

1142, the united communities bill; to the Committee on Agriculture.

4021. Also, petition of residents of Crane County, Tex., expressing approval of the Wagner labor bill; to the Committee on Labor.

4022. By the SPEAKER: Petition of St. Peter's Parish, New Castle, Del., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4023. Also, petition of the Holy Name Society, of Staten Island, N.Y., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4024. Also, petition of St. Alice's Parish, of Upper Darby, Delaware County, Pa., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4025. Also, petition of the Holy Name Society of Altoona, Pa., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4026. Also, petition of the Holy Name Society, Borough of the Bronx, New York City, urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4027. Also, petition of the Graceville Council, Knights of Columbus, No. 1391, Graceville, Minn., urging the adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4028. Also, petition of numerous qualified voters of Yonkers, N.Y., urging repeal of that part of the Economy Act which permits department heads to impose payless furloughs on their employees; to the Committee on Expenditures in the Executive Departments.

4029. Also, petition of the Knights of Columbus of Little Falls, N.Y., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4030. Also, petition of Sacred Heart Parish, Burke, S.Dak., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4031. Also, petition of Mr. and Mrs. George M. Dienes, urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4032. Also, petition of St. Peter and St. Paul's Church, Alton, Ill., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4033. Also, petition of St. Ambrose Parish, Deadwood, S.Dak., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4034. Also, petition of the Grant County Farm Holiday Association, urging passage of the Frazier bill; to the Committee on Agriculture.

4035. Also, petition of Mga Anak ng Bukid, Inc., Salinas, Calif., regarding Philippine independence; to the Committee on Insular Affairs.

4036. Also, petition of the board of aldermen, city of New York, urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4037. Also, petition of W. S. Hancock Council, No. 20, Junior Order United American Mechanics, Los Angeles, Calif., regarding the registration of aliens; to the Committee on Immigration and Naturalization.

4038. Also, petition of the city and county of Honolulu, Hawaii, protesting against the passage of the Jones-Costigan bill; to the Committee on Agriculture.

4039. Also, petition of Pascual B. Racuyal, regarding Philippine independence; to the Committee on Insular Affairs.

SENATE

THURSDAY, APRIL 19, 1934

(Legislative day of Tuesday, Apr. 17, 1934)

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

THE JOURNAL

On motion of Mr. HARRISON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Wednesday, April 18, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Costigan	Hebert	Pittman
Ashurst	Couzens	Johnson	Pope
Austin	Cutting	Kean	Reed
Bachman	Davis	Keyes	Reynolds
Bailey	Dickinson	King	Robinson, Ind.
Bankhead	Dieterich	Lewis	Schall
Barbour	Dill	Logan	Sheppard
Black	Duffy	Lonergan	Shipstead
Bone	Erickson	Long	Stelwer
Borah	Fess	McCarran	Stephens
Brown	Fletcher	McGill	Thomas, Okla.
Bulkley	Frazier	McKellar	Thomas, Utah
Bulow	George	McNary	Thompson
Byrd	Gibson	Metcalf	Townsend
Byrnes	Glass	Murphy	Vandenberg
Capper	Goldsborough	Neely	Van Nuys
Caraway	Gore	Norbeck	Wagner
Carey	Hale	Norris	Walcott
Clark	Harrison	Nye	Walsh
Connally	Hastings	O'Mahoney	White
Coolidge	Hatch	Overton	
Copeland	Hayden	Patterson	

Mr. HEBERT. I desire to announce that the Senator from West Virginia [Mr. HATFIELD] is necessarily absent from the Senate.

Mr. LEWIS. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] is absent on account of a death in his family; that the Senator from Montana [Mr. WHEELER] is absent because of illness; and that the Senator from Florida [Mr. TRAMMELL], the Senator from California [Mr. McADOO], the Senator from Maryland [Mr. TYDINGS], the Senator from South Carolina [Mr. SMITH], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Georgia [Mr. RUSSELL] are necessarily detained.

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

SPECIAL COMMITTEE ON INVESTIGATION OF THE MUNITIONS INDUSTRY

The VICE PRESIDENT. Pursuant to Senate Resolution 206, the Chair appoints the following-named Senators as the members of the special committee to make certain investigations concerning the manufacture and sale of arms and other war munitions: The Senator from Idaho [Mr. POPE], the Senator from Washington [Mr. BONE], the Senator from Missouri [Mr. CLARK], the Senator from Texas [Mr. SHEPPARD], the Senator from New Jersey [Mr. BARBOUR], the Senator from Michigan [Mr. VANDENBERG], and the Senator from North Dakota [Mr. NYE].

DISPOSITION OF USELESS PAPERS OF THE INTERIOR DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, lists of papers and documents on the files of the Department, its bureaus and offices, which are not of historical interest or needed in the conduct of business, and asking for action looking toward their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. WAGNER and Mr. NORBECK the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by the Kauai Branch of the Woman's Board of Missions, of Lihue, and the board of directors of the Young Women's Christian Association, of Honolulu, in the Territory of Hawaii, favoring the passage of the so-called "Patman motion-picture bill", being House bill 6097, providing higher moral standards for films entering interstate and foreign commerce, which were referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram in the nature of a memorial from President Low, of the Filipino Protective Aid Association of Hilo, Territory of Hawaii, remonstrating against the passage of the so-called "Jones-Costigan sugar-quota bill", which was ordered to lie on the table.

Mr. LEWIS (for Mr. TYDINGS) presented a petition of citizens, being employees of the Pennsylvania Railroad Co., of Baltimore, Md., praying for the passage of the bill (S. 3231) to provide a retirement system for railroad employees, to provide unemployment relief, and for other purposes, which was referred to the Committee on Interstate Commerce.

He also (for Mr. TYDINGS) presented a petition of sundry citizens of Baltimore, Md., praying for the passage of the so-called "McLeod bill", providing payment to depositors of closed banks, which was referred to the Committee on Banking and Currency.

Mr. WAGNER presented resolutions adopted by the board of aldermen of the city of New York, N.Y., favoring amendment of section 301 of Senate bill 2910, providing for the issuance of equity of opportunity for educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations seeking licenses for radio broadcasting by incorporating in the statute a provision for the allotment to said non-profit-making associations of at least 25 percent of all radio facilities not employed in public use, which were referred to the Committee on Interstate Commerce.

MEMORIAL OF CITIZENS OF LEXINGTON, MASS.

Mr. WALSH. Mr. President, at the request of Representative EDITH NOURSE ROGERS, of Massachusetts, and a committee of citizens of Lexington, I present a memorial of 1,200 representative citizens of Lexington, Mass., adopted at a meeting in that town, which I ask may be printed in the RECORD and appropriately referred.

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

A declaration by citizens of Lexington, Mass., April 19, 1934.
To the honorable Senators and Members of Congress from the Commonwealth of Massachusetts:

When a free people choose duly elected representatives, they invest them with the responsibility for preserving their constitutional rights to own property and to exercise freedom of individual enterprise.

When a free people feel that their rights are being trespassed upon and that the guidance of Government is being unduly influenced by advisers not chosen by the people, it is a duty as well as a right of the people to express determined disapproval.

Such disapproval must be voiced decisively when legislation is enacted giving into Federal control the right to regulate individual and national activity for ends which the people feel are open to grave question.

Now, therefore, we citizens of Lexington, Mass., on this 19th day of April, the anniversary of the first battle for American liberty, reviving an historical practice, submit to the Congress of the United States through the Senators and Representatives from this Commonwealth, the following protest:

We protest against Federal interference in business under the guise of promoting social reform and economic recovery.

We protest against the indefinite extension of legislation originally designed solely for emergency purposes.

We protest against the passage of legislation without more careful consideration by Congress.

We protest against the increase of bureaus, boards, and commissions, and the delegation of arbitrary powers to such governmental agencies.

We protest extravagant and wasteful expenditures of public funds on unneeded and unproductive projects, thereby creating a constantly mounting national debt.

We are resolved that the individual's rights of private enterprise and its rewards must continue, free from unreasonable interference by the Federal Government, and we demand their preservation at your hands.

REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1541. An act for the relief of Mucia Alger (Rept. No. 746);

S. 2713. An act for the relief of the estate of Anna Elizabeth Rice Denison (Rept. No. 748);

S. 3161. An act for the relief of Mary Seeley Watson (Rept. No. 747); and

H.R. 1870. An act for the relief of Corinne Blackburn Gale (Rept. No. 749).

Mr. SHIPSTEAD, from the Committee on Foreign Relations, to which was referred the joint resolution (S.J.Res. 35) to provide for the determination and payment of claims for damage sustained by the fluctuation of the water levels of the Lake of the Woods in certain cases, and for other purposes, reported it without amendment and submitted a report (No. 750) thereon.

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (H.R. 7551) authorizing the Secretary of Commerce to dispose of the Pass A'Loutre Lighthouse Reservation, La., reported it without amendment and submitted a report (No. 753) thereon.

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

H.R. 2828. An act to authorize the city of Fernandina, Fla., under certain conditions, to dispose of a portion of the Amelia Island Lighthouse Reservation (Rept. No. 751);

H.R. 5038. An act authorizing pursers or licensed deck officers of vessels to perform the duties of the masters of such vessels in relation to entrance and clearance of same (Rept. No. 752);

H.R. 7744. An act to authorize the Secretary of Commerce to transfer to the city of Bridgeport, Conn., a certain unused light-station reservation (Rept. No. 754); and

H.R. 7793. An act authorizing a preliminary examination of the Ogeechee River in the State of Georgia, with a view to controlling of floods (Rept. No. 755).

Mr. STEPHENS also, from the Committee on Claims, to which was referred the bill (S. 2973) for the relief of First Lt. Walter T. Wilsey, reported it with amendments and submitted a report (No. 767) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 1724. An act providing for settlement of claims of officers and enlisted men for extra pay provided by act of January 12, 1899 (Rept. No. 768);

H.R. 2666. An act for the relief of D. F. Phillips (Rept. No. 769);

H.R. 2682. An act for the relief of Bonnie S. Baker (Rept. No. 770);

H.R. 2689. An act for the relief of Edward Shabel, son of Joseph Shabel (Rept. No. 771); and

H.R. 3345. An act to authorize the Department of Agriculture to issue a duplicate check in favor of the Mississippi State treasurer, the original check having been lost (Rept. No. 772).

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

H.R. 2339. An act for the relief of Karim Joseph Mery (Rept. No. 756);

H.R. 2541. An act for the relief of Robert B. James (Rept. No. 757);

H.R. 3579. An act for the relief of O. S. Cordon (Rept. No. 758);

H.R. 3580. An act for the relief of Paul Bulfinch (Rept. No. 759);

H.R. 3952. An act for the relief of Grace P. Stark (Rept. No. 760);

H.R. 4519. An act for the relief of C. W. Mooney (Rept. No. 761); and

H.J.Res. 61. Joint resolution granting compensation to George Charles Walther (Rept. No. 762).

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

H.R. 3851. An act for the relief of Henry A. Richmond (Rept. No. 763);

H.R. 4269. An act for the relief of Edward J. Divine (Rept. No. 764);

H.R. 4274. An act for the relief of Charles A. Brown (Rept. No. 765); and

H.R. 4611. An act for the relief of Barney Rieke (Rept. No. 766).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 1173) for the relief of Gladding, McBean & Co., reported it with amendments and submitted a report (No. 773) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H.R. 3551. An act for the relief of T. J. Morrison (Rept. No. 774); and

H.R. 6386. An act for the relief of Lucien M. Grant (Rept. No. 775).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H.R. 1127) for the relief of O. H. Crisp, reported it without amendment and submitted a report (No. 776) thereon.

He also, from the same committee, to which was referred the bill (H.R. 4973) for the relief of G. C. Vandover, reported it with amendments and submitted a report (No. 778) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 2439) for the relief of the Goldsmith Metal Lath Co., Price-Evans Foundry Corporation, and R. W. Felix, reported it with amendments and submitted a report (No. 779) thereon.

He also, from the same committee, to which was referred the bill (S. 2549) for the relief of Albert W. Harvey, reported it without amendment and submitted a report (No. 780) thereon.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (H.R. 4846) for the relief of Joseph Dumas, reported it without amendment and submitted a report (No. 777) thereon.

Mr. DILL, from the Committee on Interstate Commerce, to which was referred the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes, reported it with amendments and submitted a report (No. 781) thereon.

Mr. WAGNER, from the Committee on Foreign Relations, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1200. An act for the relief of Elizabeth Millicent Trammell (Rept. No. 782); and

S. 1263. An act for the relief of Wiener Bank Verein (Rept. No. 783).

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. NORRIS:

A bill (S. 3409) granting a pension to Benjamin C. Reeve (with accompanying papers); to the Committee on Pensions.

By Mr. MURPHY:

A bill (S. 3410) for the relief of Ada Mary Tornau; to the Committee on Claims.

A bill (S. 3411) to authorize the acquisition of additional land for the Upper Mississippi River Wild Life and Fish Refuge; to the Special Committee on Conservation of Wild Life Resources.

By Mr. SHIPSTEAD:

A bill (S. 3412) granting a pension to Mabel Kenney (with accompanying papers); to the Committee on Pensions.

A bill (S. 3413) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; and

A bill (S. 3414) for the relief of Joseph Watkins; to the Committee on Claims.

By Mr. VANDENBERG:

A bill (S. 3415) authorizing the State of Michigan, by and through the Mackinac Straits Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge or series of bridges across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan; to the Committee on Commerce.

By Mr. BYRD:

A bill (S. 3416) to provide for the establishment of the Richmond National Battlefield Park in the State of Virginia, and for other purposes; to the Committee on Military Affairs.

By Mr. McKELLAR:

A bill (S. 3417) to amend the provisions of laws relating to appointment of postmasters; to the Committee on Post Offices and Post Roads.

By Mr. NYE:

A joint resolution (S.J.Res. 104) proposing an amendment of section 8, article 1, of the Constitution; and

A joint resolution (S.J.Res. 105) to establish the Peace Division in the Department of State with an Assistant Secretary of State for Peace at the head thereof, and for other purposes; to the Special Committee on Investigation of the Munitions Industry.

By Mr. KEAN:

A joint resolution (S.J.Res. 106) authorizing loans to fruit growers for rehabilitation of orchards during the year 1934; to the Committee on Agriculture and Forestry.

AMENDMENT OF PACKERS AND STOCKYARDS ACT

Mr. MURPHY submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2246) to amend the Packers and Stockyards Act, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

THE ISSUE TODAY—ARTICLE BY WALTER LIPPMANN

Mr. BORAH. Mr. President, I ask unanimous consent to have inserted in the RECORD an article by Mr. Walter Lippmann on The Issue Today.

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

[From the New York Herald Tribune, Apr. 13, 1934]

THE ISSUE TODAY

Observers differ as to just how strong is the sentiment in Congress for another and stronger dose of inflation. But all are agreed that Congress would pass a silver bill with great enthusiasm if the President would merely indicate that he did not seriously object. This is highly significant. It cannot be explained by insinuating that Congress is in the grip of silver speculators or of silver producers. The potential majority for silver is much too large to be ascribed to the influence of the special silver interests as such. It must be explained, it seems to me, by recognizing that Congress is interested in silver, not because it is silver, but because it might be used to raise prices and to promote recovery.

There would be no such sentiment for silver today if in the opinion of the Members of Congress who face reelection in the autumn, recovery was adequate and assured. Congress is a most faithful reflector of active public opinion, and the present strength of the silver bloc may be taken as a sure sign that there is dissatisfaction back home over the pace of recovery.

This dissatisfaction is, I believe, rapidly crystallizing into two main convictions. The first is that the restrictive measures under A.A.A. and N.R.A. have not worked effectively. The A.A.A., when it was pumping out money to farmers, helped them, of course; but the A.A.A. as a measure to reduce crops and raise prices has thus far been a virtual failure. The N.R.A., by raising costs and therefore prices ahead of new production, produced a temporary flurry among the few workers who received higher wages and

some speculative buying of merchandise in anticipation of higher prices; but once the flurry was over, the net result has been to make it harder to sell goods and, therefore, harder to reemploy labor. Thus these measures of economic restriction and regimentation are rapidly losing public support.

The second conviction now forming in the public mind is that the reform measures, the Securities Act, certain portions of the banking bill, and the original stock exchange bill were far too rigid and far too drastic; that in attempting to prohibit manifest and admitted evils they seriously threaten to prohibit enterprise and new investment. Since it is through the banks, the issuing of new securities, and the stock market that idle money and new money must find its way into business, laws which terrorize the financial community are obviously a serious handicap to recovery. As the measures are written, and perhaps even more as they are interpreted by and to the financial community, they are not unlike laws to prevent railroad accidents by stopping the trains.

The common character of all this legislation—from A.A.A. to the stock market bill—is that it constricts enterprise. Some of it is designed to meet economic difficulties, as in the case of unsalable surpluses. Some of it is designed to cure moral evils, as in the Securities Act. But the net effect of it all is to discourage enterprise at a time when the relief of unemployment and of insolvency depends primarily upon the revival of enterprise.

The conviction that recovery is being held back is the basis of the outcry against the "brain trust", and the reason why, in spite of the collapse of Dr. Wirt's charges, the "brain trust" is increasingly unpopular. It is also the cause of the inflationist sentiment in Congress. That sentiment expresses the view that the depression is due primarily to a derangement of money, which has destroyed prices and profits, and not, as A.A.A. and N.R.A. imply, to a lack of "planning" and control in the economic structure.

The administration has been acting on both theories. It has a monetary policy which tends to raise general prices; to restore profits, and to stimulate enterprise. It has a policy of regimentation, which raises prices here and there but in no intelligent relation to other prices, which obstructs profits and discourages enterprise. The two policies are now grinding one against the other.

This conflict has to be re-solved. It is the main business before the country, before Congress, and before the administration. There are three possible ways in which it can be resolved. The regimentation could be redoubled and reinforced and the attempt made to run agriculture and industry under Government control. This is the direction indicated by the Bankhead cotton bill. To take this road is, however, impossible. Congress would not permit it. The country would not tolerate it. The administration does not desire it. The second way is the one that Congress is threatening to use. It consists in imposing upon the banking system an inflation of sufficient power to overcome the inertia of all the restrictive measures. This is a dangerous and disorderly way to reach a sound objective. The third way is for the administration itself to release enterprise by abandoning some of the measures that constrict it and by revising others. This is the way of common sense.

For the monetary policy as now set up, supplemented as occasion demands by the use of the powers the President already possesses, is a most powerful engine for recovery if only it is permitted to operate. It can create immense supplies of new money provided channels are opened through which new money can flow into industry. It would be the height of folly not to use it when, by using it intelligently, as the British are doing with a similar monetary engine, it is almost certainly possible to bring back to the people work, security, and peace of mind.

To do this is in no sense to abandon the hopes of the new deal. For, as the President himself has frequently said, all the particular devices of the past year are purely experimental and should be modified when they do not work. Experience has now shown that some of them thwart enterprise and retard recovery. Those devices ought without the slightest compunction to be revised so that they will not thwart enterprise and retard recovery.

POLITICAL CONDITIONS—ADDRESS BY SENATOR CLARK

Mr. BAILEY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the junior Senator from Missouri [Mr. CLARK] before the State banquet of the Young Democrats of North Carolina at Raleigh, N.C., Saturday, March 31, 1934.

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

I consider it a very distinguished honor to be permitted to be here tonight to participate in this gathering of the Young Democrats of North Carolina. It is always a privilege for me to address any meeting of Democrats. It is a particular gratification to address an audience of Young Democrats. It is a gratification for me to address the fighting Democracy of the old North State, the State which produced the grand old Roman, Nathaniel Macon, the State in which was born possibly the greatest Democrat who ever sat in the White House, Andrew Jackson, the State of the nativity of the most underrated and one of the greatest Presidents, Andrew Johnson, the State which knew the leadership of the great Zeb Vance, the State of that magnetic leader and matchless debater, Claude Kitchin. It has been my good fortune since the time of

my boyhood to enjoy the friendship of many distinguished North Carolinians. My memory goes back with deep affection to youthful friendship with such great congressional leaders as Claude and Will Kitchin, Bob Page, and Senator Overman, as well as to those stalwart figures who remain today to head the two greatest committees in the House of Representatives, Bob Doughton and Ed Pou. I now prize most highly the friendship of such men as Will Bailey, Max Gardner, Josephus Daniels, and Bob Reynolds.

I had the pleasure of soldiering with many gallant sons of North Carolina during the World War, and I took especial pleasure and pride in the splendid record as national commander of the American Legion made by my friend, Henry Stevens, one of the finest commanders that the Legion has produced. And so you will understand, my friends, that my expression of gratification at being here tonight is no formal lip service and empty pleasantry but an expression of very real feeling.

We in Missouri owe much to North Carolina. The backbone of our splendid pioneer stock came from Virginia and North Carolina, either direct or through Kentucky and Tennessee. From you we claim descent of many of our institutions and characteristics. That old lion of Missouri democracy—one of the greatest Democrats who ever lived, Thomas Hart Benton—was born and grew to manhood in this State. And so tonight I take pride in the fact that from Missouri I bring word to the fine democracy of North Carolina that in Missouri the democracy long rent by factions and dissensions long suffering under Republican misrule is once more united, triumphant, and militant, looking with complete confidence to the future.

It is well at this time, after a little more than a year in complete control of the National Government in this time of stress, for Democrats to take stock of the present and estimate the future.

The United States has from the earliest time been the bulwark of liberty throughout the world. We set the example of republicanism to the nations of the earth. Our Government was created and stands as a monument to the principle that men are fit to govern themselves. Twenty years ago it seemed that the principles upon which our Government was founded were to encompass the earth, for nearly 30 nations had followed our example in setting up constitutional governments. And now, in this time of crisis, when as a result of the brutal bestiality of war, of the lowering of standards, the destruction of morale which accompanied and followed that awful conflict, liberty is prostrate throughout the world, with brutal dictatorship in the ascendant in nearly every land, the United States still affords the last refuge to the oppressed and liberty-loving people of the world.

We ourselves have been passing through the fiery furnaces of the aftermath of war. We are just emerging from a crisis more serious than any in the history of the United States, with the possible exception of the period of the Revolution and the period of the War between the States. The survival of our institutions and of our whole economic fabric has been tested to the uttermost. But under the leadership of the President of the United States there is evidence of recovery on every hand.

It is not necessary to agree with every item of the enactments of the last year to rejoice in the spiritual and material improvement which has taken place in this country in the last year. That gallant figure, with his high courage, with his indomitable will, which has enabled him to rise far above the limitations of mere physical misfortune, with his magnificent ability, with his unswerving devotion to the interest of the body of the people—to the "forgotten man", as he once denominated him—is leading the American people out of the slough of despond. The very buoyancy of his courage and optimism has had a tremendous and inspiring effect on the hearts and minds of our people in ending the depression. He has done more in 1 year to rout the long-entrenched forces of special privilege than has been accomplished in any similar period of our history since Andrew Jackson sat in the White House.

I do not desire to make invidious comparisons and I would on no account wish to seem abusive of the Republican Party. "De mortuis nil nisi bonum"—concerning the dead speak nothing but good. But in discussing the state of the Nation, it is proper, I believe, to briefly mention the condition in which the President found the country when he entered upon office. During the war there was an enormous waste of blood and treasure throughout the world. Bankruptcy or its equivalent, utter lack of financial stability in international relations, suspicion, jealousy, rancorous hates, breaking down of morale were on every hand.

The United States, as the leading creditor nation of the world, deliberately pursued the part of aggressor in an economic war with all the world. Through retaliation by other nations, international trade was practically ended. We cornered the gold supply of the world, and, while demanding payment of international obligations owed us by other nations, we set up tariff walls and embargoes to prevent them from paying us in the only medium in which they could pay—in goods and commodities.

In our own country, with the advent of the Harding administration, we entered upon a period of riotous extravagance, of uncontrolled inflation and speculation. Special privilege exercised absolute control of Government, of business, and of the lives and well-being of our people with unprecedented arrogance, not troubling to mask its ugly face. Corruption stalked the land, involving some of the highest officials in the Nation, and men who sat at the President's Cabinet table were guilty of crimes against the Nation as damnable as the treason of Benedict Arnold.

And for 12 long years we continued the march toward calamity; Harding died, Daugherty and Fall were driven from office in disgrace, but the forces of organized plunder retained control of the Government with more personable and subtler agents, Mellon remained as the virtual dictator of the fiscal policies of the Nation.

The most serious economic maladjustments were not only permitted to continue but created by the Government itself. Agriculture, the basic and fundamental industry of the Nation, was prostrated shortly after the war by the sudden and arbitrary deflation of agricultural credits forced by the arbitrary action of the Federal Reserve Board and that depression continued and grew worse throughout the administrations of Harding, Coolidge, and Hoover. In the fake, pseudoproprosperity of the Coolidge and Hoover administrations which after all was only a stock-market prosperity—American agriculture had no part. To the wiping out of the buying power of the American farmer, a major part of the ultimate disaster must be traced.

To the heads of these administrations the panic of 1929 and the miseries which ensued for millions of Americans are directly chargeable. They deliberately encouraged inflation. They studiously abetted the delusion that an era had arrived in our national affairs in which depression or panic could not recur. They permitted the prostitution of the Nation's credit, through a system set up by a Democratic administration for the use of legitimate business, into the power of Wall Street for purposes of speculation. High Government officials, great financial experts constantly prated to the effect that a permanently high plateau of prosperity had been reached, that inflation of values was entirely justifiable, that there could never be another depression in the United States. And so the mad orgy of inflation and speculation went on.

And then when the inevitable day of reckoning came and the market crashed, when the country stood in need of encouragement and reassurance, the very men who had stimulated and led the talk of a permanently high level of prosperity—of "a radio in every home, a chicken in every pot, and two cars in every garage", as Hoover once promised the American people—these very same men raised a cry of alarm. Instead of saying frankly to the people that a bubble of inflation had burst, that a few rich plungers had lost fortunes, and that most unfortunately a multitude of small investors or small speculators, as the case might be, had been ruined, but that the basic wealth of the Nation was still intact, that we still had as vast resources, as rich agricultural lands, as great mineral stores, as much machinery, as adequate transportation facilities, as many skilled workmen, as honest, industrious, God-fearing a people as ever lived on this earth, and that what the country needed was for everyone to forget the stock market and go back to work, Mr. Hoover raised a shout of panic.

He summoned to Washington a crowd of capitalists—J. P. Morgan; Henry Ford; Charley Schwab, of Bethlehem Steel; Myron C. Taylor, of the Steel Trust; and fourscore others—and he told them in the most public manner that this country was in the most serious crisis of its fate and that unless they stood by the whole country was headed for destruction. And these industrial captains each and every one promised to carry on. And then, alarmed by the President's warning, they each and every one went home and trimmed the sails of his own little bark to weather a terrific storm.

The reaction of the public was immediate and inevitable. Public confidence was utterly destroyed. A stampede ensued; and without making any substantial effort to correct the basic economic maladjustments which had created the condition, the leaders of this school of thought gave way to counsels of despair. Trade was paralyzed, factories were shut down, workmen were thrown out of employment, credit which had been substituted during the inflation years for currency as a medium of exchange was suddenly and abnormally contracted and the price of agricultural products nose-dived because millions who would gladly have paid a decent price for the necessities of life had not the wherewithal with which to pay. A remarkable and unprecedented situation was created whereby millions of people were starving in the midst of plenty.

And then in the face of this situation of disaster, right on top of the collapse, a Republican Congress proceeded to pass and President Hoover proceeded to sign the most outrageous, the most indefensible, the most criminal tariff bill in the entire history of the world—one which made the historic and infamous "Tariff of Abominations"—which laid the foundation for the Civil War seem by comparison mild and equitable. In the face of the solemn written protest of nearly a thousand of the leading economists of the United States, in spite even of the urging of leading industrial captains who had heretofore been glad themselves to participate in the tariff loot that the limit had been reached, President Hoover signed the bill.

The result was immediate. Every civilized nation in the world proceeded to retaliate.

Our foreign trade fell away to nothing. Huge surpluses of the products of American industry and agriculture, the sale of which in foreign lands had made the prosperity of the United States, accumulated on our hands. The more food there was produced in the United States the more millions were hungry within our borders. The more gold we accumulated the more our financial structure was impaired. The more superficial remedies were applied without regard to the basic economic ailments the more aggravated became the constitutional disease. Yet no effort was made to adjust the basic economic condition which had brought about the collapse. Apparently it was not recognized that star-

vation in the midst of plenty constituted an indictment of our system which could not be blinked at, glossed over, or ignored.

And so, on the 4th of March 1933, Franklin D. Roosevelt was inaugurated into the Presidency to face a situation as desperate as any President had ever faced on his induction into office save possibly only Lincoln, in 1865. The Republican policy of pandering to special privilege had at last reached its full fruition. Agriculture, long suffering through the tariff policy, which compelled it to buy everything it had to buy in a protected market—paying a tariff tax on every item of consumption—and to sell everything it had to sell in a free market, was prostrate.

Industry, long profiting by unjust discrimination against agriculture through our system of prohibitive tariffs, had finally come upon destruction through the vicious excesses of that policy particularly as exemplified by the Hoover-Grundy Tariff Act of 1930, which had effectually closed the markets of the world to our products of every kind. Public confidence had been utterly destroyed. A bank with millions in its vaults, which could only exist by judicious lendings of its depositors' money, had been afraid to loan on even the best security for legitimate business. A depositor feared to leave his money in even the best of banks, because he feared that where so many had failed in no place might there be security. Disclosures of the extent to which Insull and Morgan and Wiggin and Mitchell and a host of others of the great captains of privilege had been allowed to plunder the American people—largely through the aid and protection granted them by Government—had led the American people to a state of despair which was closely akin to desperation. It is greatly to the credit of the American people that this situation and these disclosures did not bring us as close to the brink of revolution as the revelations of lesser governmental misconduct and to smaller speculations on the part of the French financial titans has recently brought the French Republic. Franklin D. Roosevelt, as a result of all these conditions, took office with every bank in the United States closed, every industry prostrated, every decent citizen apprehensive of the future of his country.

With superb courage, the President took the lead. He recognized that bold measures were needed to correct the situation. He realized and proclaimed that certain fundamental economic adjustments were necessary and that, in addition, certain emergency and temporary measures were necessary and desirable to restore the equilibrium. His courage and his masterful grasp of the spirit of his countrymen have been like the music of silver bugles sounding the charge to the people of the United States.

Some of the measures adopted by the President are purely temporary in their nature; some call for permanent readjustments in our economic structure, to as far as may be, remove the causes of the dreadful ordeal through which we have been passing. Some are frankly experiments, so recognized and denominated by the President himself, with the promise that if they shall prove unsuccessful he will recognize that fact and abandon them. Some of them, to my mind, have been extremely dangerous experiments, some of which have involved a grant of power by Congress or a usurpation of power by government, which I myself was unable to reconcile with my views of the Constitution of the United States.

I may say to you very frankly that I have not agreed with all these measures and that when I have not been able to reconcile my views on fundamental grounds with those of the President, I have differed with him with great regret but have voted my own convictions. I have no apology whatever to make for these votes. I hold it to be the duty of a Senator or Representative, sworn on his own oath to represent a sovereign people, to give most careful and respectful consideration to the recommendations of the Executive, to resolve all possible doubts in favor of his proposals, but if thoroughly convinced that they are wrong to vote against them.

Such, I conceive, to have been the theory of the Fathers of the Republic, and such will be my course as long as I remain in a position of responsibility under the Constitution. Such has been the course of your own great Senator BAILEY. I have not always agreed with him any more than I have always agreed with the President. Sometimes he has agreed with the President when I have disagreed with both, and sometimes I have agreed with the President when he has disagreed with both of us. But I am happy to have the opportunity to bear witness that he has always fearlessly voted his conscientious convictions and supported those convictions with cogent and powerful arguments. Such I believe to be the requirements of any man before he is fit to sit in either branch of the American Congress.

May I say in passing that from a lifelong study of American history and its background of English history, that I have no patience with the theory that man is the best friend or adviser of the executive, whether he be president or king, who fawns upon him and blindly agrees to his every recommendation. Such sycophants tend to destroy the efforts of the very man whom they pretend—and usually intend—to uphold. There is no essential difference between the hysterical cry which is occasionally raised in this country of "Stand by the President", and the old cry of absolutism since first the world began, "The king can do no wrong." My fellow Democrats, I say with all possible earnestness that it is neither necessary nor desirable to adopt any such attitude in order to revere the character and intellect of President Roosevelt and to glory in the sum total of his magnificent achievements since he took office.

Taking his program as a whole, the audacity, the power of decision, the gallantry of spirit of the President have been an inspiration to the people of the United States the like of which

we have not seen since the immortal Jackson formed and led the hosts of democracy. Whatever may be the outcome of any particular measure of his program he has convinced the American people that he is literally and faithfully carrying out his pledge to drive the money changers from the temple. Whether he succeed or fail in any particular engagement in what must be a long war to finally redeem the Nation from the forces of reaction and depression, the whole country realizes that the whole force of Government is now being exerted to the uttermost in the interest of the masses of the people instead of the interest of special privilege. More than any President since Thomas Jefferson he has visioned a Government conducted exclusively in the interest of the whole people. More than any President since Andrew Jackson he has been the invincible and triumphant foe of entrenched special privilege. More than any President since Woodrow Wilson he has demonstrated that an honest, vigorous Executive can conduct an administration through the fiery ordeal of vast expenditures of public money and emerge without even the fumes of suspicion of corruption or veniality upon his garments. And yet, even in this time of stress, even in the midst of this vital struggle for recovery, even as we are toiling back from the depths, since we have this year under the Constitution a national election there are men, some formerly in high places and some still in high positions in our Government, who are willing for fancied partisan advantage to indulge in the practice of abusing the President and damning all his acts. Their viewpoint is set forth in the old doggerel: "I do not like thee, Dr. Fell, the reason why I cannot tell. But this I know and know full well, I do not like thee, Dr. Fell."

Old battle-scarred veterans of the army of privilege, men who unctuously defended every infamy of the Harding administration, men who cheerfully supported the Hoover-Grundy tariff bill, men who ballyhooed the stock-market inflation which led to our present deplorable state, men who even had the hardihood to defend Hoover as a great President who had fulfilled his extravagant campaign pledges and brought unparalleled prosperity to the United States, now have the effrontery to stand upon the floor of the American Congress, both in House and Senate, and in banquet halls throughout the country and abuse the President of the United States like a pickpocket for his every act and his every recommendation.

Even a proposition so logical and simple as that powers not one whit more extensive than those upon which Mr. Hoover insisted, which he forced through Congress, now be granted President Roosevelt for the purpose of enabling him to undo as much as possible of the mischief caused by our war of tariff aggression is assailed by charges of dictatorship and usurpation.

The whole proposal is as simple as A B C. By the most wanton economic aggression in all history, in a series of prohibitive tariff bills we placed ourselves in the situation of undertaking the unheard-of economic feat of forever selling everything and buying nothing; in short, of attempting to pull ourselves up by our own boot straps. The Hoover-Grundy bill was the last straw which brought swift retaliation from every nation in the world, shut the nations of the world in airtight compartments, and paralyzed world trade.

As the leading exporting nation of the world, a nation which produces huge exportable surpluses both of agricultural products and manufactured articles, we were the chief sufferers. We were "hoist on our own petard." By our own action in forcing every other nation into a system of tariffs and quotas, we have shut out American farm products and American manufactured goods from the markets of the world. The difference between being admitted to those markets and being excluded from them has meant the difference between prosperity and bankruptcy to the American farmer, the American manufacturer, and the American laboring man.

I wish that it were possible to cure this condition by a simple act of Congress, which could be signed by the President, reducing the extortionate tariff rates which lie at the root of much of our troubles. But having by our own stupendous folly deliberately created the present deplorable situation by provoking retaliation throughout the world, we now find ourselves powerless to correct it alone. A mere reduction of our tariff taxes—for a tariff rate is as much a tax as any excise or income tax ever imposed—will not reopen the markets of the world to our products unless it brings about a reduction of the tariff and quota restrictions set up against us in retaliation by foreign countries. And we cannot be certain of reciprocal concessions without negotiation. These negotiations, of course, cannot be conducted by the Congress and must of necessity be made by the Executive. Our treaty-making process is too cumbersome to permit of its use in trade negotiation. No nation in the world would be willing to deal with us on such terms. So that in the last analysis we are face to face with the proposition that if we desire to end the most destructive economic war in all history, if we desire to undo the evil results of our own folly, we have no option save to follow the proposal of the President by authorizing him to accomplish these results through the medium of reciprocal trade agreements.

Since I have served in the Senate of the United States I have opposed extraordinary grants of power by Congress to the Executive as being either unconstitutional or unnecessary. This grant, embodying not one whit more power than that now given the President for utterly futile purposes of retaliation in a war of retaliation, and which has been upheld by the Supreme Court of the United States, I believe to be both constitutional and vitally necessary to the welfare of the United States. Therefore, I shall take great pleasure in supporting the proposal with whatever vigor

in me lies, and I make bold to predict that, outside of a few honest theorists who would turn back the hands of the clock in the vain hope that some more beneficent human nature will undo what our legislative folly has created, that in the bitter fight which impends in the Senate, the opposition to this proposal will come from the army of privilege; from those who want to go back to the old, bad logrolling device of the tariff barons from time immemorial; from those calloused souls who supported the infamous Fordney-McCumber and Hoover-Grundy tariff bills.

Time does not permit the discussion in detail of the various items of the President's recovery program. But taking it for all in all I am happy to report my profound belief that the crisis through which we have been passing is in process of ending; that the United States is, with courage and hope, coming out of the depths; that our Nation once more faces with confidence its great destiny, once more justifies the hopes and prayers of the founders of the Republic as the great agency of liberalism, liberty, and progress in the world.

LINDSAY DENISON

Mr. WAGNER. Mr. President, I ask permission to have printed in the RECORD a very interesting article written about a very distinguished writer and great friend of mine, Lindsay Denison, by another distinguished author, Mr. Gene Buck, together with a tribute to Gene Buck.

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

[From the Great Neck (N.Y.) News, Mar. 30, 1934]

MORE HONOR TO GENE BUCK

Not long ago Gene Buck was included in a group of 10 men who have contributed the most to the everyday language of people, an honor which surprised him more than anyone else.

He is a maker of fine phrases, in addition to being a master of colloquialisms which are really short cuts in language to define nuances of meaning in the fewest possible words.

"Wise cracking" is as far removed from Gene Buck's nature as is selfishness. He will laugh as wholeheartedly as anyone at wise cracks whose only excuse for being is their humor or their smartness; for himself they seem a waste of time unless their significance makes them important.

A few months ago Gene Buck said, "The old way was to get and forget; now it is to give and forgive." No one has expressed the idea of the new deal so forcefully, so completely, in a dictionary of words.

In last week's issue of the News, in which Gene Buck paid the beautiful tribute to Lindsay Denison, he called Sing Sing Prison "the steel filing cabinet of human mistakes", and in the whole tremendous literature of penology there is nothing as fine.

Gene Buck thinks deeply. He has a catholic charity, a broad understanding, and a genius for expressing his thoughts with a directness, a clarity, and an originality, whether he talks on his feet in his simple, earnest way, or writes.

It is a social loss that Great Neck's best-known citizen, measured by the number of his acquaintances, and one of its best loved, writes so seldom.

LINDSAY DENISON

By Gene Buck

Sunday evening, along about 9 o'clock, Ring Lardner, Frank O'Malley, "Tad" Dorgan, Bozeman Bulger, and a few others I knew well and who have gone into the "next room", greeted a sweet soul, an old friend and one of the greatest newspaper reporters America has ever produced—Lindsay Denison.

After 61 years his great heart, which "Tad" always referred to as "the ticker", which began beating in Salem, Mass., stopped in the Great Neck Hills, and this attractive town lost one of its finest citizens, and Ring, Frank, "Tad", Boze, and others will get a real report on what has been going on since they left.

When folks talk about reporters, and especially star reporters, Lindsay Denison was always mentioned first. He earned that distinction by his amazing power of observation, his ability to interpret the real facts, and his rare gift of writing them in such a manner that many of his newspaper stories were reprinted and used in textbooks as models for students of journalism.

Lindsay inspired confidence and respect by his work and personality in the leading players in the drama of life from Charles A. Dana to Al Capone.

His parents were deaf mutes.

He graduated from Yale in 1895 and chose journalism as a career.

He covered some of the great stories of our generation—the Windsor Hotel fire, the *General Slocum* disaster, the Blood murder trial, the Rosenthal murder, Lefty Louis, Gyp the Blood, the Becker trial, the Hall-Mills murder case, numerous national and local political conventions, Theodore Roosevelt, William H. Taft, Woodrow Wilson, Charles F. Murphy, John W. Gates, Tammany Hall, Anthony Comstock, Abe Hummel, Rev. Dr. Parkhurst, Thomas A. Edison, Nat Goodwin, Caruso, Diamond Jim Brady, E. H. Harriman, Pete Daley, Lillian Russell, William Travers Jerome, Chauncey Depew, Gerald Chapman, Wilson Mizner, Nan Patterson, General Pershing, Foch, J. P. Morgan, John P. Mitchell, Rector's Jack's, Chinatown, and the Great War.

As a captain, he went to France and was in the Quartermaster Corps and also the Intelligence Department, and made a real record as a soldier. He worked under two of the most extraor-

dinary figures on one paper in the history of journalism—the able and blind crusading Joseph Pulitzer, publisher and owner of the late lamented New York World, and Charles E. Chapin, his city editor, with a steel heart and genius for editing, who killed his wife and died in Sing Sing where he was the gardener of his own flower bed within the walls of that steel filing cabinet of human mistakes.

I have only mentioned a few of Lindsay's achievements and only a few of the characters in the drama he wrote about. They are countless in scenes and personalities. For many years he was the best reporter in this Nation, and so acknowledged by his own craft, which is the highest praise, as I believe the finest writers, the best historians, playwrights, novelists, and observers America has ever developed were originally newspaper reporters.

In recent years, in the evening of his life, Lindsay clung close to Great Neck. He loved his wife, his home, and this town. He got a great kick out of Jack Hazzard, the vigilant fire department. The Great Neck News office, where he spent many an hour, and it was a joy and privilege to be in his gentle presence and to learn something of the past from one who knew so well and had the precious gift of making it live again with all its color and glamour.

Those of us who knew him were blessed. Lindsay was one of the few great men I ever knew, and I have known many in my lifetime. I can see him now with his massive frame, his dark kindly eyes, and his large head with a small shabby, funny, gray old felt hat perched on top. I can hear his soft voice and feel his enthusiasm for life and the passing show.

To his wife and daughter our condolence and sympathy in a simple, genuine, old-fashioned way, God rest his soul.

Great Neck and the world have lost a real person and Ring and "Tad" and Frank and "Boze" get a "break" and a "scoop" in the mysterious tomorrow.

So long, Lindsay!

PERSECUTION OF JEWS IN GERMANY—ADDRESS BY HON. JAMES A. REED

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered in Chicago April 8, by the former Senator James A. Reed on the subject of the Persecution of Jews in Germany.

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

PERSECUTION OF JEWS IN GERMANY

There never has been and never will be a benevolent despotism. When liberty ends, slavery begins. Slavery destroys every faculty of the mind—every aspiration of the soul. It renders death preferable to life. It reduces man to the level of the brute beasts. He who is willing to submit his body to the lash and the chains of a master is unfit to live.

WHAT IS LIBERTY

No man is free upon whose brain government can place a shackle. No man is free upon whose tongue government can place a bridle. No man is free who is restrained by government in the selection of his avocation. No man is free whose life, habits, or opportunities are restricted by government. With equal force let it be said: No man is free who is obliged to rely on government for guidance. And no man is free who is dependent on governmental bounty.

Paternalism in government is only possible when the liberty of the individual is limited or annihilated. Paternalism is of necessity favoritism, and favoritism to one class can only be accomplished by the despoliation of other classes.

Peter's property or opportunity must be given to Paul. Both are injured. Peter is robbed. Paul is debased. The most foolish of all animals is the man who, because of temporary adversity, would tear down the temple of liberty and out of its ruins erect a citadel of tyranny in the hope he therein find refuge. Certain it is that the citadel will soon become a prison where he will languish in chains.

All despotisms have certain attributes in common. They rise in a time of adversity. They pretend they have a complete cure for existing evils and misfortunes. They wear the mask of benevolence, speak in the soft notes of friendship, and wreath their faces in loving smiles, as they proclaim their evil doctrines. They assert their love for the people and their purpose to rescue them from peril. They declare they are moved by the loftiest motives and inspired by the holiest purposes. But they always affirm that the ordinary machinery of government is inefficient or corrupt, and that the people are incapable of remedying the wrongs. Back of that lies the philosophy that man is incapable of governing himself, or regulating his own conduct, hence that he must be the ward of the government, protected, cared for, guarded, and assisted.

Such is paternalism. And paternalism, itself despotic, soon discards its amiable pretenses and becomes a tyranny of cruelty, of plunder, of corruption, and of brutality. It matters not by what name this species of oppression is known or the particular mask it wears.

When man is deprived of the natural right to think his own thoughts, to utter his own sentiments, to select his avocation, to go from place to place without interference, to write and read the books of his own selection, to worship according to the dictates of his own conscience, to assemble with his neighbors and friends, to conduct his own business without interference or regulation,

always with due regard for the rights of others, he is to the extent of such interference, enslaved.

Whenever any government goes beyond the protection of these fundamental rights and undertakes to control or interfere with their exercise, it is a government of tyranny, and the oppression is equally destructive and debasing, whether perpetrated by an Egyptian despot, a Roman emperor, a French Bourbon, an English Tudor, an Austrian Hapsburg, a Russian Romanoff or Stalin, a German kaiser, or an Austro-German Hitler, and is quite as obnoxious if committed in the name of a republic.

Names count for nothing. The sole question is: Has the hand of power been laid upon the throat of liberty? These crimes are committed in the name of government. But what, pray, is government, in its last analysis? It is the will of one man, or a small body of men, imposed upon the will and lives and aspirations of millions. If the small body of men constituting the government has been selected by the millions, if they have honestly kept within the limits of delegated authority, if they labor to protect the liberties of millions, then a just government can be said to exist.

But the instant they go beyond their just authority, these men are simply by brute force imposing their will upon their fellow men. Likewise, when the citizen requires or expects the government to go beyond the protection of his rights and to be the distributor of bounty, he thereby debases himself and surrenders to a policy which, in the end, makes the government his master and himself its slave.

Hitler has not only attacked the liberty of the Jew but he has also assassinated the German Republic. When he told the Jew, "You cannot sell to a German", he denied the German the right to buy from a Jew. When he told the Jewish physician he could not prescribe for a German, he denied the German the right to call a Jewish physician. When he told the Jewish people that they could not freely exercise their religion, he denied the principle of religious liberty and affirmed the right of government to control in the domain of conscience.

Thus out of the ashes of a war waged for the liberation of mankind appears again the Gorgon heads of a worse form of despotism than previously existed. The Russian peasant, liberated from serfdom by a proclamation of the Czar, finds his chains newly forged by a government that exists only by force of arms. The Italian people today suffer a greater interference with their daily life than that endured under the reign of the Caesars. The German people had more liberty under Bismarck and the Kaiser than they have under the name of a so-called "republic", the powers of which are concentrated in one man.

The flood-tide has not yet arrived, but the waves are beating upon the shores. Today it is the Jew who is the particular victim. But tomorrow and tomorrow and tomorrow, the waves may break higher and higher upon the shores, until they may engulf all lands and all peoples. Establish the right of government to persecute the Jew—and you concede the right of government to persecute the Gentile—you, in fact, concede the right of government to persecute all races and all religions.

Fasten this doctrine once upon the world, and we shall again retrace the path of history, when the world yielded to government by brute force—when monsters occupied thrones and places of power—when the rotting bodies of countless victims hung from gibbets on myriad hills. You usher in the day when the light of learning shall again be extinguished and the wailing of women and children shall take the place of happy laughter and of joyous song. We are not discussing today the fate of the Jews alone. We are discussing the dangers to humanity. We ask ourselves the question, Shall the twin stars of liberty and equality once more be obscured by clouds of ignorance, of prejudice, and of hate?

The Jew has been the object of persecution throughout the ages. But we had come to believe that, except in darkest Russia, the monstrous infamy had forever ceased. As one surveys the past, it is impossible to trace the persecution of the Jew unless one explore the caverns of ignorance, where lurk the coiled serpent of superstition and its pestilential offspring of bigotry, cruelty, and crime. Because the Jew has steadfastly refused to abandon the God of his fathers, he has been made the victim of the vilest fanaticism. For this, 3,000 years ago, he was enslaved in Egypt. For this were his cities burned, the walls of his capital razed, his temples destroyed, his altars desecrated, his people slaughtered; for this was he carried into captivity by Syrian and Babylonian despots, his land reduced to a desert sown with the bones of murdered millions. Yet, in spite of all, for 1,500 years the Jew clung to the horns of his altar, cherished his temple, and revered his God.

The Jew alone, during all that period of terror, vice, tyranny, and despair and loathsome idolatry, taught the doctrine of one supreme God. He alone followed a code of laws which embraced every principle essential to liberty, morality, and religion. His laws and his religion were to those of the other nations of the earth as stars of indescribable glory shining through the clouds of a storm-set sky upon a sea of blood. Then came the dawn of Christianity, but its glory fell first upon the land of the Jew. The God mother was a Jewess. The Twelve Disciples were Hebrew fishermen who spread their nets along the shores of the Sea of Galilee.

From this race we get our religion, from its sacred writings our morals. It preserved the greater part of our knowledge of ancient history. The most sublime examples of sacred poetry and the tenderest expressions of exalted devotion fell from the pens of inspired Jews. Obliterate the work of the Jew before

the Christian era and you destroy the old Bible and the Ten Commandments. Strike out the work of the Jew of the Christian era and you obliterate the New Testament. Your religion, the fundamentals of your laws, your ideas of virtue, your precepts of morality—all these you get from the Jew.

From the lips of the son of a Jewess came the sublime command: "Do unto others as you would that they should do unto you." When Jewish valor, as heroic as was ever exhibited by man, at last was broken upon the sword of Roman power and Jerusalem fell, the Jew was exiled from his own land and became a wanderer over the face of the earth. But his idealism, his faith, his ambition, and his courage did not yield. It has never died in the face of adversity.

Once an exile from the land of the Nile he, centuries later, returned to become the dominant force in the government of the Pharaohs. Led captive into Babylon by Nebuchadnezzar, he broke his thralldom to sit in the councils of Cyrus. A wanderer in Spain, he became its intellectual and financial overlord. In envy his expulsion was decreed, and the decline of the Spanish Empire began, which has continued until Spain is an object of contempt in the family of nations. A sojourner in France, he rose to eminence in learning and dominance in business. Banished, the commanding value of his genius forced his speedy recall. A social outcast in England, he acquired property, won honors, and achieved distinction. Again persecution and exile were his fate. Yet again were his oppressors forced to reverse their proscriptive policies and grant to the Jew the right of British citizenship.

Thus has Jewish genius broken the shackles of prejudice and the chains of superstition. Thus has it triumphed over race hatred and religion. The treatment of the Jew by Hitler is the brand of shame upon the brow of Germany. Humanity cannot repress the hope that the public opinion of the world will demand that every act of oppression shall be reversed, and that once more, the Jew shall be permitted to stand erect—a man in law, as he has always been a man in fact—wearing the uniform of freedom in a republic from which shall have been driven the despotism of Hitlerism. That will be a bright day, not only for the Jew, but for the great German people.

Then, again, will the Jew be able to contribute, as he has in the past, to the sum total of human achievement. Wherever he has been given the slightest opportunity, the Jew has achieved preeminent distinction. Among the masterful statesmen of the last century must be included Disraeli, an English Jew. With the wisest judges of earth stood the Jew, Rufus Daniel Isaacs, Lord Chief Justice of England. Upon our own great Supreme Court sit two men of Jewish blood. In an exalted place, among the greatest lawyers our country has produced, must be inscribed the name of Judah Philip Benjamin, Attorney General of the Confederacy. If you were asked to name the foremost actress of recent times, your lips would instantly pronounce Sarah Bernhardt, a French Jewess. From the masters of music, you cannot omit Anton Rubenstein, the Polish Jew. I call no more the names. They are too numerous.

If you pursue the inquiry, you will be compelled to admit that in law, medicine, literature, philosophy, science, business, and art, the Jews have won and kept an honorable place. From their pens have fallen poems of marvelous beauty and exaltation—books of masterful learning and profound logic. Their artists have wrought masterpieces of canvas, marble, and bronze. In all lines of endeavor they have made their way unexcelled.

To the Christian in whose mind still rankles the prejudice of ignorance, let me quote the words of Joaquin Miller:

"Who taught you tender Bible tales
Of honey-lands, of milk and wine?
Of happy, peaceful Palestine?
Of Jordan's holy harvest vales?
Who gave the patient Christ? I say,
Who gave your Christian Creed? Yea, yea,
Who gave your very God to you?
Your Jew! Your Jew! Your hated Jew!"

May we not all hope that the clouds of today may soon vanish; that the fires of prejudice will die upon the altars of hate; that the combined genius of all peoples shall realize the dreams of those who have longed for a world of justice, virtue, and equality—a world where the strong shall not strike down the weak—the cunning shall not overcome the unwary—where opportunity shall be unbounded—and equity shall be the rule of the heart and the law of the state?

TARIFF ON LACES

Mr. DAVIS. Mr. President, there came to my office this morning a committee representing Pennsylvania lace workers. Their spokesman, Mr. James F. Boyle, of Wilkes-Barre, Pa., informed me if the tariff act passed by the House of Representatives and now pending before the Senate is passed by the Senate, thousands of Pennsylvania lace workers will be out of work.

It seems to me that at this time it would be very unwise for us to repeal the tariff on lace. The eminent Senator from Rhode Island [Mr. HEBERT] delivered a very able address on this particular subject last week. He informed us there were \$25,000,000 invested in the industry in the United

States; that it provided in 6 States, Pennsylvania included, 8,000 operatives, actually employing 15,000 workers.

Why discontinue protection to this American industry, and close down our own plants to give work to French and English workers, with the hope—and that is all we can expect it to be—that the French and English workers will purchase some of our agricultural and manufactured products? The differential in cost is in wages only.

In these most difficult times I do not favor sharing the home market with those of foreign lands who are our competitors.

I ask unanimous consent to have an editorial on this subject, which appeared in the Wilkes-Barre Record under date of April 17, printed in the RECORD.

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

[From the Wilkes-Barre (Pa.) Record, Apr. 17, 1934]

TARIFF THREAT TO LACE LABOR

Statements credited to certain of the advisers of President Roosevelt, including Secretary Wallace, that the lace-making industry as it is carried on in America is among the four or five inefficient industries which could be sacrificed on a lower tariff altar in the interest of increased agricultural exports, have aroused grave concern wherever there are American lace mills.

Wilkes-Barre has two large mills which employ, even today, 1,200 workers. These mills have pay rolls ranging from \$9,000 to \$15,000 a week. A committee which investigated the industrial situation in the United States, in connection with proposed changes in the tariff, reported that lacemaking was not indigent to this soil. Yet one of the Wilkes-Barre mills has been in operation 50 years, the other 43. They are more deeply rooted than hundreds of other industries which could be named and have come into being in the last 20 or 25 years.

The House of Representatives has passed a tariff bill giving the President broad power to change tariff rates at will in the execution of reciprocal or parallel trade agreements with other nations. The plain indications that he will be advised to admit foreign laces in return for assistance in moving the farm surplus into foreign lands has led leaders in the lace industry to organize a protest against granting such power to the President.

Employees of lace mills in this city will likely be asked to petition their two Senators from Pennsylvania to vote against the bill.

Employees of Chester Lace Mills were told by their management that laces are already earmarked to be cut to the limit and "if this is done our plants in this country will find it impossible to pay N.R.A. wages and operate N.R.A. hours in competition with the foreigner and thus the way is paved for the Department of State under Mr. Hull to admit foreign laces in return for the foreigner taking enlarged amounts of our agricultural products. Thus to help move the farm surplus, for example, the domestic lace industry is scrapped."

The Democrats when they sought in the past to lower tariffs moved on a broad front. This usually aroused concerted and, in the end, successful opposition. What the lace industry now fears is that the new tactics embrace a sniping campaign at single industries, or small groups, with a threat that if the others stir to the defense of the first to be sacrificed, those interfering will invite tariff attention to themselves.

At any rate, no theory of reciprocal tariffs with Britain or any other lacemaking nation is going to be a satisfactory substitute to Wyoming Valley for its lace mills. One arm of the Government, the anthracite committee of Miss Perkins, only last week made the sage recommendation that the anthracite region could relieve itself of surplus labor by attracting new manufacturing industries.

Let's hope another arm of the Government doesn't take from us one of the most important independent manufacturing industries we already possess.

Taking a national and not a sectional view of the matter it would be selfish to balance the welfare of 15,000 lace workers against prosperity for a vast host of farmers if a few millions of dollars in lace imports would result in the purchase abroad of hundreds of millions of dollars of our farm products and a return of prosperity to the farms. What reason is there to expect that economic miracle? If England sends us laces, it is idle to expect that she will turn her back on Canada and Australia to buy, for instance, her wheat from us.

If the lace mills are so unimportant to America why are they going to loom large in a trade barter?

INCLUSION OF SUGAR BEETS AND CANE AS BASIC COMMODITIES

The Senate resumed the consideration of the bill (H.R. 8861) to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes.

The VICE PRESIDENT. The question is on the first amendment reported by the committee.

Mr. HARRISON. Mr. President, I ask unanimous consent that the amendments reported by the committee may be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the amendments reported by the committee in their order.

The first amendment of the Committee on Finance was, on page 1, line 9, after the word "paragraph", to strike out "(4)" and insert "(5)", so as to read:

SEC. 2. Subsection (d) of section 9 of the Agricultural Adjustment Act, as amended, is amended by adding after paragraph (5) thereof the following:

The amendment was agreed to.

The next amendment was, on page 2, at the beginning of line 1, to strike out "(5)" and insert "(6)."

The amendment was agreed to.

The next amendment was, on page 2, after line 1, to strike out:

"(A) The term 'processing' means the processing of sugar beets or sugarcane into refined sugar or into any sugar which is not to be further refined (or improved in quality). When raw sugar is produced by one person and the final refining is done by another person, the final refining of the sugar shall be deemed to be the processing.

And insert:

"(A) The term 'first domestic processing' means each domestic processing, including each processing of successive domestic processings, of sugar beets, sugar cane, or raw sugar, which directly results in direct-consumption sugar.

The amendment was agreed to.

The next amendment was, on page 2, after line 11, to strike out:

"(B) The term 'processor' means the person completing the processing.

The amendment was agreed to.

The next amendment was, on page 2, after line 13, to strike out:

"(C) The term 'sugar' means sugar in any form whatsoever, derived from sugar beets or sugar cane, including also edible molasses, raw sugar, direct-consumption sugar, sirups, and any mixture containing sugar (except blackstrap molasses and beet molasses). Such edible molasses, raw sugar, direct-consumption sugar, sirups, and sugar mixtures, included within the word 'sugar', as herein defined, shall be considered to constitute sugar to the extent of their total sugar content as determined in regulations prescribed by the Secretary of Agriculture.

And in lieu thereof to insert:

"(B) The term 'sugar' means sugar in any form whatsoever, derived from sugar beets or sugar cane, whether raw sugar or direct-consumption sugar, including also edible molasses, sirups, and any mixture containing sugar (except blackstrap molasses and beet molasses).

The amendment was agreed to.

The next amendment was, on page 3, at the beginning of line 4, before the word "The", to strike out "(D)" and insert "(C)."

The amendment was agreed to.

The next amendment was, on page 3, at the beginning of line 8, to strike out "(E)" and insert "(D)."

The amendment was agreed to.

The next amendment was, on page 3, at the beginning of line 12, in the same line, before the word "sugar", insert "any", to strike out "(F)" and insert "(E)"; and in line 16, after the word "quality", to insert a comma and "or further prepared for distribution or use", so as to read:

"(E) The term 'raw sugar' means any sugar, as defined above, manufactured or marketed in, or brought into, the United States, in any form whatsoever, for the purpose of being, or which shall be, further refined (or improved in quality, or further prepared for distribution or use).

The amendment was agreed to.

The next amendment was, on page 3, line 18, before the word "The", to strike out "(G)" and insert "(F)"; in line 19, before the word "sugar", to insert "any"; and in line 22, after the word "quality", to insert a comma and "or further prepared for distribution or use", so as to read:

"(F) The term 'direct-consumption sugar' means any sugar as defined above, manufactured or marketed in, or brought into, the United States in any form whatsoever, for any purpose other than to be further refined (or improved in quality, or further prepared for distribution or use).

The amendment was agreed to.

The next amendment was, on page 3, after line 23, to strike out:

"(H) The term 'raw value' means a ratio of 107 pounds of raw sugar testing by the polariscope 96 sugar degrees to 100 pounds of refined sugar testing by the polariscope 99.9 sugar degrees and above; for the purposes of determining quotas, all sugar except beet sugar produced in continental United States shall be adjusted to this ratio; in the case of such beet sugar, 100 pounds of refined sugar as produced will be deemed the equivalent of 107 pounds of raw sugar.

And in lieu thereof to insert the following:

"(G) The term 'raw value' means a standard unit of sugar testing 96 sugar degrees by the polariscope. All taxes shall be imposed and all quotas shall be established in terms of 'raw value' and for purposes of quota and tax measurements all sugar shall be translated into terms of 'raw value' according to regulations to be issued by the Secretary, except that in the case of direct-consumption sugar produced in continental United States from sugar beets the raw value of such sugar shall be one and seven one-hundredths times the weight thereof.

The amendment was agreed to.

The next amendment was, on page 4, after line 18, to strike out:

SEC. 3. Subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, is amended by striking out the period at the end of the first sentence and inserting a colon and the following: "Provided, however, That in the case of sugar beets and sugarcane, the processing tax shall be imposed upon the production of the products and/or byproducts resulting from the processing thereof, and the rate of the processing tax, as applied to each such product or byproduct, shall be in accordance with the total sugar content thereof as determined by, and under regulations prescribed by, the Secretary of Agriculture, but the rate of the processing tax so established in accordance with the requirements of this subsection shall in no event be in excess of the amount of the reduction by the President of the rates of duty on sugar in effect on January 1, 1934, under paragraph 501 of the Tariff Act of 1930."

And in lieu thereof to insert:

SEC. 3. (a) The first two sentences of subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, are amended to read as follows: "The processing tax shall be at such rate as equals the difference between the current average farm price for the commodity and the fair exchange value of the commodity; except that if the Secretary has reason to believe that the tax at such rate on the processing of the commodity generally or for any particular use or uses will cause such reduction in the quantity of the commodity or products thereof domestically consumed as to result in the accumulation of surplus stocks of the commodity or products thereof or in the depression of the farm price of the commodity, then he shall cause an appropriate investigation to be made and afford due notice and opportunity for hearing to interested parties. If thereupon the Secretary finds that any such result will occur, then the processing tax on the processing of the commodity generally, or for any designated use or uses, or as to any designated product or products thereof for any designated use or uses, shall be at such rate as will prevent such accumulation of surplus stocks and depression of the farm price of the commodity."

(b) Subsection (b) of section 9 of the Agricultural Adjustment Act, as amended, is further amended by adding at the end thereof the following: "In the case of sugar beets or sugarcane the rate of tax shall be applied to the direct-consumption sugar, resulting from the first domestic processing, translated into terms of pounds of raw value according to regulations to be issued by the Secretary of Agriculture, and the rate of tax to be so applied shall be the higher of the two following quotients: The difference between the current average farm price and the fair exchange value (1) of a ton of sugar beets and (2) of a ton of sugarcane, divided in the case of each commodity by the average extraction therefrom of sugar in terms of pounds of raw value (which average extraction shall be determined from available statistics of the Department of Agriculture); except that such rate shall not exceed the amount of the reduction by the President on a pound of sugar, raw value, of the rate of duty in effect on January 1, 1934, under paragraph 501 of the Tariff Act of 1930, as adjusted to the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, and/or the provisions of the act of December 17, 1903, chapter 1."

Mr. ADAMS. Mr. President, it occurs to me that it might be advisable if subsection (b), which has just been read and which provides the method by which the processing tax is arrived at and the formulas therefor, should be explained.

I think it is somewhat intricate, and I should like to have the author give us a brief statement in explanation.

Mr. COSTIGAN. Mr. President, perhaps it would be well to invite the attention of the Members of the Senate to the statement in the report of the Finance Committee on section 3, of which subsection (b) is a part. The report on the section, as amended, and particularly the first portion, reads as follows:

Section 3: This amendment rewrites subsection (b) of section 9 of the Agricultural Adjustment Act. The amendment contains only two substantial changes. First, if the tax at the full rate, on the processing of a commodity for a particular use or uses, will cause an accumulation of surplus stocks of the commodity, or depression in the farm price thereof, upon investigation, after due notice and opportunity for hearing, the Secretary of Agriculture may reduce the rate of the processing tax upon the processing of the commodity, for such use or uses, or as to any designated product or products of the commodity.

The statement could hardly be more clearly made. It is conceivable, for example, in the case of sirups or molasses, that because no tariff reduction is to be made on molasses and sirups imported under section 502 of the Tariff Act of 1930, surpluses might result following and in a measure produced by the imposition of the full amount of the processing tax without accompanying tariff reduction, as in the case of sugars imported under section 501 of the Tariff Act of 1930. It is not expected that any reduction of the processing tax will be required in the case of sugar.

The second portion of the section to which my colleague has invited attention is also explained in the committee report, as follows:

Second, the amendment makes clear that the rate of tax cannot be in excess of the reduction of the rate of duty on a pound of sugar, raw value, in effect on January 1, 1934, under paragraph 501 of the Tariff Act of 1930, as adjusted to the treaty of commercial reciprocity between the United States and Cuba. In other words, the rate of tax, if the maximum rate of tax is imposed, will be less than it would be, if the maximum rate were to be determined by the amount of the reduction in the rate of duty on full-duty sugars.

The purpose of the subsection is to limit the application of the processing tax so as to equal any reduction in the effective tariff duty on sugar, namely, 2 cents per pound on 96° Cuban raw sugar. The tariff reduction is not to exceed one half cent per pound, and the processing tax is not to exceed the amount of the tariff reduction.

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

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Michigan?

Mr. COSTIGAN. With pleasure.

Mr. VANDENBERG. The effect of the committee change is to reduce somewhat the sum total of revenue obtained from the processing tax. Will the Senator from Colorado state whether, in his judgment, there will remain an adequate revenue to pay the contemplated benefits?

Mr. COSTIGAN. That is the judgment of all representatives of the Department of Agriculture with whom we have conferred. The amount expected to be raised is approximately \$63,000,000 per annum, assuming imposition of a half-cent-per-pound processing tax. All calculations as to benefit payments which will give farmers pre-war parity, and as to the other possible obligations resting on the Secretary of Agriculture under the bill, are believed fully taken into account.

Mr. VANDENBERG. Mr. President, suppose the Secretary of Agriculture under the first portion of this section should find it necessary to reduce the tax because of the fact that it was depressing the sale of the commodity, and suppose that as a result of thus reducing the tax it should happen that the total revenue did not suffice to pay the contemplated benefits; would it be the Senator's opinion that the benefits then would have to be reduced, or would the benefits continue to be paid on the basis of a deficit, to be reimbursed subsequently from some other source?

Mr. COSTIGAN. It is only possible to say to the Senator from Michigan that, since the processing tax will be offset by tariff reduction, the first subsection apparently does not contemplate substantial changes in revenue, and that it is

the expectation of all the experts who have considered the problem that there will be sufficient funds with which to make to the growers the benefit payments which the act has in view.

Mr. VANDENBERG. With great respect for the experts, I prefer to rely upon the Senator's judgment rather than upon the judgment of the experts. Is that also the Senator's opinion?

Mr. COSTIGAN. That is my opinion, so far as I have been able to investigate the probabilities.

Mr. McNARY. Mr. President, may I propound an inquiry to the able Senator from Colorado? On page 6, lines 15 to 16, the language is:

The difference between the current average farm price and the fair exchange value—

That was the measure in the Agricultural Adjustment Act which was called the parity price; but that was based on the period of 1909-14. Does this language contemplate the same period?

Mr. COSTIGAN. It is my understanding that it does. There has been no change in the basic period.

Mr. McNARY. The language here differs from that in the Agricultural Adjustment Act, without any mention being made of the period which may be used for base purposes; but if that is the intention of the author of the bill, I shall make no objection.

I should like to have the Senator explain subdivision (2), commencing on line 17 of page 6.

Mr. COSTIGAN. The able Senator from Oregon will observe that the subsection to which he first directed attention is an amendment of subsection (b) of section 9 of the Agricultural Adjustment Act, and that in the Agricultural Adjustment Act in subdivision (1) of section 2 the Senator will find the controlling provision with regard to the base period.

Mr. McNARY. May I have an explanation from the Senator with regard to subdivision (2) on page 6, beginning at the middle of line 17? The language is:

The difference between the current average farm price and the fair exchange value (1) of a ton of sugar beets—

I understand that perfectly. I desire to know from the Senator what his interpretation is of the remainder of that sentence, commencing with (2) in line 17, page 6.

Mr. COSTIGAN. In answer to the Senator from Oregon, perhaps it will suffice to suggest that, in the case of sugar, the purpose of the amendments is to measure the processing tax by the sugar extracted from the basic commodities, which in this case happen to be sugar beets and sugarcane and to establish a uniform basis for such tax. That is the reason for the difference in the form of language employed.

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

The amendment was agreed to.

The next amendment was, on page 7, line 14, before the word "forbid", to insert "(1)"; in line 17, after the word "receiving", to insert "in"; in line 18, after the name "United States", to insert a comma and "and/or from processing in any area to which the provisions of this title with respect to sugar beets and sugarcane may be made applicable, for consumption in continental United States"; in line 21, after the word "from", to strike out "the Territory of Hawaii"; in line 22, after the name "Virgin Islands", to strike out "Puerto Rico"; in line 25, after the word "quotas", to insert "fixed by the Secretary of Agriculture"; on page 8, line 1, after the word "average", to strike out "importations or receipts therefrom" and insert "quantities therefrom brought into or imported"; in line 3, after the word "adjusted", to insert "together with the quotas established pursuant to paragraph (ii)", so as to read:

Sec. 4. Section 8 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new section:

"Sec. 8a. (1) Having due regard to the welfare of domestic producers and to the protection of domestic consumers and to a just relation between the prices received by domestic producers and the prices paid by domestic consumers, the Secretary of Agri-

culture may, in order to effectuate the declared policy of this act, from time to time, by orders or regulations—

“(A) (i) Forbid processors, handlers of sugar, and others from importing sugar into continental United States for consumption, or which shall be consumed therein, and/or from transporting to, receiving in, processing or marketing in, continental United States, and/or from processing in any area to which the provisions of this title with respect to sugar beets and sugarcane may be made applicable, for consumption in continental United States, sugar from the Virgin Islands, the Philippine Islands, the Canal Zone, American Samoa, the island of Guam, and from foreign countries, including Cuba, respectively, in excess of quotas fixed by the Secretary of Agriculture, for any calendar year, based on average quantities therefrom brought into or imported into continental United States for consumption, or which was actually consumed, therein, during such 3 years, respectively, in the years 1925-33, inclusive, as the Secretary of Agriculture may, from time to time, determine to be the most representative respective 3 years, adjusted, together with the quotas established pursuant to paragraph (ii) (in such manner as the Secretary shall determine), to the remainder of the total estimated consumption requirements of sugar for continental United States, determined pursuant to subsection (2) of this section, after deducting therefrom the quotas for continental United States, provided for by paragraph (B) of this subsection.”

Mr. FESS. Mr. President, reverting to section 3, on page 5, the amendment of the committee has already been agreed to; but we are going so rapidly that it is very difficult to follow not only the reading but the action of the Senate. I know it is perfectly useless for me to do so because of the manner of thinking into which we have fallen, and the pressure caused by the weight of the emergency; but, nevertheless, I desire to call attention to the fact that it does not matter what the original Agricultural Adjustment Act was intended to do, for when we once start that sort of legislation it will not be limited to the specific articles mentioned in the law, and the list of articles will constantly be enlarged until it becomes all-comprehensive and includes all the products of agriculture.

When the Agricultural Adjustment Act was originally under consideration, I raised the question as to delegating to a Secretary of Agriculture the power to levy a tax, but no attention at all was paid to it.

I also raised the question as to taking tax money out of the Treasury even before it reaches the Treasury, but no attention was paid to that.

I also called attention to the uncertainty that exists where we give to the President or to the Secretary of Agriculture or to any other appointive officer power to fix what ought to be certain, whereas the only element here is uncertain.

For example, we are not only delegating to the Secretary of Agriculture power to levy a tax but we have already given him the power to utilize the proceeds of that tax without any additional authority such as is required under the Constitution when it provides that every dollar which comes out of the Treasury must come by virtue of an appropriation made by law. Here, however, we are fixing the price; and the virus is not only in the price fixing but there is so much uncertainty as to the basis upon which the price is to be fixed that it is all within the mind of the Secretary of Agriculture, an appointive officer.

I read from page 5, line 12:

The processing tax shall be at such rate as equals the difference between the current average farm price for the commodity and the fair exchange value of the commodity.

Attention was called to those indefinite terms when the original authority was given last June. What is the average farm price? Upon what does it depend? What is it today, and what will it be tomorrow? What was it yesterday? It is a variable quantity; and the quotient of that variable quantity is to be the fair exchange price.

What is the fair exchange price? Who is to determine what is the fair exchange price? It is all in the mentality of an appointive officer. There is a fear that if this product is to be burdened it will discourage consumption; and if consumption is to be discouraged, it will be due largely to the increase of price. In order to avoid the results of the increase of price which is the purpose of the Agricultural Adjustment Act, additional authority is given to the Secretary of Agriculture. If he believes that the legislation may lead to discourage the production of the article, he can change the price.

Mr. COSTIGAN. Mr. President—

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Ohio yield to the Senator from Colorado?

Mr. FESS. I yield.

Mr. COSTIGAN. No doubt the Senator from Ohio has in mind the definition of fair exchange value given in the original act, subsection (c) of section 9. May I read it for the purposes of the discussion?

Mr. FESS. I will say to the Senator that I recall that the price was the average from 1909 to 1914. For the sake of the RECORD I will yield to permit the Senator to read the provision.

Mr. COSTIGAN. Subsection (c) of section 9 reads:

For the purposes of part 2 of this title, the fair exchange value of a commodity shall be the price therefor that will give the commodity the same purchasing power, with respect to articles farmers buy, as such commodity had during the base period specified in section 2.

The Senator from Ohio has referred to that base period.

Mr. FESS. Yes.

Mr. COSTIGAN. Then follows this language:

And the current average farm price and the fair exchange value shall be ascertained by the Secretary of Agriculture from available statistics of the Department of Agriculture.

Mr. FESS. Mr. President, I was aware of the basis on which the fair price was established; but I am still asking, upon what basis are we undertaking to fix the enactment of law that is to be variable?

The price at one time will be one thing and at another time it will be a different thing; and we are giving the Secretary of Agriculture such authority that he can undo what we authorize him to do if he finds that the results are not as was anticipated when it was done.

What I am calling attention to is the phase of thinking that the country has gotten into. I can understand why last June we might have taken such a leap as this; but after almost a year of experience and of the obviously glaring failures of the various items in the program dealing with individual articles upon which the Agricultural Adjustment Act now operates, in the face of that we are enlarging upon it, and now we are not only dealing with surplus articles but we are dealing with an article which we must purchase from abroad in a certain degree in order to satisfy the consumer's needs at home.

The original basis of this unusual legislation, which is purely speculative, applied only to articles of surplus, such as wheat, corn, and so forth. Now we are extending it to an article which cannot be one of surplus, and we are carrying in this authority the same identical uncertainties that were carried in the original authority.

I am well aware that, as we are now thinking in connection with all these industrial problems, there is very little use in anyone taking any time to resist what is irresistible. The country is making an effort to get out of a depression which is growing more acute every day, and instead of our giving business a chance this is what we are doing.

I should like to read into the RECORD some of the communications which are coming to me relative to the burdens of legislation such as that we are now enacting. When the author of the bill suggests that the basis on which we are to operate is to have the buying power of the farmer determined by his selling power—that is, to secure some sort of a parity between the price of the thing he sells and the price of the thing he buys—the difficulty is that one agency deals with the thing he sells and another agency deals with the thing he buys, and both of those agencies are intended to increase the price. The difficulty is that the price of the thing he sells we are trying to elevate by a processing tax, which, if it can be passed on assuredly to the consumer, will raise the price, but if there is failure to pass it on and it is assessed to the producer, the price will not be increased, but, unfortunately, the loss to the farmer will be beyond what it was before the law was passed. That is the difficulty.

If we can make sure, through the Agricultural Adjustment Act, that the tax can always be passed on to the buyer, then we can assure the producer some degree of increase of

price, but we know from experience that that has not been the result. In fact, the prices of commodities from the farm which are not under the Adjustment Act have increased far beyond the prices of some of the commodities which are treated under the Adjustment Act. On the other hand, it is easy to increase the price of the thing the farmer buys, because, as a rule, it is manufactured, and, as a rule, it is produced by a few units, and because of the small number of units, the price can easily be controlled, while when we undertake to control the prices of the products of 6,000,000 citizens, all in an open market, competing with one another, it is a very difficult thing to insure increased prices. But if we are dealing with a product that is made by 100,000 people, instead of by 6,000,000 people, it is easy to increase the price, and the danger is that the price will increase so much more rapidly than the price of the article produced by the farmer that the farmer will be the loser. In other words, in the effort to increase his price, while we might accomplish that result in certain cases, the increase in the price of the article he buys is so easy to accomplish that he finds the rate of increase in the price of the thing he sells is only a fraction of the increase in the price of the thing he buys. That being the case, it seems to me that we ought to go slowly in what we call emergency legislation, which is virtually building a house of cards that is bound to tumble in due time. While I do not wish to interfere with this program, and I do not intend to do so, there are some things to which the attention of the country should be called, in the consideration of this sort of legislation.

I call attention to section 3, which embodies a type of legislation which, in my judgment, should not find any sympathetic attitude in this body at all.

Mr. McNARY. Mr. President, I may not be able to console the feelings of the able Senator from Ohio [Mr. Fess] as expressed in his observations, but I may say that on the floor of the Senate last May, when the A.A.A. bill was under consideration, I made remarks similar to those of the Senator this morning. The language used in section 3 of the bill now before us is identical with the language used in section 9, subdivision (a), of the bill we had before us at that time. I was unable to arouse any interest in the matter, probably because of the way in which it was presented. The Senator from Ohio has now discovered in the pending bill a weakness which I pointed out on the floor of the Senate in the original act. The attempt in the A.A.A. bill, as in the bill before us, to fix the value of the commodity named as a base commodity, by providing that the processing tax shall be equal to the difference between the current average price of the commodity and the fair exchange value, based upon the sale price of the commodity in the base period, between 1909 and 1914, was equivalent to the fixation of a determinable and certain price; at least the rule for price fixing was specified.

By Congressional action we provided that the Secretary of Agriculture should fix the processing tax according to some standards. Congress has attempted to provide a means for determining accurately what the processing tax shall be, so that everyone dealing in a basic product may have notice of the plan which regulates the price. In other words, our language led to certainty.

Now, as the Senator from Ohio has pointed out in the discussion, we provide also, after fixing the standard for determining the processing tax, that the Secretary of Agriculture may if he finds that, by reason of the processing tax, the consumption of the commodity is being decreased, fix any processing tax less than that prescribed as the fair exchange value.

The price uncertainty of that provision is manifest. Anyone dealing in commodities wants to know what the cost is going to be, whether he is dealing in a raw material or in a manufactured product. Hence, if we provide in this bill a 2-cent processing tax on sugar, and the Secretary finds that causes a diminution in the sale of sugar and results in piling up a surplus, the Secretary will have authority, under this measure, to reduce the tax to half a cent or to any

other figure he chooses. In my opinion, that is one of the most vicious sections of the bill.

Mr. President, I did not intend to even mention this matter, but, in my judgment, this vital section in the original act was overlooked by the committee. I think some members of the committee agreed with the views I expressed at that time, and some Members of the Senate agreed with me when the matter was before us, but the counterpart of the section in the pending bill about which the Senator from Ohio complains is in the original act. Its viciousness, in the capacity it has to destroy trade and commerce in any basic agricultural commodity, should be pointed out.

As far as I am concerned, I have no particular interest in whether sugar is included as a basic agricultural commodity or not. It is my desire to do what I can for the sugar-beet and cane-sugar producers. But I think section 3, the provision which permits the Secretary of Agriculture to decrease the processing tax, thereby injecting an uncertainty as to the value of the commodity, should be stricken out.

I do not know whether or not we have passed on the section to which objection was entered by the able Senator from Ohio, who seemed to have discovered something he thought did not exist in the original act. I shall not at this time ask for a reconsideration of the vote by which the amendment in that section was agreed to. It may be that I shall be able to work out an amendment which will cure this peculiar situation. If so, I shall ask unanimous consent later that the vote be reconsidered.

The PRESIDING OFFICER. The Chair will state to the Senator from Oregon that the amendment in the section has been agreed to, and no motion to reconsider has been entered.

Mr. McNARY. I appreciate that. I shall not enter a motion to reconsider at this time. Later in the day I may do so.

Mr. COPELAND. Mr. President, in connection with the same amendment, I may possibly ask for a reconsideration, but the amendment having been agreed to, that can be done any time, I suppose.

The PRESIDING OFFICER. That is correct. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, on page 8, line 16, after the word "of", to strike out "the Territory of Hawaii"; in the same line, after the name "Virgin Islands", to strike out "Puerto Rico"; and in line 19, after the word "respective", to strike out "importations or receipts of direct-consumption sugar therefrom" and insert "quantities of direct-consumption sugar therefrom brought into or imported", so as to make the proviso read:

Provided, however, That in such quotas there may be included, in the case of the Virgin Islands, the Philippine Islands, the Canal Zone, American Samoa, and the island of Guam, direct-consumption sugar up to an amount not exceeding the respective quantities of direct-consumption sugar therefrom brought into or imported into continental United States for consumption, or which was actually consumed, therein during the year 1931, 1932, or 1933, whichever is greater, and in the case of Cuba, direct-consumption sugar up to an amount not exceeding 22 percent of the quota established for Cuba.

Mr. COPELAND. Mr. President, I have some amendments to offer, and while the one I have in mind at the moment does not relate directly to the amendment which we have now reached, my amendments generally are related to this amendment and also to the committee amendments which are found on pages 9 and 10. It would seem to me that perhaps we might as well have this little battle now. It has to come sometime.

The PRESIDING OFFICER. Does the Senator propose to offer an amendment to the committee amendment, or a separate amendment?

Mr. COPELAND. I have presented an amendment to the committee amendment further along. It is not, as I have said, an amendment to this particular amendment which we have now reached.

The PRESIDING OFFICER. The Chair will say to the Senator from New York that the Senate by unanimous-consent agreement has entered an order to the effect that the committee amendments to the bill shall first be considered.

Mr. COPELAND. Very well. Let us go ahead.

Mr. HARRISON. I may say to the Senator from New York that if it is his desire to offer an amendment which might be related in any way to the committee amendments I am sure there will be no objection to reconsideration if the Senator should desire reconsideration at the time he offers his amendment.

Mr. COPELAND. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 8.

The amendment was agreed to.

The next amendment was, on page 9, line 8, after the word "regulations", to strike out "allot such quotas and readjust any such quota or allotment in any aforesaid production area and/or in continental United States" and insert "readjust any quota subject to the provisions of this section; and may allot (or appoint an officer, including the Governor of the Philippine Islands for that area, in his name to allot) any quota, and readjust any such allotment", so as to make the further proviso read:

And provided further, That any imported sugar, with respect to which a drawback of duty is allowed, under the provisions of section 313 of the Tariff Act of 1930, shall not be charged against the quota established by the Secretary of Agriculture hereunder for the country from which such sugar was imported, and the Secretary of Agriculture may, by orders or regulations, readjust any quota subject to the provisions of this section; and may allot (or appoint an officer, including the Governor General of the Philippine Islands for that area, in his name to allot) any quota, and readjust any such allotment, from time to time, among the processors, handlers of sugar, and others; and/or

The amendment was agreed to.

The next amendment was, on page 9, after line 15, to insert:

(ii) Forbid processors, handlers of sugar, and others from transporting to, receiving in, processing or marketing in, continental United States, and/or from processing in the Territory of Hawaii or Puerto Rico for consumption in continental United States, sugar from the Territory of Hawaii or Puerto Rico in excess of quotas fixed by the Secretary of Agriculture, for any calendar year, based on average quantities therefrom brought into continental United States for consumption, or which was actually consumed, therein during such 3 years, respectively, in the years 1925-33, inclusive, as the Secretary of Agriculture may, from time to time, determine to be the most representative respective 3 years, adjusted, together with the quotas established pursuant to paragraph (i), (in such manner as the Secretary shall determine) to the remainder of the total estimated consumption requirements of sugar for continental United States, determined pursuant to subsection (2) of this section, after deducting therefrom the quotas for continental United States provided for by paragraph (B) of this subsection: *Provided, however*, That in such quotas there may be included direct-consumption sugar up to an amount not exceeding the respective quantities of direct-consumption sugar therefrom brought into continental United States for consumption, or which was actually consumed, therein during the year 1931, 1932, or 1933, whichever is greater, and the Secretary of Agriculture may, by orders or regulations, allot such quotas and readjust any such allotment, from time to time, among the processors, handlers of sugar, and others; and/or.

Mr. HARRISON. Mr. President, I ask that this amendment be passed over for the present.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi that the amendment on page 9, line 16, be passed over for the present?

Mr. REED. Mr. President, reserving the right to object, some of us are called upon to leave the city a little later this afternoon—I am one of them—and I am very much interested in this amendment. Can we not dispose of it now?

Mr. HARRISON. I do not think it will take long to dispose of the other amendments, and we can return to this amendment immediately thereafter. This is one of the main amendments in the bill, I will say to the Senator from Pennsylvania.

Mr. REED. Will the Senator return immediately to this amendment after the unobjected amendments shall have been disposed of?

Mr. HARRISON. That is perfectly agreeable.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent of the Senator from Mississippi that the amendment be passed over for the present? The Chair hears none.

The clerk will state the next amendment.

The next amendment was, on page 10, line 25, after the word "the", to strike out "State of Louisiana, the State of" and insert "States of Louisiana and"; and on page 11, in line 7, after the word "this", to strike out "section" and insert "subsection", so as to read.

(B) Forbid processors, handlers of sugar, and others from marketing in, or in the current of, or in competition with, or so as to burden, obstruct, or in any way affect interstate or foreign commerce, sugar manufactured from sugar beets and/or sugar cane, produced in the continental United States beet-sugar-producing area, the States of Louisiana and Florida, and any other State or States in excess of the following quotas, for any calendar year, except as provided for in subsection (2) of this section: United States beet-sugar area, 1,550,000 short tons raw value; the States of Louisiana and Florida, except as may be provided under paragraph (C) of this subsection, 260,000 short tons raw value; and the Secretary of Agriculture may, by orders or regulations, allot such quotas and readjust any such allotment, from time to time, among the processors, handlers of sugar, and others; and/or.

The amendment was agreed to.

The next amendment was, on page 11, line 12, after the word "quota", to insert "but not less than the quota provided in paragraph (B)", so as to read:

(C) For any calendar year, determine the quota, but not less than the quota provided in paragraph (B), for any area producing less than 250,000 long tons of sugar raw value during the next preceding calendar year; and/or.

The amendment was agreed to.

The next amendment was, on page 11, line 17, after the word "quotas", to strike out "for edible molasses and/or"; in line 19, after the name "United States", to insert "and/or for edible molasses, sirups, and sugar mixtures, as part of or"; and in line 21, after "(A)", to strike out "and (B)" and insert "to (C), inclusive", so as to read:

(D) Establish a separate quota or quotas for sirup of cane juice produced in continental United States and/or for edible molasses, sirups, and sugar mixtures, as part of or in addition to the quotas established pursuant to paragraphs (A) to (C), inclusive, of this subsection.

Mr. COSTIGAN. There is an amendment to be offered by some Member of the Senate to this section, and I think it would be wise to pass it over for the present. I ask unanimous consent that the amendment may be passed over for the present until we shall have acted on the remaining committee amendments.

The PRESIDING OFFICER. Does the Senator from Colorado ask unanimous consent to pass over subsection (D)?

Mr. BORAH. I should want the entire section passed over.

Mr. COSTIGAN. I should want the entire section passed over, to be returned to later.

The PRESIDING OFFICER. Does the Senator desire section 4 to be passed over?

Mr. FLETCHER. Mr. President, I think the Senator meant subsection (D).

Mr. HARRISON. Mr. President, the request is that subsection (D) be passed over for the present.

The PRESIDING OFFICER. The Senator from Colorado asks unanimous consent that subsection (D) be passed over for the present. Is there objection? The Chair hears none.

Mr. COPELAND. Mr. President, I ask also that the next amendment on page 12, subsection (B), be passed over.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent that subsection (B) on page 12 be passed over for the present. Is there objection? The Chair hears none.

The clerk will state the next amendment.

The next amendment was, on page 13, after line 5, to strike out:

"(C) In the event that the consumption requirements of sugar for continental United States, for any calendar year, are less than the amount of consumption requirements determined for that year, or are less than the amount of the consumption requirements determined for the year next preceding, the amount of such deficiency may be proportionately deducted from the respec-

tive quotas determined by and pursuant to paragraph (A) of subsection (1) of this section.

And in lieu thereof to insert:

"(C) In the event that available statistics of the Department of Agriculture during the course of any calendar year indicate that the consumption requirements of sugar for continental United States for such year will be less than the amount of the consumption requirements determined for that year, the amount of such deficiency may be proportionately deducted from the respective quotas determined by and pursuant to paragraph (A) of subsection (1) of this section.

The amendment was agreed to.

The clerk will state the next amendment.

The LEGISLATIVE CLERK. On page 14, line 24, it is proposed to strike out the word "eliminate" and insert in lieu thereof "limit or regulate."

Mr. REED. Mr. President, I am sorry to be so slow, but I think that paragraph (C) on page 13 is affected by the question of the treatment of Hawaii and Puerto Rico.

Mr. HARRISON. If it is, and it is desired to reconsider the amendment, there will be no objection.

The PRESIDING OFFICER. Without objection, the vote by which the amendment on page 13, line 14, subparagraph (C) was agreed to will be reconsidered, and the amendment will be passed over for the present.

Mr. HARRISON. Mr. President, the Senator from Pennsylvania does not request that the amendment be passed over for the present.

Mr. REED. Perhaps that is the shipshape way to handle the matter.

Mr. HARRISON. Very well.

Mr. BONE. May I ask the chairman of the committee why it is deemed wise to strike out the word "eliminate" before "child labor" instead of limiting or regulating child labor?

Mr. HARRISON. There may be some discussion of that proposal, and I understand the Senator from New York [Mr. WAGNER] desires that amendment to be passed over.

Mr. BONE. I should not want to vote for a section that permitted the working of children in the sugar industry or any other industry.

Mr. HARRISON. I ask unanimous consent, Mr. President, that the amendments on page 14, lines 24 and 25, be passed over for the present.

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

The clerk will state the next amendment.

The next amendment was, on page 15, line 14, after the word "than", to strike out "\$1,000" and insert "\$100", and also strike out "or by imprisonment for not more than 6 months", so as to read:

(4) Any person willfully violating any order or regulation of the Secretary of Agriculture issued under this section shall, upon conviction, be punished by a fine of not more than \$100.

The amendment was agreed to.

The next amendment was, on page 15, line 17, after the word "this", to strike out "section" and insert "title", and in line 23, after the name "United States" and the period, to strike out "All sums recovered shall be paid into the Treasury and are hereby authorized to be appropriated to be available to the Secretary of Agriculture for the purposes named in section 12 (b) of this act", so as to read:

"(5) Any person willfully exceeding any quota or allotment fixed for him under this title by the Secretary of Agriculture, and any other person knowingly participating, or aiding, in the exceeding of said quota or allotment, shall forfeit to the United States a sum equal to three times the current market value of such excess, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

The amendment was agreed to.

The next amendment was, on page 16, line 4, after the word "jurisdiction", to insert "specifically to enforce, and"; in line 5, after the word "from", to strike out "violating" and insert "violating,"; and in line 8, after the word "title", to insert a comma and "in any proceeding now pending or hereafter brought in said courts", so as to read:

"(6) The several district courts of the United States are hereby vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, the provisions of this section, or of any order, regulation, agreement, or license heretofore or hereafter made or issued pursuant to this title, in any proceeding now pending or hereafter brought in said courts.

The amendment was agreed to.

The next amendment was, on page 16, line 15, after the word "in", to insert a comma and "or pursuant to", so as to read:

"(7) Upon the request of the Secretary of Agriculture, it shall be the duty of the several district attorneys of the United States, in their respective districts, under the directions of the Attorney General, to institute proceedings to enforce the remedies and to collect the forfeitures provided for in, or pursuant to, this title.

The amendment was agreed to.

The next amendment was, on page 16, line 16, after the word "this", to strike out "subsection" and insert "section", so as to read:

"(8) The remedies provided for in this section shall be in addition to, and not exclusive of, any of the remedies or penalties provided for elsewhere in this title or now or hereafter existing at law or in equity.

The amendment was agreed to.

The next amendment was, on page 16, line 23, after the word "Paragraph", to strike out "(5)" and insert "(6)", and at the end of line 25, to strike out "(6)" and insert "(7)", so as to read:

Sec. 5. Paragraph (6) of subsection (d) of section 9 of the Agricultural Adjustment Act, as amended, is hereby renumbered (7).

The amendment was agreed to.

The next amendment was, on page 17, line 6, before the word "Subsection", to insert "(a)", so as to read:

Sec. 7. (a) Subsection (f) of section 10 of the Agricultural Adjustment Act, as amended, is amended by striking out the period at the end of such subsection and adding a semicolon and the following: "except that, in the case of sugar beets and sugar cane, the President, if he finds it necessary in order to effectuate the declared policy of this act, is authorized by proclamation to make the provisions of this title applicable to the Philippine Islands, the Virgin Islands, American Samoa, the Canal Zone, and/or the island of Guam."

The amendment was agreed to.

The next amendment was, on page 17, after line 15, to insert:

(b) Subsection (e) of section 15 of the Agricultural Adjustment Act, as amended, is amended by inserting after the words "Provided, That" in said subsection the following: "in the case of sugar beets or sugar cane a compensating tax shall be levied, assessed, collected, and paid only upon direct-consumption sugar: *And provided further, That.*"

The amendment was agreed to.

The next amendment was, on page 17, line 22, after "Sec. 8", to strike out "Subsection (e) of section 15 of the Agricultural Adjustment Act, as amended, is amended by striking out the period at the end of the first sentence of such subsection and adding a colon and the following: 'Provided further, That the President, in his discretion, is authorized'" and insert "Section 15 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new subsection", and on page 18, line 5, before the word "by", to insert "(f) The President, in his discretion, is authorized", so as to read:

Sec. 8. Section 15 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new subsection:

"(f) The President, in his discretion, is authorized by proclamation to decree that all or part of the taxes collected from the processing of sugar beets or sugar cane in Puerto Rico, the Territory of Hawaii, the Philippine Islands, the Virgin Islands, American Samoa, the Canal Zone, and/or the island of Guam (if the provisions of this title are made applicable thereto), and/or upon the processing in continental United States of sugar produced in, or coming from, said areas, shall not be covered into the general fund of the Treasury of the United States but shall be held as a separate fund, in the name of the respective area to which related, to be used and expended for the benefit of agriculture and/or paid as rental or benefit payments in connection with the reduction in the acreage, or reduction in the production for market, or both, of sugar beets and/or sugar cane, and/or used and expended for expansion of markets and for removal of surplus

agricultural products in such areas, respectively, as the Secretary of Agriculture, with the approval of the President, shall direct."

The amendment was agreed to.

The next amendment was, on page 19, line 11, before the word "of", to strike out the small letter "1" in parenthesis and insert the figure "1" in parenthesis.

The amendment was agreed to.

The next amendment was, on page 20, after line 6, to strike out:

SEC. 12. Section 17 (a) of the Agricultural Adjustment Act, as amended, is amended by striking out all of the first sentence from the word "with" in line 3 to the period in line 7, and by substituting in lieu thereof the following: "processed wholly or partly from a commodity with respect to which product or commodity a tax has been paid under this title, the exporter thereof shall be entitled at the time of exportation to a refund of the amount of tax due and paid with respect to such product. The term 'product' includes any product theretofore or hereafter exported as merchandise, or as a container for merchandise, or otherwise."

And insert in lieu thereof the following:

SEC. 12. Section 17 (a) of the Agricultural Adjustment Act, as amended, is amended, effective as of the date of the enactment of the said act, to read as follows:

"(a) Upon the exportation to any foreign country (and/or to the Philippine Islands, the Virgin Islands, American Samoa, the Canal Zone, and the island of Guam) of any product with respect to which a tax has been paid under this title, or of any product processed wholly or partly from a commodity with respect to which product or commodity a tax has been paid under this title, the tax due and paid shall be refunded. The refund shall be paid to the exporter or to the consignor named in the bill of lading under which the product is exported, as determined under regulations prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. In the case of sugar beets and sugar cane, this subsection shall be applicable to exports of products thereof to the Philippine Islands, the Virgin Islands, American Samoa, the Canal Zone, and/or the island of Guam only if this title with respect to sugar beets and sugar cane is not made applicable thereto. The term 'product' includes any product exported as merchandise, or as a container for merchandise, or otherwise."

The amendment was agreed to.

The next amendment was, on page 21, line 17, after the word "end", to strike out "of subsection (a)"; at the end of line 18, after the word "new", to strike out "paragraph"; and at the beginning of line 19, to strike out "(1)" and insert "(c)", so as to read:

SEC. 13. Section 17 of the Agricultural Adjustment Act, as amended, is amended by inserting at the end thereof the following new subsection:

"(c) Upon the reimportation of any article, whether as merchandise or as a container for merchandise or otherwise, with respect to which any tax under this title has been or is to be refunded, there shall be levied, assessed, and collected, upon the reimportation of such article, a tax equal to the tax refunded, or to be refunded. Such tax shall be paid prior to the release of the article from customs custody or control."

The amendment was agreed to.

The next amendment was, on page 23, line 10, after "Sec. 17", to strike out "Section 19 of the" and insert "The", so as to read:

SEC. 17. The Agricultural Adjustment Act, as amended, is amended by the addition of the following new section: no. "20."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The clerk will state the first committee amendment which was passed over by unanimous consent.

The LEGISLATIVE CLERK. On page 9, after line 15, it is proposed by the committee to insert the following:

(1) Forbid processors, handlers of sugar, and others from transporting to, receiving in, processing or marketing in, continental United States, and/or from processing in the Territory of Hawaii or Puerto Rico for consumption in continental United States, sugar from the Territory of Hawaii or Puerto Rico, in excess of quotas fixed by the Secretary of Agriculture, for any calendar year, based on average quantities therefrom brought into continental United States for consumption, or which was actually consumed, therein during such 3 years, respectively, in the years 1925-33, inclusive, as the Secretary of Agriculture may, from time to time, determine to be the most representative respective 3 years, adjusted, together with the quotas established pursuant to paragraph (1), (in such manner as the Secretary shall determine) to the remainder of the total estimated consumption requirements of sugar for continental United States, determined pursuant to subsection (2) of this section, after deducting therefrom the

quotas for continental United States, provided for by paragraph (B) of this subsection: *Provided, however,* That in such quotas there may be included direct-consumption sugar up to an amount not exceeding the respective quantities of direct-consumption sugar therefrom brought into continental United States for consumption, or which was actually consumed, therein during the year 1931, 1932, or 1933, whichever is greater, and the Secretary of Agriculture may, by orders or regulations, allot such quotas and readjust any such allotment, from time to time, among the processors, handlers of sugar, and others; and/or.

Mr. COPELAND. Mr. President, I desire to propose an amendment to this amendment.

The PRESIDING OFFICER. If the Senator will send his amendment to the desk it will be stated.

Mr. METCALF rose.

Mr. COPELAND. Mr. President, in order that we may have the question completely before us, I think it would be well for the Senator from Rhode Island [Mr. METCALF] to offer his amendment. I have an amendment on the table suggesting an amendment to line 12, after the word "exceeding", but I ask, in place of submitting that amendment at the moment, that the Senator from Rhode Island may offer his amendment.

The PRESIDING OFFICER. Does the Senator from Rhode Island desire to offer an amendment?

Mr. METCALF. I was waiting for the amendment of the Senator from New York to be offered, but I will offer my amendment at this time.

The PRESIDING OFFICER. The Senator from Rhode Island offers an amendment to the amendment of the committee, which will be stated.

The CHIEF CLERK. On line 16, page 10, after the word "greater", it is proposed to strike out the comma and to insert a colon and the following additional proviso:

Provided further, That after December 31, 1934, there may be included, in the case of Puerto Rico, direct-consumption sugar up to an amount not exceeding 37 percent of the quota established for Puerto Rico.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Rhode Island to the amendment reported by the committee.

Mr. COPELAND obtained the floor.

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

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. COPELAND. I yield.

Mr. REED. Mr. President, I understand that the amendment now offered by the Senator from Rhode Island [Mr. METCALF] is intended to take care of the case of a new refinery being built on the island of Puerto Rico. That really is a subordinate question to the principle involved in the main question whether we are going to treat Hawaii like a part of the United States, which it is, or whether we are going to treat it like a subordinate possession or a foreign country. Would it not be better, I submit to the Senator from Rhode Island, to offer an amendment which will bring up the main question, and let us determine that, and, that having been determined, we will then be in a position to act more intelligently on the subordinate questions?

Mr. McNARY. Mr. President, may I ask the Senator from Pennsylvania to which section does he refer?

Mr. REED. I am speaking of the section which begins on page 9, line 16, and extends down to line 19, on page 10. It is a totally new section, inserted by the committee for the purpose of saving the face of Hawaii and Puerto Rico without in any way changing the sense of the original text which lumped those two islands in with the Philippines and Cuba.

Hawaii, Mr. President, is as much a part of the United States as is the District of Columbia. It has paid enormous income taxes, far more than many of the States of the Union, far more than it has ever received in benefits. It is different from the States only in that it has not as yet been admitted to statehood, and has no one upon this floor to speak for it, but it is just as much an integral part of this country as is the District of Columbia. Its citizens are American citizens, and, taken by and large, its citizenship compares very favorably with that of most of the States of the Union. Its people are industrious; they pay high

wages; they have developed the sugar industry because the lands of Hawaii and its climate are ideally suited for the cultivation of sugar; and here we propose to increase the quotas of continental United States to an amount far greater than their production in the last 3 years, while we propose to give to the Secretary of Agriculture power to cut the quota of the Territory of Hawaii 20 percent under the average production of the last 3 years.

We safeguard Louisiana and Florida by giving them a fixed quota much greater than their average production in recent years; we safeguard the beet-sugar fields by doing the same thing for those fields; and then we take Hawaii and treat it like a stepchild; put it in the category of Cuba and the Philippines and expose it to the unregulated discretion of the Secretary of Agriculture. We let him take a period of 8 years from which he may select any three in order to ascertain the average that he desires to use for his quota. Under the bill he may select any 3 years from 1925 to 1933. If he should take the last 3 years of that period, which would seem to be the fair way, the quota for Hawaii would be 998,000 tons. If he should take 3 picked years out of the 8 when the crop was the poorest, the quota for Hawaii would be only 750,000 tons.

I have not a particle of personal or political interest in this question, but I happen to have been in Hawaii more than once and know the difficulties under which the Hawaiians labor in securing any kind of recognition from the Congress. They have a delegate in the House of Representatives, but they have no one in this body to speak for them. So I am glad to be one of those to raise a voice in their behalf at this time, and I want to offer an amendment, if the Senator will permit me, which will directly bring up that question.

Mr. FLETCHER. Mr. President, does the Senator classify Puerto Rico along with Hawaii? Is there any difference in the case of the two?

Mr. REED. There is a slight difference. Every law that relates to the mainland practically applies also to Hawaii. That is not true of Puerto Rico. We do not tax the Puerto Ricans by our income-tax laws, for example, but naturally we treat the Hawaiian Islands just the same as we treat the citizens of continental United States.

I do not want to drag in extraneous subjects, but Hawaii, from the military standpoint, has an importance to us that it is impossible to exaggerate. The loyalty of the Hawaiians has never been challenged, it must not ever be, and it must not ever be jeopardized by treating them as if they were not Americans just as much as we are. For all those reasons—reasons of justice, reasons of self-interest for us—it seems to me that Hawaii ought to be treated on the same basis as continental United States.

What, then, the Congress may see fit to do with Puerto Rico is "something else again." Think of the difference in the situation! At present in Puerto Rico there is a very active independence party that wants to be free of the United States. With Hawaii it is just the opposite; they were independent under their own king, and of their own free will they applied for annexation to the United States. One is at least partially trying to get away from us, to secede; the other has never swerved in its loyalty. Nobody ever heard the suggestion that Hawaii wanted to be independent again; they are proud to be Americans, and it is up to us to treat them as Americans.

Mr. COPELAND. Mr. President, may I ask the Senator if he proposes his amendment to that offered by the Senator from Rhode Island and what is the wording of the amendment of the Senator?

Mr. REED. I want to reach the object desired in the simplest possible way. It seems to me that instead of going back and rewriting a whole lot of technical amendments throughout the bill, we will get the correct practical result if we change the figures in line 1 on page 10. "1925-33" is the way it reads. If we change that to read "1931-33", it will give them a quota equal to the average of the last 3 years. It will not give them an increase, as in the case of continental United States and as in the case of the beet-sugar fields in continental United States, but it will merely

restrict them to what they have done during the past 3 years.

Mr. COPELAND. Mr. President, will the Senator yield at that point?

Mr. REED. I yield, if I have the floor.

Mr. COPELAND. That would hardly apply to Puerto Rico, however, in view of the hurricane which occurred during those years.

Mr. REED. We could make some exceptions in the case of Puerto Rico, although the figures of Puerto Rican production during the past 3 years would give them a very fair quota.

Mr. COPELAND. What would that quota be?

Mr. REED. Puerto Rico in 1931 produced 752,000 tons; in 1932 it produced 915,000 tons; and in 1933 produced 794,000 tons. The average for the 3 years would be 821,000, which seems to me to be fair.

Mr. COPELAND. That is not quite fair, because those were hurricane years. What was Hawaii's production?

Mr. REED. Hawaii produced 971,000 tons in 1931; 1,028,000 tons in 1932; 994,000 tons in 1933; an average of 998,000. Let me hasten to explain that of that amount of sugar 40,000 tons per year is consumed in the islands themselves, because there are great canneries there. We are all familiar with Hawaiian canned pineapple, and that requires a very large amount of sugar in the process of canning.

Mr. COPELAND. It would seem to me that we might better restrict the Philippines, Puerto Rico, and Hawaii so as to have nothing indefinite about it. My suggestion would be that Puerto Rico's quota be made 875,000 tons and Hawaii's quota 975,000 tons. I think those figures would be more fair.

Mr. REED. Mr. President, may I inquire if the Senator from Rhode Island has temporarily withdrawn his amendment?

Mr. METCALF. Mr. President, the amendment I offered referred to Puerto Rico. I quite agree with the Senator from Pennsylvania in what he has said about the Hawaiian situation. The amendment the Senator from Pennsylvania has offered—

Mr. REED. But I have not as yet offered it. The Senator's amendment is technically pending. Will he let me offer my amendment first?

The PRESIDING OFFICER. Does the Senator from Rhode Island withdraw his amendment?

Mr. METCALF. I withdraw it temporarily.

Mr. COPELAND. Mr. President, what is the form of the amendment of the Senator from Pennsylvania?

Mr. REED. For the purpose of raising the question, it seems to me that on page 10, line 1, we should change the numerals "1925" to read "1931." I offer that amendment. If that does not take care of Puerto Rico to the satisfaction of the Senator from New York, we can put Puerto Rico in a separate clause in the same section. What I want to do is to obtain an expression of the feeling of the Senate with regard to Hawaii. I am ready to go along with a further amendment giving a proper quota to Puerto Rico.

Mr. COPELAND. I think we should consider at this time the question as it affects both Hawaii and Puerto Rico, because, so far as I am concerned, I want to consider them at the same time. Therefore, it would seem to me much preferable if we definitely fix a quota for both those Territories.

Mr. REED. Let me invite the Senator's attention to the fact that there is no year we can fix back of 1931 that would tend to increase the Puerto Rican quota. As we go back prior to 1931 we find that they had very poor years. There is not a year back to 1924 in which they had a production as large as the quota which my amendment would give them. If the Senator will look at the figures he will see there were years of almost crop failure such as, for instance, 1929, when they produced only 460,000 tons. The Senator will not profit by going back and including that period.

Mr. COPELAND. Let me say to the Senator that in the message of the President he suggested certain quotas. For

Hawaii he suggested 935,000 tons. The Senator does not think that is sufficient, does he?

Mr. REED. That does not include the sugar which is consumed within the islands. If that were added it would be 975,000 tons, and I would be willing to accept that amount.

Mr. COPELAND. Why not accept the same advance for Puerto Rico?

Mr. REED. But that is not an advance. The Senator in asking for 875,000 tons is asking too much. He is asking for a quota that never but once has been reached.

Mr. COPELAND. I hope the Senator and I will not split on this particular subject. So far as I am concerned, I am convinced that the quota which I am proposing, and which would give Puerto Rico 875,000 tons, or approximately that amount, is so small as compared to the total amount of sugar consumed in the United States that I feel the Senator ought to join with me.

Mr. REED. I am not inclined to combat the Senator. I am only calling attention to the fact that the amendment I am offering appeared to me to be generous to Puerto Rico.

Mr. KING. Mr. President—

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

Mr. REED. I yield.

Mr. KING. Is the Senator in his amendment linking Hawaii and Puerto Rico? It seems to me, as the Senator has very properly indicated, that Hawaii can be distinguished from Puerto Rico. There are reasons which it appears to me are well grounded why Hawaii should be kept in a somewhat different relation to the United States from that of Puerto Rico. I hope the Senator will modify his amendment so that it will apply only to Hawaii or to Puerto Rico, but not link the two together.

Mr. REED. I think perhaps I had better modify my amendment and word it in such way that it will not in any way prejudice Puerto Rico. Therefore I propose, on page 10, line 10, after the word "subsection" to insert the following:

Provided, however, That the quota per calendar year for Hawaii shall not be less than 935,000 tons, not including sugar consumed in Hawaii.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Pennsylvania as modified to the amendment of the committee.

Mr. LEWIS. Mr. President, may I interrogate the Senator from Pennsylvania for information?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Illinois?

Mr. REED. I yield.

Mr. LEWIS. May I ask the Senator from Pennsylvania if the amendments being proposed by him are under the theory conceived by him that the bill discriminates against Hawaii?

Mr. REED. Yes, precisely; it does discriminate cruelly against Hawaii. It does not give Hawaii the same treatment that is accorded continental United States, but treats it rather in the way that Cuba and the Philippines are treated.

Mr. LEWIS. Am I to gather from the Senator's remarks that we are treating Hawaii on the basis that we treat foreign possessions and not as a part of the United States?

Mr. REED. Absolutely.

Mr. BONE. Mr. President, will the Senator from Pennsylvania yield?

Mr. REED. Certainly.

Mr. BONE. I wonder if I understood the Senator correctly. I do not mean to interfere with the consideration of his amendment, but he referred to the average of importations into the United States from Hawaii in the past 3 years as being approximately 998,000 tons. I have what I think is the President's message or the figures from it, which indicate 1,009,000 tons. Perhaps the difference is in figuring long or short tons. But from those figures taken from the President's message it appears that Hawaii is the only one of the Territorial possessions of the United States or the only one outside of the United States involved in the sugar ques-

tion that has its quota reduced. This shows a reduction of 74,000 tons against Hawaii, whereas there is an increase in the quota of the Philippine Islands, and an increase of 21,000 tons proposed for Cuba.

Mr. REED. Precisely.

Mr. BONE. I was principally interested in the figures which the Senator quoted about Hawaii. I wonder whether there is some misunderstanding here.

Mr. REED. There appears to be a difference of some 11,000 tons in the figures. I am using the figures submitted to the Finance Committee, which the Senator will find printed on page 6801 of the CONGRESSIONAL RECORD of yesterday. The difference, after all, is not very considerable. I do not know where the President got the figures he put in his message; but assuming the lower figure, taking the strongest case against Hawaii, even the quota suggested by the President is a material reduction under the production of the past 3 years.

The quotas possible under the bill might be as low as 750,000 tons, which would almost wreck the sugar industry of Hawaii. Their overhead is heavy. They pay far higher wages than are paid on most of the farms of the United States. It is not a coolie country by any means, and their overhead is very considerable. If we cut down their production 20 percent or thereabouts, we shall pretty well wreck the industry for the sake of building up the industry in Cuba and the Philippines; and that, I say, would be a great mistake.

Another element of unfairness in this matter arises from the treatment in case of underconsumption. The quota of Hawaii, then, although it has been fixed by the Secretary, is subject to a reduction to meet the lessened requirements of consumption. The quotas of the continental United States are not subject to the same reduction. All the way through this bill there is evident the intention of treating Hawaii like a foreign country.

Mr. ADAMS. Mr. President—

Mr. REED. I yield to the Senator from Colorado.

Mr. ADAMS. If the Senate should adopt the amendment which the Senator from Pennsylvania first suggested, fixing the quota upon the 3-year average, Hawaii would be thoroughly well taken care of, would it not?

Mr. REED. That is correct.

Mr. ADAMS. The Senator, of course, does not wish to discriminate in favor of Hawaii and against the American beet-sugar producers.

Mr. REED. No; of course not.

Mr. ADAMS. All the Senator is asking is equality of treatment.

Mr. REED. The statement is exactly correct.

Mr. ADAMS. In order to reach some of these figures, instead of taking a period of 9 years, as the bill does, and allowing the Secretary of Agriculture to pick out 3 representative years—a phrase of which I am fearful, as is the Senator—the Senator would limit it to the average for the past 3 years. My inquiry is, Would he be willing to base the quotas upon the past year; that is, the actual present development of the sugar industry in the various areas?

Mr. REED. Mr. President, the result of that would be that the beet-sugar industry in the United States, which has averaged about 1,375,000 tons, would get a quota under this bill of 200,000 tons more than it ever produced in its entire history save during the present season. During the present season, for some reason—probably due to the depression in the cities—the beet-sugar production of this country has been about 1,750,000 tons, nearly 400,000 tons more than was ever produced in all its previous history whereas the production in Hawaii and Puerto Rico has been more constant. If we should take the past year, of course, it would be extremely favorable to the beet-sugar producers.

Mr. ADAMS. If we do not take it, we will force out of cultivation in the beet-sugar areas somewhere in the neighborhood of 175,000 acres which last year were devoted to sugar-beet growing.

Mr. REED. Yes; but which never before had been so employed.

Mr. ADAMS. True; but should the beet-sugar industry be set back? That is the inquiry. Should it be set back or should we start from the point of development which has now been reached and work out a fair quota on the basis of present-day production?

Mr. REED. The trouble is, the beet-sugar producers in the middle of the depression, and at a time of reduced requirements, have seen fit to expand their production immensely, and they have added mightily to the problem of those who would like to see sugar prices stabilized. This whole bill, however, is a process of denying Americans the right to work at a lawful occupation. This is about as un-American as any proposal which ever came before Congress. It denies a man privileges which were supposed to be guaranteed to him under the Bill of Rights of the Constitution, and under Magna Carta in Great Britain. It does things which 5 years ago every one of us would have said were utterly unthinkable.

I know that my old-fashioned school of economics is in the shadow at present. It is believed that we can suspend all economic laws by legislation. It will take us a little while yet to find out that we cannot do so; and after a year or two it is not going to require any argument from me, or from people who think as I do, to prove that this whole new-deal business is founded on fallacies that have been exploded many times before in the history of the world. Until that time comes, there is no use of my arguing against it.

I am taking the bill as it is. Certainly the new deal does not require us to take one group of loyal Americans and discriminate against them to help another group; and I know the Senator from Colorado would not want to do that.

Mr. ADAMS. That is just what I am protesting against, that we do take such a group. Here is a repression of the development of a nonsurplus crop; and, as applied to the beet industry, we are told that 175,000 acres of beet production should go out of cultivation. The Senator is asking that there be equality for the Hawaiians. My inquiry is, if we lay this premise of repression of production in America, why should not a proportionate repression be accepted in the other areas?

Mr. REED. Proportionate, yes. I should not complain of a proportionate reduction; but this is utterly disproportionate. Hawaii is reduced twice as much in percentage as are the beet fields, even on the Senator's own theory of taking last year's huge beet-sugar crop as the standard. Even adopting that as the standard alone, we are reducing the quota of the beet-sugar producers by only half as great a percentage as we are reducing the quota of Hawaii. The Senator will find that that is so when he comes to examine the matter.

Further, we are now getting used to bureaucrats in this country. We have watched them work. We pass an agricultural adjustment act that is intended to help cotton, and we discover to our amazement that under that act, on the pretext of helping cotton, some professor or other in the Department of Agriculture, without notice, without hearing, has clapped a processing tax on jute bags in order that the farmers of the far West shall use cotton bags in which to gather their potatoes.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Oklahoma?

Mr. REED. I will yield in a minute. They have clapped a tax on paper napkins and on paper towels in order, forsooth, to help the cotton farmers of the South; and those interested in producing paper napkins never knew that such a thing was contemplated until it hit them on the chin.

That is the way in which we who rebelled from Great Britain on the theory of "no taxation without representation" have put ourselves in a position to be taxed; and now every little child who goes to the corner grocery to buy 5 cents' worth of lollypops is contributing to the tax on paper bags in order to help the cotton planters of the South. There is the situation in which we have gotten ourselves.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Oklahoma?

Mr. REED. I beg the Senator to let me finish the thought, if it is a thought.

Now we are giving the same bureaucrat, the same official who has so abused the power of the processing tax, the power to pick any 3 out of 8 years as the basis for the calculation of his quota for the poor Territory of Hawaii. Based on his past performance, based on his public announcements, what can we expect in the way of just and considerate treatment when he comes to picking out the years on which to base that quota?

Mr. ADAMS. I shall be very glad to vote with the Senator to make the average for the past 3 years the basis for fixing the quota.

Mr. REED. I am happy to know that the Senator feels that way.

This is the same official, Mr. President, who recently has announced to a waiting world that the lace industry in this country is inefficient, and therefore he thinks that under the new tariff power which the President is asking the lace industry of this country should be exterminated, if you please; should be subject to competition from regions where there are no N.R.A. and no child-labor laws and no limitation on hours of labor, and people are paid barely enough to keep body and soul together. There are 20,000 lace workers in Pennsylvania who see in that the Washington Government reaching out to snatch their livelihood away from them in perpetuity.

Mr. ADAMS. The Senator realizes that there are some other industries that are having difficulty to keep off the extermination list?

Mr. REED. I do, very well; but I am instancing this one because it comes right home to me and gives me a vivid example of what bureaucracy can do when it starts to play favorites.

I now yield to the Senator from Oklahoma.

Mr. GORE. Mr. President, I desire to have printed in the RECORD at this point a telegram which I received yesterday from two constituents of mine. They are local administrators in their counties of some of the bureaucratic measures referred to by the Senator.

The telegram comes as a request to me to prevail upon the proper authorities here in Washington to permit the farmers in a certain county in Oklahoma to plant sweetpotatoes on their own land, on land which they have agreed not to plant to cotton. These free-born American citizens are coming to Washington and supplicating the authorities here to grant them the privilege of planting sweetpotatoes on their own land.

Mr. President, I do not know whether our farmers are becoming victims of voluntary servitude or involuntary servitude, but I wish to say now once and for all that I have always thought there is but one class of human beings on this globe who ought to be subjected to slavery. Those who desire slavery deserve slavery.

I will ask to have the telegram read into the RECORD. I withhold the names, because I would not care to subject the signers of the telegram to any punishment at the hands of their masters.

The PRESIDING OFFICER. Without objection, the clerk will read.

The legislative clerk read as follows:

APRIL 16, 1934.

Senator THOMAS P. GORE,
Washington, D.C.:

On account farm acreage being rented to the Government on the cotton-reduction plan we are finding some difficulty in being able to rent land for garden and sweetpotato projects. A ruling from Director of Cooperative Extension Work in Oklahoma forbids use of lands so rented for cotton-acreage reduction. We need some of these lands for garden projects, and it occurs to us that with your influence we may be able to have this ruling reversed in this immediate instance. Won't you please see what you can do for us?

COUNTY ADMINISTRATOR,
COUNTY DIRECTOR.

Mr. GORE. "Won't you please see what you can do for us?"

Mr. BORAH. Mr. President, has the Senator had any success in getting the ruling reversed?

Mr. GORE. The letter came to hand only yesterday. As I stated a moment ago, I do not know whether this servitude is voluntary or involuntary. It does not meet with my approval, and I do not know whether I shall have success in prevailing upon those in authority here to permit the people out in the short-grass country to plant a few sweetpotatoes on their own land.

Mr. President, there is one other quotation I should like to have read into the RECORD with relation to the beet-sugar industry. It is from page 110 of the book I send to the desk.

The PRESIDING OFFICER. Without objection, the clerk will read.

The legislative clerk read as follows:

France protected one of these industrial infants; that is, the beet-sugar culture. Dr. Wayland said of it in 1837: "The present protection costs £1,400,000 per annum. Suppose this to continue for 20 years, it will amount to no less than £28,000,000 sterling; the interest of which at 5 percent will bring, at 2½d. per pound, 126,000,000 pounds of sugar, or nearly the whole annual amount of sugar now consumed in France." In 1871 we can say that this child, born in the early part of the great Napoleon's career, has not yet become strong enough to walk alone or hardy enough to take the air. Supposing an equable annual consumption of any article, it requires but common-school arithmetic to show that a protection to the extent of 50 percent, continuing for 18 years, would amount to a sum which, at 6-percent interest, would furnish the nation in that article to the end of time, without ever paying anything more for it.

Mr. GORE. Mr. President, I merely wished to have that passage appear in the RECORD. It sheds rather lurid light on the history of the beet industry in France, which we have transplanted to this country. Is it else than a parasite? Perhaps never should have been introduced, but it is here now, and I presume sentiments of humanity require that it should be preserved.

I do not care to discuss the subject. I merely wish to express my approval of what has been said by the Senator from Pennsylvania. I do not think we ought to treat the people of Hawaii as bantlings. They are American citizens, and in my view all American citizens are entitled to equal treatment and to justice.

Mr. REED. Mr. President, I wish to make one more statement and then I shall have concluded.

The amendment now pending would give Hawaii exactly the quota which President Roosevelt recommended in his message. For once in my life I find myself standing by the President. I am asking only that quota which he has recommended to us, and I ask it as a matter of fairness to the people of Hawaii, who are our fellow citizens.

Mr. HARRISON. Mr. President, I know the Senator does not want to misquote the President in the RECORD. The President in his message stated 935,000 tons as the quota for Hawaii.

Mr. REED. That is what I have provided for.

Mr. HARRISON. I understood the Senator's amendment made it 975,000 tons.

Mr. REED. It becomes 975,000 tons when we add to it the locally consumed sugar. But that is what the President recommended; there is no question about that.

Mr. HARRISON. The Senator has shifted his amendment so much it is hard to tell what he asks.

Mr. REED. I have shifted it in order to limit it to Hawaii, and I think it should be so limited.

Mr. McNARY. Mr. President, in connection with the remarks made by the Senator from Pennsylvania, I may say that I have in my possession a letter written to the able Senator from Mississippi, the Chairman of the Committee on Finance, on the 9th day of April, concerning this subject matter, and if it is agreeable to the Senator from Mississippi, I should like to have the letter read by the clerk at this time.

Mr. REED. Mr. President, will not the Senator couple with that a request that the letter from the Secretary of Agriculture to the Secretary of the Interior dated April 10, be also read by the clerk?

Mr. McNARY. I do not have it in my possession.

Mr. REED. I have it, and will send it to the desk.

The PRESIDING OFFICER (Mr. DIETERICH in the chair). Without objection, the clerk will read.

The legislative clerk read as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 9, 1934.

HON. PAT HARRISON,

Chairman Committee on Finance,
United States Senate.

MY DEAR SENATOR HARRISON: The bill to control sugar production (S. 3212), pending in your committee, carries a threat to Hawaii's basic industry that will bring financial difficulties to the islands that I should like to see avoided.

The measure as it now stands fixes the quotas for beet and continental cane areas at 1,550,000 tons and 260,000 tons per annum, respectively; whereas by applying the average provided in the bill to Hawaii, which is based on any 3 of the last 8 years, the quota could be fixed as low as 750,000 tons, which would represent a reduction of 300,000 tons from the last crop. This difference would destroy the balance between economical operation and the costly overhead expenses due to the intensive methods that have had to be developed in Hawaii for profitable production.

Further, if consumption increases, continental areas would be entitled to 30 percent of the increase, but Hawaii would not benefit; on the other hand, if consumption decreases, continental quotas would not be disturbed but the deficiencies would be taken from the other producing areas, including Hawaii.

If the sugar-growing areas in the States are given fixed quotas in the bill, I believe Hawaii should be included, and the same ratio of increase allowed. The minimum quota should be fixed at 975,000 short tons of sugar, raw value, taking into consideration the local consumption. The average annual deliveries from Hawaii for the past 3 years have been 1,009,000 tons.

Hawaii as a Territory occupies a different relationship to the Federal Government than the insular possessions with which it is classed in the bill. It is not only self-supporting but contributes materially to Federal revenues. Since its organization as a Territory in 1900 the United States has collected \$124,859,636 in revenues, and in 1933 the collections amounted to \$3,067,249, outranking many of the States in the volume of receipts. Sugar-cane has been the principal industry of the Territory since 1876 and it has furnished employment to the largest number of its people. Almost one sixth of the population was gainfully employed in this industry last year.

I believe Hawaii is entitled to the same treatment in fixing sugar quotas as is accorded the States, because of the conditions under which it was organized as a Territory. I do not believe the Federal authority should invoke disaster on one group of citizens by restricting their market and at the same time extend the production of other groups on the continent. This, in fact, would be the result of classing Hawaii with Cuba and the insular possessions while fixing quotas for the beet industry and Louisiana and Florida.

My concern for the administration of the Territory prompts me to request special consideration of the effect of this legislation with a view to its modification. The Secretary of Agriculture concurs in the general recommendation, but feels that in order to prevent chaos and manifest injustice in the whole quota structure that the quota recommendations in the President's original message should be followed.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 10, 1934.

The Honorable the SECRETARY OF THE INTERIOR.

DEAR MR. SECRETARY: I have read the copy of your letter of April 9, addressed to Senator PAT HARRISON, in which the statement is made that the Secretary of Agriculture concurs in your general recommendation as to the treatment of Hawaii in the sugar bill. In discussing this with officials of the Agricultural Adjustment Administration the point was raised that this statement possibly needs further explanation.

At all times in discussing this matter with interested parties I have endeavored to make it clear that while I concurred in the general recommendation that Hawaii should be considered as having a status different from that of the insular possessions which are not territories I did not express approval of the specific quota proposed in the bill. As you state, my position from the first has been that the quotas set forth in the President's message should be the quotas set up in the bill. The Department recognizes that any change in the quota for one country or for one class of producers necessarily has effect upon other countries or producers.

Sincerely yours,

H. A. WALLACE, Secretary.

Mr. COPELAND. Mr. President—

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

Mr. COPELAND. I yield.

Mr. FESS. I should like to ask the Senator from Pennsylvania [Mr. REED] a question as to his amendment. In listening to the letter of the Secretary of the Interior I

caught two points in the letter. One was that we should have the quota for Hawaii fixed at 975,000 tons. The Senator's amendment does that?

Mr. REED. It fixes it at 975,000 tons, excluding the amount used locally, which is 40,000 tons.

Mr. FESS. At least, it fixes it.

Mr. REED. That is right.

Mr. FESS. It does not leave it uncertain. Then, as I understood, the other suggestion in the letter was that if there was an increase in consumption, the continental areas would share therein, to the exclusion of Hawaii, but if there was a decrease in consumption the continental quotas would not be disturbed, but the deficiencies would be taken from the other producing areas, including Hawaii.

Mr. REED. That occurs in a different part of the bill, on which action has been postponed. We will reach that later.

Mr. FESS. I thank the Senator from New York for yielding to me.

Mr. COPELAND. Mr. President, the Senator from Pennsylvania has asked that the quota for Hawaii be fixed at 975,000 tons. I regret that he has not been willing to tie up with that a definite quota for Puerto Rico. Let me point out that in the 3 years used by the Senator from Pennsylvania to fix the definite quota for Hawaii, there have been two or three cyclones and hurricanes in Puerto Rico. The loss suffered in Puerto Rico during these 3 years totals 180,000 tons. One hundred and eighty thousand tons divided by 3 leaves 60,000 tons, and 60,000 tons added to the 821,000 tons which the President fixed from his figures, would make 881,000 tons. By exactly the same process of reasoning the Senator from Pennsylvania reaches the conclusion that Hawaii should have 975,000 tons, there would be the conclusion that Puerto Rico should have 875,000 tons.

Mr. President, I sympathize with everything the Senator from Pennsylvania has said about Hawaii. To my mind the treatment accorded by the United States to our colonial or insular possessions is little short of scandalous. Why anybody outside the continental United States should wish to be annexed to our country is, to me, one of the wonders of the world.

We do not know how to handle our colonial possessions. We do not know how to treat the citizens of these insular possessions. Our record is positively outrageous.

We used to own the Isle of Pines, and President McKinley and his Secretary of State stated to prospective American settlers in the Isle of Pines that that was American territory. It never was dreamed of in the early days that the flag should be hauled down from over the Isle of Pines. But that is what happened. We abandoned the Isle of Pines.

We do not have to go back 3 months to see how the Philippines have been treated by this body.

Admitting all the Senator from Pennsylvania has said about Hawaii, and the reasons why we ought to deal decently with the citizens of Hawaii after considering our action with regard to the Isle of Pines, then the Philippines and Hawaii, we now come to Puerto Rico. Let us see how we are treating American citizens who live in Puerto Rico.

We are dealing in the Hawaiian Islands with a population of 375,000, 125,000 of whom are Japs and other foreigners, and 250,000 are American citizens. Yet, so far as I am concerned, I want to have 250,000 or 250 or 1 American citizen, wherever he may live, treated fairly, and particularly if he lives under the American flag.

But, Mr. President, in Puerto Rico there are 1,600,000 persons, and those 1,600,000 persons are all American citizens. Are they not entitled to some degree of prosperity?

In my enumeration of the failures of the American Republic to deal with insular possessions I forgot to speak about the poorhouse—the Virgin Islands. Are we going to continue forever and ever to neglect those citizens of our Republic who live outside the shadow of the home institutions?

So far as I am concerned, I have no wish to interfere with the happiness of the beet-sugar producers in America. I have no desire to interfere with the raising of cane sugar in Florida or Louisiana. And if I could have my complete

wish I would have the quota for Cuba lessened so as to make sure that any additional amount assigned to Puerto Rico and Hawaii should come from Cuba, and not come from the beet-sugar raisers of this country or from the cane-sugar producers.

Mr. President, why do we not on one occasion at least deal generously—no; I do not ask that—why do we not deal justly with American citizens who live in the islands of the sea which have come under our possession? There is no more loyal people anywhere than the people of Puerto Rico. The Senator from Pennsylvania a moment ago spoke about the loyalty of the Hawaiians. No longer ago than yesterday the Legislature of Puerto Rico voted unanimously its desire to have statehood. That is how devoted they are to us. I cannot for the life of me see why they want it, in view of the manner in which we have treated our insular citizens, but they want it. However, there are 1,600,000 of them who are entitled to some consideration.

Mr. President, there is in Puerto Rico one refinery—just one. At great expense they have equipped that refinery to manufacture 165,000 tons of refined sugar a year. The most that they will be able to manufacture under this bill as it is written is 105,000 tons. That is what we have written into this bill. Are we not willing, Mr. President, to change this bill in such fashion that the citizens of Puerto Rico may give employment to their people in their one refinery now equipped to produce 165,000 tons—to give them a quota sufficient to justify the manufacture of that amount of sugar? I wish I had words to convince Senators that with a slight modification this bill would do justice to everybody.

Why do we not, Mr. President, do as the Senator from Pennsylvania suggested regarding Hawaii, and fix the quota of those islands at 975,000 tons, the quota for Puerto Rico at 875,000 tons, the quota of refined sugar from Puerto Rico for the coming year at 165,000 tons, and make such change in the figures as will reduce the amount of refined sugar coming from Cuba so that the rearrangement of figures for Puerto Rico could be made effective?

Mr. President, I am not asking that one single plantation owner or operator or farm laborer in Cuba suffer by reason of the proposal. The amount of raw sugar which will be produced in Cuba would be exactly the same. The only difference would be that there would be opportunity for increased labor in the one refinery of Puerto Rico and also for a slightly increased labor in the Hawaiian Islands. The beet-sugar producers would get all they are asking for; the cane-sugar producers of continental United States would get all they are asking for. Could anything be fairer than that?

The trouble is, Mr. President, that according to the way we function in the Senate, unless a Senator is a member of the committee where a given bill receives consideration, if he attempts upon the floor to make any change in the bill as presented he gets little hearing and less consideration. Of course, with the pressure upon us in the Senate, it is natural that there should be this division of labor, and I suppose it is also natural for us blindly to follow the committee; but in this particular case it makes my blood boil to know that by law and the juggling of figures and the manipulation of machinery of government it is possible for the beet-sugar growers to operate their farms so as to sell at a profit to the farmer in the State of Wisconsin, for instance, sugar that cost 6.87 cents—nearly 7 cents—a pound, while at the same time that sugar is sold to the consumers of the United States at the going price of about 4½ cents a pound, and the deficit between the cost of 7 cents in Wisconsin and 4½ cents of the consumer's contribution, plus a profit to the farmer in Wisconsin, is charged against the American people. The sugar bowls of this country are taxed two or three hundred million dollars a year in order that the beet-sugar growers of America may operate at a profit. If I had my way, Mr. President, I would pay to every beet-sugar grower in America a bounty sufficient to permit him to close up his establishment and take sugar from the parts of the world where it normally and naturally is produced.

We are annually adding two hundred or three hundred million dollars to the cost of sugar to the housewives of America in order that beet-sugar production may be made profitable. We could pay a bounty of \$40,000,000 a year out of the Public Treasury and save the American people from two hundred to two hundred and fifty million dollars a year by doing so.

Mr. BORAH. Mr. President, has the Senator from New York any idea how much we would pay for sugar if there were no sugar produced in the United States?

Mr. COPELAND. If the Senator from Idaho will be patient, I am going on to say that I am willing to go ahead with this performance, and it may well be that we have a yardstick here—it may well be that we have a club to hold over the refineries; it may well be that we make a saving by reason of domestic production; but, nevertheless, the fact remains that we are paying a mighty high price for such protection as the Senator suggests we are getting by reason of this enterprise.

Mr. President, I am not proposing anything, however, to change the wording of the bill as regards the beet-sugar producers; I am not proposing anything to affect the cane growers of Florida and Louisiana. I am simply pleading with the Senate that they will let the stricken people in the island of Puerto Rico have at least one industry that will give them some chance to keep the wolf from the door.

There are no finer people anywhere than the Puerto Ricans. We now come in contact with them everywhere and in every walk of life. Some of the finest doctors I have ever known have been Puerto Ricans. They are a splendid people.

Mr. President, let us take just a little bit more from Cuba and give just a little bit more to Puerto Rico and Hawaii. We can do that without changing this bill in one single particular as regards beet and cane production in the United States.

I should like to call attention to the fact that whenever we pass any laws here, whether a prohibition law or such a law as the Agricultural Adjustment Act or any other similar act, they apply to Puerto Rico. The Puerto Ricans have to toe the mark and march the line. Let us be just to them now. So I ask the Senator from Mississippi, in charge of the bill, will he not be good enough to accept and take to conference an amendment fixing definite quotas for Hawaii and Puerto Rico—975,000 tons and 875,000 tons, respectively?

Mr. McNARY. Mr. President, will the Senator yield for a question?

Mr. COPELAND. I yield.

Mr. McNARY. In requesting that definite quotas be provided, does the Senator mean in short tons or long tons, or does he mean quotas based on production over a period of years?

Mr. COPELAND. My thought is that they should be in short tons.

Mr. McNARY. For instance, the Senator from Pennsylvania has offered a quota for the Hawaiian Islands based on the crop production of 1931, 1932, and 1933, which is around 975,000 tons, without specifying whether long or short tons. Is it the idea of the Senator from New York to take a base period, or does he want to fix the actual quota expressed in tons?

Mr. COPELAND. I would be willing to have the figures left as indicated for Hawaii. I have already tried to show that during the last 3 years there was a hurricane loss in Puerto Rico of 180,000 tons.

Mr. McNARY. I may say that is the reason I was asking the Senator the question, because the situation in Puerto Rico is not similar to that in the Hawaiian Islands.

Mr. COPELAND. That is correct.

Mr. McNARY. While a quota based on production in recent years might apply to one, perhaps, there should be a specific tonnage expressed here in the other case, at least.

Mr. COPELAND. That is the point exactly, and I should like to have a quota for Puerto Rico fixed at 875,000 short tons.

Mr. HARRISON. Mr. President, the Senator from New York has asked me a question. I may say to the Senator that the subject of fixing a quota for Hawaii, for Puerto Rico, for the Philippine Islands, for the Virgin Islands, and Cuba, as well as for the United States, was the most troublesome feature about this bill. After weeks and, I may say, months of conversation and conferences, it was determined that it was impossible to fix all these quotas and get a bill through the Congress. It was determined that the best way out of the difficulty, if any legislation was to be enacted, was to fix a quota for continental United States and leave it within the discretion of the Secretary of Agriculture to determine the importations from Hawaii, Puerto Rico, and the other places.

The reasons for that decision are quite apparent and have been demonstrated here on the floor. The Senator from Pennsylvania [Mr. REED] first suggested that we take last year's production as the basis of Hawaii's quota. Of course, that would be improper, because last year there was a very large production in Hawaii, and we would naturally have to decrease importations from other countries. In answer to the question whether that would be agreeable to the Senator from New York [Mr. COPELAND] we were told that it would not be agreeable as applied to Puerto Rico, because a storm had interfered with normal production there.

That illustrates the difficulty of fixing a quota. If we take a 5-year or a 3-year period, we get into complications that prevent a satisfactory solution of the problem. Whenever we fix a quota of 935,000 tons for Hawaii—and I agree with the Senator from New York that that should not be done unless we fix a quota for Puerto Rico—then the question arises whether we must not then fix a quota for the Virgin Islands and then for the Philippine Islands and then for Cuba. There results a bargaining process which, I am afraid, will destroy any likelihood of the passage of the bill. I sincerely hope that the friends of the pending legislation who want to see the measure passed will not insist upon fixing any quota except for continental United States.

Mr. CLARK. Mr. President, will the Senator from New York yield to permit me to ask the Senator from Mississippi a question?

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

Mr. COPELAND. I yield.

Mr. CLARK. Is it not true, I ask the Senator from Mississippi, that all of this debate and all the propaganda that has been put out as to the relative rights of Puerto Rico, Hawaii, and the Philippine Islands, and Cuba for that matter, to consideration at the hands of the United States Government, is really beside the point? As a matter of fact, the sugar interests of all our dependencies and of the Republic of Cuba are controlled by interests in the United States. This is a dispute among various interests in the United States rather than a dispute between the countries with reference to the claims of Puerto Rico, Cuba, Hawaii, and the Philippine Islands on the United States Government.

Mr. BORAH. That includes Cuba also?

Mr. CLARK. I include all of them.

Mr. HARRISON. With reference to that matter, if the Senator from New York will permit me, the following information has just been furnished to me. The number of mills in the Hawaiian Islands is 42. The number of interests controlling those mills is 6. There are six large interests which control all but a few of those mills. Only 10 percent of the cane used by the mills is produced by small planters. The remainder is produced by the six large interests. The six interests own practically all the mills, refineries, fertilizer plants, and all. They own the California-Hawaiian Sugar Refining Co.

In a summary prepared by the Tariff Commission some time ago I find that in 1914, of a total of 45,718 laborers on 50 plantations in Hawaii, 24,340 were Japanese, 9,000 Filipinos, 3,570 Portuguese, 2,264 Chinese, 1,715 Spanish, 1,439 Puerto Ricans, 1,407 Koreans, 965 Hawaiians, 625 Americans, and 73 Russians.

I want to see Hawaii get a fair deal in this matter. I have such respect for the Secretary of Agriculture that I believe he will see that they get a fair deal. But if we fix a quota for Hawaii it means necessarily the fixing of a quota for Puerto Rico. When we fix a quota for Puerto Rico it means the fixing of a quota for the Philippine Islands, the Virgin Islands, and Cuba, and the result will be that the chances for legislation relating to sugar will have dwindled practically to nil during this session of Congress.

I repeat, I hope those who want sugar legislation enacted will vote down the amendments which have been offered providing for quotas and let us stand on the proposal as it applies to continental United States, under which we have given a quota of 1,550,000 tons to the sugar-beet interests.

Mr. COPELAND. But the Senator overlooks the fact that we are fixing a quota.

Mr. HARRISON. For continental United States.

Mr. COPELAND. We are fixing quotas on pages 7 and 8 of the bill for the other sugar-producing territories.

Mr. HARRISON. We are leaving it to the Secretary of Agriculture, who may take the average of any 3 representative years during the last 8 years in order to arrive at a basis.

Mr. COPELAND. The Senator must see that if he is simply going to take the bald figures of importations into this country from Puerto Rico and disregard the fact that Puerto Rico has suffered from conditions which do not prevail in any other country and which involve the hurricanes to which I have referred, he will place Puerto Rico immediately at a material disadvantage.

Mr. HARRISON. I submit that when they have a storm it would not be a representative year in Puerto Rico. I am sure the Secretary of Agriculture would not think that such a year would be a representative year.

Mr. COPELAND. I suppose no year when they have a hurricane is a representative year.

Mr. HARRISON. I should not think so.

Mr. JOHNSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from California?

Mr. COPELAND. I yield.

Mr. JOHNSON. Not having had an opportunity to give any consideration to the testimony before the Finance Committee, I should like to ask the Chairman of the Finance Committee, as well as the Senator who has the floor, if there are any tentative amounts which have been allotted to Cuba?

Mr. HARRISON. No. The only tentative amount that was fixed was suggested in the President's message, as the Senator will recall.

Mr. JOHNSON. I recall that figure.

Mr. HARRISON. That fixes the amount from sugar beets in this country at 1,450,000 tons.

Mr. JOHNSON. Was that figure discussed in any of the testimony before the committee?

Mr. HARRISON. Yes; I think it was pretty generally discussed.

Mr. JOHNSON. Was there a general agreement from those who are in authority that something approximating that amount would be accorded Cuba?

Mr. HARRISON. I can only give my own opinion. I think the figures in the President's message will, to a great extent, be the yardstick which will be used, with the exception that we have increased the allotment of sugar from sugar beets, with reference to continental United States, by 100,000 tons. All of the others will have to bear a proportionate decrease in order to take care of that increase.

Mr. JOHNSON. I listened with great interest to what was said by the Senator. I am quite familiar with the facts as they relate to Hawaii. Far be it from me to be the advocate of any particular individual who may be termed a sugar baron over there. But the fact remains that Hawaii is a part of the United States, that the individuals there interested in sugar production are Americans, and it seems to me if there is to be any injustice in providing the re-

spective allotments—and I hope there will be none—we ought not to penalize those who are a part of our own country. So I asked the Senator in the beginning as to tentative allotments to Cuba.

Mr. COPELAND. The Senator did not answer, may I say. The allotment is 1,944,000 tons, which is materially greater than the allotment given to any part of the United States.

Mr. HARRISON. I said the yardstick would generally be the suggestion made by the President, with the exception that we give 100,000 more tons to the sugar-beet producers in this country.

Mr. JOHNSON. The difficulty is perfectly obvious, then, to those who want to do no injustice to any interest. Tentatively we know an allotment has been made to Cuba. By this bill we have fixed an allotment for continental United States. Who is going to suffer?

Mr. HARRISON. I can only say what I think ought to be done. In my opinion, each one should bear its proportionate share; and if anyone is to be given a favor, I think Hawaii and Puerto Rico should be given the favor. May I say to the Senator that the Finance Committee has recommended that Puerto Rico and Hawaii be placed in a different classification from the other countries. We took them out of the category of foreign countries.

Mr. JOHNSON. The Senator is taking exactly the position I desire to take in this particular matter. I hope we shall be able to accomplish the result before we finish with the bill; but the bill as it stands does not, in my opinion, accomplish that result.

Mr. BONE. Mr. President, will the Senator from New York yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. COPELAND. I do.

Mr. BONE. In view of the fact that Hawaii is American territory, I should like to ask the chairman of the committee why it is that there is presented to us any real difficulty in the matter of Cuba. Cuba is alien soil. Why in the world should we allot to Cuba more sugar to be brought into continental United States than is produced by our own beet-sugar people, and in Louisiana and Florida, and twice as much as is produced in Hawaii? Why be sensitive about Cuba? I know that certain powerful banks have a tremendous stake there, and I am well aware also that sugar barons are the same the world around; but as between American territory and foreign territory I know where my loyalty would lie.

Mr. HARRISON. If the Senator will look at the figures he will find that we imported from Cuba in 1925 more than three and a half million tons; in 1926 just a fraction under 4,000,000 tons; in 1927, three and a half million tons; and the allotment, I think, as suggested by the President, was one million nine hundred and some odd thousand tons. That, however, is not fixed. It is in the discretion of the Secretary of Agriculture.

Mr. BONE. I am well aware of that; but what I am getting at is this: Why should we have our hands tied by the fact that we, over a period of years, have imported into this country so much sugar from Cuba? We might cut that in two if we needed to do so in order to make a better showing for our own possessions and our own territory. My point is: Why should we be so sensitive about Cuba? We are not going to provoke a world revolution here if we cut off the importation of some sugar from Cuba.

Mr. HARRISON. Of course, the Senator knows how delicate the situation is in Cuba. I do not want this discussion to branch off on Cuba. I am hopeful that we can pass the bill this afternoon, and I know that even to mention Cuba might start a long discussion. The economic situation in Cuba, however, is not very good; and I do not think it would help things particularly for us to cut the quota of Cuba in half, and say to Hawaii, "We are going to give you 935,000 tons or more, and give Puerto Rico more", and all that. Certain delicate international questions are involved.

Mr. CLARK. Mr. President, will the Senator from New York yield to permit me to ask the Senator from Mississippi a question?

Mr. COPELAND. I yield.

Mr. CLARK. I again ask if it is not a fact that the sugar interests in Cuba are controlled by American capital, and that the same thing is true of the sugar interests in Puerto Rico and the Philippines. In other words, Mr. President, it is not an international question at all. It is a question between diversified elements of American capital.

Everybody knows that the sugar industry in Cuba is controlled by the Chase National Bank of the United States, located in the city of New York. Everybody knows that the Hawaiian sugar industry is controlled by another group of American capitalists; and the same thing is true of the Philippines. So, as I see the matter, it is not a question of the relative rights of any of these dependencies.

I am going to vote against these quotas, as the Senator from Mississippi is; but I do not feel it necessary to make a specious argument on the subject. All these sugar industries are controlled by American capital. None of them is controlled by foreign capital; and so far as the relative rights of these various other sugar-producing interests are concerned, there is no difference between them, because under the Platt amendment we owe almost as great an obligation to Cuba as we do to the dependencies which are now under the American flag.

Mr. HARRISON. I think American capital is invested in all these countries; perhaps in Cuba more than elsewhere.

Mr. CLARK. And it controls them all.

Mr. COPELAND. Mr. President, I will now resume my remarks.

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

Mr. COPELAND. Yes.

Mr. KING. I think my able friend from Missouri [Mr. CLARK] emphasizes too much the American investment in the Philippine Islands and in Hawaii.

American investment in the sugar business in the Philippine Islands is less than 15 percent. The greater part of the sugar interests in the Philippine Islands is owned by Filipinos. Perhaps 12 or 15 percent is owned by the Spanish interests, some of whom are residents of the islands.

I know of no continental American interest in the sugar business in Hawaii. American citizens own and control the sugar business, and as stated, all owners are residents of the Territory.

I know of no banks in the United States, no capitalistic interests in continental United States, which have interests in Hawaii.

In Puerto Rico there are some American interests; but I think it may be said—and the Senator from New York probably is better advised as to that than I am—that the majority of the sugar lands in Puerto Rico are owned by the Puerto Ricans.

Mr. COPELAND. Mr. President, I cannot for the life of me see what difference it makes who owns the land or who owns the refineries. I am not interested in the men who own the refineries. I am interested in the human beings who are under the necessity of making a living out of the soil, raising sugarcane in Puerto Rico and Hawaii. I do not care whose money it is that owns the land or the refineries. I want these human beings to be given a fair deal, and particularly do I want them to have a fair deal because they are American citizens.

Mr. HASTINGS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Delaware?

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

Mr. HASTINGS. I should like to make one observation with respect to these quotas.

I do not know very much about the sugar industry, although I have paid some attention to the pending bill. After the definite quotas were fixed in the committee for continental beets and for Louisiana and Florida, I asked why definite quotas should not be fixed for the other places

that grow sugar, as suggested in the President's message, and I received no satisfactory answer to my question.

It seemed to me that Hawaii, Puerto Rico, the Philippines, and Cuba would all be very much better off if they had definite quotas fixed than they would if the right were given to the Secretary of Agriculture to fix their quotas within a period of 9 years. Realizing that it was necessary, in accordance with the agreement which had been made, to give the beet-sugar industry their 1,550,000 tons and to give to Louisiana and Florida their 260,000 tons, making an increase in those two items of 100,000 tons, I suggested that we follow the President's message and fix definite quotas for all the other countries by distributing that 100,000 tons among them, which would mean a reduction of 2.1 percent. It would mean that Hawaii would be reduced by 19,635 tons, that Puerto Rico would be reduced by 17,241 tons, that the Philippine Islands would be reduced by 21,777 tons, and that Cuba would be reduced by 40,824 tons.

The only point I make is that it is important, I think, to have the quotas fixed, so that the people growing sugar in that country—and my understanding is that it takes 2 years to grow it—will know beforehand what they can reasonably depend upon as the amount they may sell.

The beet-sugar industry have in this bill—they had in the committee, at least; I do not know what has been done with it here—a provision that they shall have at least 30 percent of any increase. That need not be disturbed; and, if I were framing the bill, I should provide that what the beet-sugar industry did not get should be distributed in accordance with the proportions set out in the President's message.

I desired to make that suggestion to the Senator before the conclusion of his speech, because I should like him, before he finishes, to comment upon that thought.

Mr. COPELAND. Mr. President, the plan suggested by the Senator is so sensible that I am amazed it was not acted upon by the committee. There can be no doubt that fixing a definite quota would save heartburnings and ultimate distress over any changes which might be made by juggling figures in the future.

My own criticism of the suggestion relates alone to Puerto Rico, because in the figures which were prepared by the President, and the figures which have been used in the committee, no consideration was given to the fact that there has been a hurricane, or series of hurricanes, in Puerto Rico. There can be no doubt, however, I say in categorical answer to the Senator from Delaware, that to fix these quotas as he has suggested would be in the interest of fair play and a good feeling, and I think it should be done.

I am at a disadvantage in pressing the particular matter in which I am now interested by reason of the parliamentary situation. To offer an amendment to the amendment offered by the Senator from Pennsylvania would take it into the third degree, as I understand, and therefore it would not be in order. May I ask the Chair if that is correct?

The PRESIDING OFFICER (Mr. MURPHY in the chair). The Senator's assumption is correct.

Mr. COPELAND. May I offer the amendment in the form of a substitute? I suppose that would still be in the third degree, would it not?

The PRESIDING OFFICER. It would.

Mr. COPELAND. I then appeal to the Senator from Pennsylvania [Mr. REED]. He has heard the debate. He has observed what I believe to be the feeling of the Senate that these quotas should be fixed; and I appeal to the Senator from Pennsylvania to modify his amendment so as to make the quota for Hawaii 975,000 tons, and the quota for Puerto Rico 875,000 tons.

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

Mr. COPELAND. I yield.

Mr. KING. I suggested a few moments ago that the two ought not to be linked together. Regardless of the merits of both or the merits of either, I sincerely hope the Senator will not consent to linking the two together.

Mr. BORAH. Mr. President, may I ask what the objection is to having them considered together?

Mr. REED. The objection is, Mr. President, that as a practical matter, there are some Senators who believe that Hawaii, being an integral part of the United States, ought to be treated like continental United States. That does not wholly apply to Puerto Rico. Many of us are ready to support the Senator from New York if he will offer an amendment covering Puerto Rico; but I do not want to confound the two. There are equities in the case of Hawaii which do not exist in the case of Puerto Rico. The proposal of the Senator from New York would increase the figure representing Puerto Rico's average production in the last 3 years. The amendment I have offered fixes the figure at less than the average production in Hawaii in the last 3 years. Senators may be willing to reduce the one and not willing to increase the other. It confuses two questions and makes the matter very difficult. I hope the Senator from New York will prepare his amendment and submit it as I have mine, and let us fight it out on the merits.

Mr. BORAH. Mr. President, I do not desire to interfere with the program outlined by the Senator, but, so far as I am concerned, I think that fundamentally there is no difference between these two proposals. I think they ought both to be taken care of, and I am prepared to help take care of them.

Mr. REED. A great many Senators feel that way. If the Senator will permit me, I should like to make a statement. The amendment pending is one I have offered. I have engagements to attend two meetings in Philadelphia this evening, and I simply must take a train at 3 o'clock. In case this question should come to a vote while I am absent, I would like to have it understood that I am not absent through carelessness, but am simply forced to go away. I have a pair; I am protected to the same effect as if I were present.

Mr. COPELAND. Mr. President, may I appeal once more to the Senator? I think it is hardly fair to us to split these propositions. I think the Senator from Idaho has stated the matter correctly, that they are on all fours. But, of course, I am utterly helpless if the Senator insists upon a vote on this particular amendment. I wish, however, he would put the two together.

Mr. REED. Mr. President, the Senator has been most accommodating to me many times, and I want to do what he asks, but there are so many points of difference. In Puerto Rico, for example, there is a sugar refinery, one of considerable size, now under construction. That is not true of Hawaii. The reason why Puerto Rico wants more as a quota than has been suggested is to take care of this increase in productive capacity. Hawaii does not ask that; it is willing to limit its output much more strictly than is continental United States. It does ask for fair treatment as an integral part of the United States.

Mr. BORAH. Mr. President, if it is a place under the American flag where a new industry is being built up, and labor is to be employed, it seems to me that of itself must make a very extraordinary appeal to us to include Puerto Rico.

Mr. REED. Mr. President, it is a strong appeal not to pass this bill at all.

Mr. BORAH. I might agree with the Senator as to that, but I presume it is going to pass in some form.

Mr. REED. I do not know whether that is a fact or not. The whole scheme is so un-American, it is such a flat denial of the essential liberties of the citizen, it so transgresses every conception of free government, I am hoping it will not pass at all; but if it is to pass, it ought to do equal justice to all American citizens.

Mr. BORAH. The Puerto Ricans are American citizens, and did not become so by their consent in the first instance either.

Mr. COPELAND. Mr. President, I want to say one word more. I think the Senator from Pennsylvania is mistaken about the one refinery in Puerto Rico. The license has been paid and the work is actually under way. They are prepared to proceed on a somewhat larger scale. It is the only refinery in the island.

Of course, if the Senator persists, there is nothing for me to do but to permit the amendment to go to a vote.

Mr. COSTIGAN. Mr. President, I was unavoidably absent from the Chamber when the able Senator from Mississippi [Mr. HARRISON] made his statement regarding the amendment. He may already have covered the ground which it seems to me necessary to mention before the vote is taken.

At the outset, I affirm that no Member of the Senate wishes to do other than honor here the citizens and residents of the Hawaiian Islands. They are of fine intelligence, noted for their hospitality, and we are bound to them by ties of close and increasing association and regard.

On the other hand, it is to be borne in mind that the primary problem which we face in the pending bill is one of doing some measure of long-postponed justice to the sugar farmers of the continental United States. Lest there be misapprehension among Members of the Senate on that score, I feel bound to say that the bill does not pay undue attention to the welfare of beet and cane growers in this country.

There may be an impression that, as a result of the consideration of the bill by the Finance Committee, the beet and cane regions, at least the beet-growing regions, have been excessively favored, and specially singled out for privileged treatment in the measure when and as reported to the Senate.

Members of the Senate should once and for all realize that such is not the case. The President's message, in the tentative quotas which it set out, proceeded on the assumption that if we are to match, within reasonable bounds, production and consumption of sugar in this country, some equitable rule should be found for determining the quotas to be assigned to the various regions. Purely by way of illustration, the President, in his original sugar message, noted certain figures as quotas which the Secretary of Agriculture might choose under a representative 3-year rule out of a number of years of sugar crops and sugar consumption in this country.

The average of the years for the sugar-beet area resulted in a figure of 1,450,000 short tons of beet sugar. As a matter of fact, last year, in 1933, in the sugar-beet area of this country, the beet-sugar production was 1,756,000 short tons. Therefore, the quota first indicated fell approximately 300,000 short tons below the production of the 1933 crop. In consequence, when the bill came up for discussion, protests were reasonably made against so substantial a reduction for the sugar-beet area in this country.

Following much discussion, representatives of sugar-beet growers in the United States finally expressed their willingness to assent experimentally to a figure of 1,550,000 short tons of sugar. The reason for fixing the original figure at 1,450,000 was to be found in the fact that the figure represented the average of the three last crops grown in the sugar-beet regions. Viewed under the rule which was proposed to be applied, the Presidential figure was entirely fair and equitable in purpose.

On the other hand, even the 1,450,000 tons were objected to by other areas, including some of our islands of the sea, because, as they insisted, the 1933 beet-sugar crop now being marketed was so considerably in excess of the preceding crops as to be charged with being not representative. That it was unusual is true. For instance, the 1932 continental beet sugar sold in 1933 in this country aggregated but 1,372,000 short tons, and the 1931 beet sugar sold in 1932 was but 1,324,000 short tons.

Indeed the 1,372,000 short tons of beet sugar were more than any preceding consumption figure for domestic beet sugar in the continental United States. Therefore, in fact, the original suggestion of 1,450,000 short tons of beet sugar did represent a real advance, except for the last unprecedented year. In other words, there was every disposition on the part of the administration to be fair to domestic production and to give first attention to the welfare of sugar farmers.

I have reviewed these facts so that the fairness of the administration and the reasonableness of sugar-beet growers will alike be evident to all Members of the Senate. Nothing is being appropriated today in this bill by sugar-beet producers to which the beet growers of this country are not fully entitled.

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

Mr. COSTIGAN. I yield.

Mr. HASTINGS. I should like to inquire whether there is any more reason for fixing a definite quota for the beets and the cane in Louisiana and Florida than there is in Hawaii or the insular possessions. I have never been able to get a definite answer to that question, either here or anywhere else.

Mr. COSTIGAN. The Senator from Delaware has doubtless at different times urged the importance of giving definite and even prior recognition to the continental United States. There is, I take it, an instinctive disposition to say that we should deal first with the claims of our fellow citizens among whom we reside on this continent. They are our near neighbors. That may or may not be a sound instinct.

It is at least natural and understandable. But the real reason behind the quota arrangements in the pending measure is not that. As a matter of fact, this measure represents the meeting place of conflicting interests, not only of the continental United States but also of our sphere of influence elsewhere. The domestic sugar-growing interests of some 19 States of this country quite naturally insisted from the outset that there should be specific recognition of a fair quota for the continental United States. Other sugar-growing areas have not, for that or any other reason, been unjustly treated. As a practical matter, the moment you begin to add specifically to the continental quotas you inevitably open Pandora's box, and the bill will thereafter be subject to a constant barrage of applications for quotas from every corner of the world. We have already spent most of this day discussing the appropriate quota for the Hawaiian Islands.

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

Mr. COSTIGAN. I yield to the Senator from Louisiana.

Mr. OVERTON. I desire to suggest to the Senator from Colorado that this bill has as its basis and foundation consumption requirements in continental United States. We are undertaking to supply consumption requirements in the mainland of the United States. Since that is the basis, it follows logically that our first effort should be to take care of mainland production.

Mr. COSTIGAN. What the Senator from Louisiana says is highly suggestive. As he knows, and as every other Member of the Senate knows, there is a strong conviction among many people who dwell on this continent that they ought to produce every pound of sugar we consume in the continental United States; and, however we may differ on such a subject, no one should be more sensible to that sort of appeal than the representatives of the high-tariff party who sit on the other side of the Senate Chamber.

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

Mr. COSTIGAN. I yield.

Mr. HASTINGS. I do not want to be misunderstood as having any objection at all to what has been done for the beet-sugar producing States and Louisiana and Florida in fixing that quota, but I am asking whether it is not reasonable, having fixed that quota, having given them 100,000 tons more than is set forth in the President's message—and to that I have no objection—to take from each of these other countries 2.1 percent less than the amount fixed in the President's message, and get it all done with at one time? That is a question I have asked several times and cannot get an answer. There may be, for all I know, some reason; and if there is, I think I am entitled to have it.

Mr. COSTIGAN. The answer is that it is reasonable; but it will take us unreasonably long to arrive at any satisfactory conclusion.

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

Mr. COSTIGAN. I yield to the Senator from Michigan.

Mr. VANDENBERG. I think there is a further answer to be made to the Senator from Delaware. I think there was a very definite and specific reason why beet-sugar production in continental United States had to be singled out in the first instance for quota production; and that reason was that it was beet sugar, none other than beet sugar, which was singled out for the inimical observation of both the President and the Department of Agriculture when this subject originally was opened; and it was the beet-sugar production which, at least conversationally, was threatened primarily under the initial discussions of the bill by the Department.

I think the Senator from Colorado will agree with me that at the inception of the movement it was the beet-sugar portion of the sugar industry which seemed to require the protection given it by this minimum quota. So there was a specific reason why that particular figure was fixed.

That may not bear on the question of whether there ought not to be others fixed, but it does define why that figure had to be put into the bill.

Mr. HASTINGS. I have never had any question about that; but I still insist that no one has answered my question as to why we cannot make a distribution of the remainder of the sugar of this country in accordance with the President's message.

Mr. COSTIGAN. Mr. President, there is one other misapprehension given more or less currency here today which I trust will not find lodgment in the Hawaiian Islands. Various statements during this discussion are calculated to impress our fellow citizens in the paradise of the Pacific with the view that they are being discriminated against by the people of the continental United States. Nothing could be farther from the truth. No part of America in fact has been more generously dealt with than the Hawaiian Islands. They deserve the best that can come to them, but let it not be said here or elsewhere that the people of the continental United States have been other than devoted to their just interests.

The islands are wealthy. They have prospered under our flag. For years they have been receiving a tariff subsidy of some \$40 per ton on all sugar produced there. Their sugar comes to our mainland duty-free. The phenomenal development of the sugar industry in those islands is rooted not in the hostility but in the generosity of the people of this country.

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

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

Mr. BORAH. As my State is a beet-sugar producing State, naturally I am desirous of seeing the bill so framed as to serve the beet growers so far as possible; but I do not see how the beet-sugar growers or the cane-sugar producers in the United States can complain about fixing quotas for Hawaii and Puerto Rico. How will it hurt them?

Mr. COSTIGAN. May I say to the Senator from Idaho that no one knows better than does he the desperate plight in which the farmers of the West in the beet-growing regions find themselves at this hour. If the passage of this bill is indefinitely prolonged—indeed every hour in which it is prolonged adds to the crisis—the loss and the suffering which will be inflicted on the farmers of the sugar-beet growing regions will be incalculable. We are certain to be delayed by this suggestion. If I thought otherwise I should have not the slightest hesitation in entering on any discussion likely to contribute to any more acceptable solution of the problem.

Mr. BORAH. Mr. President, I entirely agree with the Senator that time is of the essence of this matter, and I am ready to vote upon every question involved in this bill. I do not see why we cannot vote upon all these questions without further discussion. Every Senator in the Chamber is well informed as to what he desires to do. Let us vote. We can dispose of it in no time. I do not see why it should be delayed. I do not see why it should imperil the bill.

Mr. COSTIGAN. May I ask the Senator from Idaho if he will read to the Senate for its information the changed

and specific allotments he would give to Hawaii, Puerto Rico, and the Philippines if we were to proceed on the theory that we are going so to adjust the allotments at this moment?

Mr. BORAH. I am inclined to vote for the amendment which has been offered here with reference to Puerto Rico and Hawaii; and that is all I am considering.

Mr. COSTIGAN. Without reference to the effect on the other quotas? May I say, Mr. President, and I shall now detain the Senate only briefly, that what has been properly done with respect to the sugar-beet area through the increased allotment to that area of 100,000 tons presents a very definite problem for our consideration. That increase of the allotment throws out of line the other allotments suggested in the earlier Presidential message. One possible way to proceed would be to deduct from the other areas percentage amounts sufficient to make up, when added together, the 100,000 additional tons transferred to the beet area. I have before me a calculation which ought to be brought to the attention of the Senate. After giving effect to the 100,000 tons increase, if we apply to the remaining quota areas a reduction of between 2 and 3 percent, we may well conclude that the Hawaiian figures should be reduced considerably below the figure which is suggested in the pending amendment.

To put the matter in another way, the reduction under this particular proposal from the 1,750,000 tons produced in the last crop to 1,550,000 tons, represents a decline in the allotment to our sugar-beet area of 11.4 percent. The percentage of reduction allowed to Puerto Rico from the Presidential tentative figures as compared with this year's Puerto Rican crop, after giving effect to the pro rata reduction due to the increase in the beet quota of 100,000 tons, would be 12.5 percent. Hawaii, on the other hand, even after taking into account its pro rata reduction due to the 100,000 tons increase in beet quota, would only suffer a decline of 6 percent. In other words, under the plan as reported to the Senate, the decline from last year's Hawaiian crop would be approximately only one half the percent decline in the beet area compared with last year's crop, and the Puerto Rican decline would be about the same as the beet-area decline. These facts should, in fairness, be noted so that the people of Hawaii will thoroughly understand that, instead of being discriminated against, they have been relatively and definitely favored, even after adding the 100,000 tons to the quota of the sugar-beet area.

Mr. COPELAND. Mr. President, is that true also of Puerto Rico?

Mr. COSTIGAN. The figures as to Puerto Rico would be approximately the same as for the beet-sugar area. The precise figures, I may say to the Senator from New York, for Puerto Rico are 12.55 percent, whereas the decline for the beet area, even after including the 100,000-ton increase, is 11.43 percent.

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

Mr. COSTIGAN. Certainly.

Mr. COPELAND. Cannot the Senator find some way by which the 90,000 tons which would make up the allowance we are seeking for Hawaii and Puerto Rico may be deducted from the Cuban quota?

Mr. COSTIGAN. Mr. President, doubtless that can be done; but I venture to suggest that the shifting backward and forward of suggestions, including the last suggestion made by the able Senator from New York, is the best possible illustration of the desirability, importance, and, in my judgment, necessity of leaving the final solution of this problem to our fair and capable Secretary of Agriculture.

Mr. COPELAND. Mr. President, if the Senator will permit me, I desire to say that I am perfectly willing to do that if allowance shall be made for the hurricane loss of Puerto Rico, and that has not been done in any figures which have been presented.

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

Mr. COSTIGAN. Certainly.

Mr. KING. It may throw some light upon this subject if attention were challenged to the quotas proposed by the stabilization plan which was agreed upon last year by the representatives of the sugar interests not only of continental United States but of the insular possessions and Cuba. The Senator is aware of the fact that representatives of the sugar industry convened in Washington for the purpose of working out some plan that would satisfactorily meet the sugar situation. There were protracted hearings and discussions participated in by experts and practical sugar farmers. Dr. Coulter, of the Tariff Commission, presided and guided the work of the conference. Following the discussions, quotas for the following respective countries taking part in the conference were agreed upon, the object being to secure stabilization of this important industry:

The beet industry of continental United States, 1,750,000 tons; southern cane, 310,000 tons; Puerto Rico, 875,000 tons; Hawaii, 975,000 tons; the Philippine Islands, 1,100,000 tons; the Virgin Islands, 15,000 tons; and Cuba, 1,700,000 tons, making a total of 6,725,000 tons.

I attended a number of the meetings when the discussion was in progress, and my understanding, from my contacts with a large number of delegates and representatives, was that they accepted, with practical unanimity, the quotas which I have just stated.

The quotas proposed by the President reduced the continental quota from 1,750,000 tons to 1,450,000 tons; southern cane from 310,000 tons to 260,000 tons; Puerto Rico from 875,000 tons to 821,000 tons—and I might say that the 3-year average between 1925 and 1927, inclusive, for Puerto Rico was only 577,500 tons; Hawaii from 975,000 to 935,000 tons; the Philippines from 1,100,000 tons to 1,037,000 tons, a reduction, as will be observed, of approximately 63,000 tons from the agreed quota at the conference to which I have called attention; the Virgin Islands from 15,000 tons to 5,000 tons; and in the case of Cuba an increase from 1,700,000 tons to 1,944,000, or an aggregate of 6,452,000 tons.

The 3-year average of deliveries—that is, from 1925 to 1927, inclusive—was 6,638,500 tons.

I hope the Senator will pardon me for calling attention to these figures, and if they throw any light upon this rather complicated question, and aid us in reaching a happy solution, I know that my trespass will be forgiven.

Mr. COSTIGAN. Mr. President, the figures cited by the Senator from Utah are informative.

Returning to the question of the Senator from New York [Mr. COPELAND], may I say that my attention has just been directed to certain figures for Puerto Rico dealing with the consumption of Puerto Rican sugar in this country during the years 1931 to 1933. Included in those years, I assume, was one hurricane year. The tabulation shows, for 1931, 752,000 short tons; for 1932, 915,000 short tons; for 1933, 794,000 short tons. On the average of these figures the Presidential quota for Puerto Rico was, I believe, based.

Mr. COPELAND. Mr. President, will the Senator yield at that point?

Mr. COSTIGAN. I yield.

Mr. COPELAND. I agree fully with what the Senator has said, but—

Mr. COSTIGAN. May I add that those figures show a higher average than any other 3-year period for Puerto Rico during the years from 1925 to 1933, inclusive?

Mr. COPELAND. Needless to say, on that account I should be happy to accept them, but during those 3 years there was a loss of production, owing to a hurricane, amounting to what is estimated to be a total of 180,000 tons. Including those figures, the average would be 60,000 tons greater, and 60,000 tons added to the average would make approximately the figures for which I am contending, those figures being 875,000 tons; and that, to my mind, is a just and fair figure.

Of course, my interest has been greater in Puerto Rico than Hawaii. With the conditions in Hawaii I am not so familiar, but it would seem to me, in view of the studies made and referred to by the able Senator from Colorado,

that those figures could not be considered complete without adding the hurricane loss during the 3 years.

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

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

Mr. COSTIGAN. I yield.

Mr. VANDENBERG. May I have the attention of the Senator from New York also? The Senator from Utah [Mr. KING] has just presented figures which represent the voluntary agreement last fall with reference to what the relative producing areas thought they were entitled to in respect to each other. The relationship which existed in that agreement as between continental beets and Puerto Rican cane was as follows: This is the voluntary agreement. They agreed that continental beets should have 1,750,000 tons and that Puerto Rico cane should have 875,000 tons. Very well. Under the provisions of the bill the quota for continental beets is reduced 12 percent from 1,750,000 tons, and in order, therefore, to maintain the same relationship which was agreed upon voluntarily by the representatives of these competing areas last fall, it seems to me if we fix the Puerto Rican quota we should apply the same 12-percent reduction straight down the stabilization program, which would bring it below 800,000 tons.

Mr. COPELAND. I see the force of the figures presented, but still I am unconvinced.

Mr. VANDENBERG. Upon what basis would Puerto Rico be entitled to claim the full quota under the stabilization agreement when continental beets are failing by 12 percent to have the quota provided in the stabilization agreement?

Mr. COPELAND. Let me say to the Senator from Michigan, if the Senator from Colorado will yield—

Mr. COSTIGAN. I yield.

Mr. COPELAND. I am perfectly willing to accept the arrangement made in the bill as regards sugar beets. I am willing to accept the quota established for exchange. But I contend with all the vigor of my soul that we are not being fair to our own citizens in Puerto Rico if we do not deal more generously with them. I have no desire to be unkind to Cuba. The first public speaking I ever did in my life was when I undertook to stimulate interest for intervention in Cuba on the part of the United States. I have had that interest all these years. But, Mr. President, if I have to choose between being liberal with the citizens of Cuba and being liberal with the citizens of the United States living in Puerto Rico, I am going to err, if I err at all, on the side of the American people.

Mr. VANDENBERG. What I am asking the Senator is why there should not be equality of treatment as respects American citizens in the beet areas of continental United States and American citizens in Puerto Rico if we are going to fix quotas for both. I am asking the Senator whether he does not concede that on the basis of the stabilization agreement he is seeking a greater advantage for Puerto Rico than the bill undertakes to give in its quota to continental beets.

Mr. COPELAND. Where did the Senator get his figures, may I ask?

Mr. VANDENBERG. I got them from the statement just submitted for the Record by the Senator from Utah [Mr. KING].

Mr. COPELAND. I have here the marketing agreement which was made, whereby Hawaii was given 975,000 tons, Puerto Rico 875,000 tons, the Philippine Islands 955,000 tons, and Cuba 1,700,000 tons. But now, somehow or other, through the juggling of figures—I do not mean the improper juggling of figures, but in the confusion which arises from handling masses of large figures—Cuba has been given 1,944,000 tons. We are only asking for 90,000 more tons to give fair treatment to Puerto Rico and Hawaii.

Mr. VANDENBERG. Would the Senator object to having the same percentages apply straight down against the stabilization plan?

Mr. COPELAND. I should want to study those figures. If the Senator will submit them to me, I shall be glad to look at them.

Mr. VANDENBERG. My only argument with the Senator is over the size of the quota which he is proposing for Puerto Rico in relation to the quota already fixed for continental beets. I am submitting to him that he is seeking a greater percentage for Puerto Rico on the basis of the voluntarily agreed stabilization plan than we are receiving for continental beets.

Mr. COPELAND. I would not object if the Senator added another 100,000 tons to the continental quota.

Mr. VANDENBERG. The Senator from Michigan would not object either.

Mr. COPELAND. That is all right. Propose a greater quota for the people of the United States and I will vote for it.

Mr. VANDENBERG. That is easier said than done. We have been trying to do it for 2 months.

Mr. JOHNSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from California?

Mr. COSTIGAN. I yield.

Mr. JOHNSON. I was not able to be present for just a moment during the discussion, having been called momentarily from the Chamber. I wish to inquire with reference to the figures the Senator from Michigan has just used. What is the reduction in percentage which the Senator suggests continental United States would take?

Mr. VANDENBERG. Twelve percent.

Mr. JOHNSON. What is the reduction in percentage Cuba would take?

Mr. VANDENBERG. Cuba would take no reduction. The bill very frankly charges the economic stabilization to the sugar farmers of the United States.

Mr. JOHNSON. That is what I wanted to ascertain. The theory behind it is that we take 12 percent from continental United States and no percentage from Cuba. Is that the fact?

Mr. VANDENBERG. I beg the Senator to address his question to someone who is in favor of that kind of arithmetic.

Mr. JOHNSON. Is that exactly, in the opinion of the Senator from Michigan, what the bill does?

Mr. VANDENBERG. That is precisely what the bill does.

Mr. COSTIGAN. Mr. President, it is my hope that certain observations I made with respect to the Hawaiian Islands will also be considered as applying to Puerto Rico. I have in my hand the weekly statistical sugar-trade journal of January 11, 1934, containing figures compiled by Willett & Gray, in long tons, with respect to the sugar crop of the world in different years from 1913-14 to 1933-34. I wish to call attention only to the relative progress in sugar production in the different regions we have been discussing.

In 1913-14 the Puerto Rican production, in long tons, was 325,021; in 1933-34 it was 876,000 long tons, representing the progress of Puerto Rico in sugar production under the very substantial tariff bounty that that island has been enjoying.

In the same period the Hawaiian Islands advanced from a production of 550,925 long tons in 1913-14 to 919,000 long tons in 1933-34.

That the progress in the continental United States in sugar production was not disproportionate is shown by the following figures for the beet areas: 655,298 long tons produced in 1913-14 and 1,450,000 long tons in 1933-34. It is to be borne in mind that these figures are long tons refined. The last figure, converted to short tons raw basis, would give the figure of 1,750,000 tons, which has been so often cited here this afternoon as the phenomenal production for the beet areas during the last crop year.

Mr. President, I ought to add that Puerto Rico, under the bill which is before the Senate, will have further special consideration—at least it is possible for the President to issue a proclamation permitting that result. The bill permits the creation, out of processing taxes on island sugars, of a separate fund which can be used in Puerto Rico for the promotion of agricultural development other than sugar. The same generalization applies to Hawaii and to the Philippine Islands. In other words, if the bill is passed, instead of appropriating to ourselves the proceeds of pro-

essing taxes on island sugars, special funds are expected to be created which will be used, not for our benefit, but for the benefit of diversified agriculture in those respective regions.

This entire discussion must have convinced every one on this floor of the un wisdom of adopting, at this hour, any amendment which will defer final action by the Senate on the pending bill. Great distress is now being experienced in the sugar-beet areas because the planting period, as stated in telegrams reaching us almost hourly, is about half over. The fact is, according to all the reports, that every hour's delay is actually diminishing the returns which will come to farmers of the sugar-beet areas of this country. For one, I earnestly trust that the amendment will be rejected.

Mr. BORAH. Mr. President, I sympathize very thoroughly with what the Senator from Colorado has said in his closing sentences. If we are going to pass the measure, we ought to pass it just as soon as possible.

Expressing my personal view, I hope that we may take votes upon these matters and conclude the consideration of the bill today. If we take up the measure again tomorrow, it will be another day; and I know no reason why we should not vote now.

I am in thorough sympathy with what the Senator from Colorado says. Let us vote upon the measure.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The question is on the amendment of the Senator from Pennsylvania to the amendment of the committee. [Putting the question.] By the sound the noes appear to have it.

Mr. FESS. Mr. President, I was on my feet, attempting to get recognition, in order to ask whether we had not better have a quorum before voting on this amendment.

Mr. HARRISON. If the Senator wants the yeas and nays there will be no objection to giving them to him, provided we hasten along, because more speeches probably will be made if we have a quorum call.

Mr. FESS. Let us have the yeas and nays.

Mr. COPELAND. Mr. President, before that question is put, let us accept what has happened with regard to this amendment. Before that is done, however, let me say that it is my intention to do what I have been wanting to do all the afternoon, to link together Puerto Rico and Hawaii. If this decision is accepted, I shall then vote that the quota for Hawaii be fixed at 975,000 tons, and the quota for Puerto Rico at 875,000 tons. Then on that question I should be very glad if we could have a record vote.

Mr. FESS. I had understood that the present vote was on the Reed amendment.

Mr. HARRISON. It was on the Reed amendment.

Mr. COPELAND. But that includes Hawaii only.

Mr. FESS. The Senator from Pennsylvania is not in the Chamber, and it does not seem to me right to vote on his amendment in his absence.

Mr. HARRISON. The Senator from Pennsylvania stated that he had to leave.

Mr. VANDENBERG. He has left the city.

Mr. NORRIS. Let me say to the Senator from Ohio that the Senator from Pennsylvania understood very well that this amendment was to be voted on in his absence. He has gone to Philadelphia.

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

Mr. FESS. I yield.

Mr. KING. The Senator from Pennsylvania understood, I think, that the two proposals were not to be linked; that the vote was to be taken upon his amendment, which related solely and exclusively to Hawaii, and did not embody any suggestion about Puerto Rico.

Mr. FESS. Let us have the yeas and nays.

Mr. JOHNSON. Let us have the yeas and nays on the amendment of the Senator from Pennsylvania [Mr. REED]. The yeas and nays were ordered.

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

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

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

Adams	Costigan	Hatch	Overton
Austin	Couzens	Hayden	Patterson
Bachman	Cutting	Hebert	Pittman
Bankhead	Davis	Johnson	Pope
Barbour	Dickinson	Kean	Reynolds
Black	Dieterich	Keyes	Schall
Borah	Dill	King	Sheppard
Brown	Duffy	Lewis	Shipstead
Bulkley	Erickson	Logan	Steiner
Bulow	Fess	Loneragan	Stephens
Byrd	Fletcher	Long	Thomas, Utah
Byrnes	Frazier	McGill	Thompson
Capper	George	McKellar	Townsend
Caraway	Gibson	McNary	Vandenberg
Carey	Goldsborough	Metcalf	Van Nuys
Clark	Gore	Murphy	Wagner
Connally	Hale	Neely	Walcott
Coolidge	Harrison	Norris	Walsh
Copeland	Hastings	O'Mahoney	White

Mr. LEWIS. Mr. President, I announce the absence of the Senator from California [Mr. McADOO], the Senator from Florida [Mr. TRAMMELL], the Senator from Maryland [Mr. TYDINGS], the Senator from South Carolina [Mr. SMITH], the Senator from Georgia [Mr. RUSSELL], the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Kentucky [Mr. BARKLEY], all detained on official business.

I regret to announce the absence of the Senator from Arkansas [Mr. ROBINSON], caused by a death in his family; and the absence of the Senator from Montana [Mr. WHEELER], caused by personal illness.

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Pennsylvania [Mr. REED] to the amendment of the committee. On that question the yeas and nays have been ordered.

Mr. KING. Mr. President, I have felt a deep interest in the Territory of Hawaii ever since it became a part of the United States. I have watched with interest the commercial, material, and educational development which has there taken place. My interest in part grew out of the fact that my father spent 12 years in Hawaii and to the day of his death was a sincere friend of the Hawaiian people. Before the Hawaiian Islands were incorporated into the United States I believed that they should be brought within the jurisdiction of our Government. It seemed to me that if they were not made a part of the United States, other governments would covet their possession and seek their control.

A number of European powers having interests in the Orient, among them being Germany, Great Britain, France, and Holland, might, I feared, seek to obtain special interests in the Hawaiian Islands if not the ownership and control of the same. It seemed to me that there were many reasons justifying the United States, if it was in consonance with the wishes of the inhabitants of Hawaii, in bringing them under the sovereignty and control of our Government. Accordingly, many years ago, when I was a Member of the House, I offered the first resolution for the annexation of the Hawaiian Islands. Within a short time thereafter the Hawaiian Government, as an independent nation, ceased to exist, its territory became a part of the United States, and its inhabitants citizens of the United States. A Territorial form of government was established, and a measure of local autonomy granted to it.

The population of the Territory has greatly increased and it has made remarkable advancement commercially, industrially, agriculturally, educationally, culturally, and, indeed, in all important and progressive matters.

Mr. President, the Territory of Hawaii is as much a part of the United States as is the State of Pennsylvania, or, for that matter, any other State in the Union. It is under the flag of this Republic; it is under the Constitution of this Republic; the Bill of Rights and all fundamental guarantees provided by the Constitution apply to the Territory and to its inhabitants. The inhabitants of Hawaii are American citizens and entitled to all the rights of American citizens; their products have the same rights to enter the ports of continental United States as the products of any State of the Union are entitled to pass beyond its borders and into

any other State. The people of Hawaii are loyal American citizens. They have done their part; they have contributed in every proper way to the Government of the United States and discharged all the duties and obligations resting upon them as loyal, patriotic American citizens. There is no divided allegiance.

Accordingly, there ought not to be a different policy invoked or plan carried into execution in dealing with industrial or other questions common to the United States and to the Territory. Therefore, when I have suggested that if there were no sugar quota for continental United States I have stated that the Territory of Hawaii should not be subjected to a quota; and, upon the other hand, I have believed that if a quota were fixed for continental United States it would not be improper to apply the same rule to the Territory of Hawaii.

When the Senator from Colorado was speaking I called his attention to the conference held in the fall of 1933, participated in by the sugar producers in continental United States, Hawaii, the Philippines, Puerto Rico, the Virgin Islands, and Cuba, and to the agreement there reached as to the quotas that should be fixed for the participating countries. A quota was fixed for each of these countries and, as I have stated, the agreement reached was reasonably satisfactory and was acquiesced in by the representatives of the industry there participating.

The quota proposed for Hawaii in the stabilization plan was 975,000 tons. I have been willing to carry into execution the provisions of that stabilization agreement. Under that plan the beet growers of continental United States would have been authorized to produce 1,750,000 tons of sugar. That quota, however, was reduced and the pending bill gives a quota of 1,550,000 tons. There has been a reduction of 11 percent from the amount provided in the stabilization agreement. While I should be glad to vote for the full quota provided for the United States as well as for the Territory of Hawaii, I have discovered that a measure giving these quotas would not meet with approval; indeed the House departed from the quota and made the reduction to which I have referred.

It is obvious that the proposal to give to the Territory of Hawaii the full amount provided in the President's quota will not be approved, and while I would be glad, as I have stated, to accord to the Territory the full amount indicated in the President's quotas, I shall not vote for the amendment offered by the Senator from Pennsylvania believing that if adopted it might jeopardize the passage of the measure, but if it shall be defeated I shall then offer an amendment providing approximately 11 percent reduction in the quota for Hawaii.

While I believe that such quota is too low and is not warranted by the situation, nevertheless, when confronted with the difficulties and uncertainties connected with this proposed legislation I feel constrained to take the position just indicated. Moreover, I am inclined to think that it would be better for the Territory to have a quota less than that to which it is entitled than to leave it to the discretion of the Secretary of Agriculture to determine the amount of sugar which may be produced in the Territory.

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

Mr. KING. I yield.

Mr. VANDENBERG. May I say for the RECORD that I take precisely the view of this thing taken by my able friend from Utah, and I shall vote accordingly, and for the same reason.

Mr. KING. I regret the complicated situation which has developed in connection with legislation relating to the sugar question. I had hoped that a measure would be submitted that would be fair and just in all of its provisions and one to which I could subscribe without compunctions or fears or reservations. The bill before us does not suit me; it has provisions that are objectionable; it rests upon a foundation which I fear is not stable; and I have no little concern as to the results of this proposed legislation. However, I am advised from the beet producers of my State as well as

those in other States that this measure, objectionable as many of its provisions are, will perhaps meet a situation which calls for some sort of legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment of the committee. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FESS (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS], who is unavoidably detained. I am advised that were he present he would vote "nay." Were I permitted to vote, I should vote "yea."

Mr. HEBERT (when his name was called). I am paired with the Senator from Montana [Mr. WHEELER], who is detained on account of illness. If present, he would vote "nay" on this question. If permitted to vote, I would vote "yea."

Mr. DUFFY (when Mr. LA FOLLETTE'S name was called). My colleague [Mr. LA FOLLETTE] is absent in attendance on the funeral of former Senator Blaine. I am not advised as to how he would vote on this question were he present and voting.

Mr. METCALF (when his name was called). I have a general pair with the Senator from Maryland [Mr. TYDINGS]. Not knowing how he would vote, I withhold my vote. If I were permitted to vote, I would vote "yea."

Mr. STEPHENS (when his name was called). I am paired with the Senator from Indiana [Mr. ROBINSON], and in his absence I withhold my vote.

Mr. WALCOTT. I have a general pair with the junior Senator from California [Mr. McADOO], who is necessarily detained. Not knowing how he would vote if he were present, I refrain from voting.

The roll call was concluded.

Mr. HEBERT. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH].

The Senator from Pennsylvania [Mr. REED] earlier in the day explained his position on the amendment and the necessity of his absence. He announced that he was paired.

Mr. LEWIS. I desire to announce that the Senator from Georgia [Mr. RUSSELL] is paired with the Senator from Washington [Mr. BONE]. The Senator from Washington, if present and voting, would vote "yea", and the Senator from Georgia, if present and voting, would vote "nay."

I desire also to announce that the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Washington [Mr. BONE], the Senator from Nevada [Mr. McCARRAN], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business.

Mr. DICKINSON. I have a general pair with the senior Senator from Kentucky [Mr. BARKLEY], who is necessarily detained. Not knowing how he would vote, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. FLETCHER. I have a pair with the Senator from West Virginia [Mr. HATFIELD], which I transfer to my colleague the junior Senator from Florida [Mr. TRAMMELL], who is unavoidably absent, and vote "nay."

Mr. LEWIS. I reannounce the absence of several Senators and the reasons for such as previously given by me.

The result was announced—yeas 20, nays 50, as follows:

YEAS—20

Borah	Gibson	Hayden	Schall
Coolidge	Goldsborough	Johnson	Shipstead
Copeland	Gore	Keyes	Steiwer
Davis	Hale	McNary	Townsend
Dill	Hastings	Patterson	White

NAYS—50

Adams	Brown	Caraway	Cutting
Austin	Bulkley	Carey	Dieterich
Bachman	Bulow	Clark	Duffy
Bankhead	Byrd	Connally	Erickson
Barbour	Byrnes	Costigan	Fletcher
Black	Capper	Couzens	Frazier

George Harrison	Lonergan	O'Mahoney	Thompson
Hatch	Long	Overton	Vandenberg
Kean	McGill	Pittman	Van Nuys
King	McKellar	Pope	Wagner
Lewis	Murphy	Reynolds	Walsh
Logan	Neely	Sheppard	
	Norris	Thomas, Utah	

NOT VOTING—26

Ashurst	Hatfield	Nye	Thomas, Okla.
Bailey	Hebert	Reed	Trammell
Barkley	La Follette	Robinson, Ark.	Tydings
Bone	McAdoo	Robinson, Ind.	Walcott
Dickinson	McCarran	Russell	Wheeler
Fess	Metcalf	Smith	
Glass	Norbeck	Stephens	

So Mr. REED's amendment to the amendment of the committee was rejected.

Mr. KING. Mr. President, I offer the following amendment: In line 10, page 10, after the word "subsection", insert the following words: *Provided*, That the quota calendar year for Hawaii shall not be less than 868,000 tons, not including sugar consumed in Hawaii."

I reached the figures indicated by referring to the various quotas which were proposed in the stabilization plan which was agreed upon by the various sugar interests of the United States and of our insular possessions, as well as Cuba, in the fall of last year.

As I stated a few moments ago, when I submitted these figures to the Senator from Colorado [Mr. COSTIGAN], the United States received a quota of 1,750,000 tons and Hawaii a quota of 975,000 tons. It is not necessary, in support of the amendment I have offered, to read the quotas which were stated in that agreement to the other countries participating. Eleven percent of the amount allocated to the United States has been deducted, and the proposed amendment applies the same rule to the Territory of Hawaii. I have heretofore indicated that the rule was not satisfactory to me and indeed was not fair; but, believing that the amendment of the Senator from Pennsylvania [Mr. REED] was doomed to defeat, I thought this proposed amendment might be adopted and go to conference.

Even though the amendment would not do justice to the Territory, I cannot help but believe that it possesses advantages in the plan to confer discretionary authority upon the Secretary of Agriculture to fix quotas.

We now find, in the bill under consideration, an 11-percent reduction below the amount that was unanimously agreed upon by the representatives of all the sugar interests at that time. It seemed to me that it would not be unfair to subject Hawaii to the same reduction—to wit, 11 percent—and the figures included in the amendment represent the total after the subtraction of the 11 percent.

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

Mr. KING. I yield.

Mr. OVERTON. Has the Senator at hand the figures in reference to Louisiana and Florida, the sugarcane area, under the proposed operating agreement?

Mr. KING. The Southern cane area, under this agreement, was to receive 252,000 tons. This included, as I understand, Florida as well as Louisiana.

Mr. OVERTON. Three hundred and ten thousand tons.

Mr. KING. No; 252,000 tons.

Mr. OVERTON. That is for Louisiana.

Mr. KING. I am in error; yes. The amount was to be 310,000 tons in the aggregate.

Mr. OVERTON. The quota assigned to sugarcane under the pending bill is 260,000 tons. That is a reduction of 50,000 tons. Dividing 50,000 by 310,000, we find that it would be a reduction of over 16 percent.

Mr. KING. Mr. President, I am not talking about Louisiana now.

Mr. OVERTON. I am.

Mr. KING. The Senator may talk about his State—and it is a great State—in his own time, but I do not care to inject into the few remarks I am making the proposition which he desires now to discuss.

Mr. LONG. Mr. President, the Senator from Utah does not want to be bothered with Louisiana any more. He has been bothered enough by it in committee.

Mr. KING. We can stand Louisiana in committee as well as on the floor.

Mr. President, before voting I wish to ask the Senate to listen to a few extracts from a letter which I have just received from a distinguished resident of Hawaii who formerly resided in the State of Utah. He is one of the able lawyers, one of the progressive citizens, of that great Territory. In a letter dated April 6, he states:

I had the privilege of having dinner last night with _____, the _____ of the Hawaiian Department, and during the evening the discussion arose as to what effect the Jones-Costigan bill would have upon the loyalty and patriotism of the Hawaiian people in case it became a law in its present form, discriminating against Hawaii. _____ stated that in his opinion it would have a very grave effect upon the defense of these islands, in that the people would not feel that they were citizens of the United States in the true sense of the word. President David Crawford, of the University of Hawaii, was extremely concerned and took the view that such a discrimination as was expressed in the Jones-Costigan bill would defeat the nationalizing of the many different races living in Hawaii. The whole community appears to be aroused, as they do not consider such a discrimination as wholly confined to business or industry, but take the view that it is a personal discrimination, and an attempt to reduce them to an inferior status contrary to the intent and wording of the treaty of annexation. I need not tell you, of course, that sugar means the very life blood of these islands, and that practically every one in Hawaii is dependent upon the prosperity of the sugar industry, directly or indirectly, for their living.

I have omitted the name of the party referred to in the letter, but I am well acquainted with him and know him to be a man of honor and integrity.

There is some other reference to myself, and to the fact that I had occasionally spoken in behalf of the Hawaiian Islands.

Mr. President, I repeat what I said a moment ago, that Hawaii is an integral part of this Republic—as much so, to use the language of the Senator from Pennsylvania [Mr. REED] in the committee, if not upon the floor, as the great Commonwealth of Pennsylvania. It is under the flag. Hawaii came voluntarily into the United States. When the people of Hawaii came into the United States they came in under the solemn pledge, by treaty as well as by the organic act which was subsequently enacted, that they were a part and parcel of the United States; they were entitled to all the rights of American citizens; and now, whether justly or unjustly, many of them feel that this proposed legislation is discriminatory in character.

I agree with my dear friend from Colorado [Mr. COSTIGAN] in the observation he made a moment ago that there is no intention to discriminate. I know that neither he nor any other person supporting this measure has in his heart any desire to treat Hawaii differently than they would treat any State or the people of any State; but they have felt constrained, in order to secure the passage of a bill of this kind, to accept the terms found in this measure.

I will say very frankly that I do not like the bill. I do not like the thought of subjecting people living in continental United States to a quota. The sugar industry is an important industry. It is one that may grow and expand; and so long as the consumptive needs are so much less than the production, I have looked with a great deal of regret upon plans contemplating subjecting the people of continental United States to quotas and preventing them from expanding and developing this great industry which I believe is so important to the agriculturists of the United States. In view of conditions which it is not necessary to recapitulate I have felt constrained to accept as a fait accompli the fact that we have this bill before us, and I shall vote for it, but I shall do so reluctantly. I do not like the principle involved. I do not like the idea of restricting production in continental United States. I do not like the restrictions which are being imposed upon Hawaii.

Mr. President, I shall not take the time to elaborate this matter further; and I ask for a vote upon my amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah [Mr. KING] to the amendment of the committee.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 9, beginning with line 16.

The committee amendment was agreed to, as follows:

"(ii) Forbid processors, handlers of sugar, and others from transporting to, receiving in, processing or marketing in, continental United States, and/or from processing in the Territory of Hawaii or Puerto Rico for consumption in continental United States, sugar from the Territory of Hawaii or Puerto Rico, in excess of quotas fixed by the Secretary of Agriculture, for any calendar year, based on average quantities therefrom brought into continental United States for consumption, or which was actually consumed, therein during such 3 years, respectively, in the years 1925-1933, inclusive, as the Secretary of Agriculture may, from time to time, determine to be the most representative respective 3 years, adjusted, together with the quotas established pursuant to paragraph (1), (in such manner as the Secretary shall determine) to the remainder of the total estimated consumption requirements of sugar for continental United States, determined pursuant to subsection (2) of this section, after deducting therefrom the quotas for continental United States, provided for by paragraph (B) of this subsection: *Provided, however,* That in such quotas there may be included direct-consumption sugar up to an amount not exceeding the respective quantities of direct-consumption sugar therefrom brought into continental United States for consumption, or which was actually consumed, therein during the year 1931, 1932, or 1933, whichever is greater, and the Secretary of Agriculture may, by orders or regulations, allot such quotas and readjust any such allotment, from time to time, among the processors, handlers of sugar, and others; and/or.

The VICE PRESIDENT. The clerk will state the next committee amendment passed over.

The amendment passed over was on page 11, line 17, after the word "quotas", to strike out "for edible molasses and/or"; in line 19, after "United States", to insert "and/or for edible molasses, sirups, and sugar mixtures, as part of or", and in line 21, after "(A)", to strike out "and (B)" and insert "to (C) inclusive", so as to read:

"(D) Establish a separate quota or quotas for sirup of cane juice produced in continental United States and/or for edible molasses, sirups, and sugar mixtures, as part of or in addition to the quotas established pursuant to paragraphs (A) to (C), inclusive, of this subsection.

The amendment was agreed to.

Mr. COSTIGAN. Was that subsection (D), Mr. President, which was just agreed to?

The VICE PRESIDENT. Yes; subsection (D) was under consideration and was agreed to.

Mr. COSTIGAN. I ask unanimous consent that the vote by which the amendment dealing with subsection (D) was agreed to may be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote will be reconsidered.

Mr. McNARY. Mr. President a parliamentary inquiry.

Mr. COPELAND. Mr. President—

Mr. COSTIGAN. I yield to the Senator from New York.

The VICE PRESIDENT. The Senator from Oregon is making a parliamentary inquiry.

Mr. McNARY. I observe the presence of the Senator from New York on the floor. I thought probably it was not quite fair to take up the Puerto Rican amendment during his absence.

Mr. COPELAND. I thank the Senator.

Mr. COSTIGAN. The amendment I was about to propose related to subsection (D) on page 11. I did not refer to the amendment of the Senator from New York.

Mr. COPELAND. Mr. President, I ask unanimous consent that the vote by which the Senate agreed to the amendment beginning on page 9, line 16, and extending to line 19, page 10, be reconsidered.

The VICE PRESIDENT. Is there objection to reconsideration of the vote by which the amendment was agreed to? The Chair hears none, and the vote will be reconsidered.

Mr. COPELAND. Mr. President, I was called to the telephone on an important matter relating to the business of a Senate committee. I am very much obliged to the Senator from Oregon for holding the matter open for me.

I am sure there are those in this Chamber who are anxious to help the Puerto Ricans. They are among our best customers. They are American citizens, 1,600,000 of them. They have suffered from the effects of hurricanes, and in consequence the quota which they will be given under the general terms of the bill will be much less than it should be.

Therefore, Mr. President, I venture to offer an amendment to fix the quota of Puerto Rico at 875,000 tons.

I send to the desk and ask to have read an amendment on which I ask for the yeas and nays.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 10, line 10, after the word "subsection", it is proposed to insert:

Provided, however, That the quota per calendar year for Puerto Rico shall not be less than 875,000 tons, not including sugar consumed in Hawaii.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. COPELAND] to the amendment of the committee.

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

Mr. DICKINSON (when his name was called). I have a pair with the senior Senator from Kentucky [Mr. BARKLEY], who is necessarily detained. Not knowing how he would vote on this question, I withhold my vote.

Mr. FESS (when his name was called). Making the same announcement as heretofore concerning my general pair with the senior Senator from Virginia [Mr. GLASS], I withhold my vote.

Mr. HEBERT (when his name was called). On this question I have a pair with the Senator from Montana [Mr. WHEELER], who is detained on account of illness. If present, he would vote "nay." If permitted to vote, I should vote "yea." I refrain from voting.

Mr. DUFFY (when Mr. LA FOLLETTE's name was called). I wish to make the same announcement with reference to the absence of my colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] as on previous roll calls. I am not advised as to how, if present, he would vote on this question.

Mr. METCALF (when his name was called). I have a general pair with the Senator from Maryland [Mr. TYDINGS]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. STEPHENS (when his name was called). Making the same announcement as to my pair as on previous roll calls, I withhold my vote.

Mr. WALCOTT (when his name was called). I have a general pair with the junior Senator from California [Mr. McADOO]. Not knowing how he would vote, I refrain from voting.

The roll call was concluded.

Mr. FLETCHER. Making the same announcement as to my pair and its transfer as on the last roll call, I vote "nay."

Mr. HEBERT. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON];

The senator from North Dakota [Mr. NYE] with the Senator from South Carolina [Mr. SMITH]; and

The Senator from Delaware [Mr. HASTINGS] with the Senator from Georgia [Mr. RUSSELL].

Mr. HARRISON. I regret to announce that the Senator from Arkansas [Mr. ROBINSON] is detained from the Senate on account of a death in his family.

I desire to announce that the Senator from California [Mr. McADOO], the Senator from Maryland [Mr. TYDINGS], the Senator from South Carolina [Mr. SMITH], the Senator from Georgia [Mr. RUSSELL], the Senator from Kentucky [Mr. BARKLEY], the Senator from Washington [Mr. BONE], the Senator from Texas [Mr. CONNALLY], the Senator from Virginia [Mr. BYRD], the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Illinois [Mr. LEWIS], the Senator from Nevada [Mr. McCARRAN], and the Senator from Florida [Mr. TRAMMELL] are necessarily detained from the Senate on official business.

The result was announced—yeas 19, nays 48, as follows:

YEAS—19

Borah	Goldsborough	Keyes	Stelwer
Copeland	Gore	McNary	Townsend
Cutting	Hale	Patterson	Wagner
Davis	Hayden	Schall	White
Gibson	Johnson	Shipstead	

NAYS—48

Adams	Carey	Harrison	O'Mahoney
Austin	Clark	Hatch	Overton
Bachman	Coolidge	Kean	Pittman
Bankhead	Costigan	King	Pope
Barbour	Couzens	Logan	Reynolds
Black	Dieterich	Loneragan	Sheppard
Brown	Dill	Long	Thomas, Okla.
Bulkley	Duffy	McGill	Thomas, Utah
Bulow	Erickson	McKellar	Thompson
Byrnes	Fletcher	Murphy	Vandenberg
Capper	Frazier	Neely	Van Nuys
Caraway	George	Norris	Walsh

NOT VOTING—29

Ashurst	Glass	Metcalf	Stephens
Bailey	Hastings	Norbeck	Trammell
Barkley	Hatfield	Nye	Tydings
Bone	Hebert	Reed	Walcott
Byrd	La Follette	Robinson, Ark.	Wheeler
Connally	Lewis	Robinson, Ind.	
Dickinson	McAdoo	Russell	
Fess	McCarran	Smith	

So Mr. COPELAND's amendment to the amendment reported by the committee was rejected.

Mr. METCALF. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Senator from Rhode Island offers an amendment which will be stated.

The CHIEF CLERK. In the amendment of the committee, on page 10, line 16, after the word "greater", it is proposed to strike out the comma and to insert a colon and the following additional proviso:

Provided further, That after December 31, 1934, there may be included, in the case of Puerto Rico, direct-consumption sugar up to an amount not exceeding 37 percent of the quota established for Puerto Rico.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island to the amendment reported by the committee.

Mr. METCALF. Mr. President, by the organic act of 1917, the residents of Puerto Rico were declared to be citizens of the United States. By virtue of this act, the citizens were brought into the Army of the United States for prosecution of the World War. The resources of the people of Puerto Rico were thrown into the Federal Treasury for the prosecution of that war, and since that day all administrations have considered the island of Puerto Rico as an integral part of the United States. The Democratic platform of 1928 outlined the policies of that party toward Puerto Rico in the following words:

We favor granting to Puerto Rico such territorial form of government as would meet the present economic conditions of the island, and would provide for the aspirations of her people, with the view to ultimate statehood.

Four years later the Democratic platform outlined the policy of that party by the simple assertion, "We advocate statehood for Puerto Rico."

To all intents and purposes the policies of the United States since 1917 toward Puerto Rico have and should have been the consideration of that island as a portion of the United States.

In December 1932 the steamship *Coamo* sailed for Puerto Rico bearing food and clothing for the destitute children of the island. The President-elect, speaking from Albany, N.Y., sent this ship into Puerto Rican waters with the declaration that the deplorable economic conditions then existing in Puerto Rico would move him to adopt a strong reconstructive program for the rehabilitation of the entire island. In that address the President-elect further stated that Puerto Rico is our own American island, and the port to which this Christmas ship was sailing was within the boundaries of our own Nation.

As a part of the reconstruction program for this Nation, which the President had declared to include the island of Puerto Rico, the Congress adopted the Agricultural Adjustment Act. Section 10, paragraph E, of this act extended the provisions to Puerto Rico and Hawaii.

Thus we have a sequence of events, beginning with our entrance into the World War in 1917, which have consistently declared the policy of the United States toward Puerto Rico to be one of consideration of that island as an integral

part of our country. The organic act adopted in 1917 bound the Congress to this policy by placing the island under all statutory laws of the United States, which were to be considered in full force with the exception of the internal revenue act.

Thus as a result of this sequence of events we now find the island of Puerto Rico without yet having received the statehood promised in two consecutive campaigns by the Democratic Party, subject to all provisions of the National Industrial Recovery Act, the Agricultural Adjustment Act, and all other regulatory measures for the rehabilitation of agriculture and industry. But we find the ironical situation where the island, after having been subjected to these regulatory measures, is failing to receive the benefits intended by the one act which could serve to rehabilitate the island.

We find ourselves in the unfortunate position of declaring the people and the industries of Puerto Rico to be subject to the provisions of the processing taxes without the possibility of receiving the benefits of these processing taxes. In other words, we say to the citizens of Puerto Rico, "You shall help pay for our reconstruction program; you shall bow to the codes of the National Recovery Administration; you shall be subject to the statutory laws of the United States, but you shall not share in the benefits which may accrue from these actions."

It is my understanding that the Assistant Secretary of Agriculture, Mr. Tugwell, assured the sugar interests of Puerto Rico that they would have nothing to worry about in the pending sugar legislation. With these assurances the one important industry of Puerto Rico saw a ray of hope for the future. The Secretary of Agriculture has stated that insofar as the refining clauses of this bill are concerned the Department of Agriculture has no interest whatever. The position we find ourselves in, therefore, is that under the guise of regulating an agricultural product we are taking from the island of Puerto Rico—an integral part of the United States—to give to the mainland refiners.

Puerto Ricans are citizens of the United States. As a fundamental proposition it is wholly unjustifiable in equity to legislate that Louisiana, Colorado, or California can make all their sugar cane and sugar beets into refined sugar, but our fellow citizens from Puerto Rico can convert only 15 percent of their sugar cane into refined sugar.

It is the exercise of might rather than right for Congress to say, "You cannot exercise your natural right to establish factories for the manufacture of your own farm products, because to do so will not be regarded with favor on the mainland."

The bill gives by legislative fiat to the American refiners preferential treatment which they asked for in the sugar stabilization agreement, and which was rejected by Secretary Wallace.

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

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

Mr. METCALF. I yield.

Mr. WALSH. What percentage of raw sugar can be refined in Puerto Rico and imported into this country under the bill as it now stands?

Mr. METCALF. About 15 percent.

Mr. WALSH. How does the Senator arrive at that figure?

Mr. METCALF. There is only one refinery there now—

Mr. WALSH. Does not the bill leave it to the discretion of the Secretary of Agriculture to determine the amount of refined sugar?

Mr. METCALF. I do not understand that to be so. On the contrary, I understand that it does not.

Mr. WALSH. Where is the provision in the bill which fixes the quota for refined sugar?

Mr. METCALF. On page 10, line 10.

Mr. WALSH. Will the Senator state how he arrives at the percentage of 37 suggested in his amendment? What is the percentage of refined sugar now imported?

Mr. METCALF. About 15 percent.

Mr. WALSH. So the Senator is seeking to increase the amount of refined sugar from 15 to 37 percent?

Mr. METCALF. Yes.

Mr. WALSH. In every other instance the amount of refined sugar is being reduced.

Mr. METCALF. There is one refinery there now which has a capacity of 165,000 tons. It has never produced that amount, and it is already licensed. It is now proposed to build another one, and we are proposing that a maximum of 303,000 tons may be produced in the two refineries.

Mr. WALSH. But the principle sought to be applied in fixing these quotas is to arrive at the average importations from the various possessions during the last 3 years. I understand the Senator to say that would be about 15 percent from Puerto Rico, but because they are contemplating the construction of another refinery, or are actually building another one there, he desires the quota to be increased to 37 percent, so that refinery may do business with the United States against American refineries.

Mr. METCALF. With the extra amount there will probably be a little loss to the refineries here, but it will not be of consequence.

Mr. WALSH. Can the Senator give the figures as to how much refined sugar was imported from Puerto Rico last year and how much raw sugar?

Mr. METCALF. I do not have the figures at hand at the moment.

Mr. WALCOTT. Mr. President, if the Senator from Rhode Island will permit me, the figure is approximately 124,000 tons.

Mr. WALSH. Of refined sugar or raw sugar?

Mr. WALCOTT. Refined sugar.

Mr. WALSH. How much raw sugar was imported?

Mr. WALCOTT. About 800,000 tons.

Mr. METCALF. That is correct.

Mr. WALSH. So about one sixth of the total importations of sugar was in the form of refined sugar.

Mr. WALCOTT. I think it is just under 15 percent.

Mr. WALSH. Does not the Senator from Rhode Island think, in view of the policy under the pending bill, that asking us to increase the percentage from 15 to 37 percent is out of keeping with the other quotas?

Mr. METCALF. No; I do not. Here is a little island whose people have already started to build another refinery which will put men to work. We know how the island suffered from two hurricanes only a few years apart. I think the small amount which it will take from our American refineries would not be really noticed here.

Mr. WALSH. Unfortunately the American refineries could also relate a tale of unemployment and want and suffering among their employees.

Mr. METCALF. I think probably with the extra amount of sugar that will be refined they can still operate all of their refineries in this country.

Mr. President, I have no interest whatever in this matter other than a sense of fairness and justice. It would appear to me that if we are to subject the people of Puerto Rico to all of the regulations of our various reconstruction acts we should certainly allow them some of the benefits. If they are to pay processing taxes on our flour and on our cloth they certainly should be given the small privilege of refining a product of their own soil. Consequently, I am proposing an amendment to the bill which will limit the proportion of the Puerto Rican quota which may be refined on the island to 37 percent after 1934. I propose this amendment because:

First. I feel that Puerto Rico is an integral part of the United States, and that the people of that island, as citizens of the United States, have every right to industrial development of at least part of their natural resources.

Second. Since we are subjecting the people of Puerto Rico to all the regulations and taxes of our recovery program, we should allow them some of the benefits.

Third. I feel that this clause is an injustice to American citizens for the purpose of perpetuating the mainland re-

finers, some of whom have continued to earn good profits during the depression.

Fourth. I feel that the small amount of sugar which would be refined in Puerto Rico would be of little importance in the continental United States, but of tremendous importance to the successful culmination of a reasonable rehabilitation program in a territory where such rehabilitation is sorely and desperately needed.

This amendment will have no effect whatever upon the administration's intention to stabilize the economic condition of Cuba, because it in no way affects the Cuban quota, either of raw or refined sugar.

It has no effect whatever upon the American beet-sugar or cane-sugar grower, as their quotas remain fixed. Actually, the only interest of the continental sugar grower is the amount of sugar which is brought into continental ports, and not the condition of that sugar when it arrives at the market.

I think I may state with reasonable assurance that Secretary Wallace and the experts who have drafted this bill are in hearty sympathy with this amendment. It can hurt no one, and certainly it will partially undo a very great injustice which we are about to inflict upon 1,600,000 of our own American citizens.

Mr. COPELAND. Mr. President, I fear that the Senator is "a voice crying in the wilderness"; but I desire to add a word to the argument he has presented. Before doing so, I wish to ask the chairman of the committee whether or not the treatment proposed to be accorded our insular possessions in this bill was approved by the War Department? Did the Secretary of War write a letter approving what is here proposed?

Mr. HARRISON. Mr. President, my recollection is that the Secretary of War wrote us a letter in behalf of Puerto Rico, and we had several communications from the officials of Puerto Rico. I do not recall now whether or not they wanted a quota fixed. I know the Secretary of War manifested every interest in the subject. I think his communication was quite largely on the same line as the letter of the Secretary of the Interior with reference to Hawaii.

Mr. COPELAND. I am sorry to say that I am left more or less in the dark by what the Senator has said. Did I understand him to say that the Secretary of War approved of this treatment of American citizens living in our insular possessions?

Mr. HARRISON. I do not know that I can state any more on the subject than I have stated. I have not before me the letter of the Secretary of War with reference to the matter. As I explained before, it was a practical question that confronted us, and that was the reason why we did not fix the quota in the case of Puerto Rico and in the case of Hawaii.

The Senator has seen today that the Senator from Pennsylvania [Mr. REED] offered four different amendments in about 10 minutes. One distinguished Senator in the Finance Committee thought he could fix quotas with a pencil and a pad in a little while, and he figured out certain quotas; but the quotas recommended were determined upon after several months of very arduous consideration.

I am quite sure, and I express the sincere hope, that Puerto Rico and Hawaii will be treated fairly in fixing the quotas; and I shall do all I can to bring that about by appeal or expression of sympathy or otherwise, so far as any conference I may have with the Secretary of Agriculture is concerned.

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

Mr. COPELAND. I yield.

Mr. WALSH. May I ask the Senator from Mississippi if, during all the discussion about quotas, the maximum demand made was not that a quota should be arrived at that was about one third of the average imports for the past 3 years of raw sugar and refined sugar?

Mr. HARRISON. I think that is true.

Mr. WALSH. And in no instance have we gone beyond that?

Mr. HARRISON. That is very true.

Mr. WALSH. This amendment seeks to go beyond that—in fact, to double it?

Mr. HARRISON. Yes.

Mr. WALSH. Because the average has been 15 percent, and the amendment asks 37 percent.

Mr. HARRISON. What we tried to do was to fix the status quo with respect to the matter.

Mr. COPELAND. Mr. President, we have in Puerto Rico 1,600,000 American citizens. Almost the only means of livelihood they have is the sugar business. They have but one refinery—just one. They have not 8, or 10, or 50. They have one. This bill is so written that when it is administered it will mean that Puerto Rico, with a million and a half American citizens, will have about 50 percent less than the capacity of its one refinery as its quota of refined sugar to be sent into the United States.

I do not have to be a prophet or the son of a prophet to know what will be the sentiment of Puerto Ricans when they learn that the Senate of the United States was unwilling to give them permission even to operate their one refinery at anywhere near capacity.

Mr. President, I am not sure that I would go as far as the Senator from Rhode Island [Mr. METCALF]. His proposal would make it possible not only to operate the one refinery at capacity, but to operate another refinery. I am not particularly eager to have new refineries built outside continental United States. We have refineries here; we have refineries in my own State; but, in the interest of common decency and humanity as well as love of our own country—not alone continental United States, but our country wherever the stars and stripes may fly—in the interest of patriotism and common decency to our citizens I do contend that an opportunity should be given to the people of Puerto Rico to operate their one refinery at capacity.

It is utterly useless to make an appeal. It is set in the stars that this bill is to pass as it is written—an outrageous bill, a bill that will cost the housewives of the United States \$200,000,000 annually—and yet, willing as we are to impose upon the citizens of our country a burden of that magnitude, we are unwilling to let these poor brothers and sisters of ours down in Puerto Rico have enough refined sugar placed in the quota to run their one mill and give employment to the workers in that island.

Mr. President, I do not know that there is anything in the world I can say to make clearer the feeling I have in my heart. I do want to make just one last selfish appeal. Sometimes an appeal to the pocketbook means more than an appeal to the heart.

Let me call attention to the fact that this little island of Puerto Rico imports from continental United States each year from seventy-five to one hundred and twenty-five million dollars' worth of goods. If they could run their refinery and make more money, they would buy more goods. Because we are unwilling, however, to impose any burden on a sister republic—and I am sorry that we have even to suggest it—we are willing to let our fellow citizens in the island of Puerto Rico suffer from the lack of income which could be given by the adoption of this amendment.

Mr. President, I think I have said all I can say, but I know that what we are doing here today is unjust and unfair and indecent and unpatriotic, and we ought not to do it.

The matter is for the Senate to decide.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. METCALF] to the amendment of the committee.

The amendment to the amendment was rejected.

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

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the amendment on page 11, the vote on which was reconsidered.

The LEGISLATIVE CLERK. On page 11, line 19, after the words "United States", it is proposed to insert "and/or for edible molasses, sirups, and sugar mixtures, as part of or", and in line 21, after "(A)", to strike out "and (B)" and insert "to (C), inclusive", so as to read:

"(D) Establish a separate quota or quotas for sirup of cane juice produced in continental United States and/or for edible molasses, sirups, and sugar mixtures, as part of or in addition to the quotas established pursuant to paragraphs (A) to (C), inclusive, of this subsection.

Mr. COSTIGAN. Mr. President, I send to the desk a substitute for subsection (D).

The VICE PRESIDENT. Does the Senator desire to amend the pending amendment?

Mr. COSTIGAN. I wish to offer a substitute for subsection (D).

The VICE PRESIDENT. The Chair understands that the Senate agreed that committee amendments were to be considered before other amendments are offered. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment passed over.

The LEGISLATIVE CLERK. On page 12, it is proposed to strike out lines 7 to 17, inclusive, and in lieu thereof to insert:

"(B) In the event that available statistics of the Department of Agriculture during the course of any calendar year indicate that the consumption requirements of sugar for continental United States for such calendar year will exceed the amount of the consumption requirements determined for that year, the Secretary of Agriculture may prorate such estimated excess amount on the basis of the respective quotas determined by and pursuant to subsection (1) of this section: *Provided, however,* That for each calendar year there shall be allotted to continental United States not less than 30 percent of any amount of consumption requirements therefor above 6,452,000 short tons raw value.

The amendment was agreed to.

The LEGISLATIVE CLERK. On page 13, it is proposed to strike out lines 6 to 13, inclusive, and in lieu thereof to insert:

"(C) In the event that available statistics of the Department of Agriculture during the course of any calendar year indicate that the consumption requirements of sugar for continental United States for such year will be less than the amount of the consumption requirements determined for that year, the amount of such deficiency may be proportionately deducted from the respective quotas determined by and pursuant to paragraph (A) of subsection (1) of this section.

The amendment was agreed to.

Mr. HARRISON. Mr. President, a parliamentary inquiry. A great many of these amendments were adopted. Are these the ones that were passed over?

The VICE PRESIDENT. Yes.

Mr. HARRISON. Very well.

The LEGISLATIVE CLERK. On page 14, line 24, it is proposed to strike out "eliminate" and insert "limit or regulate", so as to read:

"(3) In order more fully to effectuate the declared policy of this act, as set forth in its declaration of policy, and to insure the equitable division between producers and/or growers and/or the processors of sugar beets or sugarcane of any of the proceeds which may be derived from the growing, processing and/or marketing of such sugar beets or sugarcane, and the processing and/or marketing of the products and byproducts thereof, all agreements authorized by this act may contain provisions which will limit or regulate child labor—

And so forth.

Mr. WAGNER. Mr. President—

The VICE PRESIDENT. Does the Senator desire to offer an amendment to the committee amendment?

Mr. WAGNER. No, Mr. President. I hope the amendment will be rejected. It permits, in effect, the employment of children, and it prevents the fixation of minimum wages for workers in the sugar industry. Thus it is contrary to the whole policy we have been pursuing since the National Recovery Act was passed.

Mr. HARRISON. Mr. President, I desire to say to the Senator that the reason why it is proposed to strike out the word "eliminate" and to insert the words "limit or regulate" is because the big question was the stabilization of the sugar-beet industry, and there was a sharp difference of opinion as to whether we should eliminate, limit, or regulate child labor. That is why the Senate committee took the action they did. It was because if we had left the provision in the other form it might have precipitated a long debate

here, which would be very disastrous at this time, we think, because if sugar-beet contracts are to be made, and the sugar-beet growers are to get any relief, this measure ought to be passed pretty soon; and it ought not to be delayed by a long discussion of the very sharp difference of opinion with reference to limitation or elimination of child labor.

Mr. WAGNER. Personally, I had not anticipated that there would be any difference of opinion at this day as to whether or not children should be exploited as they have been in the past. Only recently an investigation was made of the whole subject, in response to assertions that this was not real toil for children, but merely healthy recreation for 2 or 3 hours per day after school. The investigation disclosed quite the contrary. The children are being taken from school entirely for a period of 4 or 5 months. They are being made to do this work for 9 to 12 hours per day, and, according to the report, they are as young as 5 or 6 years of age.

Mr. BORAH. Mr. President, to what territory does the Senator refer in reference to these facts?

Mr. WAGNER. An investigation which was made by Dr. W. Lewis Abbott, and it covers the sugar industry generally. It says:

Investigations by various agencies during the past 14 years have uniformly revealed undesirable social conditions among the laborers who perform these hand operations. The rates of pay are low, the hours of work long for brief periods of intensive activity, children as young as 6 or 7 years old work for 9 or more hours a day, and are kept out of school for this purpose.

Mr. BORAH. Mr. President, what I am asking is, Where is it that these children are supposed to be taken out of school and worked 6 and 8 hours a day; in what part of the country?

Mr. WAGNER. Wherever this industry is situated.

Mr. BORAH. If that is the assertion in the statement, then it will take some time to dispose of this matter, because that is slander.

Mr. WAGNER. If it is untrue, then I may say to the Senator there should not be any objection to a provision in the pending measure for the elimination of child labor.

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

Mr. WAGNER. I yield.

Mr. VANDENBERG. May I suggest to the Senator that the reason behind the amendment does not conflict with the Senator's viewpoint fundamentally at all. I am sure that if any such child-labor conditions do exist—and I can state to the Senator that they do not exist in the Michigan area—they can be reached by the language which was put into the bill by the committee, to wit, permitting a limitation and regulation.

Mr. WAGNER. I recognize that language, and I cannot persuade myself that it was not put in so as to permit some child labor; otherwise why should such words be substituted for words eliminating child labor altogether?

Mr. VANDENBERG. I am going to tell the Senator, if he will permit me.

Mr. WAGNER. Very well.

Mr. VANDENBERG. The word "eliminate" was stricken out because the farm groups object to the use of a complete proscription which might even invade the family unit at work upon its own farm.

Mr. WAGNER. I have gone through this fight in my own State, and that was one of the arguments used in reference to the canning industry; but no one has ever been able to cite an instance where any official has prohibited the employment of children in family work. What we are after is the wholesale exploitation of children which this report says goes on in certain sections of the country, at least in the sugar industry.

I do not condemn any particular section. I do not notice to what particular section this report refers. But we all know that these horrible conditions have existed in the past, and even the severest critics of the National Recovery Act have hailed as an achievement the practical abolition of child labor in this country. It has been one of the great blessings of our social efforts in modern times, and wherever one goes he finds it hailed. The amendment presented by the committee would prevent the abolition of child labor

and of the sweatshop; it would deny the validity of the two greatest achievements of the Recovery Act.

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

Mr. WAGNER. I yield.

Mr. VANDENBERG. I have no quarrel whatever with the Senator in respect to his statement regarding the elimination of child labor, and I join him a thousand percent. I simply want to ask him whether he would intend that the proscription of this nature should prevent the family unit at work upon its own farm in respect to its own children.

Mr. WAGNER. No; unless, of course, there is a severe imposition by a parent upon a child, which rarely occurs. Nobody intends to reach the normal family situation.

Mr. VANDENBERG. Then why write it in the bill?

Mr. BORAH. Mr. President, this raises a very important question, and I am going to suggest the absence of a quorum, and we will have to ask that this matter go over until tomorrow.

Mr. WAGNER. Mr. President, I am quite willing to state my position, and then the responsibility will rest with the Senate. I am not attempting to delay at all. There are two amendments I shall ask the Senate to reject. The responsibility will be placed upon the conscience of each Senator as to whether we ought to take this chance of permitting the exploitation of children in this industry.

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

Mr. WAGNER. Certainly.

Mr. FESS. Is the statement from which the Senator read from a former Government officer?

Mr. WAGNER. What is the Senator's question?

Mr. FESS. Was the statement read prepared by Miss Abbott, who used to be in the Department of Labor?

Mr. WAGNER. The report was made by Dr. W. Lewis Abbott. It is entitled "Report for the Committee on Labor Conditions in the Growing of Sugar Beets." The report was made within the last 60 days, as I understand.

Mr. FESS. Evidently the report was not made by the officer I had in mind.

Mr. WAGNER. No.

Mr. FESS. I cannot imagine that in any part of the beet area of the country children from 6 to 7 years of age would be worked. I cannot see how it would be possible. As the Senator knows, the schools are not in session in the beet area at the time the work goes on.

Mr. WAGNER. The report states that the children are taken out of school during this period of time.

Mr. FESS. They would not be in school.

Mr. WAGNER. The rest of the year they attend school, but during this period of time, according to this report, they are taken out of school for the purpose of doing this work.

Mr. FESS. I think that if the Senator will investigate he will find that the schools in the beet areas are not in session at the time when the beets are being cultivated. I think it must be a mistake.

Mr. WAGNER. Schools are usually in session during the months of September, October, and November.

Mr. FESS. That would be the time of harvesting the beets.

Mr. O'MAHOONEY. Mr. President, will the Senator yield to me?

Mr. WAGNER. I yield.

Mr. O'MAHOONEY. As I understand the Senator, the report which he holds in his hand was made within the last 60 days.

Mr. WAGNER. So I am informed.

Mr. O'MAHOONEY. It refers to conditions dating back over 14 years?

Mr. WAGNER. It was brought up to date.

Mr. O'MAHOONEY. I doubt very much whether the statements which it contains have any application to the State of Wyoming.

Mr. WAGNER. If the conditions do not exist today, then surely a provision for the elimination of child labor can have no effect.

Mr. O'MAHONEY. I will say to the Senator that the reason for the insertion of this language is the fear that the original language of the bill would confer upon the Secretary of Agriculture the power of life and death over the industry which it is not necessary to give at this time. It is much more important to the children in the beet-growing area that their fathers should be able to plant and grow a crop than it is to engage in any technical discussion of child labor at this time.

Mr. WAGNER. I do not intend to stop the father from working. I am talking about the child of tender years. I stated that I thought we had practically reached an agreement upon that question, that as a matter of national policy we would not permit the exploitation of children.

Mr. O'MAHONEY. The Senator from New York may not have been in the Chamber when it was explained this morning that the beet growers throughout the West are waiting daily and even hourly for the enactment of this legislation, in order that they may enter into contracts with the refiners for the planting of crops, and every hour's delay means a reduction in the crop and a reduction of return which the growers will eventually get from the crop. It is our position, if I may say so to the Senator, that this is not the time nor the place to legislate on child labor.

Mr. JOHNSON. Mr. President, may I inquire of the Senator from New York exactly what the amendment is he now proposes?

Mr. WAGNER. The bill as it passed the House provided that these agreements, which in being made give definite benefits to the industry, might contain provisions which would eliminate child labor. The Senate has amended it to strike out the word "eliminate" and to substitute the words "limit or regulate" child labor.

Mr. JOHNSON. Let me make a suggestion to the Senator from New York. I do so because I have exactly the same view in respect to child labor that he has. The bill originally, to which the Senator desires to return, contained in lines 23 and 24, on page 14, the words "all agreements authorized by this act may contain provisions which will eliminate." Of what earthly value is that any more than "may contain provisions which will limit or regulate", because child labor is not prohibited and is not defined in regard to this particular measure. There is in the original measure a mere permission—"may contain provisions."

Mr. WAGNER. Yes.

Mr. JOHNSON. As a matter of realities, is the language which is suggested by the Senator any less able to do what is desired to be done than the language contained in the measure as passed by the House?

Mr. WAGNER. I think it is less able because of the changes made by the committee. I think the Senator is right—

Mr. JOHNSON. I can very thoroughly understand that if the bill said "must contain provisions which will eliminate child labor", or if it said in so many words, "must contain provisions which will limit or regulate child labor", there would then be room for a discussion, exactly as the Senator suggests, on the question of child labor; but with a purely permissive provision, I think that we are rather tilting at something that is not of very great value as a reality.

Mr. WAGNER. I beg to differ with the distinguished Senator, which I rarely do. I think that if the original language had authorized the limitation or regulation of child labor, it would have permitted its elimination. But by striking out the word "eliminate", and substituting the words "limit or regulate", it seems to me there is a legislative suggestion permitting the employment of children.

Mr. JOHNSON. As a matter of English construction, I think the Senator may be right in saying that it has two permissions instead of one, as originally written. But, nevertheless, the language of the character of that which was in the original bill, "may contain provisions which will eliminate" is of little or no consequence.

Mr. WAGNER. There again we must bear in mind those who are going to be called upon to administer the act. I am sure that they are in sympathy with the social progress

which has been made, one of the results of which has been the abolition of child labor generally, and I am quite willing to entrust to them the matter of providing for the elimination of child labor.

Mr. JOHNSON. If the Senator is correct in that, and I will assume that he is, then under a provision which gives the right to limit or regulate they may do practically as they please.

Mr. WAGNER. If the proponents of the act say that they interpret these words to include the power to eliminate child labor, I shall be content to accept their language.

Mr. JOHNSON. I would not undertake that responsibility.

Mr. WAGNER. May I ask the Senator from Colorado as to that.

Mr. VANDENBERG. May I respond?

Mr. WAGNER. I understand the Senator from Michigan is an opponent.

Mr. VANDENBERG. I am the author of the amendment. Would that give me some credentials to interpret?

Mr. WAGNER. If the Senator from Michigan is the author of the amendment, I bow to his interpretation.

Mr. JOHNSON. Is the Senator from Michigan in favor of the amendment?

Mr. VANDENBERG. Most certainly, and on the precise theory previously indicated.

It would be my interpretation that there was complete authority to eliminate the commercial exploitation of children in the sense that the Senator is using the words "child labor."

Mr. WAGNER. Then I shall not discuss the matter further.

Mr. VANDENBERG. And I should want it to mean that also, may I say to the Senator.

Mr. WAGNER. Of course, this is not a very persuasive reason for changing the words, but I am content with the interpretation placed upon the language by the Senator.

Mr. VANDENBERG. I certainly did not want it to mean the other thing which I indicated to the Senator.

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

Mr. WAGNER. I yield.

Mr. COSTIGAN. For some 20 years the distinguished Senator from California [Mr. JOHNSON] and the distinguished Senator from New York [Mr. WAGNER] and some of the rest of us have been strongly urging the sort of legislative action now being advocated by the Senator from New York. Because of my relations to this bill and the crying need for its immediate adoption, I will not prolong the discussion; but I am forced by conviction and feeling to go on record with the declaration that I support this amendment.

Mr. WAGNER. May I ask the Chair whether we are considering now only the words "limit or regulate"?

The PRESIDING OFFICER (Mr. BYRD in the chair). That is the amendment now under consideration.

Mr. WAGNER. I ask to have that disposed of, and then I shall say something about the other amendment.

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

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment passed over will be stated.

The CHIEF CLERK. On page 14, line 25, after the words "child labor", it is proposed by the committee to strike out "and will fix minimum wages for workers or growers employed by, or under the control of, the producers and/or processors who are parties to such agreements."

Mr. COSTIGAN. Mr. President, will the able Senator from New York permit me to send to the desk a letter from the Secretary of Labor which I ask to have read?

Mr. WAGNER. Of course.

Mr. COSTIGAN. It relates to this amendment.

Mr. HARRISON. Mr. President, before the reading of the letter is begun, if I may be permitted, I should like to state that I hope, and I have talked to a great many who are interested in this legislation, that we will stay here until we finish action upon the bill tonight.

Mr. KING. Mr. President, before the communication referred to is read by the clerk, I desire to make a very few remarks. Unfortunately there is a disposition upon the part of persons in executive departments and bureaus, when measures are under consideration by Congress and are in some instances about to be voted upon, to attempt to influence legislation by transmitting communications to Senators. I am afraid that there are those in executive positions who do not understand our form of Government, and that the functions of the executive department are entirely different from those of the legislative branch of the Government. Congress enacts laws; executive departments are charged with their enforcement. Theoretically executive bureaus and departments do not originate legislative measures, but in practice it is different. More and more the legislative branch is abdicating its functions to the executive department; and more and more persons in executive agencies are becoming ambitious to draft legislation and to determine legislative policies. The President of the United States, under the Constitution, may make recommendations to Congress, but it was never supposed that the multitudinous Federal executive agencies and instrumentalities should originate legislation and set in motion forces for the purpose of securing the enactment of laws.

When bills are introduced, they are frequently sent by committees to executive departments for the views of those who are supposed to have some knowledge concerning the subjects dealt with. Reports from executive departments are obtained in this manner, and such reports often furnish valuable information in connection with legislative matters. Speaking for myself, I dislike the course pursued by some executive agencies in sending communications for the purpose of influencing legislation when either the House or the Senate is considering measures properly before it.

The Secretary of Agriculture and a number of representatives of the Department appeared before the House committee and the Senate committee when the so-called "sugar bill" was being considered. Many hours and, indeed, many days were devoted by the committees of the House and the Senate to the consideration of the bill before us, and during such consideration, the views of the Department of Agriculture were freely expressed. In the consideration of most bills offered in Congress, the views of various departments are sought and are important; but I deprecate the practice of executive agencies, when bills are about to be passed, sending communications obviously intended to influence legislation. In some instances no opportunity is afforded to examine the sources of information sought to be conveyed, or the reasons which inspired the communications, or to meet statements contained in such communications which may be subject to refutation. There is an orderly way to proceed in dealing with legislation.

Mr. COSTIGAN. Mr. President, no one here needs to speak in commendation of the great and proved ability of the Secretary of Labor. However, I cannot refrain from paying tribute to her efficiency and usefulness as a member of the President's Cabinet and her devotion to social welfare. I have requested that the letter of the Secretary of Labor be read, and I now request that following the letter there be placed in the RECORD the appended recent report on living standards and working conditions in sugar-beet fields to which the letter refers, without now reading that report.

The PRESIDING OFFICER. Without objection, it is so ordered. The letter will be read.

The Legislative Clerk read as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, April 17, 1934.

Hon. EDWARD P. COSTIGAN,
United States Senate, Washington, D.C.

MY DEAR SENATOR COSTIGAN: I was very disappointed to hear that the Senate Committee on Finance has struck out of S. 3212 (a bill to include sugar as a basic agricultural commodity), the language authorizing the Secretary of Agriculture to incorporate in contracts provisions fixing "minimum wages for workers or growers employed by, or under the control of, the producers and/or processors" (p. 9, lines 19 to 21).

As you undoubtedly know, pursuant to authority conferred upon me by the President, I appointed several months ago a

committee to study labor conditions in the beet-sugar fields. This committee was composed of representatives of the Department of Agriculture, the Department of Labor, the National Recovery Administration, the Agricultural Adjustment Administration, and the Federal Emergency Relief Administration, and had the aid of people familiar with conditions in the beet-sugar fields. This committee unanimously recommended that if sugar were made a basic commodity and if benefits were to be paid to farmers, the Secretary of Agriculture should be given the power to fix minimum wages for persons employed by growers and farmers. This recommendation was made after conferences with representatives of beet growers, farmers, and refiners, and met with their approval.

I believe that the opposition to the minimum-wage provision comes from people who are not familiar with the scope of its operation. It is not intended that a farmer should be forced to pay his own family or his own children high wages. The Secretary of Agriculture would be given the power merely to fix a bottom level below which a farmer could not employ a person not associated with him by family ties.

The reports from the Federal Emergency Relief Administration and other social and charitable organizations indicate that at the present time wages for beet-sugar workers have fallen so deplorably that the Government is financing workers even during their term of employment. If now the Government is to give benefit payments to farmers, it seems only reasonable for the Government to make it a condition of such benefit that the farmer will do something to relieve the United States of the burden of caring for the farmer's own employees.

I am enclosing a copy of the report of the committee to which I have already referred. This report seems to me to make it abundantly clear why the bill should contain provisions authorizing the fixing of minimum wages, and I sincerely hope that the appropriate language will be restored to S. 3212 before it is enacted.

Very truly yours,

FRANCES PERKINS.

(The report appended to the letter from the Secretary of Labor is as follows:)

REPORT OF THE COMMITTEE ON LABOR CONDITIONS IN THE GROWING OF SUGAR BEETS

During the hearings held by the Agricultural Adjustment Administration on the sugar-marketing agreement last summer attention was called to the conditions among the contract workers in the growing of sugar beets. The Federal Emergency Relief Administration had also discovered that numbers of these workers were applying to its local agencies for relief. As a result, the President authorized the Secretary of Labor to appoint this committee for the immediate formulation of a plan which will place the labor policies of sugar-beet production on a reasonable and equitable basis. To assist it in making the investigation and preparing the report the committee secured the services of Dr. W. Lewis Abbott, the author of a report upon labor conditions in the beet fields. Dr. Abbott has spent approximately 3 months in gathering material and summarizing the results of earlier investigations into the conditions of workers in sugar beets. Data have been secured from reports of the Children's Bureau, the Tariff Commission, the Federal Trade Commission, the National Child Labor Committee, and other sources. In addition, questionnaires were sent to the county administrators of the Federal Emergency Relief Administration and to the county agents of the Department of Agriculture in every county in which sugar beets are an important crop. The committee also had the advantage of a discussion with persons representing the United States Beet Sugar Association and the National Beet Growers Association.

Sugar beets are grown by farmers who contract in advance for the sale of the crop to a sugar processing company. Their cultivation requires a large amount of hand labor for thinning the stand in the spring, weeding and hoeing in the summer, and pulling and topping in the autumn. These hand processes are in the majority of cases performed by laborers who make contracts with the growers for the work on a stipulated number of acres, being paid by the acre. All members of the workers' families, including children, take part in the work.

Reports to the Tariff Commission last summer showed that the total number of those doing hand work in the crop exceeded 150,000, of which 100,000 were contract workers.

The compensation paid to these workers last summer averaged about \$13.87 per acre of beets cultivated, with some as low as \$8. This average would amount to about \$98 per individual worker, or \$392 per family for a season of 7 months. In the years preceding the depression it was possible for many of these families to supplement their earnings from beet work by other types of labor. At the present time, however, the larger part of the workers have no other income and must depend entirely upon their earnings from beets.

During the base period of the Agricultural Adjustment Act, August 1, 1909, to July 31, 1914, the average compensation paid was \$19.08 per acre and the average price received for a ton of beets was \$5.58. The compensation for the summer of 1933 was 73 percent of that of the base period, while the price of beets per ton was 95 percent of that of the base period.

It is also reported that in some cases these workers have difficulty in collecting their full compensation. As a result of these low wages and failure to receive payment, and also because of the seasonal nature of the employment, many of them have

become dependent upon the Federal Emergency Relief Administration or other relief agencies. For example, the committee has received reports which show that in 15 counties 748 families of beet workers have applied for relief.

Other families seem to be meeting the situation by purchasing their food on credit from the storekeepers in their localities. These storekeepers then undertake to secure work for them.

Studies of the subject indicate a large percentage of child workers in this industry, the figures from various reports showing from 13 to 41 percent of the workers were under 16. The work in beets for the children of contract laborers is not the varied work of chores around a farm, but continuous, repetitive, standardized, and arduous labor. Studies indicate that these children work for periods averaging 9½ to 10 hours a day and actually extending for some children to 12 or 14 hours.

One of the most serious results of the employment of children lies in their loss of school time, for in many sections beet work starts in April and ends in November, with the result that the children lose a considerable portion of the school year.

The most conservative estimates indicate that for a family of six of this class of labor an income of \$565 is necessary under present living conditions to ensure it a minimum subsistence living, exclusive of rent, which is not included because in many instances workers are furnished housing by the growers and sugar companies. To give these workers an income equivalent in purchasing power to that of the period from 1909 to 1914, the base period of the Agricultural Adjustment Act, they would have to receive about \$600 per year.

At the present time the average family of workers does the hand labor on about 30 acres of beets. With the reduction in the amount handled which would follow the elimination of child labor and possibly some shortening of hours, it is estimated that the average family would take care of about 24 to 25 acres. If they were paid \$21.50 per acre for this work, their income during 7 months would be \$516 to \$538. This amount, with an additional \$75 which might be earned in other ways, would give them \$600 a year.

Although these earnings from sources other than beet work are small now, in the years preceding 1930 many families were able to earn from \$300 to \$500 per year from other work during either the winter or summer. With the return of prosperity the opportunities for thus supplementing the income from beet work should increase.

In considering the situation of these workers the committee recognized the desirability of taking some action to eliminate child labor and to improve the rates of compensation, but it was also faced with the fact that the farmers by whom these workers are employed are also suffering grave economic difficulties.

The committee considered possible ways of securing an improvement in the compensation and working conditions through the various agencies now operating. It did not seem possible to apply to these workers the provisions of a code under the National Industrial Recovery Act, because they are engaged in an agricultural rather than an industrial pursuit.

Higher compensation would result either in higher costs for the growers or for the processors. If the expenses of the growers were raised by an increase in the compensation of the contract workers, it seemed necessary to increase their incomes in some way. This led to the consideration of the possibility of meeting an increase in contract rates through an increase in the tariff on sugar. Such a plan seemed undesirable in view of the reports of the Tariff Commission of 1924 and 1934 recommending lower duties on sugar and the present policies of the administration which contemplate a decrease rather than an increase in the tariff on this article. The proposed reduction in the tariff and the proposed change in the Agricultural Adjustment Act will have an effect on processors that cannot now be estimated. In view of this lack of certainty it seemed unwise to place the full burden of the improvement of labor conditions upon the processors.

The proposals of the President in his message to the Congress of February 8, 1934, seemed to the committee the best means of securing the necessary increase of income to the farmers to make possible the payment of higher compensation to the beet workers, and these means can also be used for the elimination of child labor. These proposals, it will be recalled, included the making of sugar a basic commodity and the establishment of a quota system to restrict the production of sugar in the various areas from which the United States draws its supply. This would be accompanied by the levying of a processing tax upon sugar, the lowering of the tariff by the amount of the processing tax, and the payment of a benefit to the beet grower in return for a restriction of acreage planted in beets.

If the latter proposal is embodied in law it will make possible the control of the situation revealed by the investigation of this committee. The payment of benefits to beet growers in return for restriction of acreage could be made dependent upon their signing a contract with the Secretary of Agriculture whereby they agreed to pay an established minimum compensation for beet workers per acre and to prevent the employment of children in the cultivation of beets.

The drafts of the bill S. 2732, introduced by Senator COSTIGAN in the Senate on February 6 (calendar day Feb. 12), and H.R. 7907, introduced by Congressman JONES in the House on February 12 (calendar day Feb. 12), contain a provision which would give to the Secretary this power in the following terms:

"(F) In order to more fully effectuate the declared policy of the Agricultural Adjustment Act, as set forth in its 'declaration of policy' and to insure the equitable division, between pro-

ducers and/or growers and the processors of sugar beets or sugarcane, of any of the proceeds which may be derived from the processing and/or marketing of such sugar beets or sugar cane and the products and byproducts thereof, all agreements authorized by this act may contain provisions (1) with respect to the terms which contracts between processors and producers and/or growers may contain, and/or (2) which will eliminate child labor among, and will fix a minimum of wages for, agricultural workers employed by, or under the control of, processors and/or producers who are parties to such agreements, and the Secretary, upon request of any producer or grower, or of any producers' or growers' association, or of any processor, of sugar beets or sugar cane, is hereby authorized to adjudicate any dispute as to any of the terms under which such sugar beets or sugar cane are grown, or are to be grown, and/or marketed, and the products and/or byproducts thereof are to be marketed. The decision and any determination of the Secretary shall be final, if in accordance with law."

The inclusion of a paragraph substantially in this form in the final draft of the bill seems to this committee essential to the improvement of the working conditions of the industry through the benefit-payment plan, for it appears doubtful under the Agricultural Adjustment Act as presently drawn that the Secretary would have the needed powers.

There appears to be no scarcity of labor available for work in the beet fields. Therefore the elimination of child labor would probably not result in any shortage of labor. It is more likely that its elimination will make possible the continued employment of adults who might otherwise be unable to secure work as a result of the restriction of acreage in beets.

The committee is informed that this suggestion of a benefit payment of a sufficient amount to enable the grower to augment the wages of the workers would not require the imposition of a burden upon the Treasury of the United States.

The study of the committee and information received from the sources stated indicate that at least \$20 should be the minimum rate of wages per acre, in addition to housing.

The committee recommends:

(1) That the policy of declaring sugar a basic agricultural commodity and the application thereto of the powers of the Agricultural Adjustment Administration should be carried forward as a means of securing for the growers of sugar beets and for the contract workers an adequate return.

(2) That the act declaring sugar a basic commodity should include a clause which will empower the Secretary of Agriculture to require that agreements authorized by the act may contain provisions eliminating child labor and insuring adequate compensation for the workers.

(3) That pursuant to this provision the Secretary of Agriculture should incorporate in the benefit contracts a condition providing for the payment during the current season of compensation of at least \$20 per acre to the contract workers, in addition to housing or its equivalent.

(4) That pursuant to this provision the Secretary of Agriculture should incorporate in the benefit contracts a condition forbidding the employment of children under 16, other than those of the families of the growers themselves.

Such a program, it is believed by the committee, will receive the cooperation of the growers and processors.

GARDINER C. MEANS,
Economic Adviser on Finance
to the Secretary of Agriculture.
HAROLD M. STEPHENS,
Assistant Attorney General.
E. D. TETREAU,
Rural Relief Analyst,
Federal Emergency Relief Administration.
WALTER WHITE,
Deputy Administrator,
National Industrial Recovery Administration.
CHARLES E. WYZANSKI, JR.,
Solicitor, Department of Labor, Chairman.

NOTE.—Dr. Mordecai Ezekiel, economic adviser to the Secretary of Agriculture, who was also appointed a member of the committee, participated in some of the deliberations of the committee but has not seen or signed the report, because of absence from the city.

Mr. JOHNSON. Mr. President, I am in hearty accord with the statements made by the Secretary of Labor in the communication just read. I am more in accord because this bill, as I called attention a moment ago, is merely permissive, and to give the right to fix a minimum wage is not to fix it by any means. It ought to be accorded under circumstances such as have been here detailed.

Mr. WAGNER. Mr. President, there is not very much I can add to what has been so well stated by the Senator from California [Mr. JOHNSON] and in the letter of the Secretary of Labor. I want to emphasize again that the other great accomplishment of the National Recovery Act has been the fixation of minimum wages. It has not only increased the purchasing power of the country and thus helped industry as well as the farming community, but it also has driven out of existence, we hope for all time,

the so-called "sweatshop" which has had so much to do with dragging down the decent employer and the decent manufacturer.

In view of the fact that in this case the Government is aiding the farmer—and I am heartily in favor of such a policy, and say so not in criticism, but as a matter of approval—it seems to me that at least there should be authority for the Government to see that a decent minimum wage is paid to these workers. I refer again to the report which has been made at the request of the Secretary of Labor. There were cited a large number of instances where the wage paid the worker was so deplorably low that the Government, by giving the individual relief, was required to make up the difference between the wage paid and the amount which was needed for bare living expenses. It seems to me we ought to protect the workers in these industries that receive governmental aid, at least to the extent of insuring a living wage.

Mr. BLACK. Mr. President, as I read the words which are proposed to be stricken out by the amendment, if the amendment should be voted down as a whole, it would go further than the Senator desires to go and further than the Secretary of Labor desires to go, according to her letter. If the Senator will look at the words on page 15, line 1, he will find that it would not only permit the fixing of minimum wages for workers or growers employed by but also for workers or growers under the control of. That, as I view it, would permit the fixing of wages for members of the family. I am in sympathy with the position taken by the Senator, and I am in sympathy with striking out the provision of the Senate committee. I simply desire to call his attention to that feature, because I believe if the amendment should be voted down, then an amendment should be adopted striking out the words "or under the control of."

Mr. WAGNER. That would be quite agreeable to me.

Mr. VANDENBERG. Mr. President, I wish to make a brief statement as to the reasons why the growers recommended this amendment. I completely concur in the minimum-wage provision. I make that statement unequivocally.

I invite the attention of the Senator from New York [Mr. WAGNER] to the consideration that in none of the other basic-commodity legislation has there been any minimum-wage provision fixed. No other basic commodity under the A.A.A. has the minimum farm wage in it. This is the first time the effort has been made to fix a minimum farm wage. In the evolution of controlled agriculture I would agree with the Senator that we ought to hope to improve these conditions, but I invite his attention to the specific physical fact which confronts us under the sugar bill.

The President has stated that the retail price of sugar must not be increased as a result of the bill. This is not the ordinary basic commodity bill. The benefits paid are paid in lieu of beet acreage taken out of production and are calculated merely to leave the farmer in the same relative status he occupied before the acreage reduction was inaugurated. The farmer cannot control what he gets for his beets. He is at the mercy first of the processor and then of the market. Where will the farmer get his revenue with which to pay increased labor costs?

The Senator from New York refers to the survey and report made by the Department of Labor. I invite his attention to the fact that in that report it is stated, if I am correctly informed, that the average labor cost today per acre is \$13, whereas the Department recommends an average labor cost of \$20. Well and good! I concede that it ought to be \$20, but this is a relief measure and not a reform measure. I ask the Senator where the farmer is going to get the \$7 additional to pay the labor per acre, inasmuch as the price of sugar is not to be increased? The \$7 to which I have referred would eat up most of the benefit payments, which the farmer is supposed to get by way of compensation for having reduced his acreage. In other words, if we are going to maintain the President's purpose not to increase the price of sugar, we cannot increase the farmer's cost of labor in this particular connection.

Furthermore, the control of the minimum wage to be paid in the beet fields could well become the power to determine whether or not there shall be a beet-sugar industry at all, because if it were put at \$30 instead of \$13 that would be the end of the entire transaction.

I may say to the Senator from New York that processors are covered by the minimum-wage provisions of the N.R.A. They are quotaed industries. I cordially and enthusiastically agree with him that it is a fine thing that they should be; but under this specific piece of legislation, in view of the nature of the situation I describe, I do not see how we can hope to make the bill work if, at the same time, we are contemplating increased costs of labor on the farm.

Mr. COSTIGAN. Mr. President, the report to which the Senator from New York has referred looks, as I recall it, to the receipt of between \$13 and \$14 an acre more through benefits out of the processing tax than the farmer would otherwise receive. The report further has in view that about half of the per-acre increase could well go to the farmer and the other half to the field worker.

Mr. HASTINGS. Mr. President, I desire to suggest that it seems to me this is about the last straw that is to be laid upon the farmer to break his back.

Heretofore in certain legislation we have tried to control, and are controlling, the amount the farmer may produce. I suppose that includes the amount of fertilizer he may use, the number of acres he may plant, and so forth. It seems to me that of all things I ever heard of, the proposal to give one man authority to say how much the farmer shall pay for his labor is most calculated to shock the farmers of the country.

In my State the C.W.A. has pretty nearly wrecked the farmer, because it fixed a minimum wage that is greater than the farmer could afford to pay. Now, we come along in the beet-growing industry and propose to tell the farmer how much he is to pay the people who work for him. I think it is the most outrageous thing Congress ever did or ever tried to do, and I am astonished that any member of the President's Cabinet should recommend to the Senate or to the country such a thing.

I call for the yeas and nays on the amendment.

Mr. WAGNER. Mr. President, is the Senator horrified at efforts to give the ordinary worker a living wage? Is not the Senator in sympathy with such aspirations?

Mr. HASTINGS. Mr. President, I think that is a wholly unfair statement.

Mr. WAGNER. Let me give some idea of the wages that are being paid. This report shows that the average wage has amounted to \$98 for the individual and \$392 for a family during a season of 7 months, and the difference between this sum and what a family has needed to live has been made up by contributions from the relief funds of the Federal Government.

Mr. HASTINGS. I should like to say to the Senator that the amount he has mentioned is more than a great many farmers and their families are getting today. What I am talking about is the farmer. I am not complaining about labor getting too much. I am complaining about the farmer being unable to pay any such amount as the Secretary of Labor or the Secretary of Agriculture may fix.

Mr. NORRIS. Mr. President, I am impressed with the suggestion made by the Senator from Alabama [Mr. BLACK]. I remember also, from listening to the reading of the letter of the Secretary of Labor, that she says there is no intention upon the part of those who favor retaining the language of the House bill to control the price or to enable anyone to fix the wages of members of the farmer's family. I am under the impression that to carry out that idea, with which I am in sympathy, we ought to strike out of the House language on page 15, the words "or under the control of."

As a parliamentary proposition, that amendment would take precedence of the committee amendment, because it is an amendment of the language which the committee seeks to strike out.

In order to take that step, I move—

Mr. HARRISON. Mr. President, if the Senator will ask unanimous consent to strike out that language, I think there will be no objection to it.

Mr. NORRIS. Very well. I ask unanimous consent that the language sought to be stricken out be amended by striking out of it on line 1, page 15, the words "or under the control of it."

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The question now is upon the adoption of the committee amendment.

Mr. CUTTING. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the adoption of the committee amendment. [Putting the question.] By the sound the ayes have it.

Mr. WAGNER. I ask for a division.

On a division, the committee amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. COSTIGAN. Mr. President, on page 11 I move to strike out subsection (D), and in lieu thereof to substitute the subsection I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 11 it is proposed to strike out lines 17 to 22, both inclusive, and in lieu thereof to insert:

(D) Establish a separate quota or quotas for edible molasses and/or sirup of cane juice produced in continental United States, in addition to, and/or for edible molasses, sirups, and sugar mixtures produced in any other area or areas to which this title relates, as part of, or in addition to, the quotas established pursuant to paragraphs (A) to (C), inclusive, of this subsection, for use as such and not for the extraction of sugar.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Colorado.

Mr. OVERTON. Mr. President, I desire to ask the Senator from Colorado a question or two in reference to this amendment.

As I understand, the first part of the amendment, beginning with the words "Establish a separate quota or quotas for edible molasses and/or sirup of cane juice produced in continental United States, in addition to", refers exclusively to edible sirup and cane juice produced in continental United States.

Mr. COSTIGAN. That is correct.

Mr. OVERTON. And it authorizes the Secretary of Agriculture to assign a separate quota or quotas for sirup or edible molasses produced in continental United States in addition to the quotas already prescribed by the bill.

Mr. COSTIGAN. That is correct. The edible molasses and sirup of cane juice are to be used as such, and not for the extraction of sugar.

Mr. OVERTON. The words just used by the Senator apply to the entire amendment?

Mr. COSTIGAN. Yes.

Mr. OVERTON. That is, all of this edible molasses and cane juice is not to be used for the extraction of sugar, whether produced in continental United States or in other areas. That is correct?

Mr. COSTIGAN. The Senator has made an accurate statement with reference to the application of the above clause.

Mr. OVERTON. Let me ask the Senator another question. What may be designated as the second portion of the amendment, beginning with the words "and/or for edible molasses, sirups, and sugar mixtures produced in any other area or areas to which this title relates, as part of, or in addition to, the quotas established", and so forth, relates to off-shore molasses and sirup?

Mr. COSTIGAN. The Senator has correctly stated the purpose of the second part of the amendment. Perhaps it should be added that the purpose is not to interfere with the present competitive situation respecting molasses and sirup of cane juice, and yet to be able to prevent any marked shift from sugar to molasses and sirup.

Mr. OVERTON. Just one other question. The part of this amendment which authorizes the Secretary of Agriculture to establish quotas for sugar mixtures, edible molasses, and sirup in other areas in continental United States, giving him authority to make those quotas either as part of or in addition to the quotas established, is designed to vest him with authority to prevent the excessive importation of mixed sugars into the United States, as, for instance, beyond the amounts which have been introduced into the United States?

Mr. COSTIGAN. The Senator from Louisiana has accurately stated the purpose of the amendment.

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

The amendment was agreed to.

Mr. HARRISON. Mr. President, the Senator from Colorado has two committee amendments to present.

Mr. OVERTON. I have one other amendment to offer.

Mr. COSTIGAN. On page 21, I move to strike out section 13 of the bill.

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

The amendment was agreed to.

Mr. COSTIGAN. I present another amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed on page 25, after line 11, to insert a new section, as follows:

Sec. 17. Section 16 of the Agricultural Adjustment Act, as amended, is amended by adding the following new subsections:
 "(c) The provisions of paragraph (2) of subsection (a) of this section shall not apply in the case of sugar beets or sugar cane or the products thereof.

"(d) The Secretary of Agriculture is authorized to purchase, out of such proceeds of taxes as are available therefor, during the period this act is in effect with respect to sugar beets and sugar cane, not in excess of 300,000 tons of sugar raw value from the surplus stocks of direct-consumption sugar produced in the United States beet-sugar area, at a price not in excess of the market price for direct-consumption sugar on the date of purchase, and to dispose of such sugar by sale or otherwise, including distribution to any organization for the relief of the unemployed, under such conditions and at such times as will tend to effectuate the declared policy of section 3a of this act. The sugar so purchased shall not be included in the quota for the United States beet-sugar area. All proceeds received by the Secretary of Agriculture, in the exercise of the powers granted hereby, are appropriated to be available to the Secretary of Agriculture for the purposes described in subsections (a) and (b) of section 12 of this act."

Mr. HARRISON. Mr. President, this is an amendment which meets with the approval of the Secretary of Agriculture. It is to deal with the surplus sugar stock on hand now.

The amendment was agreed to.

Mr. OVERTON. I present an amendment and ask to have it stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the end of section 9, page 19, line 10, after the word "year", the words "and for the year 1934 the marketing year shall begin January 1, 1934."

Mr. HARRISON. We have no objection to the amendment.

The amendment was agreed to.

Mr. CLARK. Mr. President, I should like to know what the motion to strike out section 13 means.

Mr. HARRISON. Mr. President, that section is a clear duplication, which is the only reason for striking it out.

Mr. CLARK. Duplication of what?

Mr. HARRISON. Of section 15 of the Agricultural Adjustment Act. That was the only reason for striking it out.

Mr. ADAMS. Mr. President, the basis of the proposed act is the fixing of quotas. The allocation of that power is to the Secretary of Agriculture. It seems to me that the power should be directed to him to exercise in a mandatory way.

On page 7 authority is given to the Secretary to exercise this power if he sees fit to do so. It says that he may make these orders and regulations to limit quotas on domestic sugar and to place limits on incoming sugar.

When the word "may" is used, as was pointed out by the Senator from California a while back in connection with

another matter, the authority is also given not to do it. So, as an amendment in line 11, on page 7, I move that the word "may" be stricken out and the word "shall" inserted.

Mr. JOHNSON. Mr. President, I think it would be infinitely better to leave it in permissive form, as it is, rather than to make it mandatory, as suggested by the Senator from Colorado.

Mr. HARRISON. That was the view of the committee.

Mr. JOHNSON. I think the Senator from Colorado may be perfectly certain, from our experience with gentlemen in high position, that if we give them the opportunity to exercise power, they take it. So, I imagine there will not be much difficulty about the exercise of the power; but it would be infinitely better to leave it so that if in certain instances the power should not be exercised, at least the discretion might be reposed in the Secretary in that regard.

Mr. ADAMS. Mr. President, in response to the suggestion of the Senator from California, may I call his attention to the fact that under this language the Secretary of Agriculture may enforce the limitation upon domestic beet sugar and leave the imported sugars from Cuba without limitation. I am seeking to put the bill in such shape that the limitations upon incoming sugars will be mandatory upon the Secretary of Agriculture, so that our beet industry may not by any possibility be swamped with unlimited sugar importations.

Mr. JOHNSON. Mr. President, is the Senator entirely certain of his position in that regard?

Mr. ADAMS. Quite.

Mr. JOHNSON. If that be the fact, I will not make any objection whatsoever to the amendment that is suggested.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS].

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

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Costigan	Johnson	Pope
Austin	Couzens	Kean	Robinson, Ind.
Bachman	Cutting	King	Schall
Balley	Davis	Lewis	Sheppard
Bankhead	Dieterich	Logan	Shipstead
Barbour	Duffy	Loneragan	Stelwer
Black	Fess	Long	Stephens
Borah	Fletcher	McGill	Thomas, Okla.
Brown	Frazier	McKellar	Thomas, Utah
Bulkley	Gibson	McNary	Thompson
Bulow	Goldsborough	Metcalf	Townsend
Byrd	Gore	Murphy	Vandenberg
Byrnes	Hale	Neely	Van Nuys
Capper	Harrison	Norris	Wagner
Carey	Hastings	O'Mahoney	Walcott
Clark	Hatch	Overton	Walsh
Connally	Hayden	Patterson	White
Copeland	Hebert	Pittman	

Mr. LEWIS. I wish to reannounce the absence of Senators as previously announced and to reannounce the reasons given before.

The VICE PRESIDENT. Seventy-one Senators having answered to their names, a quorum is present.

Mr. HASTINGS. May the amendment be stated?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, line 11, it is proposed to strike out the word "may" and insert "shall", so it will read:

The Secretary of Agriculture shall, in order to effectuate the declared policy—

And so forth.

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

The amendment was rejected.

Mr. WALCOTT. Mr. President, I send to the desk an amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 8, line 15, after the word "however", it is proposed to insert:

That the quota fixed for Cuba for any marketing year shall not exceed the sum of the quotas fixed for Hawaii and Puerto Rico for the same year: *And provided further.*

Mr. WALCOTT. Mr. President, this amendment proposes to give reasonable protection to Hawaii and Puerto Rico, so that in the future the Cuban quota will not run away ahead of the combined quotas of Hawaii and Puerto Rico.

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

Mr. WALCOTT. I yield.

Mr. KING. Does the Senator mean that the quota for Cuba would be measured by the addition of the quotas of the other two countries?

Mr. WALCOTT. No; that it shall not exceed for any one year the combined quotas of Hawaii and Puerto Rico.

Mr. KING. If I may be pardoned further, is there any such relation between the 3 in that triangular contest as to make 1 equivalent to the other 2, or the 2 equivalent to 1?

Mr. WALCOTT. This is an arbitrary relationship that is sought in order to protect Hawaii and Puerto Rico from having an excessive quota given Cuba. In other words, the quotas today, as computed by the stabilization agreement, would be exactly the same. It is provided that there shall be 850,000 tons for Puerto Rico and 950,000 tons for Hawaii, which two combined make 1,800,000 tons. The quota for Cuba is 1,800,000 tons.

Mr. KING. If the Senator will pardon me, I do not see any sufficient relation between the three to make Cuba's determination of quota the basis for the other two, or the quota for the other two the basis for Cuba's quota.

Mr. WALCOTT. Cuba is merely limited by the sum of the other two.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. WALCOTT].

The amendment was rejected.

Mr. WALCOTT. Mr. President, I send to the desk another amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 13, line 20, after the word "determined", it is proposed to insert "for Cuba and other foreign countries."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was rejected.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

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

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. HARRISON. On that I ask for the yeas and nays.

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

Mr. COSTIGAN (when Mrs. CARAWAY's name was called). The Senator from Arkansas [Mrs. CARAWAY] is unavoidably absent. She has asked me to say that if present her vote would be "yea."

Mr. FESS (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS], who is unavoidably detained from the Senate. I understand that if he were present he would vote "yea." If I were at liberty to vote, I should vote "nay." I refrain from voting.

Mr. GIBSON (when his name was called). I have a general pair with the junior Senator from Georgia [Mr. RUSSELL]. Not knowing how he would vote, I withhold my vote.

Mr. HEBERT (when his name was called). On this question I am paired with the senior Senator from Montana [Mr. WHEELER], who is detained on account of illness. If present, I am informed that he would vote "yea." If at liberty to vote, I should vote "nay." I withhold my vote.

Mr. METCALF (when his name was called). I have a general pair with the senior Senator from Maryland [Mr. TYDINGS]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. WALCOTT (when his name was called). I have a general pair with the junior Senator from California [Mr.

McAdool. Not knowing how he would vote, I refrain from voting.

The roll call was concluded.

Mr. LEWIS. Mr. President, I beg to announce the same absences, and for the same reasons as announced upon the previous quorum call. I am repeating the announcement now to account for the absence of these Senators on the vote.

I also announce that I have received a message from the Senator from Georgia [Mr. GEORGE] regretting his absence and stating that were he present he would vote "yea."

I am also advised that the junior Senator from Georgia [Mr. RUSSELL], if present, would vote "yea."

I wish further to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Washington [Mr. BONE], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Washington [Mr. DILL], the Senator from Montana [Mr. ERICKSON], and the Senator from Nevada [Mr. McCARRAN] are necessarily detained from the Senate on official business.

Mr. FLETCHER. Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. HEBERT. The Senator from Iowa [Mr. DICKINSON] is necessarily absent. He has a pair with the Senator from Kentucky [Mr. BARKLEY]. I am informed that if the Senator from Iowa were present he would vote "nay" on this question, and that if the Senator from Kentucky [Mr. BARKLEY] were present he would vote "yea."

I desire to announce that the Senator from New Hampshire [Mr. KEYES] is necessarily absent. He is paired with the Senator from Arkansas [Mrs. CARAWAY]. If present, the Senator from New Hampshire would vote "nay", and the Senator from Arkansas would vote "yea."

I also desire to state that the Senator from West Virginia [Mr. HATFIELD] is necessarily absent. If present, he would vote "nay."

I also desire to announce that the Senator from North Dakota [Mr. NYE] is paired with the Senator from South Carolina [Mr. SMITH] and that the Senator from Pennsylvania [Mr. REED] is paired with the Senator from Arkansas [Mr. ROBINSON].

I am not advised how the Senator from North Dakota [Mr. NYE] would vote on this question. The position of the Senator from Pennsylvania [Mr. REED] was explained by him prior to his necessary departure from the Senate.

The result was announced—yeas 49, nays 18, as follows:

YEAS—49

Adams	Clark	King	Reynolds
Austin	Connally	Lewis	Sheppard
Bachman	Costigan	Loneragan	Shipstead
Balley	Cutting	Long	Thomas, Okla.
Bankhead	Dieterich	McGill	Thomas, Utah
Barbour	Duffy	McKellar	Thompson
Black	Fletcher	Murphy	Vandenberg
Brown	Frazier	Neely	Van Nuys
Bulkeley	Harrison	Norris	Wagner
Bulow	Hatch	O'Mahoney	Walsh
Byrd	Hayden	Overton	
Byrnes	Johnson	Pittman	
Capper	Kean	Pope	

NAYS—18

Borah	Goldsborough	McNary	Stephens
Carey	Gore	Patterson	Townsend
Copeland	Hale	Robinson, Ind.	White
Couzens	Hastings	Schall	
Davis	Logan	Steinwer	

NOT VOTING—29

Ashurst	Fess	McAdool	Smith
Barkley	George	McCarran	Trammell
Bone	Gibson	Metcalf	Tydings
Caraway	Glass	Norbeck	Walcott
Coolidge	Hatfield	Nye	Wheeler
Dickinson	Hebert	Reed	
Dill	Keyes	Robinson, Ark.	
Erickson	La Follette	Russell	

So the bill was passed.

Mr. HARRISON. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. DUFFY in the chair) appointed Mr. HARRISON, Mr. KING, Mr.

GEORGE, Mr. COSTIGAN, Mr. REED, and Mr. COUZENS conferees on the part of the Senate.

Mr. COSTIGAN. Mr. President, I ask unanimous consent that the bill just passed be printed with the Senate amendments numbered; also that the clerks may be authorized to change as may be necessary section numbers and references thereto.

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

RICHARD A. CHAVIS—CONFERENCE REPORT

Mr. SHEPPARD submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2032) for the relief of Richard A. Chavis having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the language inserted by said amendment insert the following: "Provided further, That the rights, privileges, and benefits conferred upon Richard A. Chavis by reason of the enactment of this act shall be limited to admission to a soldiers' home under the regulations governing such admission: And provided further, That he shall be entitled to such medical care as is usually accorded inmates of such home while resident therein"; and the Senate agree to the same.

MORRIS SHEPPARD,
MARCUS A. COOLIDGE,
ROSCOE C. PATTERSON,
Managers on the part of the Senate.

LISTER HILL,
CHESTER THOMPSON,
VINCENT CARTER,
Managers on the part of the House.

The report was agreed to.

THE AIR MAIL

The Senate resumed the consideration of the bill (S. 3170) to revise air-mail laws.

Mr. McNARY. Mr. President, it is my understanding that the Senator from Ohio [Mr. FESS] desires to take the floor to discuss the air mail bill, but that he is willing to yield this evening in order that we may have an executive session before recessing until tomorrow.

Mr. McKELLAR. That will be entirely satisfactory to me.

The PRESIDING OFFICER. The Senator from Ohio [Mr. FESS] is recognized.

Mr. LEWIS. Mr. President, will the Senator from Ohio yield to enable us to have a brief executive session?

Mr. FESS. I yield for that purpose.

EXECUTIVE SESSION

Mr. LEWIS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. Reports of committees are in order.

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

George M. Abbott, of Ohio, and Cecil Wayne Gray, of Tennessee, to be secretaries in the Diplomatic Service; and Waldemar J. Gallman, of New York, to be a consul.

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

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

THE CALENDAR—TREATIES PASSED OVER

The PRESIDING OFFICER. If there be no further reports of committees, the calendar is in order.

The legislative clerk proceeded to read Executive B, Seventy-third Congress, second session, an international telecommunication convention, the general radio regulations annexed thereto, and a separate radio protocol, all signed by the delegates of the United States to the International Radio Conference at Madrid on December 9, 1932.

Mr. McKELLAR. I suggest that that go over.

The PRESIDING OFFICER. Without objection, the treaty will be passed over.

The legislative clerk proceeded to read Executive C, Seventy-third Congress, second session, a protocol, signed at Rome on April 21, 1926, and effective on January 1, 1927, substituting new paragraphs for paragraphs 3 and 4 of article 10 of the convention of June 7, 1905, creating the International Institute of Agriculture at Rome.

Mr. McKELLAR. I make the same request with regard to this treaty.

The PRESIDING OFFICER. Without objection, the treaty will be passed over.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. McKELLAR. I invite the attention of the Senator from Oregon [Mr. McNARY] to the request I am about to make. I ask that the President may be notified of the confirmation of the three postmasters in Tennessee, Mabel W. Hughes to be postmaster at Arlington, Ernest F. Dennis to be postmaster at Chattanooga, and Joseph M. Dedman to be postmaster at Columbia.

Mr. McNARY. Mr. President, the Senator has explained the emergency of the situation, and I have no objection.

The PRESIDING OFFICER. Without objection, the President will be notified of the confirmation of the three Tennessee appointments.

RECESS

The Senate resumed legislative session.

Mr. LEWIS. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p.m.) the Senate took a recess until tomorrow, Friday, April 20, 1934, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate, April 19 (legislative day Apr. 17), 1934

POSTMASTERS

MINNESOTA

Joseph G. McRaith, Belleplaine.
Alta V. Mason, Blue Earth.
James L. Paul, Browns Valley.
George K. Dols, Carver.
Albert O. McEachern, Delano.
William Guthrie, Emmons.
Tillman A. Brokken, Harmony.
Arthur S. Peterson, Houston.
Bernice Otto, Isanti.
Leroy G. Schmalz, Lester Prairie.
Peter H. Riede, Mabel.
Francis L. Dolan, Milroy.
John N. Kremer, Rice.
Henry Schneider, Rush City.

MISSOURI

Jess H. Easley, Lebanon.

TENNESSEE

Mabel W. Hughes, Arlington.
Ernest F. Dennis, Chattanooga.
Joseph M. Dedman, Columbia.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 19, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

O Shepherd Divine, ever present to guard and to guide us in the ways of upright living, we praise Thee that there is healing in the hem of Thy garment and comfort in the merciful glance of Thine eye. We pray Thee, our Father, that the issues of our daily conduct may please Thee and satisfy our highest hopes and longings. Just now we wait for that divine touch that shall enable us to hold our course amid the exactions of our responsibilities. O keep the sacred fires burning on the altars of our natures until our colleagues and friends shall feel the impulse of spiritual and moral earnestness. We rejoice, Almighty God, that Thy bosom is recovery, that Thy long-suffering is infinite, and that Thy love is all-conquering. Amen.

The Journal of the proceedings of yesterday was read and approved.

RESIGNATION OF SILLMAN EVANS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter of the Fourth Assistant Postmaster General, Mr. Silliman Evans, a letter from the President, and a letter from the Postmaster General, Mr. Farley, with reference to the resignation of Mr. Evans as Fourth Assistant Postmaster General.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LANHAM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the letter of resignation of the Fourth Assistant Postmaster General, Silliman Evans, Fourth Assistant Postmaster General, today made public his letter of April 17 to the Postmaster General in which he transmitted his resignation to the President in order that he might accept the position of executive vice president of the Maryland Casualty Co.

The complete text of Mr. Evans' letters of resignation to the President and the Postmaster General and also the letters of acceptance from the President and the Postmaster General follow:

THE FOURTH ASSISTANT POSTMASTER GENERAL,

Washington, April 17, 1934.

HON. JAMES A. FARLEY,

The Postmaster General.

MY DEAR JIM: You will find enclosed my letter of resignation addressed to the President, which I ask that you transmit to him.

When you recommended my appointment to the President, I realized that you had given me an opportunity to be of service to you and this administration. It will always be a source of gratification to me to have been a part of your official family and to have been a part of this administration. But arising above any official connection has been that strong personal tie which has bound me to you and which no letter of resignation can ever sever. Before I was appointed I was your friend and realized you were mine, but these months of close contact have increased my esteem and affection for you, and I shall strive to always merit your confidence and your friendship.

You have been a wise counselor, a helpful administrator, and a good friend, and in leaving this Department I thank you for your many personal kindnesses.

I should not want to leave the Department without having expressed my appreciation of my colleagues in the direction of this Department. Bill Howes, Harilee Branch, and Clint Ellenberger have been constant in their friendly helpfulness and well-advised cooperation.

From childhood's first admiration of the postman, I have esteemed the Postal Service of this Nation. But, until I had come into direct contact with the Post Office Department, as the Fourth Assistant Postmaster General, I did not have the proper appreciation of the individual efficiency, the loyalty and devotion to the Service, and the faithful and untiring labor of that vast army of Americans who are engaged in the collection and distribution of the mails. To my deputy, Smith W. Purdum, and the 14,000 employees of this Bureau, I pay a tribute of respect and offer my thanks for their assistance and loyalty.