRON G. ALLEN,  
Secretary of the Senate.

Mr. MURPHY also presented the following concurrent resolution of the Legislature of the State of Iowa, which was referred to the Committee on Manufacturers:

Resolved, That this general assembly, representing the people of Iowa and of the several counties and the several cities and villages therein, do hereby order and command that the officers of the Department of Agriculture shall immediately report to the Governor of the same State the cause why the Department of Agriculture, at the present time, is not operating with its full force and vigor in the prosecution of said work, and to call upon the members of the legislature to aid in promoting the same; and that proper steps be taken to secure the necessary appropriations for the same.

Passed by the Senate February 22, 1933.

Attest:  
R. A. CONRAD, Chief Clerk of the Senate.

Passed by the house March 15, 1933.

Attest:  
AGNES F. ADZEI, Secretary of the Senate.

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Concurrent resolution memorializing Congress that it is the sense of the members of the Iowa General Assembly, the senate and house concuring, that the Government of the United States should perform its solemn promise and place American agriculture on the basis of equality with other industries by providing equal credit and protection; and

Whereas immediate relief is given, hundreds of thousands of farmers will lose their farms and their homes and millions more will be forced into cities and villages, and the army of unemployed will necessarily increase to alarming proportions; and

Whereas the price of agricultural products during the past year has in fact been far below the cost of production; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and

Whereas Senate bill No. 1197, Introduced in the Senate of the United States by Senator LYNN J. FRAZIER, of North Dakota, provides for the liquidation of current mortgage indebtedness and provides for a reduced rate of interest for the same through the Federal Farm Loan System and the Federal Reserve Bank System; and

Whereas the provisions of this bill will have a vital effect upon the agricultural industry of the State of Iowa; and

Whereas at the present time many loans relating to the agricultural industry should bear a reduced rate of interest; and

Whereas agriculture is the basic industry of this country and there can be no sound business prosperity unless agriculture is put on an equality with other industries: Now, therefore, be it

Resolved, That it is the sense of your memorialists, the members of the Iowa General Assembly, the senate and house concurring, that the Congress of the United States should enact the provisions of the said Senate bill No. 1197.

Passed by the Senate March 15, 1933.

Attest:  
BYRON G. ALLEN,  
Secretary of the Senate.

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Resolved, That this general assembly, representing the people of Iowa and of the several counties and the several cities and villages therein, do hereby order and command that the officers of the Department of Agriculture shall immediately report to the Governor of the same State the cause why the Department of Agriculture, at the present time, is not operating with its full force and vigor in the prosecution of said work, and to call upon the members of the legislature to aid in promoting the same; and that proper steps be taken to secure the necessary appropriations for the same.

Passed by the Senate February 22, 1933.

Attest:  
R. A. CONRAD, Chief Clerk of the Senate.

Passed by the house March 15, 1933.

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Resolved, That this general assembly, representing the people of Iowa and of the several counties and the several cities and villages therein, do hereby order and command that the officers of the Department of Agriculture shall immediately report to the Governor of the same State the cause why the Department of Agriculture, at the present time, is not operating with its full force and vigor in the prosecution of said work, and to call upon the members of the legislature to aid in promoting the same; and that proper steps be taken to secure the necessary appropriations for the same.

Passed by the Senate March 15, 1933.

Attest:  
BYRON G. ALLEN,  
Secretary of the Senate.
WHEREAS vast imports of blackstrap molasses are now permitted, duty-free, to compete with domestic agricultural products in the manufacture of alcohol for industrial purposes; and

WHEREAS an emergency now exists wherein agricultural products are selling at a price below cost of production: Now, therefore, be it

Resolved by the Senate of the State of Iowa (the house of representatives concurring), That we memorialize the Congress of the United States to give serious consideration to the enactment of legislation to promote and develop the production of grain or ethyl alcohol to be used as a blend with petroleum products for motor-vehicle fuel; and that an import duty be placed on blackstrap molasses entering the United States for the manufacture of ethyl or industrial alcohol in competition with agricultural products for motor-vehicle fuel; and that an import duty be made payable to the proper authorities as well as of the proper State authority; and it is

Resolved, That a copy of this resolution be forwarded by the secretary of the senate to the Secretary of the United States Senate and the Chief Clerk of the House of Representatives, and that copies be sent to each Iowa Member of Congress; be it further

Resolved, That copies of this resolution be sent to the secretary and chief clerk, respectively, of the General Assemblies of Minnesota, Illinois, Missouri, Kansas, South Dakota, and Nebraska, asking that similar action be taken by the general assemblies of the above-mentioned States.

I hereby certify that the foregoing resolution was duly adopted by the Forty-third General Assembly of Iowa on March 22, 1893.

BYRON J. ALLEN, Secretary of the Senate.

Mr. COPELAND presented resolutions adopted by the Jamie Kelly Association and the People's Regular Democratic Organization, both of Brooklyn, and a meeting of Jews and non-Jews of Staten Island, in the State of New York, protesting against the intolerance directed against and the persecution of the Jews in Germany, which were referred to the Committee on Foreign Relations.

UNIFORM BANKING SYSTEM

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the Record and appropriately referred a newspaper article embodying resolutions adopted by the New York State Banking Board, of which Joseph A. Broderick, the State superintendent of banks, is chairman, memorializing Congress for the passage of legislation providing for a uniform banking system.

There being no objection, the matter was referred to the Committee on Banking and Currency and ordered to be printed in the Record, as follows:

ASKS STATE BANKS BE PUT IN RESERVE—NEW YORK BOARD MEMORIALIZES CONGRESS, PRESSING FOR A UNIFORM SYSTEM—WANTS STATE BANKS REJECT BONDS THAT ARE NOT LISTED FOR NATIONALIZATION OF ALL FACILITIES

The New York State Banking Board, of which Joseph A. Broderick, the superintendent of banks, is chairman, has memorialized Congress in favor of compulsory membership of all banks and trust companies in this State in the Federal Reserve System, it was decided, to be put in reserve.

The banking board adopted resolutions to that effect on March 28 and sent them to Washington, where they were read into the Congressional Record by one of the New York Representatives.

In adopting resolutions it is understood that members of the board held that a uniform banking system, to be brought about either through compulsory inclusions of all State banks and trust companies in the Federal Reserve System or through nationalization of all banking facilities was necessary; also that stable banking must be founded on uniformity.

TEXT OF RESOLUTIONS

The resolutions were as follows:

"Whereas it is generally recognized that one of the principal weaknesses of our banking system is the over-establishment of branch banks which may be stabilized, it is equally great, and

"Whereas it is desirable to have some degree of uniformity in banking practices and a further unification of our credit facilities; and

"Whereas Congress now has under consideration a general amendment of the Federal banking laws: Now, therefore, be it

"Resolved, That this board memorializes Congress to incorporate in any new legislation with respect to branch banking adequate safeguards against this evil; and further

"Resolved, That this board desires to have some assurance from the Senate and House of Representatives of the State that such legislation should provide that no national bank or branch thereof shall be established in any community served by a State bank or trust company without the approval of the State authorities, if and pro-

vided the State will provide by law that no State bank or trust company shall be established if the application is not approved by a national bank or branch thereof shall be established in any community served by a State bank or trust company without the approval of the State authorities, if and pro-

"Resolved, That we favor the requirement as soon as practicable of compulsory membership in the Federal Reserve System of all national banks and trust companies in the United States.

INVESTIGATION OF SECURITY EXCHANGES—UNLISTED DEPARTMENTS

Mr. WALKER. Mr. President, I ask that I have printed in the Record and referred to the Committee on Banking and Currency a communication from John C. Hull, director of the securities division of the Department of Public Utilities of the Commonwealth of Massachusetts and also a communication from Waldo S. Kendall, vice president of Minot, Kendal & Co., Inc., a leading broker in the city of Boston, which in combination urge upon Congress that this committee attempt to deal with the most flagrant abuses on the part of stock exchanges against the public, namely, the unlisted department.

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

THE COMMONWEALTH OF MASSACHUSETTS,

DEPARTMENT OF PUBLIC UTILITIES,

BOSTON, March 29, 1911.

Hon. David J. Walsh,

Senate Office Building, Washington, D.C.

Dear Senator Walsh:

I hereby report that in considering the matter of the unlisted department of our State Securities Board, the committee which investigated the same by the officers of the board held that a uniform banking system, to be brought about through compulsory inclusions of all State banks and trust companies in the Federal Reserve System, it was decided, to be put in reserve.

The banking board adopted resolutions to that effect on March 28 and sent them to Washington, where they were read into the Congressional Record by one of the New York Representatives.

In adopting resolutions it is understood that members of the board held that a uniform banking system, to be brought about either through compulsory inclusions of all State banks and trust companies in the Federal Reserve System or through nationalization of all banking facilities was necessary; also that stable banking must be founded on uniformity.

TEXT OF RESOLUTIONS

The resolutions were as follows:

"Whereas it is generally recognized that one of the principal weaknesses of our banking system is the over-establishment of branch banks which may be stabilized, it is equally great, and

"Whereas it is desirable to have some degree of uniformity in banking practices and a further unification of our credit facilities; and

"Whereas Congress now has under consideration a general amendment of the Federal banking laws: Now, therefore, be it

"Resolved, That this board memorializes Congress to incorporate in any new legislation with respect to branch banking adequate safeguards against this evil; and further

"Resolved, That this board desires to have some assurance from the Senate and House of Representatives of the State that such legislation should provide that no national bank or branch thereof shall be established in any community served by a State bank or trust company without the approval of the State authorities, if and pro-
By implication he condemns the lack of such facts.

Dr. Frank Vanderlip, in his article on investments in the Saturday Evening Post of January 4, praises highly the safeguards afforded by listing standards, and that Mr. Whitney's recent speech was addressed to about abolishing the "vicious swindling practice of listing so-called 'unlisted' stocks with nothing more than an asterisk prefix to indicate that no statements of the accounts or affairs were made or required to be made by them." He added that such stocks had for years been allowing more crooked dealing by means of any criminal den with stock cards, by which the public had been swindled to the extent of hundreds upon hundreds of millions of dollars.

It may surprise you as, I must confess, it has surprised me, to learn that probably more than 90 percent of the entire business of the New York Curb Exchange is carried on in its unlisted department. About 99 percent of the bonds are unlisted and 1 percent listed. Many stocks which, from a description in the prospectus, would seem to be of any value, have been trading on the New York Curb Exchange with a notation of 'unlisted' on their title. Mr. Whitney points out that possibly more than 90 percent of the trades in stocks were in listed securities and about 90 percent, including practically all the well-known issues like Electric Bond & Share, Cities Service, Atlas Corporation, American Super-Power, and Aluminum Co. of America, were unlisted. I append an interest in tabulating.

This exchange is the second largest in size in America according to its own statements, and the existence of so huge a preponderance of trading in unlisted securities becomes therefore a matter of real public importance.

In the light of the above figures the practice of this exchange is extraordinarily at variance with its protestations in regard to "dependable and dependable information." Mr. Whitney, president of the New York Curb Exchange, said in his recent annual report that it must be the basis of sound investment policy to avoid investing under such conditions. It seems to me, it discloses a flagrant disregard of proper protection for the public in the recent action of the New York Curb Exchange.

In a statement of December 31, 1928, brought out many months later, this company showed $4,879,583 assets represented by cash and call loans. At the market price of 57 on the outstanding common stock at the opening of trading on this date the equity was selling for about $28,476,000. Deducting these cash and call loans from the total amount of $4,836,974.26, it appears that the public was paying for the balance, amounting to less than $4,000,000 in other assets than cash, at the rate of over $23,000,000.

I am impressed also with the Pennroad Corporation situation. This was incorporated in Delaware April 21, 1929. Admitted to "unlisted trading privileges" April 23, 1929. Voting trust certificates for not to exceed 5,800,000 shares common stock, no par, when, as, and if issued. The following provisions are Interesting in the light of the above statements in Mr. Sykes' report in regard to "dependable and dependable information."

**ISSUANCE OF REPORTS**

"Except as may be required by law, the corporation shall not be required to make any report, to its stockholders, or otherwise, any statement concerning its assets or liabilities or earnings; and any such statement which the corporation may make shall include any and all information from time to time should not be and may not be presented or furnished to any person in any form and contain such information as the board in its controlled discretion may determine." (Philadelphia Financial Journal, May 3, 1929, p. 1.)

I notice on page 47 of a voluminous pamphlet put out by the publicity department of this exchange the following: "The unlisted securities have, prior to admission, stood the test of experience. They represent interests in approved concerns. No security is admitted unless its financial condition and history are reported in Poor's or Moody's or the Standard Statistics Co., or an authoritative statement is before the committee." How can any such statement be true in the face of such examples as I have cited above?

Much more could be written in regard to many other phases, but the facts which have shown such a lack of protection for the investing public through lack of proper listing requirements is

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**CONGRESSIONAL RECORD—SENATE**

**March 31**

[New York Curb Exchange, publicity department, fifth edition, Dec, 1929]

"To provide a market for carefully investigated securities is a service rendered corporations and the investing public alike by the New York Curb Exchange, the second largest stock exchange in America" (p. 1).

Records established on New York Curb Exchange in 1929: confidential, October 29, 7,096,300 shares; weekly record, October 31-26, 17,450,783 shares; monthly record, October, 76,658,109 shares.

"Record of volume dealings in one security, October 24, 1,195,910 shares, viz., Cities Service, unlisted.

"June 14, 1,002,400 shares Commonwealth & Southern.

"Estimated total transactions, 1,623, 500,000,000 shares.

"Par value, $20,000,000,000.

"Plus $700,000,000 shares, no par.

"Total, 1928, 236,043,683 shares.

"Number of securities admitted to trading privileges, 2,100 issues.

"Total number of domestic bonds as of December 2, 250 issues.

"Total number of foreign stocks, 98 issues.

"Total number of foreign bonds, 102 issues * (p. 5).

**QUOTATIONS**

"The New York Curb Exchange is the second largest stock market in America" (p. 7).

"Within a comparatively short time the ticker system of the New York Curb Exchange will extend the length and breadth of the land." (p. 27).

Referring to sales—October 24, 1929, 1,195,910 shares Cities Service, opened June 14, 1929, 1,002,400 shares, unlisted, both unlisted—it says: "So far as the records go, no other securities dealt in on any stock exchange in this country ever presented such tremendous turnover during a full day's trading" (p. 23).

**Full volume**

<table>
<thead>
<tr>
<th>Year</th>
<th>New York Stock Exchange bonds</th>
<th>New York Stock exchange bonds</th>
<th>New York Stock Exchange stocks</th>
<th>New York Stock Exchange stocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1921</td>
<td>$3,605,939</td>
<td>$974,265</td>
<td>$10,618,329</td>
<td>$1,104,369</td>
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<tr>
<td>1922</td>
<td>$7,704,000</td>
<td>$1,032,400</td>
<td>$24,228,800</td>
<td>$2,074,777</td>
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</tbody>
</table>

Of the curb volume in bonds, 1923, about $8,100,000 were listed, about nine tenths of 1 percent. They comprised 19 issues only, of which 1 issue, Pacific Gas & Electric 4½'s, afforded about $3,800,000.

The following figures were taken from the Wall Street Journal. The first column below represents sales of listed stocks on the New York curb on respective dates. The second column the total volume for the corresponding day, the third column the percentage of listed stocks to the total volume. It works out almost exactly 20 percent listed.

<table>
<thead>
<tr>
<th>Date</th>
<th>Sales of listed stocks</th>
<th>Total volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb. 23, 1932</td>
<td>330,000</td>
<td>390,000</td>
</tr>
<tr>
<td>Feb. 26, 1932</td>
<td>190,000</td>
<td>270,000</td>
</tr>
<tr>
<td>Mar. 3, 1932</td>
<td>190,000</td>
<td>240,000</td>
</tr>
<tr>
<td>Mar. 22, 1932</td>
<td>220,000</td>
<td>45,761</td>
</tr>
<tr>
<td>Mar. 21, 1932</td>
<td>100,000</td>
<td>50,000</td>
</tr>
<tr>
<td>June 9, 1932</td>
<td>860,000</td>
<td>165,909</td>
</tr>
</tbody>
</table>

MINOT, KENDALL & CO., INC.,
Boston, Mass., March 24, 1933.

HON. ROBERT LUCE.

Dear Mr. Luce: It is to be hoped that the Senate in its consideration of stock exchanges will not neglect to take up the source of the most flagrant abuses—the part of stock exchanges against the public, namely, the unlisted department.

It is an astonishing thing that the New York Curb Exchange does not make 10 percent of its profit in the unlisted department. In looking up this matter I find that of the approximately 890,000,000 of bonds traded in there in the year 1932, only about 80,000,000 or less than 1 percent of the total volume was trading in unlisted securities. My attention was drawn to this remarkable discrepancy by my reading of the Wall Street Journal, which differentiates between the listed and unlisted department of the Curb Exchange.

On examining further I found that in the stock department the percentage of listed stocks ran somewhere between 18 percent and 22 percent. Now, it should be appreciated that this is the second largest stock exchange in America. The potential damage to the investing public through lack of proper listing requirements is

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**P.S.—On March 21 the Chicago Stock Exchange voted new and drastic requirements for security listings under which application must be signed and sworn to by a duly authorized officer of the corporation issuing the securities. The statement made further that the exchange has for many years had no so-called "unlisted department" and that it does not list securities upon data or application filed by its own members or any persons other than the company itself. (New York Times, Mar. 21.)**
almost incalculable. The Curb Exchange itself says with reference to sales of 1,181,910 shares of Cities Service (unlisted), "So far as the records go no other security dealt in on any stock exchange in this country has shown such a tremendous turn-over during a single day of trading" (Oct. 29, 1929).

On that same day they state that 7,095,000 shares were traded in the New York Curb Exchange in a single day. In 1900 such a turned-over was attempted in the New York Stock Exchange and it failed. In the case of Pennroad Corporation, there was a par value of $200,000,000, plus 750,000,000 shares of no par value.

The New York Stock Exchange, in its printed financial statement for March 21, which recites what they have done and what they will do this year, may elect to make any statement concerning its assets or liabilities or earnings; and any such statement which the corporation may make is subject to any requirement of law, be in such form and contain such information as the board in its controlled discretion may determine."

We hope the readers of the Chicago American will be glad of the innovation in the New York curb tables. We hope, too, that it will mark the beginning of a movement that will lead eventually to the discontinuance of unlisted departments. If the New York Curb Exchange does not take action in this respect, its failure to do so will be a powerful argument in the hands of those who are working for public control of stock exchanges.

The Chicago American today takes one more forward step in furtherance of its determination that its financial pages shall be the best in the city and in its efforts to guard the interests of security-holders.

Beginning today the tables of stocks and bonds traded on the New York Curb Exchange printed in the Chicago American will clearly indicate which of such securities are actually listed.

The New York Curb Exchange has adopted many rules and regulations in connection with the listing of securities for the protection of the owners of same. Almost invariably the New York Curb Exchange announces that it has taken similar action.

We are told that very often unscrupulous distributors of securities use the New York Curb Exchange as a means of aiding them in their sales campaign. They will take a security which does not enjoy a real market on the curb, arrange a sale at a price well above the market, and then point to this quotation in their efforts to sell the security to the unwary.

There is a great big wall of protection thrown about the new deal, and any such statement which the corporation may make may subject to any requirements of the exchange for their serious consideration.

The best in the city and in its exchanges do not apply to the corporations issuing such securities have not complied with the listing requirements of the exchange and may know nothing about the financial condition of such corporation and may make the corruption not negligible (with the New York Stock Exchange and later announced as having been adopted also by the curb exchange) for the protection of security holders.

We are pleased to have you present this viewpoint to proper authorities for their serious consideration.

Very truly yours,

W. R. VANDERPOEL, financial editor

The Chicago American today takes one more forward step in furtherance of its determination that its financial pages shall be the best in the city and in its efforts to guard the interests of security-holders.

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The New York Curb Exchange has adopted many rules and regulations in connection with the listing of securities for the protection of the owners of same. Almost invariably the New York Curb Exchange announces that it has taken similar action.

It is not surprising, therefore, that the public should believe that it has this type of protection on securities dealt in on the curb exchanges.

A large part of the public does not appreciate that the greater portion of the securities which are dealt in on the curb exchange has not been formally listed and consequently that the many rules of the exchange do not apply in any way to the corporations which have issued such securities.

The New York Curb Exchange, for example, announced—following similar action by the New York Stock Exchange—that it would require all corporations listing securities with it to furnish periodic, independently audited financial statements. We call attention to the "joker" in such action, but elsewhere the ruling was accepted at its face value.

We are of the opinion that as part of the "new deal" there should be no more unlisted departments of stock exchanges. For a long period of years the New York Stock Exchange has required that all securities traded therein be formally listed. For many years the Chicago Stock Exchange has had the same requirements.

The New York Curb Exchange, on the other hand, has had the very loosest sort of policy. A member has merely to state that he owns a given security and wishes to make a market in it to have it "recognized" as unlisted trading privilege.

It is clear that the public should know this, know that the corporations issuing such securities have not compiled with the listing requirements of the exchange and may know nothing about the financial condition of such corporation and may make the market not negligible (with the New York Stock Exchange and later announced as having been adopted also by the curb exchange) for the protection of security holders.

Listed Issues Marked

The Chicago American proposes that all brokers shall have this knowledge. Consequently its New York curb tables will carry the little prefix before such issues as have been actually listed thereon.

It will be noted that particularly among the bonds the listed issues are greatly in the minority.

We are told that very often unscrupulous distributors of securities use the New York Curb Exchange as a means of aiding them in their sales campaign. They will take a security which does not enjoy a real market on the curb, arrange a sale at a price well above the market, and then point to this quotation in their efforts to sell the security to the unwary.

According to a Wall Street source...

The curb, of course, does not have a monopoly of such tactics. The old Insull organization did the same thing with an inactive stock listed on the New York Stock Exchange—People's Gas. But the very fact that the curb does not have any control over so many issuing corporations and does not look into even the distribution of securities in its unlisted department makes this practice relatively easy and more common in connection with curb securities.

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills:

On March 30, 1933:

S. 598. An act for the relief of unemployment through the performance of useful public work, and for other purposes.

On March 31, 1933:

S. 562. An act relating to the prescribing of medicinal liquors.

Bills and joint resolution introduced

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

By Mr. NEELY:

A bill (S. 1092) granting a pension to James C. Neff; to the Committee on Pensions.

By Mr. DILL:

A bill (S. 1093) providing for the refunding of farm and home mortgages, making loans to farmers, issuance of agricultural bonds, the deposit of Government funds, and for other purposes; to the Committee on Agriculture and Forestry.

(Mr. FRANKLIN introduced Senate bill 1694, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. KEYES:

A bill (S. 1095) for the refund of customs duty paid by Salvatore Lascari on an importation of mosaic paintings for the Moody Currier Art Gallery in Manchester, N.H.; to the Committee on Finance.

By Mr. OVERTON:

A bill (S. 1096) to provide for the erection of a memorial to James B. Eads at New Orleans, La.; to the Committee on the Library.

By Mr. ROBINSON of Indiana:

An act relating to the prescribing of medicinal liquors.

A bill (S. 1097) for the relief of Joseph P. Boyle; to the Committee on Military Affairs.

A bill (S. 1098) granting a pension to Christena Akin (with accompanying papers); and

A bill (S. 1099) for the relief of William Jennings Coon; to the Committee on Pensions.

By Mr. CAPPERS:

A bill (S. 1100) to require the furnishing of heat in living quarters in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BYRD:

A bill (S. 1101) for the relief of the Virginia Engineering Co., Inc.; to the Committee on Claims.

By Mr. TRAMMELL:

A bill (S. 1102) to authorize the Secretary of the Navy to proceed with certain public works at the Naval Radio Compass Station, Jupiter, Fla.; and

A bill (S. 1103) to authorize the Secretary of the Navy to proceed with certain public works at the Naval Air Station, Pensacola, Fla.; and
A bill (S. 1104) to authorize the Secretary of the Navy to proceed with certain public works at the Naval Air Station, Pensacola (Corry Field), Fla.; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:
A bill (S. 1105) to provide for a further extension of the time for the payment of certain income-tax deficiencies; to the Committee on Finance.

By Mr. BONNIE:
A bill (S. 1106) to restore the 2-cent postage rate on first-class mail matter; to the Committee on Finance.

By Mr. ROBINSON of Indiana:
A Joint resolution (S.J.Res. 36) directing the President of the United States of America to proclaim October 11 of each year as Pulaski’s Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

PURCHASE OF STOCK, BONDS, ETC., OF INSURANCE COMPANIES

Mr. FLETCHER. I desire to introduce a bill to provide for the purchase by the Reconstruction Finance Corporation of preferred stock, bonds, and debentures of insurance companies, and ask its reference to the Banking and Currency Committee. I have the bill taken up by the committee and reported by tomorrow.

The VICE PRESIDENT. The bill will be received and referred, as requested.

The bill (S. 1104) to provide for the purchase by the Reconstruction Finance Corporation of preferred stock and/or bonds and/or debentures of an insurance company, was read twice by its title and referred to the Committee on Banking and Currency.

THE HARRIMAN NATIONAL BANK OF NEW YORK

Mr. COSTIGAN. Mr. President, I send to the desk and ask to have printed in the Record and referred to the Committee on the Judiciary a resolution which calls for an investigation by that committee of the reported failure of the Department of Justice under a previous Attorney General to prosecute one or more officers or directors of the Harriman National Bank in New York for alleged violations of the law.

The resolution (S.Res. 55) was read and referred to the Committee on the Judiciary, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized and directed to investigate the reported failure on the part of the Department of Justice to prosecute promptly alleged violations of law by the Harriman National Bank, New York City, or the officers or directors thereof. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings as it deems advisable. The cost of stenographic services to be paid for out of the contingent fund of the Senate upon authorization by the chairman.

INVESTIGATION OF BANKING BUSINESS AND SECURITY EXCHANGES

Mr. FLETCHER submitted the following resolution (S.Res. 56), which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, in addition to the authority granted under Senate Resolution 84, Seventy-second Congress, agreed to March 4, 1933, and continued in force by Senate Resolution 136, approved December 22, 1933, and further continued by Senate Resolution 371, Seventy-second Congress, agreed to February 28, 1933, shall have authority and power to conduct an investigation of the banking business and security exchanges in the United States, and to make a thorough and complete investigation of the business, practices, and security exchanges and of the members thereof.

1. To make a thorough and complete investigation of the operation by any person, firm, corporation, or other entity, of the business of banking, financing, and extending credit; and of the business of issuing, offering, or selling securities.

2. To make a thorough and complete investigation of the business, practices, and security exchanges and of the members thereof.

3. To make a thorough and complete investigation of the practices in respect to the buying and selling and the borrowing and lending of securities which are traded in upon the various security exchanges, or on the over-the-counter market, or on any other market, and of the values and the market for such securities.

4. To make a thorough and complete investigation of the effect of such business operations and practices upon interstate and foreign commerce, upon the industrial and commercial credit structure of the United States, upon the operation of the national banking system and the Federal Reserve System, and upon the market for securities of the United States Government early in the hearing of the desirability of the exercise of the taxing power of the United States, and with respect to any such business and securities practices with respect to the buying and lending of securities which are traded in upon the various security exchanges, or on the over-the-counter market, or on any other market, and of the values and the market for such securities.

5. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

6. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

7. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

8. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

9. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

10. To make a thorough and complete investigation of the effect of such business operations and practices upon the market for securities of the United States Government.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. CHaffee, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. 560) relating to the prescribing of medicinal liquors, and it was signed by the President pro tempore.

HOLYOKE (MASS.) MUNICIPAL GAS AND ELECTRIC PLANTS

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the Record an article appearing in Public Ownership of the issue of March 13, 1933 in regard to the municipal gas and electric light and power plant of Holyoke, Mass., the article being by John J. Kirkpatrick, manager.

There being no objection, the article was ordered printed in the Record, as follows:

[From the Holyoke Daily Transcript and Telegram, Dec. 15, 1932]

HOLYoke'S FUTURE PLANS—MUNICIPAL GAS AND ELECTRIC PLANTS

A joint resolution (H.Res. 55) was read and referred to the Committee on Commerce.

Thirty years ago to day, on December 15, 1902, the city of Holyoke began the operation of the municipal gas and electric department, by taking over the old gas and electric business of the Holyoke Water Power Co. To finance the undertaking the department borrowed $720,000 on bonds payable in 30 years and bearing interest at the rate of 4%.

PAID FOR OUT OF EARNINGS

On December 1 of this year the final payment of these original gas and electric department bonds was made, vindicating the courage and the vision of those citizens of Holyoke who 30 years ago undertook this municipal venture. Every dollar of this original investment has been paid out of the earnings of the department, together with several bond issues in the meantime, thus providing groundless the fears held by some in the beginning that public ownership of the gas and electric business in the city would be a burden on the taxpayers.

The record at the date of maturity of the first purchase bonds discloses that the operation of the gas and electric department has not only paid all of the taxes levied by the city government and has paid its own way all the time, but sells light and power to its customers at the lowest rates obtainable not only in New England but throughout the East.

LOANS CITY $227,000—WITHOUT INTEREST

The cost of the gas and electric plants as of December 15, 1902, was $615,450. The city has invested in these projects $957,293 out of increased demands for service, $3,000,939.30 out of earnings; $2,271,000 additional has been invested in the plants from loans, and of this last amount $200,000 has been paid from surplus of $1,533,198.47. Of this surplus, there is approximately $227,000 in cash. This $227,000 has been in the hands of the city treasurer for use in the general operations of the city government.
as a loan without interest during the past year, when other loans from banks, corporations, and individuals have been made at 6 percent.

HOW PLANT HAS GROWN

The number of electric customers in the first year of operation (1896), was 11,986. In 1933, there were 9,000 electric meters in 1903 and now there are 16,731; in 1903 there were 72 miles of wires in the streets, today there are 544 miles of wire and 61 miles of wire underground. In 1933, there were 283 arc street lamps in 1903, today there are 959 incandescent street lamps, 17 traffic lights, and 661 lamps of other description. The annual gas consumption has increased from 99,000,000 cubic feet in 1903 to more than 376,000,000 cubic feet in 1932. The output of electricity has increased from 1 million kilowatts in 1903 to 354 million kilowatts in 1932. The capacity of the electric station has been increased from 500 horsepower to 18,000 horsepower.

FROM OIL, LAMP TO POWER

Above, in figures, is a story of the birth, the growth, and the present status of the municipal gas and electric department of the city of Holyoke. But, of course, it is not the whole story.

When, at the turn of the century, the people of Holyoke were establishing their own municipal lighting department, electricity was not in general use, nor was there such a demand for gas. The oil lamp was then doing service, and the kitchen coal stove was the only form of heating and cooking plant in the home. That now relieve the drudgery of housework were then unknown. Some of the most important, employing 009 to 600 men and women. The investment is proving a profitable one.

The present average monthly cost of power is $9.00, 1922, with reference to the franchise of the Holyoke Water Power Co., the city of Holyoke could buy power at 1903 rates and electricity increased, gradually for a time, and later more rapidly. The coal stove was replaced by the gas range; and more recently, electrical household appliances for ironing, cooking, washing, and refrigeration, to mention but the most important items, came into general use. Manufacturers turned more and more to electrical power; and all the time the municipal gas and electric department kept pace with the increased demands. The plants were expanded and improved and lines were extended to the limits of the city. Every demand for power, light, and heat was and is met.

A service branch was established, not the least valuable of the department's assets. Twenty-four day service men are on call to take care of any kind of trouble.

RECENT EXTENSIONS

The most recent acquisition of the department has been the old Holyoke division property. This was purchased because the purchase enables the department to expand the gas plant. Further plants include the building of a gas container on the site. A purchase included the mill buildings, which had been idle for some time. Due to the enterprise of the gas and electric department management there are now several tenants in the mill buildings, paying rent, buying gas and power and lights; and more important, employing 009 to 600 men and women. The investment is proving a profitable one.

COMPANY SEES UP THE FIGHT

There has been some controversy, particularly of late years, between the gas and electric department and the Holyoke Water Power Co. Such disputes as have arisen, or are likely to arise in the future, date back to 1897. It was then that the citizens of Holyoke purchased the property of the private company relative to the price of electricity, and out of that dispute there came a determination on the part of many citizens to connect at that point with another line and leased the company to take electricity for the operation of 2 miles in Hadley and the Hadley division property. This action was extended.

The most recent acquisition of the department has been the old Holyoke Water Power Co. property adjoins the gas works and the purchase enables the department to expand the gas plant. This was purchased because the purchase price was set at $800,000, representing a loss of $800,000 annually.

In the case of the purchase price was set at $805,547.40, for the gas plant and $805,547.40, for the electric plant. There were additional litigation expenses, bringing the total to $815,643.

FIVE YEARS' DELAY

Five years had elapsed from the time the purchase of the plants was authorized until the city began operations. During those 5 years several attempts were made by the citizens to reconsider their action, but to no avail.

The purchase of the gas and electric plants included certain water rights, known as "mill powers", and also the franchises of the Holyoke Water Power Co. By the transfer of the franchises the city must purchase the private plants if the private company elected to sell. The Holyoke Water Power Co. elected to sell and set its price at $1,000,000. This price was rejected and a complaint was filed in the Supreme Judicial Court of Massachusetts to determine the value of the property. After a lengthy trial of the case the purchase price was set at $805,547.40, of which $422,290.38 was for the gas plant and $377,252.02 for the electric plant. There were additional litigation expenses, bringing the total to $815,643.

FIVE YEARS' DELAY

The law provided that a city could not acquire a lighting plant until the city government voted in favor of the acquisition in 3 succeeding years and the action was ratified by a majority of the voters at an annual or special election. On January 10, 1897, the second favorable vote was passed by the board of aldermen, and on December 14, 1897, the voters ratified the action of the city government.

The law further provided that in the event of a favorable vote the city must purchase the existing private plants if the private company elected to sell. The Holyoke Water Power Co. elected to sell and set its price at $1,000,000. This price was rejected and a complaint was filed in the Supreme Judicial Court of Massachusetts to determine the value of the property. After a lengthy trial of the case the purchase price was set at $805,547.40, of which $422,290.38 was for the gas plant and $377,252.02 for the electric plant. There were additional litigation expenses, bringing the total to $815,643.
facture it. It costs the municipal department now about 1 cent to kilowatt-hour. The price paid by the company for the same power is 4 cents, and this 3 cents over and above the cost of the power company to sell certain power to the city for 4 mills a kilowatt-hour, or less than half a cent. But this offer is not for permanent power. It is for the completion of the building and for certain guaranteed power for 5 years. Therefore, the price charged the city by the company for "dump power" is not such a bargain. Furthermore, the record of the department's electric department, and development, shows that this "dump power" has been sold by the Holyoke Water Power Co. to another private company at less than 2 mills a kilowatt-hour, or less than half of what it would charge the city.

COSTS MORE TO BUY THAN TO GENERATE

If further proof is necessary that it is more advantageous to the city to manufacture its own power rather than purchase it, a reference to the records will show that the town of South Hadley purchased its entire supply of power from a private company. The price was 6 mills a kilowatt-hour. It has since gone up to 7 mills a kilowatt-hour. It is pointed out that the water department pays taxes by special legislation. Prior to this legislation the water department was in the position of paying gas and electric department, it paid an internal tax and sold water to the city at cost. Now, it pays taxes but charges the city the same rate for water as other customers in the same tax district.

The gas and electric management feels that its present arrangement, which is the general law of the Commonwealth, is the more equitable one, and the city obtains greater benefits thereby. However, the management has expressed a willingness to study both plans, and to accept whatever plan is determined by the city government. But the proponents of the municipal department have always suggested confiscatory taxation, and the electric department's financial stability, and this the management refuses to consider.

The operation of a municipal electric station is the yardstick by which the cost of electricity can be determined against the cost of electricity and the selling price of private companies.

LOWEST RATES IN STATE

In Holyoke the price charged for electricity for lighting is 4 cents a kilowatt-hour. No private company in Massachusetts has a price as low. In some places the rate is as high as 16 cents a kilowatt-hour. The average price throughout the State is 7
cents a kilowatt-hour, nearly twice the price in Holyoke. Our top rate is 4 cents for the first 2000 kilowatt-hours and 3 cents thereafter. Holyoke rates run from 2
cents down to 1 cent per kilowatt-hour.

Because we have this successful municipal department in Holyoke, the company obtains uniform power rates from public and private sources. That alone proves the value of the municipal department.

Anyone who reads the record cannot doubt that it was the initiative of the people, when they established this department, to obtain for themselves the exclusive business of furnishing gas and electricity for power, light, and heat. No one can deny that the courts accepted this intention in fixing the value of the properties and franchises sold to the city by the Holyoke Water Power Co. The investment price has been fully paid. Other millions of dollars of earnings have been put into the plants and equipment. The consumers of power and light have saved millions of dollars in 30 years of consistent low rates. Surely no one can expect more; some dared not hope for so much.

On its thirtieth birthday the Holyoke gas and electric department is more prosperous than ever. The people of Holyoke, from the smallest user of light, to the largest users of power, have been benefited so long as the municipal department retains its physical and financial strength.

PROSPECTING, EXPLORATION, AND DEVELOPMENT ARMY

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the Record a letter addressed to me by Prof. Albert L. Seeman, of the University of Washington, proposing a prospecting, exploration, and development army to search for gold in Alaska.قهلهب

There being no objection, the letter and summary were ordered to be printed in the Record, as follows:

UNIVERSITY OF WASHINGTON,
Seattle, March 27, 1933.

Senator C. C. DILL,
Washington, D.C.

Dear Senator Dill: The Members of Congress have been advised through President Franklin D. Roosevelt that employment must be found for 200,000 men within a short time and that twice that number within six months. With the hope of aiding the administration and the Members of Congress in this gigantic task of securing employment for these men, we wish to call attention to the following prospecting, exploration, and development army. The plan that we have here suggesting is one of rehabilitation rather than mere relief and is not in conflict with any of the programs already suggested for general relief. This program for rehabilitation is the prospecting of Alaska for gold by an organized army to be known as the "prospecting, exploration, and development army." It is the hope of the administration and the Members of Congress that this program of rehabilitation are, first, to give aid to the unemployed of the entire Nation; second, to increase the gold supply of the United States, and thereby stabilize the currency; and finally, to contribute to the banking and monetary system in particular; and, third, as a result of this exploration, to develop the area. Any one of these aims is sufficient to demand the attention of those interested in rehabilitation.

The territory of Alaska is about one fifth the size of the United States of America. This Territory contains large unexplored auriferous deposits, as well as large areas which contain mineralized workings. These areas have been partly mapped by the United States Geological Survey. Such areas offer a great field for a profitable noncompetitive industry. The Territory of Alaska would be today the greatest producer of gold in the world were it not for its inaccessibility except along the coasts and navigable streams. High wages in the States in recent years and the cost and difficulty of transportation in Alaska have checked gold production. The development of the airplane has made it possible to reach places in 2 or 3 hours that would have taken months under previous conditions. It has been shown that flying conditions are ideal in the entire Territory and that with safe and practical flying planes and hangars there are thousands of square miles in the most accessible regions that have never been prospected because of the difficulty and cost of transportation.

Prospectors are usually men of small means, and they cannot afford to buy supplies and pay for air transportation to places far from prospect, to pay for the hope of their discovery, or even to have the assurance being picked up and taken to the place from which they started if they find nothing. The result is that only a very few men start for every 50,000 that try.

Modern prospecting equipment is too expensive for men of small means, so that most men who go out are confronted by conditions that make it impossible to give up, when the background of the exception, the cost of prospecting and development is not a poor man's game, and while there are always a few courageous men scattered throughout the Territory, real developments will not come to Alaska until sufficient capital is furnished.

Many other countries have already carried out the suggestion that is being made here. Canada at the present time is increasing her gold supply tremendously by giving aid to the prospectors and by furnishing them plane transportation.

Many of the rehabilitation programs involving construction work are meritorious and will accomplish much, but they provide temporary livelihood for the men only. When the project is completed the employment ends. The plans here presented provides the men not only with a livelihood but also a lifelong interest as a shareholder, which we believe will pay large dividends.

All who are familiar with Alaska will realize that just one month's journey such as the prospector must make would cost $15 per month could be easily received in Alaska. The field is tremendous and the costs too large for the usual "grubstake" basis. The usual grubstake basis would not provide the entire cost of an army of many thousand men but would provide a start for every man to begin his own project. There are at least 50 sections of land which will be unexplored.

Nothing could be more of benefit to the entire country than the discovery and development of new and extensive gold fields in the Territory.

An organized army in Alaska, competently officered by men from the United States Geological Survey and financed by the Federal Government and furnishing airplane transportation, will do no dishonor to the results investigated and prospecting in the Territory.

The "prospecting, exploration, and development army" is to be recruited from unemployed American citizens between the ages of 18 and 40. The administration will furnish the equipment and supplies with which the men will be equipped, and the project will be directed by an experienced mining engineer. The plan here presented provides the men not only with a livelihood but also a lifelong interest as a shareholder, which we believe will pay large dividends.

Mr. President, I ask unanimous consent to have printed in the Record a letter addressed to me by Prof. Albert L. Seeman, of the University of Washington, proposing a prospecting, exploration, and development army to search for gold in Alaska.
This army will be officered by competent miners. The United States Geological Survey, Alaska Division, would have the supervision of the Alaska Division of the United States Geological Survey already have first-hand information relative to Alaska. These men are in fact engaged in the field work of mining; they are the logical department to head this enterprise.

The Federal Government would detail for this "army" all of the officers and men needed. Airplane transportation is the crux of this entire plan, for unless they can be detailed from the Army and Navy forces this plan cannot be carried out. The time has arrived when the military or naval aviators know flying conditions in Alaska, which is our nearest approach to the Orient. The present conditions in the Orient make it desirable to have thesemen know flying conditions which exist in Alaska and to establish airplane stations. The aviators while assigned to this task would still remain as part of their respective military or naval corps. They would coordinate with "the prospecting army" by providing the required transportation of the men. The determination of adequate planes for prospecting shall be made by the Army Air Corps, and the number of planes needed. Airplane transportation in Alaska would cost the Federal Government no more than maintaining them in the States and would increase the scope of its military program.

As an emergency measure the President of these United States can use funds already appropriated for relief measures, or sufficient money shall be appropriated by Congress to enlist, transport, and maintain these men in Alaska. Since the season in Alaska in which work should be started is short, it is urged that Congress take immediate steps to bring about this additional means of employment. Very truly yours,

Albert L. Seaman.

SUMMARY OF "PROSPECTING, EXPLORATION, AND DEVELOPMENT ARMY"

1. This "army" is to be composed of from 20,000 to 50,000 men.
2. This "army" is to be recruited from unemployed American citizens who can pass the physical examination and for a period of 2 years.
3. Members of the "army" shall be fed, clothed, and housed. There shall be at least one recruiting station in each State for enlistments. These recruiting stations shall be designated by the President.
4. These recruits are to be placed on a 50-50 grubstake basis. The Federal Government—the grubstake—is to receive 50 percent of the proceeds. These certificates will be honored by any national bank and shall become payable upon the expiration of enlistment.
5. From $5 to $15 per month can be borrowed on these certificates and up to 75 percent of the face value of the certificates. These certificates of participation shall be proportionate to the number of men in the "army" and to the length of service of the individual at the time the certificate is issued.
6. If a member of the "army" does not serve his full period of enlistment, he cannot mine in Alaska for a period of 5 years and he cannot be interested in mining in Alaska for a similar period.
7. None of the "army" without permission shall be considered as the same as not serving his entire enlistment.
8. Transportation shall be furnished all members of the "army" from the nearest recruiting station to the mobilization camp at Seattle, Wash. They shall be furnished transportation to their place of enlistment upon the termination of their enlistment. Those who do not keep their terms of enlistment shall not be furnished the return transportation.
9. The officers of this "army" shall be under the jurisdiction of the Chief of the Alaska Division, United States Geological Survey. They shall be competent miners capable of directing the work in the field. These officers shall be detailed by the United States Geological Survey.
10. The officer in charge shall be the Chief of the Alaska Division, United States Geological Survey. He shall be assisted by practical miners.
11. The officers of the "army" shall receive certificates of participation on the same basis as the enlisted men.
12. Officers shall keep a record of all prospecting squads and all development as it takes place.
13. Each squad shall be inspected by a superior officer before any area is abandoned as nonproductive. The abandonment can take place only after such inspection.
14. All records kept by the officers of the various districts shall be inspected periodically by a superior officer.
15. Transportation from the mobilization camp at Seattle, Wash., shall be free to the men in no case to exceed the regular rates or by military transports.
16. The determination of adequate plans for prospecting shall be determined by the officer in charge. He shall designate the number of planes needed.
17. From the mobilization camp to be attached to the "army" to be composed of volunteers from accepted surgeons and physicians or from the Medical Corps of the Army. They shall be classed as officers and asked to special duty.
18. Cooks, clerks, hunters, and fishermen and special duties of this class shall be from the enlisted personnel and assigned to special duty.
19. The various States, as governmental limits, may organize and finance units on the same basis as the Federal Government.
20. It is estimated that the cost of maintaining a man per year, exclusive of mining equipment and transportation, is $350.

IDEALS OF PRESIDENT WILSON—ADDRESS BY HON. JOSEPHUS DANIELS

Mr. BAILEY. Mr. President, I send to the desk an address delivered by the Honorable Josephus Daniels, now Ambassador to Mexico, at the tomb of Woodrow Wilson, Washington Cathedral, Washington, D.C., March 5, 1933, on the subject of Woodrow Wilson's Ideals, and request its publication in the Record.

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

[From the News and Observer, Raleigh, N.C., Mar. 6, 1933]

WILSON'S IDEALS NEEDED TODAY

Under this stone lies all that is mortal of Woodrow Wilson. It is dust. But there is more dust than here. There is the eternal life of an ideal. Not the man but the spirit that the man has brought us here. We have come up to this hillock and to this quiet chamber to capture again if we can something of his teaching, something of his courage and faith, to guide us in a period of uncertain drifting and certain doubt. We come here hungry for some portion of the high vision of Woodrow Wilson.

Here in this room of shadow and quietness we may stand for a little while apart from the turmoil and stir that rages and roars in the outside world. Do you not think, Mr. President, that the very fact that we can listen to the promises that if this country would refrain from war and conflict it would be granted a season of peace the Nation was weary of war and ready not only to put an end to the war, but to turn to some other thing? Do you not think that during the war years we had nothing but hyperbole? We were told that the war was the result of a selfish, an unscrupulous, an unfaithful nation. But when the war was over, what did we find? The world was hungry for some portion of the high vision of Woodrow Wilson. It was not America's consecrated use of the sword that brought us to the ills we bear today. It was the failure after the war to keep faith with the "indomitable spirit and ungrudging sacrifice of our incomparable soldiers" which lies at the bottom of our troubles.

When Mr. Wilson returned from Paris with the covenant of peace the Nation was weary of war and resolutely not only to put an end to the war, but to turn to some other thing. We have in the past century been the world's teacher. Do you not think that the Nation might possibly find the lessons that we can teach in this period of uncertain drifting and certain doubt? Here in this room of shadow and quietness we may stand and reflect upon the promises that if this country would refrain from conflict and war and conflict and war and conflict it would be the recipient of the peace the Nation was weary of war and ready not only to put an end to the war, but to turn to some other thing.

The growth of this material spirit he saw not only the immediate defeat of his own ideals. He looked forward like a prophet to the catastrophe it must certainly bring even upon the material-minded world. Ten years ago he wrote and pointed The Road Away from Revolution, the road away from the economic collapse which now engulfs us. The world he said had been made safe from the assault upon democracy of an insolent and ignorant Hohenzollern, but democracy remained to be made safe from the insolent and ignorant capitalists who "seemed to regard the world as their oyster, whom they used as mere instruments of their will, of their ends, and of their purposes."

"The nature of men and of organized society," he said, 10 years ago, "dictates the maintenance in every field of action of justice and right dealing; and it is essential to justice that the law be not only "the means of the day," but "the means of the ends of time and the supreme optimist of our history, they can find the solution in the long history of the United States. Here in this room of shadow and quietness we may stand and realize that the Nation was weary of war and ready not only to put an end to the war, but to turn to some other thing.

The President of these United States, Mr. Wilson, had shown the nation how to walk with God. He had shown the nation how to walk with God. He had shown the nation how to walk with God. He had shown the nation how to walk with God.

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future that "the stimulating memories of that happy time of triumph and emancipation embittered for us by the shameful fact that when the victory was won, the army was greeted by a less friendly reception than the enemy we had been combating. Our valor was received with envy, and our benevolence, in the judgment of our associates, refused to bear any responsible part in the administration of our business. A few weeks later, the hard results of war won at so fearful a cost of life and treasure, and withdrew into a sullen and selfish isolation which is deeply ignoble because there is no substitute." He continued:

He would not have been the Woodrow Wilson we honor if he had not cried out his indignation at this betrayal of the world. But he also heard that "in the permit, but no beverage shall be sold or served in any room used primarily for the serving and consumption of food; in the permit, but no beverage shall be sold or served in any room". He added:

On the occasion of my last visit to my beloved Chief, I spoke of my own THINGS that the American people had forgotten. "The sacred promises of 1917 and 1918. Mr. Wilson laid his good hand on my arm and said: "I am not one of those that have the least anxiety about the triumph of the principles I have stood for. That we shall prevail is as sure as God so many years since, he last did, and for all the world hope lies in the ideals of Woodrow Wilson, which were never more alive nor more needed than today."

Mr. Truman, Mr. President, I move that the Senate proceed to the consideration of H.R. 3342, the beer bill for the District of Columbia.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 3342) to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes, which had been reported from the Committee on Commerce, which number of citizens of the District of Columbia by reason of an amendment to strike out all after the enacting clause and to insert:

_Be it enacted, etc.,_ That the term "beverage" as used in this act means beer, bier, beer, ale, porter, wine, similar fermented malt or vinous liquor, and fruit juice, containing one half of 1 percent or more of alcohol by volume, and not more than 3.2 percent of alcohol by weight.

(a) No Individual, partnership, association, or corporation shall within the District of Columbia manufacture, sell or offer for sale or solicitation of order for sale, or solicitation of order for sale of beverages, within the District of Columbia, subject, however, to the limitations and restrictions imposed by the act, shall be a permittee under this act except in the case of retail dealers, which shall authorize the permittee to sell the beverages in barrels, bottles, or other closed containers to other permittees for resale only.

(b) No Individual, partnership, association, or corporation shall within the District of Columbia manufacture, sell or offer for sale any beverage without having first obtained a permit under this act except in the case of retail dealers, which shall authorize the permittee to sell the beverages in barrels, bottles, or other closed containers to other permittees for resale only.

(c) Any individual, partnership, or corporation desiring a permit under this act shall file with the commissioners an application therefor for the manufacture, sale, or offer for sale, or solicitation of order for sale, or solicitation of order for sale of beverages within the District of Columbia, setting forth the name and address of the true and actual owner of the business permitted, or intends to carry on the business authorized by the permit for the sale of, within the District of Columbia, any beverage if the vendor of such beverage is the holder of a permit issued under this act authorizing such sale. Solicitor's permits shall not be issued without the recommendation of the vendor whom the solicitor represents. Nothing in this act shall be construed as repealing any portion of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended.

Section 5. (a) Any Individual, partnership, or corporation desiring a permit under this act shall file with the commissioners an application therefor for the manufacture, sale, or offer for sale, or solicitation of order for sale, or solicitation of order for sale of beverages, within the District of Columbia, setting forth the name and address of the true and actual owner of the business permitted, or intends to carry on the business authorized by the permit for the sale of, within the District of Columbia, any beverage if the vendor of such beverage is the holder of a permit issued under this act authorizing such sale. Solicitor's permits shall not be issued without the recommendation of the vendor whom the solicitor represents. Nothing in this act shall be construed as repealing any portion of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended.

(b) The holder of a manufacturer's or wholesaler's permit shall not be entitled to hold any "on sale" permit and shall be entitled to hold only one "off sale" permit, which shall be issued in respect of the premises designated in his permit as a manufacturer or wholesaler's permit.

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(b) The holder of a manufacturer's or wholesaler's permit shall not be entitled to hold any "on sale" permit and shall be entitled to hold only one "off sale" permit, which shall be issued in respect of the premises designated in his permit as a manufacturer or wholesaler's permit.
angered shall terminate, such permittee shall forthwith notify the Commissioners of such termination, and shall within a reasonable time make a new application or, if such application is not made, within the time specified in such application, shall be subject to the approval of the Commissioners. If no manager acceptable to the Commissioners is designated within a reasonable time after the approval of the former manager, the said permit shall, in the discretion of the Commissioners, be revoked.

Sec. 8. If any manufacturer or wholesaler of beverages shall have any substantial financial interest, either direct or indirect, in the business of any other person under 18 years of age. Any person violating the provisions of this act or any of the rules and regulations not inconsistent with law, may be punished by a fine not exceeding $500 or by imprisonment for not more than 6 months or by both such fine and imprisonment, in the discretion of the court.

If any permittee is convicted of a violation of the provisions of this act or any of the rules and regulations promulgated pursuant thereto, the court shall immediately declare his permit to be revoked and notify the Commissioners accordingly, and no permit shall thereafter be granted to him within the period of 3 years thereafter. Any permittee who shall sell or permit to be sold on his premises or in connection with his business or on the premises of another person, any alcoholic beverages not authorized under the terms of this act, unless otherwise permitted by law, shall, upon conviction thereof, forfeit his permit in addition to any punishment imposed by law for such offense.

Sec. 17. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, it shall be applied so as to effectuate its intent, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

Sec. 18. It shall be unlawful to sell or offer for sale any beverage within the District of Columbia prior to April 7, 1933.

The VICE PRESIDENT. Without objection, the committee amendment is agreed to, and, without objection, the bill will be considered ordered engrossed for a third reading, read the third time, and passed.

Mr. ROBINSON of Arkansas. Mr. President, I think the Senator in charge of the bill should make an explanation of its provisions.

Mr. TYDINGS. I shall be glad to do so.

Mr. COUZENS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Michigan will state it.

Mr. COUZENS. Did I understand the Chair to say that the District beer bill had been passed?

The VICE PRESIDENT. Yes. The Chair stated that, without objection, the committee amendment would be agreed to. There was no objection. Then the Chair said—

Mr. ROBINSON of Arkansas. Mr. President, this is a bill of importance, and there is not the slightest occasion to take snap judgment in the matter. If the committee amendment has been agreed to and the bill has been passed, I ask unanimous consent that the votes whereby the amendment was agreed to and the bill as amended be considered.

The VICE PRESIDENT. Without objection, the votes whereby the bill was ordered to be engrossed for a third reading, read the third time, and passed will be reconsidered, and, without objection, the vote whereby the committee amendment was agreed to will be reconsidered. The amendment reported by the Senate committee is now pending, and the Senator from Maryland [Mr. Tydings] is entitled to the floor.

Mr. ROBINSON of Arkansas. Mr. President, before the Senate begins his remarks let me say that I should like to have, during the course of his discussion of the bill, an analysis of the distinction between the bill as passed by the Senate and the bill as passed by the House; and, if the Senate amendment is now pending, and the Senator from Maryland [Mr. Tydings] is entitled to the floor.

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An off-sale permit is also made available under this bill; and the permittee can sell beverages in original containers, not to be consumed on the premises where the beverages are sold. That would apply to delivering a case of beer to the house of an individual, or to a club, or to a restaurant, or to anyone else.

Then the bill provides for wholesale permits, because many of the brewers will not make beer in the District, and they will have wholesale houses through which their product will be dispensed; but the holder of a wholesale permit cannot sell beer for the purpose of having it consumed on the premises of the permittee. He can sell it to other permittees—that is, to on-sale and off-sale permittees.

Finally, there is a solicitor's permit. That provision was added by the Senate committee—it was not in the House bill—for the reason that it was thought that those who solicit from door to door for the sale of the beverages provided for in this bill should register with the District of Columbia Commissioners, so that only authorized persons holding permits might make these solicitations. Otherwise, the public might be subjected to fraudulent solicitations, and might be mulcted through paying solicitors for beer which the purchasers would never get.

Mr. NORRIS. Mr. President—The PRESIDING OFFICER (Mr. McNary in the chair). Does the Senator from Maryland yield to the Senator from Nebraska?

Mr. TYDINGS. I yield to the Senator.

Mr. NORRIS. When the Senator reached the subject of solicitors' permits I was just reading the report, which, so far as I have read it, seems to me to be a very illuminating, fair statement; but I do not understand why there should be a solicitor's permit. Is it the theory that the solicitors who will get these permits will go from house to house trying to sell beer?

Mr. TYDINGS. Let me explain to the Senator why we put in that provision.

As the Senator will see in the bill, neither a brewer nor a wholesaler can sell except to other permittees. That means that if the Senator wanted to buy a case of beer he would be unable to get it except through an off-sale permittee. Now, suppose one of the brewing companies of America should want to do business in the District of Columbia. They would get, I suppose, a wholesale permit. That wholesale permit would allow them to bottle their beer within the District of Columbia. They might ship it in barrels and transfer it to bottlers here, but there would be no provision as to sale between the wholesale permit holder and the individual who wanted to purchase the beer.

I might want to buy a case of beer from a wholesale permit holder and say, "I should like to represent your concern here." He would say, "All right; you can go ahead and push the sale of my product." Then when I knocked on a man's door he would not know whether I was an authorized representative of the wholesaler or an unauthorized representative. We thought that every person connected with every phase of the sale and delivery of beer should be licensed by the governing authorities of the District of Columbia.

Mr. NORRIS. Mr. President, will the Senate permit a further interruption?

Mr. TYDINGS. Will the Senator let me go on for just a second more?

Mr. NORRIS. Yes.

Mr. TYDINGS. We were afraid that there might be some part of the general control over the sale of beer which would not be under the District Commissioners; and we therefore authorized the solicitor's permit, more for the purpose of knowing who was furnishing the outlet for the beer than from any desire for revenue, or for any other purpose.

Mr. NORRIS. Why would it not meet the situation to have an individual who wanted to buy beer go to a place where there was a legal licensor who had authority to sell it, and buy it of him?

Mr. TYDINGS. He can do that, may I say to the Senator.

Mr. NORRIS. I cannot see the use of adding to that a provision that it seems to me would result in a wholesale group of people going around from house to house trying to sell beer.

Mr. TYDINGS. That was the thing we had in mind. May I point out to the Senator that if we strike out of the bill the solicitor's-permit provision, then anybody can go and solicit for the sale of beer. They could knock on the door and say, "I represent such and such a company, and would like to sell you some beer."

Mr. NORRIS. In the "good old days" we did not have anything of that kind, when it was free to anybody. No permits of this kind were issued then. I have never heard, at least, of a complaint being made of people canvassing, like a lot of book agents, the people of the community for the purpose of selling beer. There were certain persons who had a legal right to sell beer, and were licensed to sell it; and purchasers had to go there.

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

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Arkansas?

Mr. TYDINGS. I yield to the Senator.

Mr. ROBINSON of Arkansas. I imagine that one of the purposes of the provision is to safeguard against the bootlegging of beer having an alcoholic content in excess of that authorized by law. It is readily conceivable to me that with no person permitted to solicit for beer manufacturers or beer sellers except those who are authorized or permitted by law to do so, responsibility for violations of the law can much more easily be located and violations prevented.

Mr. TYDINGS. The Senator is exactly right, because, having put the permit system in this bill, the consumer knows that the beverage which he is buying, is, first of all, a legal beverage; secondly, that it has been cleanly manufactured under the rules which govern the manufacture of beverages. Without the permit I might be solicited, but I would not know whether I was getting the real beer from the company from which I wished to purchase it or whether it was some home-manufactured beer.

May I say to the Senator from Nebraska that we were afraid that if we did not provide for the issuance of these solicitors' permits to those who wanted to sell beer directly to the consumer, but not to be consumed on the premises where sold, there would be a hiatus between the manufacturer of the beer and the ultimate consumer which would lead to violations by bootleggers, by fraudulent solicitors, and that many people who were entitled to protection might be taken in. We did not have this provision in the bill at our first committee meeting. It came up subsequently; and I think, after looking into the matter, the committee were unanimous—both those opposed to the bill, as a matter of principle, and those who were for it—in believing that the public would be safeguarded rather than hurt by this provision.

I myself think that without the provision solicitations will go on, and they will be for products which are not authorized by this bill. I believe that the public welfare will be served by this provision.

Mr. NORRIS. Of course, I want the Senator to understand that I am not questioning the good faith of the Senator or of the committee.

Mr. TYDINGS. I understand.

Mr. NORRIS. I do not yet see, however, why such a provision should be made. Would it not be just as possible and just as easy with this provision as without it for someone to do without a permit to go around and canvass and sell beer?

Mr. TYDINGS. If there were no permit provision, what the Senator says is true.

Mr. NORRIS. In the operation under the license system that prevailed prior to prohibition, there never has been,
so far as I know, a claim anywhere that the business was such that we ought to authorize these dealers to send agents and sell their products.

Mr. TYDINGS. Yes; I think I can say to the Senator with substantial accuracy that that was the case, even in the days when saloons were plentiful—that agents did go around to clubs and to homes and solicit business.

Mr. NORRIS. To private individuals?

Mr. TYDINGS. Yes, sir.

Mr. NORRIS. I never knew that there was such a thing.

Mr. TYDINGS. I think it is only fair to add that there was not much of it, however; because in the “wet” communities there were so many outlets that it was unnecessary.

Mr. NORRIS. I cannot see the necessity of it. These solicitors have to pay a license fee of only $1.

Mr. TYDINGS. That is all.

Mr. NORRIS. So that it would be mostly a matter of form to become an agent for some permittee or licensee to go around and canvass the people of the community.

Mr. TYDINGS. That is right; but a permit could not be obtained without the approval of a man who held some other license.

Mr. NORRIS. The person who issued the permit would be a licensee, would he not?

Mr. TYDINGS. No; it would be the District Commissioner who would issue the permit, but upon the approval of the principal for whom the solicitor was to work. The idea was that in this bill we sought to keep track of all beer from the brewer to the ultimate consumer, so that every phase of the business could be controlled. We were afraid that if we did not have these permits for solicitors there might be one phase of the business which would be uncontrolled which had best be controlled.

Mr. NORRIS. Is there any reason to think that if this part of the bill were stricken out, people would come in and bootleg, as the Senator says, some product, and ship it into some other place?

Mr. TYDINGS. Yes, sir.

Mr. NORRIS. Certainly everybody would know that certain people were licensed to sell this product. I do not understand why it would be necessary or why a community would care to be bothered with people coming to their houses continually from the various licensees of the city, trying to sell them something to drink, when they would all know that if they wanted it they could telephone to the licensee and have it delivered, if they cared to buy it in that way.

Mr. TYDINGS. I think there is something in what the Senator says. May I say, however, that we put in this provision as the lesser of two evils. We did not want the public annoyed; but we were afraid that the public would be more injured if this provision were left out than if we inserted it. In that we may be wrong; but we had the public welfare in mind in inserting this particular provision. If it does not work out as we hope it will, I shall be one of the first, when opportunity arises in the future, to strike the provision from the bill.

Mr. COUZENS. The President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Michigan?

Mr. TYDINGS. I yield to the Senator.

Mr. COUZENS. The Senator will recall that in the District Committee I raised some objection to the language on page 11, whereby restaurants, and so forth, may sell this beer in the bill or not.

Mr. TYDINGS. The Senator refers to parked vehicles on private property?

Mr. COUZENS. Yes. The Senator will observe, on page 11, line 4—

Mr. TYDINGS. If the Senator will permit me to interrupt him a moment, for the benefit of those who may be listening and who do not understand what we are speaking of, I am the Senator from Michigan and myself, who are both on the committee, may I say that some question arose as to when one could sell the beverage provided for in this bill to persons in an automobile. There are many barbecue stands and restaurants where a man might want to drive in and get a bottle of beer, and therefore the question of whether he should be able to get it or not was brought to our attention. We provided that he could not get it in an automobile under any conditions unless he was on the private property of the licensee selling it.

Mr. COUZENS. Mr. President, if the Senator will yield, I want to point out that this is one of the most vicious provisions of the bill. In other words, if we are to restrict the sale of this beer to people over 18 years of age, how can the licensees know who is in the vehicles? Four or five people may be in a parked vehicle on the premises where the beer is sold. This provision is wholly inconsistent with the provision limiting the sale to those over 18 years of age. I should like to have the Senator agree to take that language out.

Mr. TYDINGS. I yield to the Senator that I am not unsympathetic with the very point he makes. He will recall that in the committee I questioned the wisdom of this provision; but the committee saw fit to put it in, and I do not feel that I can, in justice, consent to the amendment.

Mr. COUZENS. The Senator will not object to my making a motion to amend?

Mr. BARKLEY. Mr. President, I move to strike from the bill, if the Senator from Kentucky will bear with me a moment.

The committee had this problem in dealing with the proposition: There are some barbecue stands—in the outskirts of the city, particularly—which serve as many as three or four or five thousand people a day, particularly in the summertime, when people are driving about. They really serve what we might call a poor man’s lunch, or dinner, to a man who cannot afford to go to a hotel. To that class of people these barbecue stands are regular restaurants serving food, and the committee was rather inclined to liberal. But, as the Senator says, there are a number of places which are not conducted along that line, and it was difficult for us to draw the line between the poor man’s dinner with his bottle of beer, or his lunch with his bottle of beer, and the night-club barbecue-stand affair.

Mr. COUZENS. Will the Senator yield further at that point?

Mr. TYDINGS. I yield.

Mr. COUZENS. I would have no objection to those places which the Senator describes if they would have tables; but permitting people to sit and drink in automobiles—drinking that stuff, with a lot of young girls in the automobiles, and all below 18 years of age—is wholly inconsistent with limiting the sale of the beverage to people over 18 years of age.

Mr. TYDINGS. I am bound to say there is a great deal of force in what the Senator says. I cannot agree to the amendment and shall vote against it, but I can understand why others would vote for it.

Mr. BARKLEY and Mr. JOHNSON addressed the Chair.

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

Mr. TYDINGS. I yield first to the Senator from Kentucky, who was on his feet first, and then I will yield to the Senator from California.

Mr. BARKLEY. I would like to have the attention of the Senator from Maryland and also the attention of the Senator from Michigan. It strikes me, on first blush, that this language holds out some discrimination as between stores, or “hot-dog joints”, or whatever you call them, which are on the sidewalk, flush up with the street, and those which sit back far enough so that one can drive in. Under the law here anybody who conducts an establishment along the edge of the street would not be able to sell to a man or anybody else who drove up in an automobile and stopped and would like to get some of the beverage; but if the house is back from the street far enough so that the automobile can drive in and be on private property, those in the automobile would have the beverage. I do not really see any particular reason for that discrimination. I am not advocating that the licensees be allowed to sell to anybody in an automobile;
but if they are to be allowed to sell to people in cars, I see no reason why there should be any discrimination against the people who drive up on the street and sit in front of a place, where there is no private parking ground, if it is allowed at all.

Mr. TYDINGS. As I pointed out a moment ago, we had in mind primarily the outlying barbecue stands, which are really run on a restaurant basis. I do not mean to say that much of what the Senator says is not well grounded and sound.

Now I yield to the Senator from California.

Mr. JOHNSON. I wanted to ask upon what theory the committee inserted the word "wine" in line 16, page 9, in this measure?

Mr. TYDINGS. As I recall, that was put in to make the language conform exactly with the language of the national beer bill.

Mr. JOHNSON. That is quite true; the expression does occur in the national beer bill, I grant you, but there is no such thing as 3.2 percent wine, and what in the world is the reason there should be any discrimination against those who are engaged in grape culture in the State of California, for instance. I speak for them by the book, I think.

Mr. TYDINGS. I think what the Senator says is very fair comment on this bill, but I know the Senator will appreciate that the committee had only the motive of making the bill conform exactly with the national beer bill, so that we would not be accused of trying to write in or leave out matters which had been embraced within the definition of the national beer bill.

Mr. JOHNSON. I think the Senator gives a reasonable explanation as to why this provision is in the bill, but at the appropriate time I am going to ask the Senate to strike it out. If it is of no use and if it is absurd and if there is no such thing, why put it in the bill?

Mr. TYDINGS. As I said to the Senator, I think it would be best to stick to the national law. If the language were not in the national law, then I think we could leave it out here; but, inasmuch as it is in the national law, I feel that we, as a committee acting under that law, should make our definition exactly in conformity with the national law.

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

Mr. TYDINGS. I yield.

Mr. BARKLEY. If it does not strike me that the grape-growers or winemakers have any real reason for complaint here because, if with the present limitation of one half of 1 percent they are selling wine containing 22 percent of alcohol, if we increase the permissible content to 3 percent they can increase their wine to one containing 120 proof of alcohol or wine almost totally alcohol. So if the limit of one half of 1 percent has not prevented them from selling real wine, certainly the provision as to 3.2 percent will not.

Mr. JOHNSON. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield.

Mr. JOHNSON. Do I understand the Senator to say that under the Volstead Act they have been selling wine with that alcoholic content?

Mr. BARKLEY. I have been told that there is a certain product issued by United Fruits, Ltd., which is well known in this country, and whose representatives in Washington is well known indeed, and that they are selling that beverage in bottles on which it is stated that it contains 22 percent alcohol, and I was wondering, if a limitation of one half of 1 percent has not prevented them from selling a beverage containing 22 percent of alcohol, what complaint they have against a provision as to 3.2 percent, if they can multiply it in proportion.

Mr. JOHNSON. If that is the Senator's reason for the insertion in this bill—

Mr. BARKLEY. I did not insert it, and I am not expressing any reason. I am just wondering whether any complaint is justified.

Mr. JOHNSON. In order that the practice may be continued, the selling in violation of the Volstead Act, perhaps we can accept it. But I am not aware of the sales to which the Senator refers.

Mr. BARKLEY. There is a certain beverage known as "Virginia Dare"—

Mr. JOHNSON. Is it good?

Mr. BARKLEY. Which is sold in drug stores as a tonic, the label on which states that it contains 22 percent of alcohol, although they are limited to one half of 1 percent.

Mr. SMITH. What effect does it have?

Mr. BARKLEY. "It is good for what ails you", it is said.

It is so advertised.

Mr. JOHNSON. It might be possible, Mr. President, to accept with equanimity and philosophy a description of this sort if the purpose were to permit the sale of California wines, or wines manufactured elsewhere, with an alcoholic content of 10 percent, or 12 percent, or 18 percent, or 22 percent, as the case may be. But if, speaking seriously, we are dealing with a subject which holds the wine producers in that by a designation of that sort we would preclude them from what is their desire, of having passed a bill which is now pending in the House of Representatives, under which the alcoholic content is fixed, I think, in Representative Lea's measure, at 10 percent, and which they claim they will be constitutionally able to maintain. That is their attitude.

Mr. BARKLEY. Mr. President, seriously speaking, of course we all know, regardless of whether we are connoisseurs of wine or any other beverage—and I do not claim to be, and protest that I am not—we all know that naturally fermented wine requires 10 or 12 percent in order to preserve it.

Mr. JOHNSON. Quite so.

Mr. BARKLEY. There is no question about that as a matter of fact. I do not know what the testimony was before the committee which handled the pending bill, but when we had up the other bill before the Committee on Finance there was some testimony, and there were some letters and telegrams, presented to us indicating that there was a certain type of wine, or vinous liquor, as we call it in my State, which could be manufactured and maintained with an alcoholic content of 3.2 percent.

I do not know just the nature of that beverage, whether it is naturally fermented or whether it is artifically treated; but when the matter came up in the committee and was presented, there was some testimony to the effect that there was probably an artificially manufactured wine of some kind which was possible with 3.2 percent of alcohol, and it was not understood that this increase in the alcoholic content permitted under the pending bill, or the other bill, would really have any effect upon those who were actually manufacturing, either for home consumption or otherwise, wine with more alcohol in it than was permitted under any law we might enact under the Constitution. I do not know whether the Senate is familiar with that type of beverage or not.

Mr. JOHNSON. No; the only type of such beverage I recall is some soda pop, or something of the kind, into which they will put a small portion of wine and claim that the beverage thus presented contains only the alcoholic content that is inserted in the bill. I do not think there is anything else that, unless they claim that they, by a "dilution" process, do something that is not yet by any means demonstrated.
Mr. BARKLEY. Do something which nature never intended.
Mr. JOHNSON. Exactly. So far as I am concerned, if it be possible to do so, in deference to the wishes merely of my constituents, who object to being put in that attitude, I would like to strike the word "wine" out.

Mr. TYDINGS. Mr. President, if the bill to which the Senator refers is coming over, I hope that perhaps on that bill or some of the pending beer bills by an amendment rather than amending the pending bill. I believe that will come over, and I shall be very glad to join with the Senator then in taking care of the matter which he has presented; but as long as we have the national law, I hope the Senator will not push his amendment now, and that we can keep the definition that is written. I am sure that most of us who are for this bill will be glad to correct that matter, perhaps, when it comes over in the wine bill proper.

Mr. JOHNSON. Just an instant, if the Senator will yield again.

Mr. TYDINGS. I yield.

Mr. JOHNSON. The Senator is entirely correct; the way in which it should be dealt with is in a measure such as that presented by Representative Lax of California, which is pending in the other House, by which the alcoholic content is fixed at such a point that it will permit the manufacture of wine, as wine is manufactured today under section 29 of the Prohibition Act.

I am very glad to hear the Senator's statement, because of his familiarity with the subject and his standing in this body, that if Congressman C. F. Lax's bill comes over here he will aid in its presentation and in its passage.

Mr. TYDINGS. Mr. President, may I say by way of the subject which has just been discussed, which has nothing to do with the bill now before us, that it has always been a thought of mine that the ultradry—[that is, those who are sincerely in favor of prohibition and believe there should be no alcoholic content in beverages—have made a mistake during the time we have had national prohibition in not permitting the lighter beverages to be sold under proper conditions. I do not believe that as a general rule beer and wine under proper sale would do very much harm, but I do believe that if we had had the right to buy and sell them during the last 5 or 6 years the harm would have been less than has resulted from the bootlegging of stronger beverages and teaching many people to drink them. However, that is not before us now.

I do not want to see the old liquor conditions come back, even though I am classed as an ardent wet. I think there were some things in the prohibition plan which were well meant, but I believe the extreme viewpoint of not having any alcohol at all has really done the cause of temperance a great deal more harm than good in the light of the experiences of the last 13 years. For that reason, if wine can legally be manufactured under the eighteenth amendment, I believe it would be conducive to temperance rather than injurious to it.

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

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

Mr. TYDINGS. Certainly.

Mr. VANDENBERG. Will the Senator address himself briefly to this question: A number of Senators have been discussing whether or not there would be an opportunity for the uncontrolled sale of beer in the District if this legislation is not enacted?

Mr. TYDINGS. Yes; I see the Senator's point.

Mr. VANDENBERG. Will the Senator discuss that question?

Mr. TYDINGS. The Senator means does the beer bill override the old act which applied to the District of Columbia on the subject?

Mr. VANDENBERG. Yes; and if no legislation of this character were enacted, would that permit the uncontrolled sale of beer in the District?

Mr. TYDINGS. The committee went into that question, and I went into it myself a little more thoroughly, perhaps, than other members of the committee. Mr. Bride, seems to be of the opinion that the national beer bill which we passed the other day makes the sale of beer in the District of Columbia legal after the 7th of April, even without this bill. However, there are other attorneys who have looked into the matter who think the national beer bill did not give that authority to the District of Columbia. There is no place where that matter can now be defined. Such authority as we can appeal to, namely, the corporation counsel, seems to feel this bill would not be necessary. Therefore we thought it wise, in the event that the corporation counsel's view was correct, namely, that beer could be sold without this bill to take time by the forlock, and, if it is going to be sold, to have a bill similar to this, so it could be properly dispensed to those who want to buy it.

Mr. President, there are no other amendments which the committee has to offer, and unless there are some other questions, I see no need of prolonging the discussion. I would like to say in closing that, so far as possible, it is my intention—and I am sure I speak for the other members of the committee—to throw around the bill every safeguard that we can possibly devise. I do not say it with any pride of authorship, but I believe it will be the strictest bill for the sale of beverages in the United States—that is, beverages of this character—if I may judge from what I have seen of other acts. It may have imperfections in it, of course, but I hope we can cure those when I find out what they are.

Mr. NORRIS. Mr. President—

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

Mr. TYDINGS. Certainly.

Mr. NORRIS. Simply as a matter of clarification, I am wondering why the two methods of measurement of alcohol are used in the bill, one by volume and one by weight?

Mr. TYDINGS. Where does that occur?

Mr. NORRIS. On page 9, lines 17, 18, and 19, "containing one half of 1 percent or more of alcohol by volume, and not more than 3.2 percent of alcohol by weight."

Mr. TYDINGS. I may say to the Senator that the reason why that occurs is that one half of 1 percent of alcohol by volume makes a very odd fraction by weight. Furthermore, one half of 1 percent of alcohol by volume was the language of the old Volstead Act. Rather than have a figure—I do not have it exactly in mind, but let me suppose—like 0.425 by weight, we kept the volume content as a means of simplification of our real intent.

Mr. WALSH. Mr. President, I offer the following amendment. On page 11, line 6, after the word "but", "insert the words "except in the case of a drug store or restaurant license." I understand that the language on page 11, which I shall quote, was for the purpose of eliminating the sale of this beverage in drug stores and delicatessen stores. I quote the language:

But no beverage shall be sold or served in any room not used primarily for the serving and consumption of food.

Mr. TYDINGS. No; that is not true. What we wanted to do was to limit the sale of this beverage to only those places which make a business of serving food to their customers.

Mr. WALSH. The Senator will agree, of course, that a large number of drug stores make the sale of food a very important feature of their business.

Mr. TYDINGS. That is true.

Mr. WALSH. My amendment proposes to allow them to get permits to sell this beverage in the case of those drug stores which hold a restaurant license, and in no other class of drug stores except those which hold restaurant licenses.

Mr. TYDINGS. May I say to the Senator from Massachusetts that a great many druggists have asked me to see if a provision of that kind could be placed in the bill. There are no doubt a great many cases where a pretty strong argument can be made in support of what they wish to obtain. The committee, however, felt that to throw the
doors open too widely would bring the sale of beer into disrepute. The committee also felt that perhaps in drug stores the committee has taken any very strong position in opposition; but, nevertheless, we should face the facts. It is letting down the bars. It cannot be held to hotels and restaurants and incorporated clubs where the beverage will be sold for consumption on the premises, but it will be in places like drug stores. I can see no reason why the hardware merchant should not get a restaurant permit and have the privilege also. I see no reason why Woodward & Lothrop should not get a permit to sell on the premises. They have a teashop where food is served.

Mr. WALSH. Why should they not do so if this is in fact a nonintoxicating beverage?

Mr. TYDINGS. Why write any restriction at all in the law? Why not let it be sold by anybody and everybody?

Mr. WALSH. I think there should be permits issued to sell this nonintoxicating beverage, but that the limitations on permits should not exclude drug stores that sell food.

Mr. TYDINGS. I take the position, and I am going to be perfectly frank about it, that if 3.2 percent beer by weight is drunk by a child 8 or 9 or 10 years of age, it would probably make such a child drunk—that is, assuming he of course children frequent so-called "restaurants", do they not, with their parents and sit at tables and have the right to have such a permit regardless of their reputation or standing in the community?

Mr. TYDINGS. Oh, no; that is not true.

Mr. WALSH. They would not have to issue a permit to everyone applying, would they?

Mr. TYDINGS. No; it would be mandatory.

Mr. WALSH. They would not have to issue a permit to everyone applying, would they?

Mr. WALSH. Oh, yes. The number of permits is not limited except insofar as limited by qualification.

Mr. TYDINGS. What establishments can receive permits through the mandatory provisions of the bill?

Mr. TYDINGS. Only bona fide hotels and restaurants which have been in business 6 months before making application for a license. They are the only public agencies that can have beer sold and consumed on the premises.

Mr. WALSH. And they have the right to have such a permit regardless of their reputation or standing in the community?

Mr. TYDINGS. Of course there is discretion left with the Commissioners. If a man has committed a felony, for instance, he may not have a permit.

Mr. WALSH. Who has that discretion?

Mr. TYDINGS. The Commissioners of the District of Columbia.

Mr. WALSH. Then, if I understand it, the Commissioners of the District of Columbia can refuse a hotel keeper or restaurant owner a permit?

Mr. TYDINGS. Yes; but if he was qualified under the act, he could go into court and get the permit, notwithstanding the refusal of the Commissioners.

Mr. WALSH. What are the disqualifications named?

Mr. TYDINGS. They are all set forth in the bill and cover 10 or 12 pages. I read them once.

Mr. WALSH. I have been out of the Chamber and did not hear them read.

Mr. COPELAND. Mr. President, will the Senator from Massachusetts yield to me?

Mr. WALSH. If I have the floor, I yield to the Senator from New York.

The PRESIDENT pro tempore. The Senator from Massachusetts has the floor.

Mr. COPELAND. May I suggest to the Senator that he insert the language he proposes in line 4, page 11, after the word "restaurants"?

Mr. WALSH. Yes.

Mr. COPELAND. The experts who drafted this bill inform me that it would not accomplish the purpose I seek if inserted in that place. They inform me that I have designated the proper place to insert it.

Mr. COPELAND. The proper place is where the Senator proposes it?

Mr. WALSH. Yes.

Mr. COPELAND. We discussed this matter in the committee and thought it wise to have the beverage served only at public tables. The Senator is accomplishing what he has in mind by permitting the sale in drug stores and by permitting the beverage to be served at public tables?

Mr. WALSH. So it would read:

In the case of restaurants or drug stores with restaurant licenses, at public tables—

And so forth.

Mr. WALSH. The experts inform me that it would not accomplish the purpose I seek if inserted in that place. They inform me that I have designated the proper place to insert it.

Mr. COPELAND. The proper place is where the Senator proposes it?

Mr. WALSH. Yes.

Mr. COPELAND. In line 12, after the word "restaurant", the words "or drug stores" should be added, so we will not have any "fly-by-night" drug stores. Then it would read:

In the case of restaurants and drug stores holding restaurant licenses, at public tables—

And so forth.

Mr. TYDINGS. That would be very much better, it seems to me.

Mr. WALSH. The experts inform me that the place named in my amendment would be preferable.

Mr. COPELAND. In line 12, after the word "restaurant", the words "or drug stores" should be added, so we will not have any "fly-by-night" drug stores. Then it would read:

Mr. TYDINGS. Mr. President, may I point out to the Senator from New York and the Senator from Massachusetts that I have no basic objection to his proposal? May I say we have now pending before the country a proposition known as the repeal of the eighteenth amendment, and I feel that we would be very short-sighted, indeed, if we did not surround whatever sale of liquor or beer or wine is permitted pending action upon the repeal of the eighteenth amendment by the States with all the possible safeguards we can. If we do not watch out, we are going to do exactly what the brewers and distillers did, which helped to bring on prohibition. They had so many outlets for their products that a great many people who normally would have been opposed to prohibition became disgusted with the inordinate greed and avarice of those who were trying to sell these beverages.

Mr. WALSH. Mr. President, I am not out of sympathy with the suggestions of the Senator, as he knows.

Mr. TYDINGS. I know the Senator is not, and for that reason I am appealing to him, as a coworker in the cause of temperance and the repeal of the eighteenth amendment.

Mr. WALSH. I am informed that there is a quarrel between the restaurant owners and the drug stores that have
engaged in certain branches of the restaurant business and that the committee is not united upon the proposition of whether drug stores that are conducting restaurants should or should not be included.

Mr. TYDINGS. I say to the Senator that, of course, a drug store could get an "off sale" license and it could sell to anybody in the neighborhood the beverages covered by the bill, but not to be consumed on the premises. Suppose wine should be legalized, should we then permit wine to be sold in drug stores along with restaurants; and suppose liquor and wine to be sold in drug stores, as the Senator would permit beer to be sold?

Mr. WALSH. Of course, when the Senator refers to wine he is describing an intoxicant.

Mr. TYDINGS. Oh, no, we have a bill coming over which defines the word "intoxicating." Mr. WALSH. I understand the Senator has taken that position in previous debates here on the floor. I do not agree with him. I think any beverage which contains over 10 percent of alcohol, content is intoxicating and therefore in violation of the Eighteenth amendment. The Senator is alone in his contention that wine is not liquor and therefore is not forbidden by the Eighteenth amendment, which forbids the sale of all intoxicating liquors.

Mr. TYDINGS. Suppose that contention should be over­ridden, and suppose wine should be legalized, having established the precedent for the sale of beer in drug stores, would we then not have to permit drug stores, as well as restaurants, to sell the legal wine?

Mr. WALSH. I do not think there is any possibility of such an enactment by the Congress.

Mr. TYDINGS. I assure the Senator there is a great possibility of it.

Mr. WALSH. Does the Senator mean to indicate that Congress will pass a bill attempting to define wine that contains 10 percent of alcoholic content as nonintoxicating?

Mr. TYDINGS. I do not claim to be a prophet, but may I say it is not without the realm of possibility by any means?

Mr. WALSH. That wine is nonintoxicating liquor cannot be successfully established. If it were so, we would have found it out during the last 13 years. Anyway we are not dealing with that question now.

Mr. TYDINGS. But we will be dealing with it.

Mr. WALSH. When the Senator to state his position on my amendment? I understand the Senator thinks that the amendment should not be incorporated in this bill?

Mr. TYDINGS. I think at the present time it might be wise to withhold the permission which the amendment proposes to give. Although a splendid case may be made out by the druggist, for the time being I think we ought to confine the sales as narrowly as possible, and later on, if we find we have been a little too strict as to the outlets we have permitted under this bill, I can see no reason then why we could not include others; but I would rather at the start guard too well the outlets than to be too lavish in providing facilities for the sale of this beverage.

Mr. WALSH. Mr. President, I do not desire to press the proposal unduly, but I have been informed that there is an internal quarrel between certain groups of restaurant owners and certain groups of drug stores that are engaged in the restaurant business; that there is some jealousy and envy between these two groups; and I do not think, in view of the fact that we are dealing with a nonintoxicating beverage, that we ought to distinguish between a restaurant that has a restaurant license and a drug store that has the same kind of a license. It seems to me that it ought to be possible for a customer to enter a drug store and buy a sandwich and have a glass of beer, if it is nonintoxicating, just as well as in a restaurant; in fact drug stores are more open; there is less likelihood in drug stores of there being drinking to excess even of this beverage. Everyone can see who goes in and who comes out; their sales and operations are wide open. It seems to me it is preferable to have the beverage sold in drug stores which supply food even to having it sold in restaurants. Many drug stores in this city are doing a very extensive business in supplying food. In such instances it seems to me it would be possible to build a glass of this nonintoxicating beverage. I have not any doubt about it being nonintoxicant; evidently the Senator from Maryland has a little doubt about it; but I have no doubt about it; and I do not see why a customer should not get a glass of beer as well as a glass of ginger ale in a drugstore.

Mr. BARKLEY. Mr. President—

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. I merely want to observe that I am not concerned about the quarrel between the restaurant keepers and the drugists of Washington, and I do not think we ought to frame this bill on that basis. I realize that there is such a condition; I do not know who is responsible for it, except probably that the restaurant keepers did not like it when the drug stores began to sell sandwiches and coffee and other articles of food, because that practice infringes upon some of their business. However, according to the Senator from Massachusetts would include every drug store in the District of Columbia where even a sandwich is sold, because they all take.

Mr. WALSH. A drug store which has a license to carry on a restaurant in connection with the drug business.

Mr. BARKLEY. They have to have a restaurant license in order to sell any amount of food at all?

Mr. WALSH. That is true.

Mr. BARKLEY. But they do not have to have tables in order to get such a license. If they sell at their soda-water stands coffee or chocolate or sandwiches, or any other kind of food, then they are required to have a restaurant license. If we are going to allow them to sell beer, I do not think their right to obtain such a license ought to depend upon whether or not there are tables in the drug store.

Mr. WALSH. The Senator understands that under my amendment they have got to sell this beverage at tables as in restaurants and not at the counter.

Mr. BARKLEY. Suppose they have not any tables?

Mr. WALSH. Then they cannot sell this kind of beer.

Mr. BARKLEY. They could put in tables.

Mr. WALSH. Then the conditions would be the same as in a restaurant.

Mr. BARKLEY. They could put tables in, and then could get licenses?

Mr. WALSH. They would be required to have tables.

Mr. BARKLEY. What I am trying to point out is that all of them might qualify and we would have practically all the drug stores in the District of Columbia selling this beverage.

Mr. WALSH. They all sell ginger ale now. Why not all drug stores as well as all restaurants that sell food at tables?

Mr. BARKLEY. The drug business has gotten to be a side business; there is no such a thing any more as a drug store pure and simple. They all sell toilet articles; they sell food; they have soda-water stands; and probably they sell automobile tires and all sorts of other things, out of which they make a profit.

I am in sympathy with the attitude of the Senator from Maryland. I do not like to see the drug stores in Washington, at least at this stage of the new operations in the District, licensed to sell this beverage. We all know that in restaurants, properly speaking, the patrons are largely adults. Children do not frequent restaurants; they do not frequent hotels; but, on the way from school and to moving pictures the small children of all types are running into drug stores and climbing up on high chairs and getting soda water or chocolate milk, a sandwich, or something else.

It seems to me there is a difference between licensing that sort of an institution, where the patrons are largely of a different type from those who go to restaurants. For that
reason and other reasons I have indicated, I hope that the amendment offered by the Senator will not be pressed, and if it is pressed that it will not be adopted.

Mr. BARKLEY. I do not think it was of particular things.

Mr. WALSH. They are other things in drug stores, some of which, under the law, drugstores are forbidden to sell; but the children go in and out of the drug stores just the same. Indeed, children go in and out of drug stores now where wines of large alcohol content are sold under the guise of medicine.

Mr. BARKLEY. But they may not be interested in those particular things.

Mr. WALSH. I do not care to prolong the matter. I thought it was of sufficient importance to have action upon this question by the Senate. I can well appreciate, with the opposition of such an ardent "dry" as the Senator from Kentucky and such an ardent "wet" as the Senator from Maryland, that my amendment has not very much prospect of being adopted. I am sure, however, that there are some Senators here who still believe that the beverage which has been authorized is nonintoxicating: and if that be so, we ought to be liberal in permitting the distribution of it to those who want to buy it for consumption with food. I ask for a vote on my amendment.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Massachusetts to the amendment reported by the committee. [Putting the question.]

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

The PRESIDENT pro tempore. The ayes have it. The amendment is rejected.

Mr. CONNALLY. Mr. President, the Senator from Texas [Mr. SHEPPARD] was on his feet, suggesting the absence of a quorum. I do not think the Chair is justified in proceeding with the vote in that situation.

The PRESIDENT pro tempore. The Chair did not understand the Senator from Texas to call for a quorum.

Mr. SHEPPARD. I suggested the absence of a quorum before the negative was put.

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

Mr. WALSH. Mr. President, I inquire if my amendment has been disposed of and if the Senator from Texas is satisfied with the decision of the Chair?

Mr. SHEPPARD. I want the regular order. I suggested the absence of a quorum, and I think we ought to have a quorum before we act on the Senator's amendment.

The PRESIDENT pro tempore. May the Chair ask the Senator from Texas if he desires that the vote be again taken?

Mr. SHEPPARD. I inquire what was the result as announced by the Chair?

The PRESIDENT pro tempore. The Chair held that the amendment was not adopted. Mr. SHEPPARD. I want a quorum, anyway.

Mr. TYDINGS. Mr. President, I hope the Senator from Texas will not ask for a quorum. This is the only business I understand to be transacted today, and a number of Senators want to get away. Unless there is some point in making one's point, I would not adjourn the committee very much if he would withdraw his request for a quorum.

Mr. SHEPPARD. Well, I am going to make a speech.

Mr. TYDINGS. I shall not insist on my suggestion.

Mr. WALSH. Is the Senator from Texas going to speak on the bill or on the amendment?

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

The PRESIDENT pro tempore. The Senator from Texas suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk (Emery L. Frazier) called the roll, and the following Senators answered to their names:

Adams Costigan Keys Robinson, Ark.
Ashurst Cousins King Robinson, Ind.
Austin Cutting La Polette Russell
Bachman Dickinson Lewis School
Balley Distertich Logan Sheppard
Ballard Doll Longshore Smith
Barbour Duffy Long UNC Edisto
Barkey Erickson McCaddon Stellwagen
Black Fess McCarran Stephens
Bones Fletcher McGill Thomas, Okla.
Borah Frazier McKellar Thomas, Utah
Buxley George McNary Trammell
Byron Gore Murphy Tydewell
Byrd Hale Neely Vandenberg
Byrnes Harrison Norris Van Nys
Champlin Haldeman Nye Wagon
Caraway Hayden Overton Walthall
Charnley Hobert Pickard Wheelwright
Connally Johnson Pittman Wheeler
Coolidge Kean Pope White
Cowpernd Kendricks Reynolds

Mr. BYRD. I desire to announce that my colleague the senior Senator from Virginia [Mr. GLASS] is unavoidably detained.

Mr. LEWIS. Mr. President, I wish to announce that the Senator from New Mexico [Mr. BARRON] and the Senator from New Hampshire [Mr. BROWN] are necessarily detained from the Senate.

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

Mr. SHEPPARD. Mr. President, the Senator from Michigan [Mr. COOKE] had an amendment which I understood to be intended to offer. One of the reasons for calling for a quorum was to enable him to reach the Chamber. I do not see him. I hope he arrives before I conclude my remarks.

Mr. President, I do not propose to permit this bill to pass without expressing my protest and my opposition. I wish to direct the attention of the Senate to excerpts from an appeal to the Senate by a committee in this District representing a body of citizens opposed to the return of beer in the District. The committee is composed of Everett M. Ellison, M.D., William S. Abernethy, D.D., and Mrs. Nash M. Pollock. The first sentence of that excerpt is as follows:

We remind the Senate that on the final vote in the Senate upon the Harrison-Cullen beer bill 56 Senators considered the bill unconstitutional.

Let me say here, Mr. President, that the Senator from Maryland [Mr. TYRROES] virtually admitted the unconstitutionality of this bill when he said a few moments ago that this 3.2 percent beer would intoxicate a child 9 to 10 years old. The eighteenth amendment prohibits intoxilcating liquors, regardless of whether the consumers are unconstituted adults or children.

The excerpt continues:

The controlling facts which will largely influence the Supreme Court in deciding the question as to the constitutionality of the act will be whether Congress has acted reasonably and within the sphere of its legislative discretion and duty to enforce the eighteenth amendment with appropriate legislation, or whether it has in effect extended its sphere of authority in making a class of neutralities the Prohibition Act and with the purpose of thwarting and preventing its enforcement.

The meaning of the words "intoxilcating liquor" is made clear by the use of those words by the 46 of the 48 States which ratified the eighteenth amendment.

Mr. Justice Brandeis in Support v. Caffey (251 U. S. 294-299) said:

"A survey of the liquor laws of the States reveals that in 17 States the test is either a list of enumerated beverages without regard to whether they contain any alcohol or the presence of any amount in a beverage, regardless of quantity; in 18 States it is the presence of as much as or more than one half of 1 percent of alcohol; in 16 States 1 percent of alcohol; in 1 State the presence of the alcoholic principle; and in 1 State 2 percent of alcohol."
Former Chief Justice Taft in a letter to the Chicago Tribune from American issue, May 13, 1922, wrote:

"The mission of beverage alcohol does not end with destruction of the moral power of nations and individuals. It does not end with the wreck of moral impulses. It does not end with the perversion of intellect and will. It enfeebles the fibers of community life, the purpose of which is to strengthen, to make its members, not mere units, but parts forming a whole. It weakens the function of the individual and the nation. It destroys the physical strength and skill on which by far the greater number of men and women, and, therefore, on which society itself, must depend for existence. It drags human nature down in inhumanity—to cruelty, viciousness, poverty, ignorance, disease, and the loss of freedom. This practice, which in commercial, nondrinkable form is of tremendous benefit into a beverage which works tremendous harm. By virtue of its influence great numbers of women and children are beaten and starved and killed, sanity is abandoned, ambition and self-respect are forgotten, and the man is merged in numerous instances into the beast. It annihilates to an appalling degree the normal sentiments and emotions and unsettles the foundations of prosperity and progress. It is a scourge of the human race, an enemy of civilization. To say that it should not be forbidden by law as well aseducation and persuasion, to say that it should not be fought by every weapon at our command is to surrender order to anarchy and right to wrong.

Prohibition is wholly to live for and to die for. Its object is to sweep from the path of every life an influence that would debauch and degrade it, and that is the true doctrine, the creed, of freedom. It destroys the end for which it was originally established and for which its continuance is to be desired."

The committee then quotes from Matthew 27:6:

"It is not lawful to put them (the 30 pieces of silver to Judas) into the treasury because it is the price of blood."

I commend these statements to the Senate of the United States before it votes again to violate the American Constitution.

The remarks I made some days ago in opposition to the general beer bill, Mr. President, are also applicable to the pending bill. The pending bill is equally unconstitutional, equally objectionable, and equally vicious.

Everything that may be said against alcoholic liquor as a beverage may be said against a bill legitimizing beer. I want to deliver a few parting shots against beverage alcohol, which is returning to this Capital and to the Nation through this bill and the general beer bill—and that with a solemn prohibition against alcoholic liquors in the Constitution of the United States.

It was the conservation of human values that did more to win the approval of the people to the American Constitution than any other thing. It is the conservation of human values that will cause us to wage unceasing war against the whole brood of alcoholic liquors, no matter what laws or what resistance may confront us. The contest is a perpetual and an unending one. My good friend the Senator from Maryland (Mr. Truman), and other Senators on the wet side of this question, may not console themselves with any thought that the fight has ended by any means.

The struggle with beverage alcohol began on an intensive basis when increased population, increased production, increased capital, increased chances for gain, made possible by the machine age united to bring about the manufacture of intoxicants to an extent that threatened to engulf our civilization.

A nation with a citizenship debauched by drink cannot tie humanity to the highest civilization it is possible to establish, more especially when they take action on the eighteenth amendment and the Volstead Act place, and the vast majority of the American people I believe in the end will place, especially when they take action on the eighteenth amendment itself, the rights of women and children to decent homes, decent clothing, adequate education, a decent, healthful, and hopeful standard of existence above what may be called the right of appetites, that absorbs earnings, and discloses reason and the moral sense; let them uphold the privilege of debauchery.

Above such right and privilege the drys place, the eighteenth amendment and the Volstead Act place, and the vast majority of the American people I believe in the end will place, especially when they take action on the eighteenth amendment itself, the rights of women and children to decent homes, decent clothing, adequate education, a decent, healthful, and hopeful standard of existence above what may be called the right of appetites.

What the wet leaders and propagandists have so completely confused indulgence in alcohol with that freedom which many of them see to think that Patrick Henry ought to have said, "Give me liquor or give me death"; that Daniel Webster ought to have concluded his famous peroration by saying, "Let us stand United, now and forevermore"; and that we ought to have a new national anthem entitled "Hand Me Down That Bottle of Corn." (Laughter.) They seem to think that all the great documents of English and American freedom, from the Magna Charta to the American Declaration of Independence, were written for the express benefit of consumers and would-be consumers of liquor in..."
the United States. They seem to think that among the inalienable rights mentioned in the Declaration of Independence are the rights to get drunk, to stay drunk, or to die drunk, to become a menace to home and country. These legislation, while it protected the nation from the ills that occur anywhere at any time in this Republic, including the waves of lawlessness and disorder that have swept this country and the world during its recovery from the horror and the strain of war, the inevitable aftermath of every great conflict of recorded time. If liquor had been legalized during the prevalence of these evils and during the present period of restlessness and economic distress, the imagination could not picture the social and moral chaos that would have ensued, and neither can it picture what the country is now about to confront in connection with legalized alcohol.

Before prohibition, whenever public order was threatened the authorities closed all drinking places. Fortunately, the eighteenth amendment and the Volstead Act had already closed them when the postwar and recent calamities came upon us. Fortunately the savings and freedom from general dissipation made possible by Nation-wide prohibition gave the American people a vantage ground from which to attack the disasters that now surround them. Fortunately the American people, before these evils came, had been emancipated from the legalized traffic in intoxicating drink, a traffic which was menacing the American home, making paupers, criminals, and wrecks of men. fostering drunkenness, disorder, profligacy, and disease, degrading womanhood, crushing childhood, poisoning manhood, tainting posterity, and debauching government, and now we are to have the same tragic program again. Only refusal to repeal the eighteenth amendment will rescue us.

Prohibition destroyed the open saloon, with its corrupting influence on government, its alliances with immorality and crime, and has marked an advance for civilization such as probably never before has been recorded; and now the open saloon is to return. It makes no difference whether we call it a licensed restaurant, a soft-drink parlor, a curb service, or a bar-room stand or a dining room, wherever the liquor is sold there will be found the equivalent of the saloon.

As beverage alcohol tears down the body and the soul, so it attempts to tear down law, whether the law licenses or prohibits it. Make with it the slightest compromise, suspend or modify in the smallest degree the provisions against it, and it will take advantage of the concession to work whatever legal attempt at regulation or control is left. It is hard enough to fight this scourge with the law completely prohibiting it. Let the law tolerate it in any respect and the law will become as lifeless as the letters of which it is composed.

The only effective way to fight beverage alcohol is through unqualified Nation-wide prohibition.

Mr. President, the city of Pompeii was one of the recreation centers of ancient Italy. It stood near the Bay of Naples on a slope that gently rose from a beautiful shore to the base of Mount Vesuvius. Nothing was more restful to the mortal eye than to turn from the sleeping waters to the crest of the volcano whose fires were supposed to have forever cooled in prehistoric ages. Never did this resort of the favorites of fortune and of genius repose more confidingly in the shadow of Vesuvius than on the morning of August 24, A.D. 79. By 1,800 years ago, Emperors, poets, generals, governors, families of wealth and standing had erected near and within its limits palaces bethitting the magnificence of the age. The frescoed walls, the fluted columns, the mosaics of richest hue, the temples, the statues, the colonnades, the forum, the theater reflected the imperial art and luxury of the Roman nation.

During the morning a Roman soldier took up his station at one of the public places with orders to remain until he was relieved. About 2 o'clock in the afternoon those who were looking toward the summit of Vesuvius saw an immense column of black smoke rising from the base and ascend in an instant to an incredible height. There it spread out in every direction, ceasing the upward movement, and then rolled in avalanches of darkness, accompanied by torrents of lava, down the mountainside. Day was blotted out and the night of universal destruction seemed to have arrived. Convulsions shook the earth; walls and columns rocked and then fell. The soldier stood unmoved.

At length immense masses of flame wreaths from the mountain's mouth, revealing a scene of terror in the ghastly glare. Streets and roads were packed with fleeing thousands, choked with the living and the dead. Torrents of ashes, stones, and cinders began to fall. The soldier, true to his orders, remained where he had been stationed.

As the lava continued to descend, burying the city from the sight of man, sobs and moans grew fainter until at length the silence of universal death ensued. The following morning broke to find the happy metropolis of but a few hours before engulfed and shrouded in volcanic dust.

A thousand years elapsed, and the very locality of the submerged city seemed to have been forgotten. Five hundred years more, and still no sign that it had ever existed. At length, about 1,700 years after the catastrophe, scholars began the work of excavation. Soon Pompeii stood revealed almost as it was at the day of its destruction, the most remarkable survival of antiquity known to man.

The scholars, continuing the work of recovery, came at length upon the form and figure of that soldier, still at the post where he had perished, face to the front, faithful unto death. The head still bore the helmet, while the spear and sword, lashed so firmly to the butt, could scarcely be torn from it with difficulty.

Oh, with similar courage, fidelity, and determination, may believers in prohibition today renew their devotion to the cause. May they resolve to omit no effort, to relax no energy, until its banners shall have again been planted upon the heights of victory, until every American home shall have become a tongue to speak with more than mortal eloquence the glories of a saloonless republic, a drinkless nation, and a stainless flag.

The PRESIDING OFFICER (Mr. Connally in the chair). The question is on the committee amendment in the nature of a substitute.

Mr. SMITH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH. What is the pending question?

The PRESIDING OFFICER. The question is on the committee amendment in the nature of a substitute for the whole bill.

Mr. SHEPPARD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The question now recurs on the passage of the bill as amended.

Mr. CAPPER. Mr. President, I want to record my uncompromising opposition to the pending bill. I should like to have inserted in the Record a portion of the statement of Mr. Andrew Wilson, in which he called the attention of the Committee on the District of Columbia during the hearings on the bill to the findings of a committee of the United States Senate, of which former Senator Overman, of North Carolina, was chairman, dealing with the activities of the brewing interests of the country. It is very illuminating and well worth preserving as a part of the Record.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that there be incorporated in the Record the material which he offers. Is there objection? The Chair hears none.

The matter is as follows:

Mr. Wilson. Mr. Chairman, as long as we are talking about the brewers, there was a committee of the Senate of the United States which investigated the brewers of this country, and those
documents, three volumes, are exceedingly interesting to me, and probably would be to any others who care to make a study of this important subject. I have read these documents, Senate Document No. 65 of the first session Sixty-sixth Congress, entitled, "Brewing and Liquor Interests and German Bolshevik Propaganda and Their Interests, The Committee on Immigration, United States Senate, 1919." There are three volumes in this immense document containing 4,540 pages. I am not going to read the whole thing, but there were 12 conclusions reached by that Senate Committee of the United States, after these extensive hearings, very careful hearings, of which Senator Overman was the chairman, and there are the facts that they stated, and I copied them from their report.

With regard to the conduct and activities of the brewing and liquor interests, the committee is of the opinion that the record plainly discloses that there was (a) That they have furnished large sums of money for the purpose of secretly controlling newspapers and periodicals. (b) That they have undertaken to and have frequently succeeded in controlling primaries, elections, and political organizations. (c) That they have contributed enormous sums of money to political campaigns in violation of the Federal statutes and the statutes of several of the States. (d) That they have exacted pledges from candidates for public office prior to the election. (f) That for the purpose of influencing public opinion they have attempted and partly succeeded in subsidizing the public press. (g) That they have created their own political organization in many States and in similar political units for the purpose of carrying out their own political ends, and have financed the same with large contributions and assessments. (h) That with a view of using it for their own political purposes they have contributed large sums to the German-American Alliance, many of the membership of which were dialoyal and unpartnered. (i) That they organized clubs, leagues, and corporations of various kinds for the purpose of secretly carrying on their political activities, and in their interest known to the public. (j) That they improperly treated the funds expended for political purposes as a proper expenditure of their business and consequently failed to return the same for taxation under the revenue laws of the United States. (k) They undertook through a cunningly conceived plan of advertising and subsidation to control and dominate the foreign language press of the United States. (l) That they have subsidized authors of recognized standing in literary circles to write articles of their selection for many standard periodicals. (m) That for many years a working agreement existed between the brewing and distilling interests of the country by the terms of which the brewing interests contributed two thirds and the distilling interests one third of the political expenditures made by the liquor interests.

I think that is almost a finding that the brewers are guilty of two thirds of the acts condemned.

Mr. GORE. Mr. President, I send to the desk an amendment which I offer. The PRESIDING OFFICER. The Chair will state to the Senator from Oklahoma that the amendment is not in order unless we reconsider the vote by which the substitute was agreed to. Mr. GORE. Mr. President, I send to the desk an amendment which I offer. The PRESIDING OFFICER. The Chair will state to the Senator from Oklahoma that the amendment is not in order unless we reconsider the vote by which the substitute was agreed to.

Mr. GORE. Mr. President, I do not object to the unanimous consent to consider the amendment, but I do object to reconsidering the vote by which the committee amendment was adopted.

Mr. SHEPPARD. The sole purpose of the request is to permit the amendment of the Senator from Oklahoma to be considered.

Mr. LONG. No: I do not mean to object to the amendment of the Senator from Oklahoma's being considered. I just do not want to go over the committee amendment again.

Mr. SHEPPARD. The sole purpose of the request is to permit the amendment of the Senator from Oklahoma to be considered.

Mr. LONG. I make no objection to that. The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote whereby the committee substitute was agreed to is reconsidered.

Mr. GORE. Mr. President, I now tender the amendment just read.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment of the Senate.

Mr. LONG. Mr. President, I should like to find out what the amendment is.

The PRESIDING OFFICER. Without objection, the amendment to the amendment will again be reported.

The CHIEF CLERK. The Senator from Oklahoma offers the following amendment in the nature of a proviso, to be inserted at the proper place in the substitute bill:

Provided, That no license shall be issued for the sale of any such beverage in any building owned or leased by the United States and used for the transaction of public business.

Mr. GORE. O Mr. President, the amendment will probably be voted down, and I do not care to obstruct the desired early adjournment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oklahoma to the amendment of the committee. [Putting the question.] The Chair is in doubt. Those in favor of the amendment of the Senator from Oklahoma to the amendment of the committee will rise and stand while being counted.

Mr. LONG. I ask for the yeas and nays on the amendment to the amendment.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded? [After a pause.] The demand apparently is not sufficiently seconded. [Putting the question.] The amendment of the Senator from Oklahoma to the amendment of the committee is rejected.

Mr. BARKEY. O Mr. President, the Chair must not have counted, because there were only 2 votes against it and at least 18 or 20 for it.

The PRESIDING OFFICER. The Chair will state that his ruling was based on the information given him by the clerks.

Mr. BARKEY. I ask unanimous consent that the vote by division be taken again.

The PRESIDING OFFICER. The vote is taken by division.
Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Louisiana demands a quorum. The clerk will call the roll.

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

Adams
Ashurst
Austin
Bachman
Baker
Bankhead
Barkley
Black
Blood
Bone
Borah
Bulow
Bulkeley
Bunce
Byrnes
Byrd
Byrnes
Capper
Carey
Caraway
Carvey
Clark
Connally
Coolidge

Copeeland
Costigan
Counihan
Cutting
Dickinson
Dill
Diller
Dodd
Dole
Donnelly
Duffy
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Dunbar
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Commissioners of the District of Columbia may see fit to grant licenses for the sale of beer, certainly should not be discriminated against. I thought we were voting to permit the sale of a nonintoxicant.

Mr. LEDWIG. Mr. President, there is just one more thing that ought to be said. Under this amendment beer could not be sold in any Army post. There may be a large reservation, embracing hundreds of acres or thousands of acres, with an Army post located on it, having an enlisted men's mess, but under this amendment, that being Government property and the buildings being Government buildings, the soldiers there could not get a bottle of beer. They may fight for their country but they may not enjoy the privileges of peace.

Mr. GORE. Mr. President, the amendment is intended to be limited to the District of Columbia, and it is also limited to buildings. At first, I thought it should apply to property or premises, but I decided in the last instance to limit it to buildings alone. I had primarily in mind the Capitol Building here.

I do not mean to enter into the question as to whether 3.2 percent beer is intoxicating: I do not think the amendment turns on that point, but to me it is against a sense of propriety to have this beverage sold here in the Capitol of the United States. We must not "seethe the kid in its mother's milk."

I think this amendment is not unwise; it certainly is not unwise from the standpoint of strategy. I will say to those who concern themselves with strategy and with public psychology and its reactions, whether this beer be intoxicating or not, there are a great many respectable people in this country who think it is, a great many respectable people who are opposed to the sale of beer; and I think in the Capitol of the United States, on property belonging to the United States, which these people own, share and share alike, the proponents of this measure might at least pay that much deference to their wishes and to their feelings.

I will say to the Senator from Maryland that nothing did more to precipitate the District abolition of slavery in this country than the refusal of the slave power of the South to abolish slavery and the slave trade in the District of Columbia. People coming to this Capitol from every State, particularly those from the free States, saw slaves dragging their chains here in the Capitol of the United States, in a country connected to freedom. They went back to their several homes with that concrete object lesson in their minds, and it accelerated the crusade against slavery, which may have been an advantage in the long run at that. I will say to the Senator, if we permit the sale of beer in the Capitol Building with the eyes of the Nation upon us, mark the reaction to it, the swift, the sudden reaction against it.

SEVERAL SENATORS. Vote! The PRESIDENT pro tempore. The question is on the amendment of the Senator from Oklahoma [Mr. Gore] to the amendment of the committee.

Mr. PESS. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this question I have a pair with the senior Senator from Mississippi (Mr. Harrison). Not knowing how he would vote, I withhold my vote, but I am entitled to liberty to vote, I should vote "yea."

Mr. STEWART of Arkansas (when his name was called). On this question I have a pair with the junior Senator from New Mexico [Mr. BEATON], who is unavailably detained from the Chamber. Not knowing how he would vote on this particular question, I withhold my vote. If at liberty to vote, I should vote "yea."

The roll was closed.

Mr. BANKHEAD. I have a general pair with the senior Senator from Vermont [Mr. Diale], and therefore withhold my vote.

Mr. McKELLAR (after having voted in the affirmative). I have a general pair with the junior Senator from Delaware [Mr. Townsend]. I understand, however, that if that Senator were present he would vote as I have voted, so I will allow my vote to stand.

Mr. LOGAN. I have a general pair with the junior Senator from Pennsylvania [Mr. Davis], who is absent. I do not know how he would vote on this question. Therefore I withhold my vote.

Mr. LEWIS. I desire to announce that the Senator from Washington [Mr. Bone], the Senator from Florida [Mr. Fletch], the Senator from Mississippi [Mr. Harrison], and the Senator from Mississippi [Mr. Stephens] are necessarily detained from the Senate on official business.

I also desire to announce that the Senator from New Mexico [Mr. Beat], the Senator from New Hampshire [Mr. Brown], the Senator from Utah [Mr. Thomas], and the Senator from Virginia [Mr. Glass] are necessarily detained from the Senate.

Mr. PESS. I desire to announce that the Senator from Michigan [Mr. VanOrden] is detained on official business.

If present, he would vote "yea."

I also desire to announce the following general pairs:

The Senator from Rhode Island [Mr. Metcalfe] with the Senator from Virginia [Mr. Glass].

The Senator from Delaware [Mr. Hastings] with the Senator from New Hampshire [Mr. Bratton].

The Senator from Michigan [Mr. VanOrden] with the Senator from Florida [Mr. Fletch].

The Senator from Maryland [Mr. Goldsborough] with the Senator from Washington [Mr. Bone]; and

The Senator from Rhode Island [Mr. Hart] with the Senator from Mississippi [Mr. Stephens].

On this particular question I am not advised as to how any of these Senators would vote.

I also wish to announce that the Senator from Pennsylvania [Mr. Davis] is absent on account of illness and that the Senator from Connecticut [Mr. Walcott] is detained on official business.

I also desire to announce that the Senator from Rhode Island [Mr. Metcalfe], the Senator from Delaware [Mr. Hastings], the Senator from Maryland [Mr. Goldsborough], the Senator from Rhode Island [Mr. Hart], and the Senator from Pennsylvania [Mr. Reed] are necessarily absent.

The result was announced—yeas 44, nays 28, as follows:

YEAS—44

Adams
Ashurst
Bailey
Barlow
Borah
Byrd
Capper
Caraway
Carr
Cassel
Bachman
Barbour
Bulkey
Bulow
Byrne
Clark
Cookidge

Connelly
Costigan
Dill
Erickson
Frazier
George
Gore
Hale
Hatfield

Hayden
Kendrick
Keys
Middleton
McAdoo
McKellar
Morse
Nelson

NAYS—28

Bailey
Bailey
Bates
Bolling
Bransten
Byrd
Carps
Carr
Cassett

Bacher
Bullock
Bulow
Butler
Bryan
Clark
Cook

Coppeland
Couzens
Cutting
Dexter
Dieterich
Duffy
Johnson
Keen

La Follette
Law
Long
McCarran
McClure
Murphy
Overton
Reynolds

Logan
Lowe
McNary
McNutt
Moriarty
Murphy
Reed
Reid

LOGAN
MCCONNELL
McKellar
Morse
Moss
Murphy
Nelson
Norbeck

Logan
Lowe
McNary
McNutt
Moriarty
Murphy
Nelson
Norbeck

Wheeler
Wicker

NOT VOTING—23

Bankhead
Barnes
Benton
Brown
Brown
Bryan
Bums
Davis
DeBenedictis

Fletcher
Glass
Goldthorpe
Harrison
Huestis
Hebert
Hebert

Stephens
Thomson
Towner
Vandenberg
Walcott

So Mr. Gore's amendment to the amendment of the committee was agreed to.

Mr. Capper. Mr. President, I offer an amendment, on page 11, lines 4 and 5, eliminating the words "or in vehicles parked entirely upon the premises designated in the permit." I have had many protests against that clause.

Mr. Tydings. Mr. President, I shall be glad to take that amendment to conference if the Senator wants me to. I will accept it with that understanding.
The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to.

The question on the amendment of the committee in the nature of a substitute as amended.

The amendment as amended 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.

FARM MEETING

Mr. CLARK. Mr. President, I ask unanimous consent to insert in the Record a letter addressed to me by Mr. William Hirth, publisher of the Missouri Farmer, on the subject of the pending farm bill.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Hon. BENNETT CHAMP CLARK, Washington, D.C.

MY DEAR SIR: I have your wire asking my views of the new Wallace farm-relief plan, and knowing that this matter will come to an immediate showdown in Congress, the following comment is written without the care which I would otherwise give to such an important question. And if my attitude toward this proposal is distinctly antipathetic, I do so gladly. It is simply given in plain facts as I see them.

To get a proper perspective of the tremendous point which farm legislation is destined to play in the success or failure of the new administration, I shall briefly revert to the issues of the recent campaign. As far as our views are concerned, it is now the time when Congress should look upon these issues and the part they played as veritable lighthouses to guide its action. Why, during the last seven years, has the country with the astounding production of fast food surpluses which have gone begging for a song on the one hand, and millions who are idle and hungry through no fault of their own when the other is happening? I am not questioning if this view was the outstanding question mark of the campaign, and because this is the problem which the new administration must understand and solve successfully if it would rescue our collapsed farm industry and get our idle millions back to work in the cities—the new administration faces other great and difficult problems which may all of us fail to realize until after they have been solved. On the farm question, it will fall far short of fulfilling the solemn pledges which the President made to the people, and toward the achievement of these pledges he is becoming the greatest of all the magnificents with such commendable zeal and success at this time.

During the campaign, the President said again and again that we could not hope to get the Nation headed back toward sound prosperity unless the buying power of the 32,000,000 who live upon the farm and the other 20,000,000 who live in our thousands of rural towns and villages, and who are directly dependent upon agriculture, is restored, and in proof he pointed out that in normal times these 52,000,000 people consume approximately 50 percent of the output of the Nation's mills and factories; and if the President was right in this diagnosis—and no one has dared to challenge his conclusions—and the solution of the farm question not only involves common justice to the millions of the farm, but likewise it will very largely determine the success or failure of the great program of the new administration.

In a brief 2 weeks after he entered the White House the President succeeded in quieting in a manner that is little short of miraculous the crude agrarian crusaders and their million followers. He told his audience and his critics that this proposal is the outstanding question mark of the campaign, and because this is the problem which the new administration must understand and solve successfully if it would rescue our collapsed farm industry and get our idle millions back to work in the cities—the new administration faces other great and difficult problems which may all of us fail to realize until after they have been solved. On the farm question, it will fall far short of fulfilling the solemn pledges which the President made to the people, and toward the achievement of these pledges he is becoming the greatest of all the magnificents with such commendable zeal and success at this time.

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that the latter funds may be offered only for the purpose of supplying the home market, and to those nations of Europe which have become an economic pestilence, then why not place the domestic price level? Also why not proceed upon the theory that the latter development shall substantially raise the global world price level? Also why not proceed upon the theory that the latter development shall substantially raise the global world price level?

And so, we are eventually driven to the conclusion that these farm surpluses have become an economic pestilence, then why not place our farmers in position to exchange our surplus wheat, cotton, pork, etc., for desirable European industries that is not seriously competitive with our own industries, and which

...1933...
been created that organized agriculture is speaking with one voice on these issues, but this is not true. For this reason, it is essential to understand that if the Senate does not act, the people will demand an alternative. This is the only way to ensure that the interests of all Americans are represented in Washington.

It is to this end that I have been working, and I believe that a plan for unemployment relief can be achieved. This plan would involve a commitment to support the demand for goods and services, which is essential to the stabilization of the economy. It is only through this approach that we can ensure that the needs of all Americans are met.

In conclusion, I urge you to support this plan and to do all that you can to ensure that the interests of the American people are represented in Washington. Thank you for your attention, and I look forward to hearing your thoughts on this important issue.
The president pro tempore. Without objection, the report will be received.

The nominations were ordered to be placed on the Executive Calendar, as follows:

The following-named officers for appointment, by transfer, in the Regular Army of the United States:

Capt. Neal Dow Franklin, Infantry (detailed in Judge Advocate General's Department), with rank from June 11, 1931.

Capt. Roy Crawford Moore, Field Artillery (detailed in Quartermaster Corps), with rank from July 1, 1920.

Capt. Andrew Daniel Hopping, Infantry (detailed in Quartermaster Corps), with rank from August 1, 1932.

First Lt. Ira Kenneth Evans, Infantry (detailed in Quartermaster Corps), with rank from March 1, 1931.

Second Lt. Herbert Charles Gibner, Jr., Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lt. Merrick Hector Truly, Field Artillery (detailed in Air Corps), with rank from June 11, 1931.

The following-named officers for appointment, by transfer, in the Reserve Corps, with rank from March 3, 1933:

Chaplain Alva Jennings Brasted (major), United States Army, from March 3, 1933.

Chaplain William Andrew Aiken (major), United States Army, from March 3, 1933.

Chaplain Ernest Wetherill Wood (major), United States Army, from March 3, 1933.

Chaplain Herbert .dron Rinard (captain), United States Army, from March 10, 1933.

The officer named herein for appointment in the Officers' Reserve Corps of the Army of the United States under the provisions of sections 37 and 38 of the National Defense Act, as amended:

To be chaplain with the rank of major

Chaplain Herbert .dron Rinard (captain), United States Army, from March 10, 1933.

The nominations were ordered to be placed on the Executive Calendar, as follows:

The following-named officers for appointment, by transfer, in the Regular Army of the United States:

To be general officer

Brig. Gen. George Henderson Wark, Kansas National Guard, from March 24, 1933.

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

Mr. Lewis. Mr. President, I note the absence of a quorum and ask for a roll call.

The vice president. The clerk will call the roll.

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

Mr. Reed. I announce the absence of my colleague [Mr. Davis] on account of illness.

Mr. Fess. I announce the necessary absence of the senator from Vermont [Mr. Dale], the senators from Rhode Island [Mr. Metcalf and Mr. Herbst], and the senator from New Jersey [Mr. Keating].

Mr. Lewis. The senior Senator from New Mexico [Mr. Burton] is necessarily detained from the Senate. I beg to announce the fact for the remainder of the day.

Mr. Byrd. I desire to announce that my colleague [Mr. Glass] is unavoidably detained from the Senate.

The vice president. Eighty-eight Senators have answered to their names. There is a quorum present.

The late senator Walsh, of Montana

The vice president laid before the Senate a resolution adopted by the House of Representatives of the State of Pennsylvania as a tribute to the memory of Hon. Thomas J. Walsh, late a Senator from the State of Montana, which was ordered to lie on the table and to be printed in the Record, as follows: