By Mr. WALTER: A bill (H.R. 9276) to exempt certain articles from the tax on floor stocks imposed by the Agricultural Adjustment Act; to the Committee on Agriculture.

By Mr. VINSON of Georgia: Resolution (H.Res. 347) for the consideration of H.R. 9068, a bill to provide for promotion by selection in the line of the Navy in grades of lieutenant commander and lieutenant; to authorize appointment as ensigns in the line of the Navy all midshipmen who hereafter graduate from the Naval Academy; and for other purposes; to the Committee on Rules.

Also, resolution (H.Res. 348) for the consideration of H.R. 6803, a bill to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By The SPEAKER: Memorial of the Legislature of the State of New York, memorializing Congress to amend the Securities Act of 1933; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New York, memorializing Congress relative to the operation of the National Recovery Administration; to the Committee on Ways and Means.

PRIVATE BILL

Under clause 1 of rule XXII,

Mr. HOEPPEL introduced a bill (H.R. 9277) for the relief of Leonard J. Mygatt, which was referred to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4134. By Mr. CADY: Memorial of the City Commission of the City of Flint, Mich., urging favorable action upon the McLeod bank pay-off bill; to the Committee on Banking and Currency.

4135. By Mr. FITZPATRICK: Petition of the Merchants Association of Bronxville, N.Y., signed by Charles Weber, Jr., president, protesting against the National Securities Exchange Act; to the Committee on Interstate and Foreign Commerce.

4136. By Mr. JAMES: Resolution of the Common Council of the Village of L'Anse, Mich., through Thomas A. Congrove, deputy village clerk, favoring the passage of the McLeod bill providing for payment in full to depositors in closed banks members of the Federal Reserve System, now pending in Congress; to the Committee on Banking and Currency.

4137. By Mr. LAMNECK: Petition of H. W. Gillett and 1,000 citizens of Columbus, Ohio, urging that immediate action be taken to have the Post Office Department conform to the rules and spirit which it has laid down for private industry in the articles of the National Recovery Act; to the Committee on the Post Office and Post Roads.

4138. By Mr. RUDD: Petition of the Upholsters, Carpet, and Linoleum Mechanics' International Union of North America, New York City, favoring the Wagner-Connery disputes bill; to the Committee on Labor.

4139. Also, petition of the Chamber of Commerce of the Borough of Queens, city of New York, objecting to certain provisions in the Revenue Act of 1934; to the Committee on Ways and Means.

4140. By Mr. REID of Illinois: Petition of several hundred residents of Joliet, Will County, Ill., urging the passage of House bill 6836, providing for the regulation of trucks and busses, also the passage of House bill 8100, repealing the long-and-short-haul provision of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

4141. By the SPEAKER: Petition of Charles Forney, urging an investigation of the operation of the National Recovery Administration; to the Committee on Ways and Means.

4142. Also, petition of St. Michael's Parish, of Greenfield, Ill., urging the adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

SENATE

MONDAY, APRIL 23, 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 Friday, April 20, 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 legislative clerk called the roll, and the following Senators answered to their names:

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

Mr. HARRISON. I desire to announce that the Senator from Florida [Mr. TRAMMELL] and the Senator from Arkansas [Mr. ROBINSON] are necessarily detained, and that the Senator from California [Mr. MCADOO] is absent on account of illness.

Mr. FESS. I desire to announce that the Senator from Maryland [Mr. GOLDSBOROUGH], the senior Senator from Rhode Island [Mr. METCALF], the junior Senator from Rhode Island [Mr. HEBERT], and the Senator from West Virginia [Mr. HATFIELD] are necessarily absent from the Senate.

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

SPECIAL COMMITTEE ON INVESTIGATION OF THE MUNITIONS INDUSTRY: RESIGNATION

The VICE PRESIDENT laid before the Senate a letter from the Senator from Texas [Mr. SHEPPARD], which was read, as follows:

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
April 20, 1934.

Hon. JOHN N. GARNER,
Vice President, Washington, D.C.

DEAR MR. VICE PRESIDENT: I appreciate very much the honor you accorded me in appointing me on the committee to investigate munitions, etc. However, my time is so completely taken up with Texas matters that it will not be practicable for me to serve, and I hereby tender my resignation.

With cordial good wishes, and renewed thanks, I am,

Yours very sincerely,

MORRIS SHEPPARD.

The VICE PRESIDENT. The Chair appoints the Senator from Georgia [Mr. GEORGE] to fill the vacancy on the special committee.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the Senate of the State of New York, which were referred to the Committee on Education and Labor:

STATE OF NEW YORK,
IN THE SENATE,
Albany, April 17, 1934.

By Mr. Berg

Whereas under the provisions of the National Recovery Act effort is being made to abolish industrial home work; and

Whereas a survey shows approximately 250,000 home workers are employed by the 4,500 manufacturers licensed by the New York State Department of Labor to give out home work; and

Whereas most of this work is done by hand, and a large percentage of it requires skill in needlework, and the majority of these workers are middle-aged men and women, invalids, and others, who by reason of home or physical conditions cannot engage in any work necessitating their leaving home; and

Whereas thousands of these men and women have been supporting themselves and their dependents for many years, many working for the same firms for 5, 10, and in many instances for 15 or more years; and

Whereas the consternation and anguish that the news that they may be deprived of the opportunity of supporting themselves in their old accustomed way, has brought to these workers, is most pathetic and heartbreaking; and

Whereas the abolishment of this form of employment would remove the earning power of this great army of people who could not secure an income in any other way, and who would be thrown upon relief agencies and forced to seek succor of parish and State; and

Whereas taking the right to do work from this class of workers would not materially increase the earning power of any other group of workers, but the said work will either be sent out of the State, as in the case of women's neckwear industry, in which one firm alone employing 1,100 home workers has negotiated to send the work out to the Philippines; some of the products will be imported as is planned in the lace industry, art linen work, artificial flowers and feathers, hankerchiefs, corsets, leather and woolen knit gloves, hand embroideries, powder-puff industry, crocheted berets, men's suspenders and belts, medium- and low-priced jewelry, greeting cards, etc.; and

Whereas the industries that will not be able to comply with this mandate to abolish home work and to do the work in factories, and cannot resort to the other expedient of sending the work to be done elsewhere, or of importing the products, will simply have to close their places of business. This result will surely not be fulfilling the purpose of the National Recovery Act which aims to encourage national industrial recovery; and

Whereas an opportunity is here presented and is at hand to wipe out the exploitation of the home workers, since through the agency of the National Recovery Act provision can be made for the payment of a minimum wage in the respective industries and for other regulations safeguarding the interests of the home workers and the public; and

Whereas a bill has been introduced in the Legislature of the State of New York, known as the "Newsteen bill", assembly introductory 1532, print 1656, which bill relates to the industrial home worker and is sponsored by the New York State Department of Labor, and endorsed by the majority of manufacturers employing home workers. The provisions of this bill set up proper policing of home working and places the cost of such policing upon the manufacturers. It must readily be seen that if 4,500 manufacturers each pay $25 a year for a home-work license, a substantial fund will thus be raised to assure proper supervision, compliance with minimum-wage provisions, abolition of child labor, proper sanitary conditions, and many other regulations the State may impose; and

Whereas the abolition of home work will, in addition to the depriving of this vast army of workers of an opportunity to be self-sustaining, it will likewise encourage bootlegging in industrial home work: Now, therefore, be it

Resolved, That the Senate of the State of New York hereby memorialize the President of the United States to urge upon those in charge of the administration of the National Recovery Act a safe and sane policy in connection with this form of industrial home work; and be it further

Resolved, That the President of the United States lend his aid to the end that the codes adopted pursuant to the National Recovery Act make suitable provision for the retention of industrial home work and that, if necessary, a suitable committee be appointed to be composed of a representative of the Government of the United States, a representative of the manufacturers, a representative of the home workers, which should constitute an industrial home-work code authority charged with the duty of providing for a minimum wage for the home workers, the abolition of child labor in industrial home work, the licensing of manufacturers giving home work, the registration of home workers, inspection of premises where home work is done, and such other regulations as the public would prompt on request: And be it further

Resolved, That copies of this resolution be forwarded to His Excellency the Governor of the State of New York, the Administrator of the National Recovery Act, and to the secretary of the Senate and House of Representatives of the United States of America.

By order of the senate.

[SEAL] MARGUERITE O'CONNELL, *Clerk.*

The VICE PRESIDENT also laid before the Senate resolutions adopted by the City Commissions of Pontiac and Royal Oak, Mich., favoring the passage of the so-called "McLeod bill", providing relief to depositors in closed banks, which were referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of Local Union No. 936, International Brotherhood of Firemen and Oilers, of Nashville, Tenn., favoring the passage of the bill (S. 2926) to equalize the bargaining power of employers and employees, to encourage the amicable settlement of disputes between employers and employees, to create a National Labor Board, and for other purposes, which was referred to the Committee on Education and Labor.

He also laid before the Senate the petition of Charles Forney, of Norfolk, Va., praying for an investigation by the present Congress of the operation of the National Industrial Recovery Act, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Heyde-Pillow Post, No. 1301, Veterans of Foreign Wars, of Marion, Ill., favoring the passage of House bill no. 1, providing payment of adjusted-service certificates (bonus), which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Washoe County Bar Association, of Reno, Nev., protesting against the passage of legislation taking away the legal right of husband and wife to make separate income-tax returns, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the National Camp of the Patriotic Order of Americans, protesting against the passage of legislation to loosen immigration restrictions, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the Washoe County Bar Association, of Reno, Nev., favoring the passage of legislation providing for the remonetization of silver, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the American Society for Pharmacology and Experimental Therapeutics, New York City, N.Y., endorsing the principles embodied in Senate bill 2800, known as the "Federal food and drugs bill", which was ordered to lie on the table.

He also laid before the Senate a resolution of the Provincial Board of Romblon, P.I., protesting against the imposition of an excise tax against Philippine oil and copra imported into the United States, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Territorial Central Committee of the Democratic Party of Hawaii, Honolulu, T.H., favoring the granting of the same treatment to Hawaii in national legislative matters, and particularly in the allocation of agricultural or other products, as may be accorded to the Nation generally, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Elizabeth (N.J.) Chamber of Commerce, favoring the passage of legislation to abolish the Federal gasoline tax and to relinquish to the States the exclusive power of taxing such sales in the future, which was ordered to lie on the table.

He also laid before the Senate a letter from the Secretary of War, transmitting copy of a letter from Mr. Eusebio A. Godoy, supreme head of the Palihan ng Bayan, protesting against the imposition in pending legislation of an excise tax on coconut oil from the Philippines, which, with the accompanying paper, was ordered to lie on the table.

He also laid before the Senate a telegram from Byron Moser, president of the Mutual Bank & Trust Co., St. Louis, Mo., favoring the passage of the so-called "Lewis bill" in place of the bill (S. 752) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards, introduced by Mr. JOHNSON and passed by the Senate on February 9, 1934, which was ordered to lie on the table.

Mr. COPELAND presented the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Post Offices and Post Roads:

STATE OF NEW YORK,
IN SENATE,
Albany, April 3, 1934.

By Mr. Fearon

Whereas the State of New York was allocated some $22,300,000 in funds for highway work as a result of the National Industrial Recovery Act in 1933; and

Whereas these funds were provided for the purpose of giving additional employment on highway work in the State of New York; and

Whereas practically all of this sum has been either expended or placed under contract; and

Whereas the New York State budget for the next fiscal year provides only the sum of $5,000,000 for construction and reconstruction work on highways in this State; and

Whereas most of this sum will be used by the State for maintenance of present highways and bridges; and

Whereas there will be practically no new State highway work undertaken during the year 1934; and

Whereas the highway program made possible through the Federal allotment of $22,300,000 last year will be completed during the summer months of 1934, thus releasing thousands of workers directly and indirectly employed as a result of this progress; and

Whereas the release of these thousands of workers from the highway industry will greatly intensify the unemployment situation in nearly all sections of the State unless additional Federal funds are made available with which to prosecute a continued program of highway employment during the current year: Therefore be it

Resolved (if the assembly concur), That the Legislature of the State of New York memorialize and respectfully petition the President and the Congress of the United States to enact during the present session such legislation as will provide an additional program of highway construction and improvement for 1934 of at least $500,000,000, to be allocated among the various States upon the same basis as was followed in connection with the apportionment made last year under the original $400,000,000 fund, the additional $500,000,000 fund to be administered under jurisdiction of the United States Bureau of Public Roads through the State highway department of the various States; be it further

Resolved, That a copy of this resolution be transmitted to the Clerk of the House of Representatives and the Secretary of the United States Senate, to the President of the United States, and to each Member of Congress elected from the State of New York.

By order of the senate.

MARGUERITE O'CONNELL, *Clerk.*

IN ASSEMBLY,
April 4, 1934.

Concurred in without amendment.
By order of the assembly.

FRED W. HAMMOND, *Clerk.*

Mr. COPELAND also presented a resolution adopted by the Merchants' Association of New York City, N.Y., favoring according an opportunity to the air-mail industry to reply to charges made against it, and also the prompt reestablishment of adequate air-mail facilities, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by New York Typographical Union No. 6, of New York City, favoring the making of loans and grants by the Government for public-school purposes, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by members of New York Division No. 9, Order of Sleeping Car Conductors, and Seafarers' Council of the Port of New York, of New York City, favoring the passage of legislation providing for the settlement of disputes between employers and employees and to establish a national labor board, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by Rockaway Aerie, No. 1544, Fraternal Order of Eagles, of Rockaway Beach, and the Bobby Walters Association, Inc., of New York City, favoring the passage of legislation providing for the payment of depositors in closed banks, which were referred to the Committee on Banking and Currency.

He also presented a memorial of citizens of New York City remonstrating against the enactment of legislation providing for the purchase of silver and its remonetization, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the industrial executives group of the Niagara Falls (N.Y.) Chamber of Commerce remonstrating against the passage of House joint resolution 288, to prohibit the habitual commuting of aliens from foreign contiguous territory to engage in skilled or unskilled labor employment in continental United States, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Woman's National Committee for Political Action, of New York City, favoring the enactment of legislation to exclude aliens in the count of population for the apportionment of Representatives in Congress, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Stone Masons' Union No. 78, of New York City, favoring the passage of Senate bill 2616, providing for unemployment insurance, and Senate bill 2926, providing for the settlement of disputes between employers and employees, and to establish a national labor board, which was referred to the Committee on Finance.

He also presented a petition of employees of the Customs Service in New York City, praying for the enactment of legislation providing for the designation of beneficiaries by employees subject to the provisions of the Civil Service Retirement Act, which was referred to the Committee on Civil Service.

He also presented resolutions adopted by the Board of Aldermen of New York City, and numerous resolutions adopted by various religious, civic, fraternal, and other organizations, and petitions of sundry citizens, all in the State of New York, praying the amendment of proposed radio legislation so as to provide broadcasting facilities for religious, educational, and agricultural subjects, which were referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Jamie Kelly Association, Inc., of Brooklyn, N.Y., favoring a full-time broadcasting allocation for station WBBC, of Brooklyn, N.Y., which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by various women's organizations of the State of New York, favoring the passage of House bill 6097, providing higher standards for films entering interstate and foreign commerce, which were referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Dairy League local of Woodhull, N.Y., favoring the imposition of a Federal tax on coconut oil, which was ordered to lie on the table.

He also presented resolutions adopted by the Thomas W. Murphy Association, Inc., of Brooklyn, and the Dobbs Ferry Italian-American Civic Association, of Dobbs Ferry, in the State of New York, protesting against the enactment of proposed legislation to regulate stock exchanges, which were ordered to lie on the table.

CONDITIONS AFFECTING SMALL PETROLEUM COMPANIES

Mr. BORAH. I desire to have printed in the RECORD certain telegrams from the small oil companies as to some action which has lately been taken upon the part of the major companies. I do not desire to trespass upon the time of the Senator from Ohio [Mr. FESS] now, but later I shall discuss the subject.

The VICE PRESIDENT. Is there objection to the request of the Senator from Idaho?

There being no objection, the telgrams were ordered to lie on the table and to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 21, 1934.*

Senator WILLIAM E. BORAH,
Washington, D.C.:

The major companies reduced third grade and regular gasoline price in Chicago 1 cent, making total reduction of 2½ cents in the last 30 days, during which time our cost has increased 1 cent. Price outside Chicago is 4½ cents higher due to no competition with reduction of hours and increased pay roll. This condition will wreck every small independent in Chicago. We ask that some action be taken to correct this condition.

FRANK J. EHRENHEIM.

CHICAGO, ILL., *April 20, 1934.*

Senator WILLIAM E. BORAH,
Washington, D.C.:

Major company reduced third grade and regular gasoline price Chicago 1 cent, making total reduction 2½ cents in last month.

and our cost has increased 1 cent. Prices outside Chicago due to no competition are 4½ cents higher. Independents living up to N.R.A. and increased pay roll will be ruined in Chicago by this condition. We, therefore, ask that some action be taken to correct this.

TANK CAR STATIONS, INC.,
4530 West Grand Avenue.

CHICAGO, ILL., *April 20, 1934.*

Senator W. E. BORAH,
Washington, D.C.:

Major companies have reduced third and regular grade gasoline prices in Chicago 1 cent, making total reduction of 2½ cents in last 30 days, during which time our cost has increased 1 cent. Prices outside Chicago 4½ cents higher due to no competition. With reduction of hours and increased pay roll this condition will wreck every small independent operator in Chicago, and we ask that some action be taken to correct same.

REFINERS TANK CAR STATION,
Chicago, Ill.

CHICAGO, ILL., *April 20, 1934.*

Senator WILLIAM E. BORAH,
Washington, D.C.:

Major companies reduced third grade and regular gasoline price Chicago 1 cent, making total reduction of 2½ cents in last 30 days, during which time our costs have increased 1 cent. Prices outside Chicago 4½ cents higher due to no competition. With reduction of hours and increased pay roll this condition will wreck every small independent in Chicago, and we ask that some action be taken to correct this condition.

BULK SERVICE STATIONS, INC.,
2958 North Ashland Avenue.

CHICAGO, ILL., *April 20, 1934.*

Senator WILLIAM E. BORAH:

The major companies have reduced the retail price of gasoline, while the tank-car price has been raised. The differential between the wholesale buying price and the retail selling price is so small as to necessitate the closing down of the independent wholesaler and retailer, thereby causing an enormous loss of money and putting about 4,000 people out of employment in the petroleum industry.

NATIONAL PETROLEUM CORPORATION,
1147 North Central Park Avenue.

CHICAGO, ILL., *April 21, 1934.*

Senator WILLIAM E. BORAH,
Washington, D.C.:

Standard Oil Co. of Indiana reduced price of third grade and regular gasoline, effective April 17, 1 cent per gallon, making total reduction since March 29, 2½ cents per gallon on these two grades, during which time wholesale price in tank cars has increased 1 cent per gallon, making difference to independent dealers 3½ cents. They did not reduce price of ethyl because they have monopoly on this grade and boycott the independent and refuse to sell him. Under present price structure they have places within a short distance where they are selling these grades at 4½ cents per gallon higher, using profits in these regions to crush independent and small dealers in different cities where they have reduced these prices. With these reductions we believe they are not only violating code by selling below cost but also violating antitrust laws for same reason. Major companies have not shown any desire to cooperate, and we question their sincerity in waiting to stabilize market. Independent and small dealers in Chicago have worked together very successfully to stabilize market and made considerable progress up to March 29, at which time markets were in better shape than they had been for many years. We had movement on foot to increase our price, making smaller differential, and before we could put this into effect they reduced price on all grades 1½ cents per gallon on March 29, notwithstanding we kept them advised of our action, which they ignored. With increase in pay roll and reduction in hours the independent cannot exist with this drastic cut in their retail price, and we ask that some action be taken immediately to correct this situation.

L. M. FOSTER,
President Chicago Individual Brand Petroleum Association,
360 North Michigan Avenue, Chicago, Ill.

CHICAGO, ILL., *April 21, 1934.*

Senator BORAH,
Washington, D.C.:

Independent operators being wiped out by destructive action of Standard Oil Co. in Chicago; urge immediate investigation secret discounts of 1 to 2 cents given by stations supplied by major companies; make it impossible to hold our business and continue to comply with the code. Many affidavits of violations supplied code committee controlled by major representatives without results.

MARTINI OIL CO.

LONG- AND SHORT-HAUL CLAUSE OF INTERSTATE COMMERCE ACT

Mr. ASHURST presented a telegram, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

[Telegram]

TUCSON, ARIZ., *April 20, 1934.*

Hon. HENRY F. ASHURST,
Senator, Washington, D.C.

Following resolution passed by Tri-State Meeting, Brotherhood of Locomotive Firemen and Enginemen, assembled in eighth annual convention at Tucson, Ariz., April 18:

"Whereas we feel that section 4 of the Interstate Commerce Act as now applied causes unfair competition between the railroads and the waterway; and

"Whereas this contributes to unemployment of railway employees: Therefore be it

"*Resolved*, That we, the Eighth Annual Southwestern Tri-State Union Meeting assembled, do go on record as favoring the modification or repeal of said section 4, and that a copy of this resolution be sent to our international president, Bro. D. B. Robertson, with the request that he communicate it to the national legislative representative and Senators and Congressmen from the Intermountain States and ask their support."

J. P. MORRIS,
Chairman Tri-State Meeting.
R. H. STINSON,
Chairman Arizona State Legislative.

REPORTS OF COMMITTEES

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

H.R. 2858. An act to add certain lands to the Pike National Forest, Colo. (Rept. No. 793); and

H.R. 2862. An act to add certain lands to the Cochetopa National Forest in the State of Colorado (Rept. No. 794).

Mr. DUFFY, from the Committee on Military Affairs, to which was referred the bill (S. 2497) to correct the military record of Judson B. Isbester, reported it with amendments and submitted a report (No. 801) thereon.

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (S. 1505) for the relief of Thomas E. Read, reported it with amendments and submitted a report (No. 796) thereon.

He also, from the same committee, to which was referred the bill (S. 424) for the relief of Hector H. Perry, reported it without amendment and submitted a report (No. 797) thereon.

He also, from the Committee on Claims, to which was referred the bill (S. 2357) for the relief of Arthur Bussey, reported it with an amendment and submitted a report (No. 795) thereon.

He also, from the same committee, to which was referred the bill (S. 3349) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co., reported it without amendment and submitted a report (No. 798) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1281) for the relief of Harry P. Hollidge, reported it without amendment and submitted a report (No. 799) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 2322) for the relief of A. J. Hanlon, reported it without amendment and submitted a report (No. 800) thereon.

He also, from the Committee on the Judiciary, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 2745. An act to provide for changing the time of the meeting of Congress, the beginning of the terms of Members of Congress, and the time when the electoral votes shall be counted, and for other purposes (Rept. No. 802); and

S. 3041. An act to effectuate the purpose of certain statutes concerning rates of pay for labor, by making it unlawful to prevent anyone from receiving the compensation contracted for thereunder, and for other purposes (Rept. No. 803).

Mr. SHIPSTEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3185) to amend the Agricultural Adjustment Act, as amended, with respect to farm prices, reported it without amendment and submitted a report (No. 807) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 3374) to extend the times for commencing and completing the construction of a bridge

across Lake Champlain from East Alburg, Vt., to West Swanton, Vt., reported it without amendment and submitted a report (No. 813) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 2769) to provide funds for cooperation with Marysville School District, No. 325, Snohomish County, Wash., for extension of public-school buildings to be available for Indian children, reported it with an amendment and submitted a report (No. 804) thereon.

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

S. 1977. An act to provide funds for cooperation with the school board at Brockton, Mont., in the extension of the public-school building at that place to be available to Indian children of the Fort Peck Indian Reservation (Rept. No. 805); and

S. 2874. An act authorizing the submission of an alternate budget for the Bureau of Indian Affairs (Rept. No. 806).

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

S. 3147. An act to amend the act approved June 28, 1932 (47 Stat.L. 337) (Rept. No. 808); and

S. 3396. An act to amend the act of January 30, 1897 (29 Stat. 506, sec. 2139; U.S. Rev. Stat., sec. 241, title 25, U.S.C.), transferring certain jurisdiction from War Department to the Department of the Interior (Rept. No. 809).

Mr. BULOW, from the Committee on Indian Affairs, to which was referred the bill (S. 2957) for the relief of the rightful heirs of Wakicunzewin, an Indian, reported it without amendment and submitted a report (No. 810) thereon.

Mr. NORBECK, from the Committee on Indian Affairs, to which was referred the bill (S. 2940) to provide funds for cooperation with the school board of Shannon County, S.Dak., in the construction of a consolidated high-school building to be available to both white and Indian children, reported it without amendment and submitted a report (No. 811) thereon.

Mr. SCHALL, from the Committee on Indian Affairs, to which was referred the bill (S. 3143) to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat.L. 555), reported it with an amendment and submitted a report (No. 812) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3382. An act to cover the handling of Osage Indian alcoholics and narcotics (Rept. No. 814);

S. 3393. An act relating to the tribal and individual affairs of the Osage Indians of Oklahoma (Rept. No. 815); and

H.R. 4808. An act granting citizenship to the Metlakahtla Indians of Alaska (Rept. No. 816).

Mr. THOMAS of Oklahoma also, from the Committee on Indian Affairs, to which was referred the bill (S. 3117) authorizing and directing the Court of Claims, in the event of judgment or judgments in favor of the Cherokee Indians, or any of them, in suits by them against the United States under the acts of March 19, 1924, and April 25, 1932, to include in its decrees allowances to Frank J. Boudinot, not exceeding 5 percent of such recoveries, and for other purposes, reported it with amendments and submitted a report (No. 817) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on the 20th instant that committee presented to the President of the United States the following enrolled bills:

S. 828. An act to authorize boxing in the District of Columbia, and for other purposes;

S. 2084. An act granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California and a body corporate and politic of said State, and a political subdivision thereof, certain lands, and for other purposes; and

S. 3296. An act to revive and reenact the act entitled "An act granting the consent of Congress to Meridian & Bigbee River Railway Co. to construct, maintain, and operate a railroad bridge across the Tombigbee River at or near Naheola, Ala.", approved January 15, 1927.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the following nominations:

Summerfield S. Alexander, of Kansas, to be United States attorney, district of Kansas, to succeed Sardius Mason Brewster, term expired; and

Milton J. Helmick, of New Mexico, to be judge of the United States Court for China, to succeed Milton Dwight Purdy, whose term expired February 18, 1934.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of George P. Alderson, of West Virginia, to be United States marshal, southern district of West Virginia, to succeed John P. Hallanan, whose term will expire May 13, 1934.

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

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. FLETCHER:

A bill (S. 3422) to amend section 5139 of the Revised Statutes and sections 20 and 21 of the Banking Act of 1933; to the Committee on Banking and Currency.

By Mr. WHITE (by request):

A bill (S. 3423) to amend the laws relating to proctors' and marshals' fees and bonds and stipulations in suits in admiralty; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 3424) to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Rochester, N.Y., August 14, 15, and 16, 1934; to the Committee on Naval Affairs.

A bill (S. 3425) granting a pension to George S. Ward; to the Committee on Pensions.

By Mr. BYRNES:

A bill (S. 3426) for the relief of H. Kaminski & Co., Kaminski Hardware Co., and the Carolina Hardware Co.; to the Committee on Claims.

By Mr. GIBSON:

A bill (S. 3427) for the relief of F. Whitney Harrington; to the Committee on Military Affairs.

By Mr. BORAH:

A bill (S. 3428) to provide for the addition of the names of certain persons to the final roll of the Indians of the Blackfeet Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

By Mr. McKELLAR:

A bill (S. 3429) for the relief of the estate of White B. Miller; to the Committee on Claims.

By Mr. DICKINSON:

A bill (S. 3430) granting a pension to Margaret Ledgerwood; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3431) authorizing a preliminary examination of the lower Columbia River, with a view to the controlling of floods; to the Committee on Commerce.

By Mr. CAREY:

A bill (S. 3432) authorizing the Secretary of the Interior either to purchase certain privately owned lands or to exchange for such lands certain unappropriated and unreserved public lands; to the Committee on Public Lands and Surveys.

By Mr. SMITH:

A bill (S. 3433) granting a pension to Blanche T. Harrison; to the Committee on Pensions.

By Mr. KING:

A bill (S. 3434) authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims; to the Committee on Indian Affairs.

A bill (S. 3435) providing for the refacing of the old post-office building at Logan, Utah; to the Committee on Public Buildings and Grounds.

By Mr. ASHURST (by request):

A bill (S. 3436) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain proceedings against the Electro-Metallurgical Co., New-Kanawha Power Co., and the Carbon & Carbide Co.; to the Committee on the Judiciary.

By Mr. COPELAND:

A joint resolution (S.J.Res. 107) to amend the act entitled "An act to amend section 72 of chapter 23, Printing Act, approved January 12, 1895, relative to the allotment of public documents", approved March 18, 1924; to the Committee on Printing.

CHANGE OF REFERENCE

On motion of Mr. SHEPPARD, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 3416) to provide for the establishment of the Richmond National Battlefield Park in the State of Virginia, and for other purposes, and it was referred to the Committee on Public Lands and Surveys.

RECIPROCAL TARIFF AGREEMENTS—AMENDMENT

Mr. COPELAND submitted an amendment intended to be proposed by him to the bill (H.R. 8687) to amend the Tariff Act of 1930, which was referred to the Committee on Finance and ordered to be printed.

INTEREST PAYMENTS ON AMERICAN EMBASSY, IN DRAFTS (S.DOC. NO. 172)

Mr. PITTMAN. I ask unanimous consent to have printed as a Senate document a message from the President of the United States under date of March 24, 1934, transmitting to Congress a report from the Secretary of State dealing with certain financial matters in connection with the American embassies in Petrograd and Constantinople.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8471) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 37 and 40 to the said bill, and concurred therein; and that the House had receded from its disagreement to the amendments of the Senate numbered 6, 12, 32, and 43 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

PAYMENT BY FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have placed in the RECORD a clipping taken from the Washington Herald of April 22, 1934. My reason for making this request is to place before the Senate a truly great historical event. The statement quoted calls our attention to the fact that the Federal Deposit Insurance Corporation will immediately assume its liability to repay depositors in a distressed bank. This is the first time since the establishment of the Federal Deposit Insurance Corporation that that Corporation has found it necessary to come to the aid of a bank. This is significant in a number of ways. First, the historical one; second, the social and economic one; and third, the effect on the people and the banks themselves. Had the threatened closing of a bank been publicly announced a year ago it would have caused a run on practically every bank in the city where the distressed bank was established. There is apparently nothing of that kind today. Then, too, look how quickly action is taken in regard to alleged irregularities. This is undoubtedly due to the helpful influence which the Federal Deposit Insurance Corporation has in our communities. Consider relief from worry which the depositors now enjoy. Consider the saving in anxiety, and consider, above all, the fact that a news announcement concerning a threatened closing of a bank in one of America's big cities is now deemed worthy of but a 4-inch story on an inside page.

Bankers in the city where the distressed bank is located must feel relief and must, I am sure, feel repentant over the fact that none of them could see the blessings of this new-deal legislation until they were made to experience it. Men are frightened of that which they have not experienced. How cheap is the relief from fear if it can be attained at the small cost which the banks have been put to in maintaining the Federal Deposit Insurance Corporation. It all conjures well for the future of this new-deal legislation.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah to have printed in the RECORD the clipping referred to by him?

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

[From the Washington Herald of Apr. 22, 1934]

UNITED STATES TO PAY OFF IF BANK CLOSES

The Federal Deposit Insurance Corporation will immediately assume its liability to repay depositors of the Bank of America Trust Co., of Pittsburgh, Pa., if it is closed, Chairman Leo T. Crowley said yesterday.

The bank was placed on a restricted basis Friday by Pennsylvania banking authorities in order that an audit and examination may be made. There have been irregularities, and the president has been arrested and indicted, according to reports of State banking authorities.

The bank is a non-Federal Reserve member one and is the first bank belonging to the insurance fund to be placed on a restricted basis.

INDUSTRIES OF THE TENNESSEE VALLEY—ADDRESS BY DAVID E. LILIENTHAL

Mr. McKELLAR. Mr. President, I ask unanimous consent to have published in the RECORD a speech by David E. Lilienthal, a member of the Tennessee Valley Authority, entitled "The Future of Industry in the Tennessee Valley Region", delivered before the Tennessee Valley Institute of the University of Chattanooga, Chattanooga, Tenn., on April 21, 1934.

This is a splendid address and teems with concrete facts. It shows the wonderful progress that is being made by the Tennessee Valley Authority in the Tennessee Valley. Mr. Lilienthal is admirably equipped for the great work he is doing, and I hope every Senator will read the address in the RECORD.

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

It is my firm conviction that the Tennessee Valley region is to be the scene of an expansion of industry which in the course of the coming decade will change the economic life of the South. If this industrial development is controlled in the interest of the entire community and fitted into a national program, it will stimulate and regenerate the industrial life of all America. We in the Tennesse Valley area, in a very real sense, face a new frontier—an industrial frontier. There lies before us an opportunity for industrial leadership, calling for the courage, the energy, and the self-discipline of the pioneers on the western frontier of a century ago.

It is my purpose this evening to lay before you and my other neighbors in the Tennessee Valley facts and reasons which have led me to the conclusion that we are about to witness in this area a period of industrial expansion unprecedented in its magnitude and opportunities.

I should like, first of all, to enumerate those factors in the economic situation of this great region, upon the foundation of which a period of industrial development will arise. I shall then discuss each of these factors more in detail.

First. We can have in this region low-cost electric power in almost unlimited quantities.

Second. This is an area of natural resources almost unequaled in their variety and richness, not the least of which is a climate

most favorable to health and well-being and the successful pursuit of agriculture.

Third is the great potentiality of this area as to economical transportation—water, rail, and highway.

Fourth, and perhaps most important of all, in creating the Tennessee Valley Authority, the President and Congress have made it possible for this area to develop its natural resources, its power, and its transportation in accordance with an integrated and orderly plan. Under such a plan the short-sightedness and greed of individuals and single communities can be controlled, and the interests of the people as a whole kept paramount. Such an integrating and unifying force in the development of industrial resources is unique in our Nation's history.

I turn first to the reason which I have suggested as insuring a period of great industrial expansion for the South—the availability of cheap electric power.

The T.V.A. has under way, as you know, a comprehensive program for the development of the power resources of the Tennessee River and its tributaries. No more ambitious program of hydroelectric development has ever been actually undertaken in this country. Aided by an exhaustive survey prepared by the Corps of Engineers of the United States Army under the direction of Col. Harold C. Fiske, the Authority is constructing what probably will be the most efficient system for the utilization of the water resources of a vast area.

As you know, we have started with the nucleus of Wilson Dam at Muscle Shoals. Within 2 years two more great dams will be completed—one, the Norris Dam on the headwaters of the Clinch River, near Knoxville; the other, the Joe Wheeler Dam just above the Wilson Dam in northern Alabama. Four other major dams of various types will probably be approved for early construction. A large staff is now planning the dam-building program for the next decade.

Everything considered, the electricity produced in this vast public hydroelectric system will be as cheap as power can be produced in any part of the United States, and much cheaper than in many sections. One reason for this is the efficiency which arises from integrated control of an entire watershed under a single public ownership and administration. That ownership and control is one which is dominated by one purpose and one purpose only—service to the whole people to whom these streams belong. By the use of storage reservoirs and central control, all the vast economies of large-scale production will be utilized, and the Tennessee River and its tributaries will be made to yield their great potential wealth into the hands of the people of the Tennessee Valley. The presence of coal in great quantities for stand-by and auxiliary steam plants will tend to keep the cost of electricity below that possible in areas having favorable hydroelectric power but in which coal is costly.

Perhaps the most important factor in insuring a low cost for hydroelectric power in this region is the fact that the distribution of this power to the factories and homes and farms, for the most part, will be in the hands of public agencies. Industries seeking to use large blocks of hydroelectric power in the Tennessee Valley will not be forced to support dizzy towers of inflated capitalization. They will not have to pay for the financial misdeeds of the builders of utility pyramids. Under public distribution of power with centralized accounting, control, and supervision in the hands of a regional authority there will be the greatest incentive to economy and managerial efficiency. Each community will try to make its record better than that of its neighboring community.

Furthermore, since the operations are public operations, they will be subject to that constant stream of public criticism which, while at times unpleasant to those who are thin-skinned, will insure the most careful scrutiny of operations. This perennial scrutiny of the work of public servants will certainly do more to protect the consumer against inefficiency and excessive rates than the sympathetic wrist-tapping which goes under the name of public-utility regulation in so many States.

It is unnecessary to demonstrate to this audience the importance of low industrial power rates in the development of an industrial program. Since the first month of operations in Tupelo under the T.V.A. schedule of rates put into effect in that Mississippi municipality, we have made comparisons of bills paid by certain industries. These comparisons show in a striking way the results of low-cost power in bringing down operating expenses. I have here a statement of the Reed Bros., Inc., power bill for January 1934 and March 1934. The January billing was under the old rate; the March billing was under the new T.V.A. rate. This statement shows that Reed Bros. in January paid $210.25, while in March under the new schedule they paid $145.38. This meant a reduction of $64.87 in the power bill, or a reduction of 30.8 percent.

In January this company's consumption was 6,580 kilowatt-hours, while in March the consumption was 10,210 kilowatt-hours. In other words, while the amount paid was reduced 30.8 percent, the amount of power consumed increased 55.2 percent. I have here the billings of the McLeran Ice Cream Co. for January and March 1934 power. Under the old rate, this company's billing was $92.19, while under the new rate the billing was $56.23, or a reduction of $35.96, which amounted to 39 percent. In March the power consumption was 26.9 percent greater than the January consumption, yet the cash paid for the power was 39 percent less.

Perhaps the major industry in Tupelo is cotton milling. I have here a statement of the bills of the Tupelo Cotton Mill for January and for March this year. In January, under the old rate, the Tupelo Cotton Mill paid $3,181.33, while for the month of March, under the new Tennessee Valley Authority rate, the billing was $1,896.40, or a decrease of $1,284.93. While the bill for March power used by this mill was 40.4 percent less, the mill, in the same period, consumed 26 percent more power.

The significance of such figures in textile manufacturing is clear. According to the Textile World, the power costs in southern textile mills operating under code requirements range from about 10 to 15 percent of all manufacturing costs, including plant overhead, but excluding cost of raw materials, depreciation charges, and Federal taxes. With this in mind it is easily seen what an important cost factor power rates can be in the South.

It is true that in some other industries the cost of power represents a smaller portion of the total cost of operation, but there are many industries, including those especially adapted to the resources of the valley, such as electrochemical and light metal industries, in which power is a dominant cost factor. It is inevitable that industry will turn to this region as the Tennessee River yields to this program for the development of low-cost power.

Nor is this all. I am advised that there are many lines of industry which cannot now profitably operate because of high power rates; these will find that they can operate and successfully function in this area. To my desk at Knoxville there has come in recent months an impressive number of inquiries from industrialists in various fields requesting specific information concerning T.V.A. power rates and asking advice respecting locations for industrial enterprises requiring large quantities of power. As our program progresses and the country hears, not only of what you and I here in this region plan to do but what we are actually doing, these inquiries will increase and will be translated into actual operations and actual pay rolls.

I have mentioned the happy circumstance of the presence in the Tennessee Valley of great natural resources. I doubt if any other area is so blessed with mineral resources. A mere recitation of the list of these resources is impressive. In fuels we have coal, lignite, petroleum, and natural gas. Our heavy metals include iron ores, manganese, chromium, and nickel; and our light metals are aluminum, magnesium, and beryllium. There are other metals, such as zinc, lead, and tin. Of cement materials we produce limestone, shale, clay, gypsum, lime, and slag. Similarly, this area has stone, sand, gravel, chert, and asphalt. There is an abundance of fertilizers, including phosphate, potash, schists and shales, green sand, niter, gypsum, lime, byproduct ammonia and atmospheric nitrogen. There are the chemicals, salt, lime, alum, coal tar, and pyrite. For ceramics we have clay, shales, kaolin, and feldspar. Our pigments are ocher, metallic paint, pyrite, barite, carbon black, zinc white, coal-tar colors, and slate colors. Abrasives found here are bauxite, corundum, emery, garnet, and sand. Refractories and insulators include cyanite, asbestos, mica, fire clays, bauxite, olivine, and vermiculite. In addition to these materials there are the miscellaneous items of talc, graphite, Fuller's earth, glass sand, and bentonite. According to statistics compiled by the United States Bureau of Mines for the year 1929, the total mineral production of seven States which are in part included in the Tennessee Valley area amounted to something over $300,000,000. These resources will play a major role in the South's industrial expansion.

We have learned that unless agriculture is on a sound basis and the farming population prospers, the whole community suffers—not merely the farmers but those who depend on industry for a livelihood as well. It is, therefore, a matter of prime concern in the development of any industrial program that the agriculture of the region be regenerated and readjusted. This emphasis upon agriculture is being carried on largely through the labors of my associate and your neighbor, Dr. Harcourt A. Morgan. The Authority's fertilizer program under Dr. Morgan's charge has the most far-reaching implications in the establishment of a prosperous agriculture. His work to establish a companionship between agriculture and small-scale industry is another means to the same end. The Authority's rural electrification program leads in the same direction. In short, nowhere in the United States will there be such realistic concentration on the economic problems of agriculture as in the Tennessee Valley area in the coming decade. To a far-sighted industrialist this policy will be a compelling factor when he comes to consider the entry into industrial operations in this region.

Distribution costs in many industries determine whether the results of operation will be a profit or a red figure and unemployment for the workers of the industry. Transportation methods and costs are now being seriously studied by most intelligent industrialists. The Tennessee Valley area has advantages in the matter of transportation, some of them not adequately recognized. Obviously no integrated plan for regional development can be complete without an analysis of our transportation situation, and a preliminary study is under way.

To weave together all these favorable factors, to aid in charting the course of the development of this region in an orderly and effective manner was a major purpose of President Roosevelt in urging the creation of the Tennessee Valley Authority. It is the duty and the unique opportunity of the Authority to join with all the Valley's forces and those of the Nation in forwarding this great industrial expansion which can mean so much to the future well-being of the men and women of the South.

The ways in which the T.V.A. can function in carrying forward this program of industrial expansion are many. In some capacities it will act as a proprietor, such as in the case of its electric operations. In others it will furnish the disinterested technical advice of engineers, accountants, and business men. In still other capacities it will seek to smooth out those jealousies and rivalries

between cities which lead to destructive animosities and prevent healthy industrial development. In stimulating and aiding the readjustment of agriculture the Authority will be exercising a function which will make for a sounder industrial future. Through the Nation-wide publicity given the Authority's operations, the advantages of the region will receive the widest attention of business men the country over.

I am very definitely of the opinion that it is the Authority's duty to encourage and stimulate the growth of large-scale industry in the Tennessee Valley area. We are making provision for one of the largest hydroelectric developments in the world, with a potential 3,000,000 horsepower available. We are expending and expect to expend millions upon millions of dollars in construction activities, all looking toward the development of more and more power. Although we are bending every effort to greatly increase the use of electricity in the home and on the farm, it is obvious that only a large-scale industrial expansion will absorb the great pool of power which is thus being created. As we lay our plans for developing this cheap power in great quantities, it seems to me to be mandatory that we also lay plans for utilizing it in an industrial expansion program.

There is nothing inconsistent in urging the development of large-scale industry and at the same time promoting, as we are, a program of small-scale industry in connection with agriculture. There is no conflict in these two aspects of a single program. The two develop side by side. This is not the appropriate occasion to discuss in detail the particular kinds of industry and the special types of operation which I believe should characterize this industrial expansion nor to indicate the hopeful prospects already near at hand for decentralization of great industrial operations. The point I should like to make now is to repeat my conviction that it is the Authority's duty as well as its privilege to encourage the growth of large-scale industry.

This program should be based squarely upon the obvious economic benefits which industry will enjoy in the area. It should be based upon the factors of cheap hydroelectric power and an abundance of mineral and other natural resources. It will be a sad day for southern industry if the presence of a new factory here means merely the creation of an industrial graveyard in New England or some other section. What I see for this area is an economically sound growth of commerce and manufacturing, which will fit itself into a national economy. It seems to me that it would be no less than fatal and destructive to the entire program if industry were to come to the valley on any other basis than the natural advantages of the region. The South has ample inducement to offer on strictly business merits of the advantages found here. I believe that we all recognize that the South today needs no false lures to win the industrial development which should naturally be here.

I view the whole question of proper exploitation of the mineral resources of the Tennessee Valley as pertinent to this new industrial program. Two phases of this matter deserve attention.

First, in the development of mineral resources during the past decade science has been giving increasingly greater attention to the chemical development of minerals as opposed to purely mechanical processes. As a result of this, we may, therefore, expect our own developments to lead us into the creation of new products and into the use of new raw materials.

Second, through the ability of the Tennessee Valley Authority to supply low-cost electric energy and the presence of low-cost energy from other sources, we are not merely supplying a cheaper source of mechanical power but we are making possible the development of electrochemical and electrometallurgical industries which heretofore have been impossible of profitable operation owing to the high cost of electric energy employed in the process.

These two considerations open up entirely new fields for the consideration of industrialists and chemists in the future development of the mineral resources of the valley.

In speaking of the industrial future of the South I should be less frank if I failed to point out that there is a serious question in the minds of many able men as to whether large-scale industry should be encouraged. There are many thoughtful and earnest observers of our economic life who are convinced, or nearly so, that the industrial system has forfeited its claim to supporters. These observers point to the evils of unemployment, of poverty, of insecurity, to the tragic fluctuations called "depressions." Struck with the cruelty of these things, they suggest that it might be better to go back to an ideal of a self-contained economy—an economy in which handcraft and small industry take the place of large-scale manufacturing operations and the interchange of goods. I do not share this foreboding, nor do I see an avenue of escape from our problems in the economic order they propose. It seems to me plain that our first duty must be in some way to increase the flow of goods, for it is only in terms of goods that we are hungry or well fed, are able to enjoy life's riches or have them denied. To say that we must turn our backs upon an industrial system which has given us potentially an abundance of goods greater than the world has ever known before seems to me the preaching of a philosophy of defeat. It is not the abundance of goods that makes men starve in the presence of plenty. A return to scarcity would not better the lot of all.

The evils of the industrial system are many. But the fact remains that there is only one way to raise the standard of living, and that is by an increase in the quantity of goods and their equitable distribution. The income of our people in terms of goods must be increased, or all our hopes must die. And large-scale industry, controlled in the interest of the community, can provide us that increased flow of goods.

I am particularly encouraged over the future of large-scale industry, because I believe an aroused public will demand that public control protect us against the industrial and financial excess which led to the economic collapse of 1929. Under leadership of the President of the United States this Nation is now in the process of developing practical ways and means of exerting upon industry a community control—a control exercised for the benefit of the entire community, including industry itself. That the President's program is beset with many difficulties is patent, but it has been notable that in the Tennessee Valley, by and large, the necessity has been accepted; what remains is the laborious and trying task of applying such a cooperative program to the infinite details of modern business.

The new industrial period which lies ahead for the Tennessee Valley has this great advantage: It is initiated at a time when business men everywhere have come to recognize that only by a wise and just distribution of the products of industry can mass production survive, and that only by wise and just control of industry can this stimulation of purchasing power be sustained.

To so aid in the reorganization of our community life that industry will become the servant of the community and not its master, to become the means to an end and not the end itself, is one of the most serious duties to which, in my judgment, the Tennessee Valley Authority must address itself.

"THE RUIN OF THE STATES"—EDITORIAL FROM RICHMOND NEWS LEADER

Mr. ROBINSON of Indiana. Mr. President, I ask unanimous consent to have inserted in the RECORD an editorial from the Richmond News Leader, of Richmond, Va., entitled "The Ruin of the States."

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

[From the Richmond News-Leader, Apr. 20, 1934]

THE RUIN OF THE STATES

"I see, as you do, and with the deepest affliction, the rapid strides with which the Federal branch of our Government is advancing toward the usurpation of all the rights reserved to the States, and, the consolidation in itself of all powers, foreign and domestic; and that, too, by constructions which, if legitimate, leave no limits to their power.

"Take together the decisions of the Federal court, the doctrines of the President, and the misconstructions of the constitutional compact acted on by the Legislature of the Federal branch, and it is but too evident, that the three ruling branches of that department are in combination to strip their colleagues, the State authorities, of the powers reserved by them, and to exercise themselves all functions, foreign and domestic.

"Under the power to regulate commerce, they assume indefinitely that also over agriculture and manufactures, and call it regulation to take the earnings of one of these branches of industry, and that, too, the most depressed, and put them into the pockets of the other, the most flourishing of all.

"Under the authority to establish post roads, they claim that of cutting down mountains for the construction of roads, of digging canals, and aided by a little sophistry on the words 'general welfare', a right to do, not only the acts to effect that, which are specifically enumerated and permitted, but whatsoever they shall think, or pretend will be for the general welfare."

This quotation is remarkable because it is applicable in every line to the situation that exists today. Yet the language is that of Thomas Jefferson, and the date of this extract, from a letter to Senator William B. Giles, is December 26, 1825.

No less remarkable is this quotation because the rights of the States, which Jefferson feared the Federal Government would soon extinguish, were preserved, in large part, for a century. The "Sage of Monticello" was alarmed when he wrote. He foresaw secession, though, in later paragraphs of the letter, he urged that the States exhaust every effort to preserve the Constitution before they quit the Union. Ahead of the country was nullification, the slavery agitation, the rise of the Republican Party, the conflict of the '60's, the reconstruction acts, the fuller development of the interstate-commerce clause, and the great accretions of Federal power from the war and industrial revolution. Through it all, States' rights somehow survived. It is only now, and oddly enough under a President of the party founded by Jefferson, that the final surrender by the States seems at hand.

How were the rights of the States kept alive? The answer, it seems to us, is that, for two generations, wise men heeded the advice Jefferson gave Giles. "The States", he said, "should be watchful to note every material usurpation of their rights; to denounce them as they occur in the most peremptory terms; to protest against them as wrongs to which our present submission shall be considered, not as acknowledgments or precedents of right but as a temporary yielding to the lesser evil * * *."

So long as that policy was maintained, the rights of the States, though reduced, were not destroyed. Even today the danger lies less in the vigorous assertion of the doctrine of centralization than in the unresisting acceptance of that doctrine by those who should resist it. Where in the entire Nation is there a Commonwealth that seeks to maintain its rights by the simplest, most effective method—that of discharging its duties? Subsidies have seduced States that violence could not overwhelm. Jefferson's own Vir-

ginia had formulated in 1799 the doctrine of States' rights in the famous resolutions of protest against the alien and sedition laws. This same Virginia now sees her Governor riding to Washington and waiting on a bureaucrat—not to say what Virginia will undertake for the protection of her needy but to ask how little she must do in order to have Federal agents dispense Federal funds.

The blind are leading the blind. Esau is selling his birthright for the pottage of F.E.R.A. To avoid a small temporary deficit, the Commonwealth of Virginia is surrendering essential rights at the same time that she is evading solemn duties.

Other States are making the same fatal error. They do not read the signs of the time. Nor do they perceive that when they accept the subsidies of the Federal Government and permit its agents to administer relief they are rendering as dire disservice to the Nation as to themselves.

Already one hears everywhere, in tones of apology, "We must wait on Washington", or, "We cannot get a decision from Washington." Everyone knows that the Federal administration is stalled in its own red tape. Congressmen are swamped with letters from constituents who find all their public business centering in Washington. The enforcement of N.I.R.A. is close to collapse because General Johnson has heretofore insisted on keeping all the reins in his own hands. In destroying the States, there is danger that we shall likewise destroy the efficiency of the Federal Government. The ruins of the States may be the graveyard of the Nation.

CHILD-LABOR AMENDMENT—ARGUMENT BY WILLIAM D. GUTHRIE

Mr. FLETCHER. Mr. President, I ask unanimous consent to have inserted in the RECORD a very able argument by William D. Guthrie, Esq., of the New York bar, on the subject of the Federal child-labor amendment.

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

THE FEDERAL CHILD-LABOR AMENDMENT

To the Legislature of the State of New York:

Reply to the recent review entitled "A Statement by Lawyers", published by the Non-Partisan Committee for Ratification of the Federal child-labor amendment and released to the press April 2, 1934, in which they state the reasons why they believe the amendment should be ratified, and discuss the opposition thereto which they declare "has been voiced by certain prominent lawyers and also by a vote of the American Bar Association."

This Statement by Lawyers is made under eight points, numbered I to VIII, and it will be discussed in like order.

I. As to the action of State legislatures since June 2, 1924

In point I of the Statement by Lawyers it is set forth that the amendment was proposed on June 2, 1924, and that it has been ratified to date by 20 States, but no mention whatever is made of the defeat of the amendment in 1924–25, or of the rejections during the 10 years since 1924. Hence, the statement is not complete, and is therefore possibly misleading, although unintentionally so. The whole truth has been repeatedly published and was readily ascertainable. Thus, the proposed amendment was ratified in 1924 by 1 State and rejected by 3 States; in 1925 it was ratified by 3 States and rejected by 32 States; in 1926 no State ratified, and it was rejected by 2 States; in 1927 it was ratified by 1 State and rejected by 1 State; in 1928, 1929, and 1930 there were no ratifications or rejections; in 1931 it was ratified by 1 State and rejected by none; in 1932 there were no ratifications or rejections; in 1933 it was ratified by 14 States, and although unsuccessfully reintroduced in 11 States, no action was taken or it was rejected by one house. In 1934, however, it has not been ratified by any State, and has been rejected by 7 States.

There is, furthermore, no reference in the Statement by Lawyers to the unanimous opinion of the Supreme Court of the United States in the case of *Dillon* v. *Gloss* (256 U.S. 368, 372, 374–375), to the effect that "the ratification [of a proposed amendment] must be within some reasonable time after the proposal"; nor any discussion or challenge of the opinion which had been expressed by lawyers that more than a reasonable time had elapsed since June 2, 1924, when in 1933 State legislatures attempted to resurrect the amendment and to ratify it, although in 1924 and 1925 it had been affirmatively rejected.

It should be again pointed out that the 21 amendments to the Constitution of the United States were all ratified within a reasonable time, the shortest periods being 8 months and 20 days as to the first 10 amendments and 9 months and 13 days as to the recent twenty-first amendment repealing the eighteenth amendment, and the longest period ever taken for ratification being 3 years and a half with respect to the sixteenth or income-tax amendment.

It should also be noted that when the attempted ratifications were obtained in 1933, which in most instances were reversals of prior due rejections, it had long been generally assumed that the amendment had been definitely and finally defeated. The opposition, which had so effectively defeated ratification in 1924 and 1925, was no longer actively functioning. However, as soon as it was realized that the amendment was being "ressurrected", to apply the term used by the Supreme Court in *Dillon* v. *Gloss*, the opposition was reorganized and full information as to the import of and objections to the amendment thereupon submitted to the State legislatures. The result has been that not a single State has ratified the amendment in 1934, although attempted in many States, and that when brought to a vote in seven States it has been defeated and rejected by one or both houses of the legislature, viz: Kentucky, Massachusetts, Mississippi, Rhode Island, South Carolina, Texas, and Virginia.

The Statement by Lawyers declares that the proposed grant of power "to limit, regulate, and prohibit", is phrased in general terms and as such is similar to the grant of power in the Federal Constitution to borrow money on the credit of the United States, to regulate commerce with foreign nations and among the several States, to coin money, and to declare war. But it is not mentioned that it has long been the settled rule of construction that each of these express grants of power, although in general terms, may be exercised by Congress to its utmost extent and does not depend on the degree to which it may be exercised. Chief Justice Marshall in *Gibbons* v. *Ogden* (9 Wheat., 1, 196), and *Brown* v. *Maryland* (12 Wheat., 419, 439). This is the real point voiced by certain prominent lawyers and also by a vote of the American Bar Association.

II. As to the difference in form between the eighteenth amendment and the proposed child-labor amendment

It is quite true that the proposed Federal child-labor amendment is different in form from the eighteenth amendment; but this only intensifies its objectionable character. The amendment now proposed would constitute an unlimited grant of power in general terms, whilst the eighteenth amendment was expressly limited to the prohibition of intoxicating liquors for beverage purposes, and purported to grant to Congress only a concurrent power of enforcement. Nevertheless, these plain limitations upon the grant of power to Congress were wholly disregarded and nullified by Congress and all limitations repudiated by it, and the Supreme Court could not give any relief or exercise any restraint because, as stated in one of the cases brought before it for relief, "this would be to pass the line which circumscribes the judicial department and to tread upon legislative ground." (Unanimous opinion of the Supreme Court in *Everard's Breweries* v. *Day*, 265 U.S. 545, 559. See also *The National Prohibition cases*, 253 U.S. 350, and *Lambert* v. *Yellowley*, 272 U.S. 581.)

It should follow that the proposed Federal child-labor amendment, phrased in general terms and granting unlimited power to Congress, is exercisable to its utmost extent and at the will of those in whose hands it is placed, and is in a form much more objectionable and dangerous than the eighteenth amendment, and, therefore, avoids none of the difficulties which were inherent in the eighteenth amendment.

The plea that we can safely and unconcernedly transfer to Congress the unlimited power to limit, regulate, and prohibit the labor of persons under 18 years of age and grant it control over the labor of children and youths in all the families of the United States and put our trust and only reliance in the reasonableness and restraint of the present and future Congresses, ought surely to be sufficiently refuted by the example of the Volstead Act and its amendments, which unreasonably and oppressively fixed upon all the States a reign of oppression and terrorism which Governor Smith has truly characterized as a curse.

An amendment which in form prohibited children from being employed or permitted to work in hazardous or unhealthful occupations was proposed and rejected. Yet it would have been infinitely preferable and safer than the present proposed grant of unlimited power over the labor of all persons under the age of 18 years. Under the census of 1930 these persons number approximately more than one third of the continental population of the United States, of which 4,663,137 were listed as then 16 and under 18 years of age, 4,678,084 as 14 and under 16, 4,802,450 as 12 and under 14, and 26,681,241 as under 12.

The figures of the 1930 census for the State of New York were 420,052 between 16 and 18, 421,279 between 14 and 16, 438,138 between 12 and 14, and 2,502,631 under 12.

III. State governmental power over minors

The Statement by Lawyers then declares (1) that the "governmental power with respect to child labor is not new" and (2) that "the States have always possessed greater power than is conferred on Congress by the amendment."

(1) It is well known that every State in the Union has legislated for the regulation of child labor and protection of young children, although these regulations differ according to local climate, conditions, standards, experience, and resources. Local self-government has steadily tended to protect children and prevent their employment in hazardous or unhealthful occupations or under conditions imperiling their morals; but no State constitution, so far as the undersigned can recall, has ever granted to its legislature any such unlimited power as is now proposed to be granted to Congress, and certainly it is doubtful whether any such unlimited power could be constitutionally exercised as to youths, male and female, between 14 and 18.

At any rate, such power could be more efficiently and reliably exercised by the States as part of their system of local self-government than could be expected at the hands of bureaus in Washington. The disgraceful failure of the Washington bureaus in their attempts to enforce the eighteenth amendment should warn against turning the control of the labor of the youths and children of the entire United States, Territories, and insular possessions (total population in 1930 being 137,008,435) to Federal bureaucrats directed from Washington, who would probably be just as fanatical, offensive, and incompetent and just as much political appointees as were the many thousands charged with the enforcement of the provisions of the Volstead Act and its amendments.

It is impracticable at present in this reply to review the legislation of the several States with respect to child labor. Such

legislation varies as local self-government will inevitably vary throughout the United States because of differences in climate, public policy, standards of living, resources, living costs, prevailing wage scales, taxes, etc. The proposed amendment is desired either (1) by those who are impatiently seeking to centralize all governmental power and patronage in Washington and eliminate the Federal principle under which the country has progressed and prospered for a century and a half, or (2) by those who do not understand the virtues and necessity of local self-government in matters affecting the families and children of the several States, Territories, and insular possessions.

It was in 1819 that Chief Justice Marshall warned the country as follows (*McCulloch* v. *Maryland*, 4 Wheat. 316, 403):

"No political dreamer was ever wild enough to think of breaking down the lines which separate the States and of compounding the American people into one common mass."

Nevertheless, Washington bureaus are now constantly striving to do this by increasing and expanding the Federal power and curtailing and invading the governmental power of the States; perhaps without realizing what they are doing. Those who still have any doubts as to the purpose and effect of the activities of Washington bureaucrats, male and female, in their campaign for expansion of the Federal power and their constant reach for more and more power and political patronage in curtailment and nullification of State power, should read Congressman JAMES M. BECK'S discussion of the subject published in 1932 under the title "Our Wonderland of Bureaucracy", and the review more recently published by Mr. Sterling E. Edmunds, of the St. Louis bar, under the title "The Federal Octopus in 1933." They should also read the New Despotism, by Lord Hewart, Chief Justice of England.

(2) The second affirmation above quoted is that "the States have always possessed greater power than is conferred on Congress by the amendment." If it be meant by this that the States have always possessed greater power to limit, regulate, and prohibit the labor of persons under 18 years of age, the proposition is clearly untenable and plainly unsound. There is in fact no conceivable power over labor that can possibly be greater than the power to limit, regulate, and prohibit. There is no State legislature that has ever had or exercised any such unlimited power as the proposed amendment would vest in Congress, and no State has ever even attempted any such far-reaching and sweeping prohibition. Then, wherein will be found the necessity or excuse for a grant of such unlimited power to Congress?

Taking up each argument contained in the Statement by Lawyers under their point II, the following may be replied:

(a) No State has ever prohibited the labor of persons between 14 and 18 years of age except in hazardous and unhealthful or morally objectionable occupations.

(b) No State has ever granted to an administrative body of the State the unlimited power to prohibit the employment of all minors under 18. Such grants have always been reasonably limited.

(c) Every State—and not merely 35 States—has some legislative provision regulating the labor of minors with respect to age, hours of work day or night, and hazardous or unhealthful occupations; but these regulations vary according to the public policy or conditions in the particular State and in no case prohibit all labor of persons under 18 years of age.

No mention whatever is made in the Statement of Lawyers of the great and beneficent progress that has steadily been taking place during the past 30 years in reducing the employment of young children in industries. Some States may be deemed still backward in comparison with the more advanced States, such as New York. But this diversity is principally the result of local differences of conditions, climate, cost of living, supply of labor, prevailing scale of wages, taxes, etc., and creates no necessity for an amendment to the Constitution of the United States.

IV. Control of child labor is not a proper power to grant to the Federal Government

The fourth point of the Statement by Lawyers declares that the control of child labor is a proper power to be granted to the Federal Government. However, in supporting this declaration they confess and disclose the main motive and true impetus behind the amendment, which is not to safeguard and care for children and youths by preventing injurious and objectionable labor, but to regulate and prevent competition. Thus the lawyers assert that "the diversity of State legislation has resulted in inequitable conditions and unfair competition for industry." All pretense as to safeguarding the health, morals, or welfare of children and youths is now abandoned or put to one side and made secondary and the true motive at last confessed, namely, that the Constitution of the United States is being sought to be radically amended in order to equalize labor conditions and competition throughout the entire United States. Obviously the very same reasoning, if sound, would support an amendment providing that the labor of adults should be limited, regulated, and prohibited by Congress in order to set aside State legislation which the lawyers conceive has resulted in inequitable conditions and unfair competition. Such, as is well known, has been the constant aim and purpose of the Knights of Labor, the American Federation of Labor, and the labor unions, namely, to have Congress ultimately vested with power to limit, regulate, and prohibit the labor of adults, although the first step or entering wedge is to be the prohibition of all labor by minors in competition with adults. See House Document No. 551, 1928, pages 135–136, cited at page 56 of argument heretofore submitted to the legislature by the undersigned.

Surely it must be a self-evident proposition that if it be a sound ground for the ratification of the child-labor amendment that the diversity of State legislation has resulted in inequitable conditions and unfair competition for industry in the several States, then exactly the same ground, if sound, would justify and call for an amendment granting to Congress the power to limit, regulate, and prohibit the labor of all persons, adult as well as minor, throughout the United States, including the hours of labor, the scale of pay, collective bargaining, etc. If the control of child labor is a proper power to grant to the Federal Government, in order, as these lawyers actually contend, to prevent diversity of State legislation resulting in equitable conditions and unfair competition for industry in the several States, then equally persuasive, if not conclusive, will be the claim of adult labor and the American Federation of Labor and the labor unions that the entire control of labor and industry should be vested in Congress and the bureaus centered in Washington. If such a precedent be now established, little will remain of our Federal system, and, as Chief Justice Fuller said, dissenting in the *Lottery case* (188 U.S. 321, 375):

"Our form of government may remain, notwithstanding legislation or decision; but, as long ago observed, it is with governments, as with religions, the form may survive the substance of the faith."

V. As to education

The fifth point of the Statement by Lawyers is that the power to limit, regulate, and prohibit the labor of persons under 18 years of age does not include the power to control education. They argue that "labor and education are separate subjects of legislation"; that "the proposed amendment confines the grant of power to labor"; and that, under the tenth amendment, "the power to control education would therefore rest with the individual States, where it is at present."

As stated in my argument already submitted, reference to the dictionaries will show that the long-established and still current definition of the noun "labor" is: "Physical or mental toil; bodily or intellectual exertion * * * Human effort, bodily or mental * * * That which requires or has required bodily or intellectual exertion or effort for its accomplishment." And the definition of the verb is: "To exert one's powers of body or mind" (Webster's New International Dictionary). It is true that colloquially the word "labor" is somewhat generally used to denominate physical toil and manual work. Nevertheless, as stated in Corpus Juris (vol. 35, p. 924), "in some extended senses, the term may include every possible human exertion, mental and physical, whether it is skilled or unskilled labor; application of the mind which occasions weariness; exertion of mental powers, united with bodily employment; intellectual exertion; mental effort. Hence, labor may be physical or intellectual, or a combination of the two." See also Bouvier's Law Dictionary and the New Century Dictionary, Century Dictionary and Enclyclopedia, New English Dictionary, New Standard Dictionary of the English Language, the Shorter Oxford English Dictionary, and the Universal English Dictionary.

Every recognized and authoritative dictionary of the English language in one form or another defines the word "labor" substantially as above.

The Statement by Lawyers, however, brushes this all aside with the comment that "a dictionary definition, selected arbitrarily from one of several definitions given, is not a valid basis on which to determine a statutory meaning."

It must be borne in mind, as recently declared by the Secretary of Labor, Miss Perkins, in her address on February 21 before the Legislature of Kentucky, urging ratification (the Kentucky Legislature thereupon rejected the amendment), that the proposed amendment was drafted under the advice of distinguished lawyers. These lawyers must be presumed to have duly considered the definitions of the word "labor", which they were apparently advising should be substituted for the word "employment." They had before them the precedents of the acts of Congress of 1916 and 1919, both of which used the phrase general in State child-labor statutes, viz, "employed or permitted to work" (*Hammer* v. *Dagenhart*, 247 U.S. 251, *Child Labor Tax Case*, 259 U.S. 20). If these distinguished and scholarly lawyers had intended to confine the amendment to physical or manual labor, or labor for hire, as now claimed, they certainly would have used apt wording and such as would be appropriate to express a limited meaning. Is it not fairly and reasonably inconceivable that they did not know the current definitions of the word "labor" as including mental or intellectual effort?

The construction of the term "labor" as used in the proposed amendment will be for determination by Congress in the first instance and ultimately by the Supreme Court. The questions will then be, primarily, whether or not the regulation of attendance at school of persons under 18 years of age is a legitimate regulation of their "labor", that is, mental or intellectual labor, and secondarily, if not within the express grant of power to regulate the labor of persons under 18 years of age, then whether or not the incidental grant of power to Congress contained in clause 18 of section VIII of article I of the Constitution would authorize the regulation of the mental or intellectual labor of these minors. The exact wording of this constitutional clause should be recalled, viz:

"The Congress shall have power * * *. To make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

If, for example, Congress should determine to "prohibit the labor of all persons under 18 years of age", as provided in the bill now pending in the House of Representatives and introduced by Congressman RICH on January 3, then the question would at once be presented as to the reasonable necessity and propriety of providing schooling or education for the many millions of minors, male and female, between 14 and 18 years of age thus reduced to idleness and their inevitable moral deterioration and vices by being deprived of the right and liberty to labor and earn or help earn their living or acquire the capacity to earn their living by laboring as apprentices, etc. Will the lawyers issuing the statement above mentioned, or the lawyers cited by the Secretary of Labor in her Kentucky address, express the opinion that any such provision by Congress for the occupation of youths, male and female, when it prohibited their physical labor and reduced them to physical idleness, would be unconstitutional? As Chief Justice Marshall said in *McCulloch* v. *State of Maryland* (4 Wheat., 316, 402, 423):

"It would require no ordinary share of intrepidity to assert that a measure adopted under these circumstances was a bold and plain usurpation, to which the Constitution gave no countenance. * * * But where the law is not prohibited and is really calculated to effect any of the objects entrusted to the Government, to undertake here to inquire into the degree of its necessity would be to pass the line which circumscribes the judicial department and to tread on legislative ground. This court disclaims all pretensions to such a power."

But it is contended in the Statement by Lawyers that the subject of education is not mentioned in the Constitution, and that it is, therefore, excluded from the power of Congress by the tenth amendment, apparently overlooking clause 18 above quoted. The very same point was made and overruled long ago in the McCulloch case. This contention not only disregards the express grant of unlimited and unqualified power of limitation, regulation, and prohibition of labor proposed in the pending Federal child-labor amendment to be vested in Congress, but it wholly misapprehends the scope of the tenth amendment as heretofore understood and construed. Thus Mr. Justice Story, in his Commentaries on the Constitution of the United States, declared (sec. 1908):

"It is plain, therefore, that it could not have been the intention of the framers of this amendment to give it effect as an abridgment of any of the powers granted under the Constitution, whether they are express or implied, direct or incidental. Its sole design is to exclude any interpretation by which other powers should be assumed beyond those which are granted. All that are granted in the original instrument, whether express or implied, whether direct or incidental, are left in their original state. All powers not delegated (not all powers not expressly delegated) and not prohibited are reserved. The attempts, then, which have been made from time to time to force upon this language an abridging or restrictive influence are utterly unfounded in any just rules of interpreting the words or the sense of the instrument. Stripped of the ingenious disguises in which they are clothed, they are neither more nor less than attempts to foist into the text the word 'expressly', to qualify what is general, and obscure what is clear and defined. They make the sense of the passage bend to the wishes and prejudices of the interpreter, and employ criticism to support a theory and not to guide it * * *."

VI. As to military service

The same argument answers the point no. VI in the Statement by Lawyers, in which they say that the contention that Congress would have power to require military service in order to furnish occupation to the young men between 16 and 18 whom they might reduce to idleness by prohibiting them from laboring would not be worthy of consideration except for the fact that it has been advanced by persons whose high position in American life tends to give confidence in their utterances. The statement then proceeds to declare that "to claim that, under the guise of protective labor legislation, Congress would seek to require military service or training for boys under 18 years is an utter absurdity." The reasoning or logic of these lawyers appears to be that because Congress has always had the power to raise and support armies and has never exercised this power with regard to persons under 18 years of age, therefore it would not have the power to provide military training for the youths between 14 and 18 years of age whom it might see fit to prohibit from being employed in labor as provided in the pending Rich bill, and thus subject to all the vices and corruptions of idleness.

Of course, what was meant by "the persons of high position", familiar as they were with our constitutional history, was that, if Congress prohibited the physical labor of such youths, then it would have power to furnish reasonable and most healthful occupation and discipline through military training, which might become a most beneficial and salutary exercise of the power and duty of Congress to avoid the vices and degenerations which would otherwise inevitably result from any prohibition of labor by young men from 14 to 18 and to promote those manly virtues which are generally the result and benefit of military training and discipline. To characterize such a view as an utter absurdity requires, in the language of Chief Justice Marshall, "no ordinary share of intrepidity."

VII. As to the labor of children in the home or on the home farm

The Statement by Lawyers, in its point VII, proceeds to assert that "the fear that if the amendment were ratified Congress would regulate the labor of children in the household or on the home farm, or that it would prohibit all gainful employment for persons under 18 years of age, is unfounded. Although the States have always possessed the power to prohibit all employment under 18 years of age, no State has ever done so."

As the States have always had the power and no State has ever yet found it necessary to prohibit all employment of persons under 18 years of age, why now grant that unlimited power to Congress? Certainly this uniform consensus and practice on the subject throughout the entire United States furnish a demonstration that nowhere has there ever been found reason or excuse for such a drastic and unlimited exercise of power over persons under 18 years of age. If no State has ever done so, or has yet found it necessary or excusable or desirable to exercise such an unlimited, all-inclusive, drastic, and possibly oppressive power to prohibit labor, why now grant it to Congress? As Senator Root has well said in a recent letter:

"It seems incredible to me that our legislature should be willing to abandon their own authority in such a vastly important field of local regulation and transfer that authority to men living thousands of miles away."

It is with all deference submitted that the 13 lawyers issuing this professional advice to the public should have appreciated that they were not called upon as lawyers to discuss or express opinions as to fears or apprehensions, nor as to what they conceived to be probable or likely, but as to what would be the constitutional power of Congress under the proposed amendment. That, and that alone, was the ground stated or voiced "by certain prominent lawyers and also by a vote of the American Bar Association."

The lawyers illustrate their view by referring at page 9 to State legislation, including that of the State of New York as to hazardous occupations, such as work in coal mines, about dangerous machinery, with explosives, etc., and they state that the child-labor provisions of many of the N.R.A. codes also regulate the employment of minors under 18 in dangerous occupations. They proceed to assert that—

"It was the need for dealing with such hazardous work that led the framers of the pending amendment to give power to Congress to deal with child labor up to 18 years of age instead of limiting such power to 16 years."

And they then quote Secretary of Agriculture Wallace as having stated:

"Coming from an agricultural State I am familiar with the attempts of opponents of the amendment to arouse farmers against it on the ground that farm boys and girls would no longer be permitted to help with the chores, and that the parents' authority over their children would be seriously impaired. Of course this is nonsense, and every fair-minded person who knows anything at all about the proposed amendment knows that it is nonsense. The amendment is directed at protecting children from industrialized and commercialized employment which endangers their health and interferes with their schooling. Farm chores done outside of school hours and suited to the age and physical capacity of the youngsters certainly do not come under the heading of industrialized and commercialized employment."

Yet, to the contrary are the facts with regard to the intention and purpose of the framers of the proposed child labor amendment, as could readily and conclusively have been ascertained by reference to the CONGRESSIONAL RECORD.

It ought surely to be evident that the proposed Federal child-labor amendment, if ever ratified, would have to be interpreted and construed in accordance with the purpose and intention of its framers in 1924, and not according to the much more moderate views and assurances now professed and held forth by its advocates after the lapse of 10 years. The good faith or integrity of purpose of the Secretaries of Labor and Agriculture are not questioned or challenged, except to point out and insist that their present professions and promises of reasonableness and moderation will be quite immaterial and irrelevant in determining the construction of the amendment as proposed in 1924. Indeed, the present declarations and opinions of the Secretaries of Labor and Agriculture quite convincingly indicate that they are either under the misapprehension or delusion that their present reasonable and qualified intentions and promises would control and limit the interpretations of the proposed amendment, or else that they have not taken the pains to study the proceedings in Congress which resulted in the proposal of the amendment as set forth in the official CONGRESSIONAL RECORD. This may likewise possibly be true of the signers of the Statement by Lawyers, for otherwise they would hardly have cited the statement by the Secretary of Agriculture as printed on page 10 of their published statement.

In the Senate the following substitute was moved (S.J.Res. 256):

"The Congress shall have power to prohibit or to regulate the hours of labor in mines, quarries, mills, canneries, workshops, factories, or manufacturing establishments of persons under 18 years of age, and of women."

This was rejected, although it would have covered the provisions of the acts of Congress of 1916 and 1919, which had been held to be unconstitutional, as well as covered the present suggestion of these lawyers as to hazardous occupations.

In the House the following proviso was moved by Representative MCSWAIN, of South Carolina:

"*Provided*, That no law shall control the labor of any child in the house or business or on the premises connected therewith of the parent or parents."

This proviso was rejected.

Then the same Representative moved a simpler form:

"But no law enacted under this article shall affect in any way the labor of any child or children on the farm of the parent or parents."

This also was rejected.

And Representative Moore, of Virginia, offered the following substitute:

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 16 years of age, but not the labor of such persons in the homes and on the farms where they reside."

But this amendment was rejected.

Thereupon the child-labor amendment was proposed to the State legislatures in its most extreme and unlimited form, granting power to limit, regulate, and prohibit the labor of persons under 18 years of age.

Plainly, no such all-inclusive and unlimited power, far beyond any existing State child labor law, was necessary to accomplish the limited purposes now advanced or professed as its object and the limited restrictions or regulations now asserted to be the intention of the amendment.

The CONGRESSIONAL RECORD further conclusively shows as follows:

1. That the word "persons" was substituted for the original word "child" because the proponents were advised by counsel that a youth, male or female, over 14 and under 18 years of age, was not legally or properly speaking included within the definition of a "child."

2. The word "employment", or its customary State statutory equivalent "employed or permitted to work", as used in the acts of Congress of 1916 and 1919, were rejected because the proponents wanted power to reach right into the home and control the unpaid work there of children. The chief of the Children's Bureau, speaking for the proponents of the amendment, testified before the Senate Committee that as "the children often work with their parents and are not on the pay roll and are not held to be employed, and we feel that it is a dangerous word to use, as far as the protection of children is concerned."

In the House of Representatives Miss Abbott testified that the proposed amendment included the power to regulate labor upon the farms and in agriculture and just as much regulatory power as to farming as would be given with regard to mines or any other work or occupation and would make no exception at all. (House Hearings, p. 36.)

And yet the Statement by Lawyers quotes and holds forth as a reliable statement of the intention of the framers and of the power of Congress the above-quoted statement by the Secretary of Agriculture.

If the purpose and intent of the amendment, as proposed in 1924, had been only to vest power in Congress reasonably and qualifiedly to limit or regulate, as is now provided in some of the N.R.A. codes, why did the distinguished lawyers who were guiding the proponents in 1924 advise inserting the power not merely to limit and regulate, but the unlimited power to prohibit the labor of persons under 18 years of age?

If the purpose and intent of the amendment, as proposed in 1924, had been, as now asserted by Secretary of Labor Miss Perkins and Secretary Wallace, only to extend jurisdiction over children or youths working for hire, or in hazardous occupations, or in industrialized and commercialized employments, why was it not so limited, and why, under the advice of counsel, was the word "employment" striken out and "labor" substituted?

If the purpose and intent of the amendment, as proposed in 1924, had been really and in truth, as now frequently professed and more or less misunderstood, only to accomplish what was attempted in the acts of Congress of 1916 and 1919, which were declared to be unconstitutional by the Supreme Court, why was not the proposed amendment reasonably limited to the provisions of those statutes—namely, under the age of 16 in mines or quarries, under 14 in other employments, and under 16 when working in the latter employments for more than 8 hours per day?

Reference to pages 16–25 of the argument heretofore submitted to the New York Legislature by the undersigned will abundantly show the understanding of Representatives and Senators in 1924. They surely knew what was then understood and intended to be the scope, intent, and purpose of the proposed amendment. Its interpretation and construction will, of course, be determined by the purpose, intent, and understanding of Senate and House when it was proposed in 1924, and not by the contrary intention, understanding, or promises of the Secretary of Labor or the Secretary of Agriculture 10 years later. If reasonably limited power is all that is now desired, why was not application made last year or this year to Congress for a new amendment limited as is now professed to be the limited purpose and intent of the present proponents of the child-labor amendment? There is certainly no sound reason for giving to Congress unnecessary, excessive, and prejudicial power as in the case of the eighteenth amendment, and trust it not to abuse such power as it abused its power in the Volstead Act and its amendments.

As Governor Smith impressively declared in the October number of the New Outlook:

"It does not seem possible that the same States which are relieving us of the curse of the eighteenth amendment will now impose another constitutional curse upon us under the guise of abolishing child labor."

And in the March number of the same publication he said, among other very pertinent remarks:

"We are told that Congress will never do anything extreme or undesirable under this amendment. That is just what the Wheelers and Cannons told us about the eighteenth amendment."

Of all statesmen throughout the entire country none has during his entire career been more untiringly or more consistently devoted to the protection of children than Governor Smith. To him in the greatest measure—it may be said uniquely—are due the model provisions of our labor law and our education law with respect to the physical and mental labor of children. Indeed, he has been the leading champion of every humane and wise step taken in this State for a quarter of a century for the protection and welfare of childhood.

VIII. As to the alleged simplicity and inexpensiveness of Federal administration and enforcement

Under point numbered VIII the Statement by Lawyers asserts that "the administration of a Federal child-labor law would be comparatively simple and would not require setting up a huge bureaucratic agency", and in support of this claim it is stated that the experience under the two acts of Congress of "1916 and 1919 indicates the comparative simplicity and inexpensiveness of enforcing a Federal child-labor law." This argument will be reviewed as briefly as practicable.

AS TO THE ALLEGED SIMPLICITY OF ENFORCEMENT

The plea of simplicity of enforcement has been made throughout our entire history with respect to almost every proposed extension of Federal power and every encroachment upon the States in matters of local self-government. Nevertheless, the record has been to the contrary and has shown complexity of enforcement, constant expansion, never-ending encroachment and multiplication of Federal officeholders and bureaucratic agencies. The most striking examples in our own day have been the attempted enforcement of the eighteenth amendment and the ever-increasing Federal expenditures and activities in connection with education. Education alone has resulted in the grant of hundreds of millions of dollars to the States and the maintenance of the Federal Office of Education in the Interior Department.

It is, of course, as notorious as it is indisputable that the attempted enforcement of the eighteenth amendment, as matter of fact, required the setting up of a huge bureaucratic enforcing agency and involved vast increases in the number of Federal agents and in appropriations, and that such enforcement was a deplorable failure. Yet, it was predicted by representatives and spokesmen of the Anti-Saloon League that the cooperation of the States under the provision for concurrent power, particularly in the prohibition or dry States, would greatly simplify enforcement. Quite the contrary was the outcome. Even the dry States retrenched expenditures and partly or wholly withheld cooperation, and practically the entire burden of enforcement was imposed upon the Federal Government, with the disgraceful results set forth in detail in the Wickersham Commission report as a warning against future attempts by Congress to invade the province of the States, to encroach upon local self-government, and to interfere in the lives, habits, and morals of the residents of the several States.

It is impossible to give even approximately accurate figures as to the thousands of Federal agents employed in the unsuccessful attempt to enforce the Volstead Act and its amendments and extensions, because of the complexity of enforcement, the participation of numerous departments, the large staffs directly and indirectly charged with the enforcement in bureau and field, as well as the participation in enforcement by the Treasury Department, the customs, the Navy, the Coast Guard, the Department of Justice, the courts, etc. But it may be asserted that it required, as matter of fact, an enormous expansion of Federal political patronage and vast expenditure and a huge enforcing bureaucracy. The figures or estimates of the Wickersham Commission will be found in volume I of their report to the President.

Any effective and uniform enforcement by bureaus centralized in Washington of limitations, regulations, and prohibitions of the labor of persons under 18 years of age throughout the entire United States, its Territories and its insular possessions, would require a vast army of Federal functionaries, field officers, investigators, police, detectives, under-cover men and women, etc., necessarily greatly in excess of the number found insufficient to enforce the Volstead Act and its amendments. Limiting ourselves to the figures of the census of 1930, which figures are, of course, much greater in 1934, it must be obvious that any effective or adequate investigation or supervision of all minors under 18 and the due enforcement of limitations, regulations, and prohibitions upon their labor would inevitably require a huge bureaucratic enforcing agency attached to the Department of Labor and its Children's Bureau, to the Office of Education in the Interior Department, to the Department of Justice, etc. The Labor Department would, indeed, in all probability then shortly become one of the Departments of the Government at Washington having the largest political patronage and the control and expenditure of correspondingly immense appropriations.

As Governor Smith warned in the October New Outlook:

"Opponents of the amendment, furthermore, ask whether the Federal Government can regulate child labor on a Nation-wide basis through control of interstate commerce and Federal enforcement any more successfully than it enforced prohibition by the same methods. Federal regulation and enforcement mean huge expenditures, waste, graft, duplication of effort, bootlegging, and disrespect for all laws. Is it possible that a United States attorney in a Southern State will prosecute vigorously offenses against a Federal child labor law, and that a jury will convict, if local sentiment is against Federal interference? Is it conceivable that Federal control can be exercised otherwise than through a new army of inspectors, investigators, sleuths, bloodhounds, and statisticians traveling about in trains, automobiles, and on horseback, stopping at hotels, and bedeviling the work of labor departments?"

A striking example of the inefficiency and expensiveness of the Children's Bureau in Washington will be found in its attempted administration of the Maternity and Infancy Act of 1921, known as the "Sheppard-Towner law." It was declared in the United States Senate by Senator Reed, of Missouri, on June 15, 1926, that the Bureau had been "nothing but a common and public nuisance, maintained at the expense of the United States." Congressman Beck declaerd, at page 219 of his work, "Our Wonderland of Bureaucracy", as follows:

"Apparently the estimable ladies who conducted this maternity bureau added little to the sum of human knowledge on the subject of the hygiene of maternity, if we may credit the following statement of the Journal of the American Medical Association:

"'During the 7½ years that the Sheppard-Towner Act was in effect it cost the people about $11,000,000 in taxes. During that entire time it did not develop a single new idea in the field of maternal and infant hygiene. As shown by official mortality statistics, it did not accelerate the rate of decline in either the maternal or the infant death rates by even a fraction of a point per annum.'"

AS TO ALLEGED INEXPENSIVENESS OF ENFORCEMENT

This claim is, perhaps, sufficiently refuted above, under the heading of alleged simplicity of enforcement; but a further glance at the expense of maintaining the Labor Department and its Children's Bureau may be both instructive and admonitory.

The Department of Labor not only is already overmanned and dominated by the labor organizations of the country, but it is a most costly experiment. The addition to its jurisdiction of control over the labor of all children and youths throughout the United States, the Territories and the insular possessions would make it not only one of the largest, but likewise one of the most powerful and far-reaching Departments of the Federal Government. An idea of the inevitable expansion and expense may be gathered from actual experiences during the past few years. For example, in 1931 the appropriations for the Labor Department amounted to $12,230,170; in 1932 they were $14,994,200, and in 1933 they were $12,924,770, whilst the employees were 5,412, 5,931, and 5,226, respectively (U.S. Budget and World Almanac). The appropriations for the Children's Bureau in 1931 were $368,000, with 154 employees; in 1932, $395,500, with 175 employees, and in 1933, $375,000, with 158 employees. Any adequate enforcement of Federal regulation of child labor would enormously increase these appropriations and the already excessive personnel.

This question of appropriations for the Washington bureaucracy should be of especial concern to the New York Legislature if it will ponder the fact that one third of the Federal income tax of hundreds of millions of dollars is collected from this State. It was exactly 34.44 percent in 1930; 33.06 percent in 1931; 32.98 percent in 1932, and 32.14 percent in 1933. In effect, every increase in Federal appropriations and every expansion of Federal activities penalize the State of New York far beyond any benefit or protection it receives, whilst a number of the States actually receive the benefit of Federal funds far in excess of any Federal tax paid by them.

Congressman Robert L. Bacon, of this State, has stated in a public address (Congressional Record, July 16, 1932) that in a recent "national fiscal year there were 14 States which did not pay a dollar of net taxes into the Federal Treasury" and that 16 States, or one third of the Union, "paid 93 percent of the total net Federal tax bill, or a sum of over $2,000,000,000." He added that these figures "sound fantastic, but I urge each and every taxpayer to be forewarned and to seriously consider the problem."

But it remains to analyze the specific experience cited in the Statement by Lawyers with regard to the enforcement of the acts of Congress of 1916 and 1919, which they assert "indicates the comparative simplicity and inexpensiveness of enforcing a Federal child labor law."

The act of Congress of September 1, 1916, known as the first Federal child labor law, did not become effective until September 1, 1917, and before that date and on August 9, 1917, it was challenged in the courts as being unconstitutional, as it had been challenged in both Houses of Congress. It was declared unconstitutional and void by the District Court of the United States for the Western District of North Carolina on August 31, 1917. In other words, the act of Congress of 1916 was adjudged unconstitutional and void before it ever became effective. This decision was affirmed by the Supreme Court of the United States on June 3, 1918 (247 U.S. 251). The act contained an annual appropriation to the Children's Bureau of $150,000. Its attempted enforcement by that Bureau is surely negligible so far as indicating the probable cost of enforcing legislation under the proposed amendment, if ever ratified. In fact, the Children's Bureau in 1921 officially declared that its work of inspection under the act of 1916 "was hardly under way before the law was declared unconstitutional", and its report to the Secretary of Labor, transmitted December 1, 1920, stated at the outset, as follows:

"The Child Labor Division of the Children's Bureau was organized to administer the United States Child Labor Act, which became effective September 1, 1917. Approximately 9 months later (June 3, 1918) the act was declared unconstitutional, so that the work of the division in this field terminated at that time." As matter of fact, however, it had been declared unconstitutional in the district court on August 31, 1917, and if the Children's Bureau nevertheless continued to expend public funds in its enforcement, such expenditure had all the elements of illegal waste.

It must, therefore, seem somewhat far-fetched to assert that this tentative enforcement, which was hardly under way, and at all times in the face of a court decision of invalidity, tends to establish the simplicity and inexpensiveness of Federal enforcement as now asserted in the Statement by Lawyers.

The second child labor law was embodied in the Revenue Act of February 24, 1919, and it likewise, from the beginning, was recognized to be of very doubtful validity and was also challenged in both Houses of Congress as being unconstitutional. Litigation was promptly instituted to test its validity, and it was declared unconstitutional on December 10, 1921, in *Drexel Furniture Co.* v. *Bailey* (276 Fed. 452). This decision was affirmed by the Supreme Court on May 15, 1922, *Child Labor Tax Case* (259 U.S. 20). Even the very limited operation by the Internal Revenue Department of this invalid child labor tax law involved a cost to the taxpayers of $307,703.

Although these acts of 1916 and 1919 were recognized and generally conceded from the beginning to be of very doubtful constitutionality and were not long seriously attempted to be enforced, the records, nevertheless, show that during that period the Federal Children's Bureau had appropriations for its various activities, of $214,640 for the fiscal year 1917, $380,581 for 1918, and $658,610 for the fiscal year 1919, which were reduced the next fiscal year to $310,008, and then to $294,874.

While, however, this source of funds and patronage was being curtailed by the decisions of the courts adjudging the two child-labor enactments unconstitutional and void, the Children's Bureau conceived and brought about the enactment of the ill-fated Maternity and Infancy Act of November 23, 1921, above mentioned.

CONCLUSION

The Statement by Lawyers concludes with the following declaration (p. 11):

"For these reasons we believe that the Federal child-labor amendment should be ratified. The real question at issue is simple: Are we willing to give Congress the power to make permanent the child-labor standards now incorporated in the N.R.A. codes, or do we wish to permit the States to return to child exploitation and the consequent lowering of adult wage levels when the codes expire?"

The real question, however, is not correctly stated, and it is not quite so simple. This statement, moreover, is likely to mislead in its obvious tendency to minimize the proposed amendment and divert attention from its true effect and meaning and the unlimited power it would grant to Congress. The amendment was submitted to the State legislatures for ratification 10 years ago, and 9 years before the National Industrial Recovery Act of Congress of 1933 was passed. The amendment could not, therefore, possibly have been proposed or intended in 1924 in order to give Congress the power to make permanent the child-labor standards now incorporated in the N.R.A. codes of 1933 and 1934. There was, however, as matter of fact, no such limited intent or purpose by the Congress that proposed the amendment in June 1924 for it then deliberately and advisedly voted (1) against reducing the age limit to 16, which is the limit now deemed adequate in nearly all the N.R.A. codes, (2) against exempting persons working in their own homes and on the home farms, (3) against striking out the drastic and all-inclusive express power to prohibit, (4) against confining congressional power to unhealthy or dangerous occupations or such as involved a menace to morals, and (5) against inserting the word "reasonably" before "prohibit." A contemporaneous declaration by Senator Fletcher, as published in the Congressional Record of February 17, 1925, will be enlightening as to the real issue if it is to be determined by the understanding and intention of the framers and the scope of the proposed amendment. This will be found in a letter written by him on February 5, 1925, a copy of which is annexed to this reply.

Congress has not yet even intimated that it desires the constitutional power to make permanent the existing essentially experimental provisions of most of the N.R.A. codes. In fact, some of the child-labor restrictions in the N.R.A. codes are objectionable, oppressive, and altogether too drastic. If there be any desire by Congress to make permanent any of the provisions of these codes, some of which are so extreme and oppressive as to tend or be calculated to strangle industry and delay or prevent recovery, the proper course to pursue is to petition Congress to submit a revised amendment limited within reasonable lines, and not to resurrect and attempt to secure the ratification of an amendment altogether too broad, which was duly rejected and defeated 9 years ago, and then emphatically repudiated and condemned by public opinion. The claim is clearly unfounded and untenable that the proposed amendment would simply make permanent the N.R.A. codes and would not vest, as its language plainly purports to vest, the unlimited power to limit, regulate, and prohibit the labor of persons under 18 years of age. The truly simple question is whether such an unlimited, unrestrained, and supreme power over the children and youths of all the States, Territories and insular possessions, now conceded to be unprecedented, unnecessary, and undesired, should be vested in Congress by the vote of the Legislature of the State of New York, and not whether we should rely upon future reasonable moderation and restraint on the part of the present and future Congresses in the face of constant and inevitable clamor for increases of political patronage and intermeddling with local affairs.

Mr. Charles W. Pierson of our bar, an exceptionally able scholar in constitutional law, stated in his book, Our Changing Constitution, as follows (p. 149):

"It cannot be reiterated too often that, under our political system, legislation in the nature of police regulation (except insofar as it affects commerce or foreign relations) is the province of the States, not of the National Government. This is not merely sound constitutional law; it is good sense as well. Regulations salutary for Scandinavian immigrants of the Northwest may not fit the Creoles of Louisiana. In the long run the police power will be exercised most advantageously for all concerned by local authority.

"The present tendency toward centralization cannot go on indefinitely. A point must be reached sooner or later when an over-centralized government becomes intolerable and breaks down of its own weight. As an eminent authority (Chief Justice Charles E. Hughes) has put it: 'If we did not have States, we should speedily have to create them.' The States thus created, however, would not be the same. They would be mere governmental subdivisions, without the independence, the historic background, the traditions, or the sentiment of the present States. These influences, hitherto so potent in our national life, would have been lost."

WILLIAM D. GUTHRIE,
Of the New York Bar, Vice Chairman New York State, Committee Opposing Ratification of Proposed Federal Child Labor Amendment.
NEW YORK, *April 1934.*

SUPPRESSION OF CRIME—ADDRESS BY ATTORNEY GENERAL CUMMINGS

Mr. ASHURST. Mr. President, I ask unanimous consent to print in the RECORD an address delivered by Hon. Homer Cummings, Attorney General of the United States, before the Continental Congress of the Daughters of the American Revolution, Washington, D.C., April 19, 1934, entitled "A 12-Point Program", discussing certain antigangster legislation.

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

Madam President General, ladies, and gentlemen, permit me at the outset to express my deep appreciation of the honor you have done me in inviting me to address the Continental Congress of the Daughters of the American Revolution. It is not only a delightful privilege in itself, but it affords me an opportunity to renew in very pleasant fashion a semiofficial tie of long standing between the Department of Justice and the D.A.R. The history of your society records that shortly after its organization in 1890 the national board of management selected as its first legal adviser a distinguished lawyer of St. Louis, the Honorable George H. Shields, who was at that time an Assistant Attorney General during the administration of President Harrison.

Since its inception your society has devoted itself with enthusiasm to patriotic causes. You have, as enjoined by your constitution, truly perpetuated the memory and the spirit of the men and women who achieved American independence. You have erected monuments to commemorate those whose heroic deeds have lighted the fires of patriotism within the hearts of the American people. You have caused to be introduced into the public schools patriotic exercises to celebrate the anniversaries that are closely connected with our national history. You have sponsored the writing of essays upon historical subjects. You have carried on educational work among applicants for naturalization to the end that they might be instructed regarding the great figures and the important events of American history. You have sponsored legislation to protect the dignity of the flag from disrespect at the hands of the thoughtless and the irreverent.

In these ways and by many other means you have consistently stimulated disinterested service and fostered reverence for the glorious traditions of our Nation. By so doing you have made a vital contribution to the public welfare, for as an ancient Greek statesman once said, "Through admiration of what is heroic men rise to higher levels."

Therefore, knowing full well your devotion to our common country and your deep concern for its welfare, I speak to you tonight of certain matters of wide and immediate importance.

The suppression of crime has become a national problem of the first magnitude. Hundreds of millions of dollars are expended each year in efforts to arrest, to prosecute, and to restrain the criminal classes. Moreover, large sums are spent annually by private individuals and corporations in the maintenance of guards and industrial police forces and for insurance against loss by criminal acts. The yearly toll exacted of society by predatory criminals, in the form of property destroyed, values converted, money stolen, and tribute enforced, constitutes a ghastly drain upon the economic reserves of the Nation. Undoubtedly crime costs our country several billion dollars each year, and it is conservative to say that there are more people in the underworld carrying deadly weapons than there are in the Army and the Navy of the United States.

Clearly the institutions and agencies upon which we have relied for the enforcement of the law have not adequately performed their proper functions.

In many localities there exists an unholy alliance between venal politicians and organized bands of racketeers.

Then, too, certain unworthy members of the bar maintain a close contact with the criminal classes and prostitute an honorable profession by resorting to improper practices in order to save their clients from the legitimate consequences of their crimes.

These recreant members of the legal profession take skillful advantage of the cumbersome and archaic procedural rules governing criminal cases which still persist in many of our jurisdictions. Trials are delayed, witnesses die or disappear, and appeals upon frivolous grounds are all too frequent.

As Mr. Justice Holmes once very shrewdly observed, "At the present time in this country there is more danger that criminals will escape justice than that they will be subjected to tyranny."

In many parts of the country law-enforcement officers are not selected primarily because of their training and general qualifications, but are given positions on a basis of political preferment. Where this is true, each change of political administration is accompanied by a reorganization of the local constabulary. It is impossible to build up an efficient and courageous force of officers so long as they are constantly subject to the whims of political fortune.

Another difficulty grows out of the unfortunate situations which result from a lack of cooperation so often characteristic of the activities of the various law-enforcement agencies of the country.

Another serious phase of the problem has to de with the relative uncertainty which exists with respect to the dividing line between the jurisdictions of the Federal and State Governments. Here lies an area of relative safety—a twilight zone—in which the predatory criminal takes hopeful refuge.

At the time of the adoption of the Constitution of the United States there was little need that the Federal Government should concern itself with the problem of crime. Owing to the isolation of the different settlements, the operations of criminals were, of necessity, local in their nature. You will recall that when John Adams first went from Boston to Philadelphia, his wife, the famous and delightful Abigail Adams (who, by the way, has been called the "patron saint of the Daughters of the American Revolution"), made note of the fact that it took 5 weeks to receive a return letter from that "far country."

We are no longer a Nation whose problems are local and isolated. The growing density of our population and the development of high-speed methods of transportation have resulted not only in a large increase in our crime rate but also have given to many offenses an interstate character. As a celebrated American jurist has said, "The maintenance of an organized society has come to involve much more than repression of local offenders against local laws. Where 100 years ago the chief concern was the common defense against foreign aggression and savages, today it is rather a common defense against organized, antisocial activities extending beyond State lines, operating without regard to political boundaries, and threatening any locality where there is possibility of plunder or profit." Crime today is organized on a Nation-wide basis, and lawbreakers extend their activities over many States.

In a well-remembered kidnaping case, which occurred during the past year, the operations of the criminals took place in 7 States; and it was necessary for the agents of the Department of Justice to go into 9 additional States in their successful efforts to solve the crime and bring its perpetrators to justice. The seven States referred to have an area of about 683,000 square miles, which exceeds in extent the combined areas of Austria, Denmark, France, Germany, Italy, Holland, Switzerland, England, Scotland, and Wales. This illustration indicates the extent of the difficulties involved and accentuates the need of a Nation-wide approach to the problem. The Federal Government has no desire to extend its jurisdiction beyond cases in which, owing to the nature of the crime itself, it is impossible for the States adequately to protect themselves.

In response to this manifest necessity, and entirely within constitutional limitations, the Department of Justice is urging the Congress to pass certain important bills now pending before that body, as follows:

(1) A law dealing with racketeering which will make it a felony to do any act restraining interstate or foreign commerce, if such act is accompanied by extortion, violence, coercion, or intimidation.

(2) A law making it a Federal offense for any person knowingly to transport stolen property in interstate or foreign commerce.

(3) Two laws strengthening and extending the so-called "Lindbergh kidnaping statute."

(4) A law making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution or the giving of testimony in felony cases.

(5) A law making it a criminal offense for anyone to rob, burglarize, or steal from banks operating under the laws of the United States or as members of the Federal Reserve System.

(6) A law making it a criminal offense for any person to kill or assault a Federal officer or employee while he is engaged in the performance of official duties, and a law to provide punishment for any person who assists in a riot or escape at any Federal penal institution.

(7) A law to make the husband or wife of a defendant a competent witness in all criminal prosecutions.

(8) A law to limit the operation of statutes of limitations by providing that such statutes shall not prevent the prompt reindictment and prosecution of a person after a prior indictment has been held to be defective, and a law to prevent dilatory practices by habeas corpus or otherwise.

(9) A law to provide that testimony on behalf of the defendant to establish an alibi shall not be admitted in evidence unless

notice of the intention of the defendant to claim such alibi shall have been served upon the prosecuting attorney at or before the time when the defendant is arraigned.

(10) A law to repeal the statutory provision which has been held to prohibit comment upon the failure of the accused to testify in a criminal case.

(11) A law to regulate the importation, manufacture, or sale, or other disposition of machine guns and concealable firearms.

(12) A law authorizing agreements between two or more States for mutual cooperation in the prevention of crime.

This is the 12-point program of the Department of Justice. I not only invite your attention to it, but I solicit for it your earnest support.

I believe that thus it will be possible for us to observe the letter and the spirit of the Constitution and at the same time work out a better and more effective system of crime control.

It is seemly that we should venerate the heroes of the Revolutionary period, and that we should honor the patriots whose courage and daring have added luster to our flag. At the same time we should remember that we are now engaged in a war that threatens the safety of our country—a war with the organized forces of crime. It is an undertaking of serious import and constitutes a test of our citizenship and of our capacity for successful self-government. In this fight your organization can render valiant service.

You can, if you will, direct your efforts toward the building up of a stout-hearted public morale which will cause citizens, as a matter of course, promptly to furnish to the officers of the law the information that may come to them regarding known fugitives from justice; to give testimony freely in criminal cases; and to render jury service gladly when opportunity is afforded to perform this high function of American citizenship. You can help in putting an end to the maudlin glorification of the gangster which has, at times, disgraced our public thinking and has led to episodes like that which recently occurred at Crown Point.

You can aid in speeding the activities of police and prosecutors, in enabling courts to establish proper rules and practices, and in securing desirable laws from State legislatures and from the Congress.

No more worthy enterprise could possibly engage your attention. A serious danger faces this country. Organized bands of criminals prey upon legitimate business, exact tribute from the timid or the fearful, and constitute an ever-present threat not only to property but to the safety of our homes and the sanctity of life. This open challenge to orderly government must be met with a courage worthy of our intrepid ancestors.

To this sacred cause I urge you to devote your thoughts and dedicate the energies of your great organization.

THE CHURCH AIDS LABOR—ARTICLE FROM THE "COMMONWEAL"

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very important contribution to the discussion as to the right of workers to organize and to bargain collectively, which was published in the Commonweal, a very well-known weekly review of literature and public affairs. The title of the article is "The Church Aids Labor."

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

[From the Commonweal, New York, Friday, Apr. 27, 1934]

Without attempting to discuss the details of the Wagner bill, which seeks to provide for labor's right to self-organization and for the establishment of a tribunal for the adjudication of industrial controversies, the National Catholic Welfare Conference, through its administrative committee of bishops, has filed with the Senate committee considering that measure a statement strongly upholding the right of workingmen to form their own labor unions, and to bargain collectively. The bishops have taken this action because of the fact that the encylical letter, Quadragesimo Anno, on reconstructing the social order, or portions of that document—which is the authoritative basis of Catholic social action—has already been cited in the hearings on the Wagner bill held before the Committee on Education and Labor of the United States Senate, of which Senator DAVID I. WALSH is the chairman. That Catholic teaching supports and indeed demands the principal measures put forward in the Wagner bill, could hardly be established as a fact simply by such references to the Pope's letter, or quotations from it, as have entered into the arguments before the Senate committee; but the bishops' statement emphatically declares that such is the case. All the episcopal chairmen of the National Catholic Welfare Conference, with one exception, together with several assistant chairmen, were present at the semiannual conference held in Washington, which issued the statement. The one bishop of the committee absent was prevented by illness from being present. As the National Catholic Welfare Conference is the Catholic hierarchy of the United States, the action of its administrative committee, fully authorized to speak for the conference, comes as close to being the voice of the entire Catholic Church in this country as is possible—short of what the bishops might promulgate in a solemn council. As the daily newspapers may not in some cases—probably in many—print the whole text of the statement, we quote it in full. It is short but mighty. How far it will guide and direct the thinking and the action of individual Catholics remains to be determined later on; but that it represents the moral teaching of the Catholic Church admits, we hold, of no reasonable doubt whatever. This momentous utterance is as follows:

The Honorable DAVID I. WALSH,
Chairman Committee on Education and Labor,
Washington, D.C.

DEAR MR. CHAIRMAN: In view of the fact that the text of the Quadragesimo Anno, or portions thereof, has been placed in evidence in the hearing on S. 2926 before the Senate Committee on Education and Labor, the administrative committee of bishops, National Catholic Welfare Conference, judge it in order to send you the following statement and ask that it be filed with your committee in the hearings on this bill.

Congress is considering legislation providing for the protection of the worker's right to self-organization and the establishment of an industrial tribunal for the adjudication of industrial controversies. Both purposes are in complete accord with and are required by the Catholic social program enunciated by Pope Leo XIII in 1891 and by the present Holy Father, Pope Pius XI, in 1931.

The statement issued in 1933 by the bishops of the administrative committee, National Catholic Welfare Conference, declares: "His [the workingman's] right to organize must not be interfered with. * * * Labor and trade unions offer one means of obtaining justice in wages and salaries. The normal working of such organizations, whether singly or as a federation of unions, should be to promote the general welfare and to insure for all workers, whether skilled or unskilled, maximum employment, adequate remuneration, the protection of their rights as men and as citizens, and security against accident and indigence. * * * Capital and labor should work for the common welfare and for their mutual interest should encourage all workers to organize. Unions, embracing all groups of workers, should be governed by good sense. They should endeavor to distribute opportunity to the workers of every class. They should always seek competent and disinterested advisers, that their organizations may ever be characterized by sanity."

The worker's right to form labor unions and to bargain collectively is as much his right as his right to participate through delegated representatives in the making of laws which regulate his civic conduct. Both are inherent rights.

The worker can exercise his God-given faculty of freedom and properly order his life in preparation for eternity only through a system which permits him freely to choose his representatives in industry. From a practical standpoint, the worker's free choice of representatives must be safeguarded in order to secure for him equality of contractual power in the wage contract. Undue interference with this choice is an unfair labor practice, unjust alike to worker and the general public.

To determine the rights of both worker and management and to resolve the conflicting claims of both parties, an industrial tribunal, with mediation and arbitration powers, is necessary. This procedure is dictated by the plainest requirements of reason and public order. The opposite is chaos and anarchy.

Thanking you for your favor in filing this for the record of the hearing on the bill in question, we remain,

Most respectfully yours,

JOHN J. BURKE, C.S.P.,
General Secretary.

That the issues raised in the Wagner bill are of the gravest kind is certain; and no less certain is the fact that until or unless they are settled equitably there can be no permanent or satisfactory basis for our industrial system. And of late there have been most disquieting symptoms of dangerous unrest in the relations between employers and the employed. The month of March had three times as many strikes as February. In February there were 78 strikes, involving about 56,000 workers; while in March there were 218 strikes, involving 137,000 workers. There were brought before the regional labor boards in March more than 600 cases, as compared with 431 in February. Senator WAGNER, head of the National Labor Board, notes two outstanding facts, one favorable, the other highly disquieting. He says:

"Outstanding still are the two main characteristics to which the National Labor Board directed attention in its report to the President on the first 6 months of its work. First is the fact that the majority of employers and employees continue to make increased use of the boards; second is the fact that a minority of large employers, whose following has not diminished, persist in an attitude which does not make for industrial peace and constitutes a heavy obstacle in the way of the work of the boards."

Discussing international relations—which, as we all have learned in recent years, depend so largely upon economic relations, as these again depend upon industrial relations—Dr. James Brown Scott, director of the division of international law of the Carnegie Endowment for International Peace, recently declared that no treaties or pacts could possibly secure world peace unless or until moral principles are recognized and respected. In the statement issued by the bishops the moral principles which apply to the rights of labor are unequivocally laid down. In other statements, equally emphatic, the duties of labor are stated. So, too, in regard to the rights and the duties of employers. These are not merely personal or associated opinions, but rather statements of the moral law. That law may be disregarded—at the cost of disaster. Men's wills are not compelled, even by God. But if we are to solve the social crisis, the moral law must come before greed or stubbornness, whether of employers or employed.

WHERE SHALL THE ALIEN WORK?—ARTICLE BY HAROLD FIELDS

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Where Shall the Alien Work?", by Harold Fields, the president of the National League for American Citizenship.

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

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WHERE SHALL THE ALIEN WORK?

By Harold Fields, National League for American Citizenship

Relatively scant attention has been given to the prohibitions that have been imposed upon aliens who are seeking to engage in pursuits that will make them self-supporting. Nor has much study been made of the supplemental numbers that have been added to our unemployed forces through well-defined industrial and legislative policies that militate against the employment of these same aliens.

Yet throughout the United States there is today a consistent attitude among businessmen and lawmakers alike, that has for its announced purpose the refusal to aliens of the right to engage in certain and many occupations. These foreigners are being denied the opportunity to work, despite the fact that they were legally admitted to this country and with the foreknowledge by the Government, in most instances, that they would seek to earn their own living. In May of this year, when the index of employment showed a slight upturn, a very large factory in the Midwest increased its force by 100 percent, but refused to reemploy former workers who were still aliens. In thousands of cases foreigners are being dismissed because of this "all American" policy. This program has failed however to often produce the compensating factor of employing Americans in the place of these discharged aliens; in altogether too many cases, the alien having been dismissed, none is taken on in his place and as a result there have been found two persons on the breadline in place of the former one.

An industrial survey of attitudes toward the employment of the alien would constitute a timely contribution to any correlated study of immigration and economic conditions. The last published study[1] of that type showed that already, in our so-called "prosperous" years, discriminations were being practiced on an extensive scale by industries. With the advent of the depression, these industrial discriminations have multiplied still further.

Still more significant is an analysis of the laws that have been enacted by the States of the Union as well as the rulings that have been promulgated by official bodies affecting qualifications for lawyers, doctors, and other professional persons. Such an analysis shows a growing tendency toward occupational discriminations against aliens.

The outline that follows crystallizes the attitudes of the 48 States on this important question. Particularly does it make clear the fact that so far as the State is concerned, occupations that involve careful and long preparation, such as medicine, law, accounting, teaching, and kindred pursuits, are fast being limited to nonaliens only. The issuance of licenses is frequently denied to aliens on the legal postulate that the State has a special interest in the privileges covered by such licenses. In many other types of discriminations there is a defense in the fact that the courts have held that these forms of legislation have not violated the spirit nor the letter of the fourteenth amendment.

The practice of caring for citizens first or only, would be still more evident in this compilation of statutes and orders were the list to include similar discriminations against aliens inheriting or owning land[2] or their rights in compensation cases. However, these types of discriminations were omitted from the comparative study here made in order to stress and isolate the single problem of occupational disabilities for aliens. The presentation here offered, therefore, is, in a sense, limited and not at all inclusive of all such distinctions in our economic structure. A cursory examination of this compilation presents several interesting observations: (1) That every State in the Union has included laws on its statute books that withhold from the alien the right to engage in stated occupations; (2) that the number of such laws is proportional to the alien or foreign-born population of each State, e.g., that in the New England and Middle Atlantic States the greatest number of such laws is to be found, whereas in the southern Mississippi States, the least number is registered; (3) that the admission and residence of orientals and Mexicans to western and southern border States has resulted in discriminatory laws out of proportion to their alien population; (4) that the most common form of prohibition lies in the field of the professions.

The States having statutes on their books barring aliens from employment in certain occupations, the list of such occupations, and the references to such statutes or orders, here follow:

THE PROFESSIONS

Accountants:
  Full citizenship required:
    Alabama: Laws 1919, no. 142, p. 124, par. 1.
    Connecticut: Gen. Stat., rev. 1930, sec. 2920.
    Delaware: Chapter 48, vol. 32.
    Georgia: Act 1908, p. 86.
    Kentucky: Carroll's Statutes, 1930, sec. 3941, e. 4.
    Louisiana: Laws 1924, no. 136, p. 208.
    Massachusetts: GL (Ter. Ed.), ch. 112, sec. 87B.
    Mississippi: Laws 1920, c. 211, p. 30.
    Montana: Laws 1919, c. 72, p. 142.
    New Hampshire: Public Laws, c. 270, ss. 3, 9.
    New Jersey: Laws 1904, c. 230, sec. 9, p. 402.
    New Mexico: Laws 1921, c. 181, p. 388.
    Pennsylvania: Act, March 29, 1899, P.L., 21, sec. 1.
    South Carolina: Laws 1924, no. 537, p. 896, par. 2.
    Tennessee: Shannon's Suppl. 1926, par. 3654a86, p. 1001.
    West Virginia: Laws 1911, c. 19.
  First papers (declarations of intention) required:
    Arizona: Chap. 45, HP 134.
    Arkansas: Crawford & Moses Digest, sec. 8325.
    California: Act 21, General Laws, sec. 3.
    Colorado: Comp. Laws 1921, sec. 4727.
    District of Columbia: Act Feb. 17, 1923, 42 Stat. 1261, Code 219, sec. 4.
    Idaho: ICA, sec. 53, 202.
    Illinois: Smith-Hurd Rev. Stat. 1931, c. 110½, sec. 13.
    Indiana: Burns 13696, 1929 supplement.
    Iowa: Sec. 1905–09, Code 1931.
    Kansas: 1–101 of Rev. Stat. 1923.
    Maryland: Ch. 585, Act of 1924.
    Michigan: Laws 1925, c. 353, p. 659, par. 15.
    Minnesota: Mason's Statute, 1927, sec. 5700; Laws 1909, ch. 439, sec. 3; sec. 4962, et seq. G.S. 1913.
    Nebraska: Comp. Stat. 1929, sec. 1–101.
    Nevada: Laws 1919, c. 198, p. 365, par. 5; Laws 1917, c. 184, p. 346; sec. 253, Comp. Laws 1929.
    New York: Education Laws, sec. 1490.
    North Carolina: Laws 1925, c. 261, p. 503, par. 2.
    North Dakota: Laws 1925, c. 2.
    Ohio: Sec. 1373, General Code.
    Oregon: Code 1930, 68–201.
    Rhode Island: General Laws 1923, chap. 211, sec. 1.
    Utah: 1923 Laws, sec. 41, p. 84.
    Vermont: 1931, no. 132.
    Virginia: Code, sec. 567; 1928, p. 1150.
    Wisconsin: Wis. Stat. 1931, 135.02 subd. (1).
    Wyoming: Rev. Stat. 1931, sec. 2–104.

Architects:
  Full citizenship required:
    Iowa: Sec. 1905–d8, Code 1931.
    Michigan: Laws 1919, no. 334, p. 592, par. 13.
    New York: Laws 1922, c. 461, Amd. Laws 1924, c. 244.
    South Dakota: Laws 1925, c. 163, pp. 185–6, par. 7–10.
    Washington: Laws 1919, c. 205, pp. 720–1, par. 3.
  First papers (declarations of intention) required:
    Georgia: Sec. 1754 (58) Civil Code.
    Idaho—I.C.A., sec. 53–402.
    Ohio,[3] with one exception: Sec. 1334–6, Gen. Code (114 Ohio Laws 523) (1931).
    Oregon: Code 1930, 68–305.
    Virginia: Act 1920, p. 496; 1924, p. 353.
    West Virginia: Laws 1921, c. 107, p. 267, par. 19.

Aviators:
  Full citizenship required:
    Oregon: Code 1930, 17–105.

Chiropodists:
  Full citizenship required:
    New Mexico: Laws 1921, c. 110, pp. 197–8, par. 3.

Chiropractors:
  First papers (declarations of intention) required:
    New Jersey: Laws 1925, c. 126, p. 349.

Court reporters:
  Full citizenship required:
    Colorado: Chap. 159, Sessions Laws 1925, sec. 10.

Dentists:
  First papers (declarations of intention) required:
    New York: Regulation, bd. dental examiners.

Doctors:
  Full citizenship required:
    Georgia: Rule of the State board of medical examiners.
    Indiana: Regulation State board of medical registration and examination.
    Kansas: Regulation State medical board.
    Kentucky: Regulation, State medical board.
    Nebraska: Comp. Stat. 1929, sec. 71–701, 71–702.
    South Dakota: Laws 1925, c. 254, p. 300.
    Wyoming: Sec. 6, board of medical examiners; Rev. Stat. 1931, sec. 114–106.
  First papers (declarations of intention) required:
    Idaho: I.C.A. sec. 53–2102.
    Louisiana: Act 56, 1914, Amd. Oct. 4, 1918.
    Maine: Rule board of registration of medicine.
    Minnesota: Regulation State board of medical examiners—June 18, 1924.
    Mississippi: Regulation, State board of health.
    Nevada: Act of Mar. 4, 1905, Amd. Mar. 27, 1931, sec. 6.

[1] Vide Unemployment and the Alien, by the author in the January 1931 issue of the South Atlantic Quarterly.

[2] Vide Legal Disabilities of Aliens in the United States, by Max J. Kohler in the February 1930 issue of the American Bar Association Journal.

[3] Exception: Alien with 10 years' experience abroad who has passed Ohio examination.

Doctors—Continued.
First papers (declarations of intention) required—Continued.
New Jersey[4]: Laws 1925, c. 134, pp. 359–363.
New York[4]: Laws 1926, c. 834, p. 1543.
North Dakota: Ruling, State medical board.
Ohio: Rule State medical board authorized by sec. 1273—general code.
Oregon: Ruling, State medical board.
Rhode Island: Public Laws 1927, sec. 1 amending sec. 3, ch. 159, gen. laws.
Wisconsin: Wis. Stat. 1931, 147.15; amd. by ch. 290, laws 1933; rules bd. med. exmnrs.
Wyoming: Rev. Stat.—1931, sec. 114–106.
Engineers (professional):
Full citizenship required:
Michigan: Laws 1919, no. 334, p. 592, par. 13.
Pennsylvania: Act of May 6, 1927, P.L. 820.
South Carolina: Laws 1922, no. 580, p. 1034, par. 8.
First papers (declarations of intention) required:
Indiana: Burns 13886, 1929 supplement.
New Jersey: Laws 1921, c. 224, p. 718.
Virginia: Act 1920, p. 496; 1924, p. 353.
West Virginia: Laws 1923, c. 63, p. 223.
Engineer (stationary):
Full citizenship required:
Minnesota: Mason's Statute 1927, sec. 5697-9; laws 1921, c. 523, sec. 9.
Nevada: Sec. 2874, Comp. Laws 1929.
New York: Laws 1922, c. 461, amd. laws 1924, c. 244.
North Carolina: Laws 1921, c. 1, p. 49, par. 9.
South Dakota: Laws 1925, c. 163, pp. 185–6, par. 7–10.
First papers (declarations of intention) required:
New Jersey: Laws 1913, c. 363, sec. 5, p. 784; rule, license board.
Lawyers:
Full citizenship required:
Alabama: 1932 code—6241 (2975); State bar board, pp. 4–6.
Arizona: Rev. Stat. Code, 1928, chap. 7, sec. 193.
Arkansas: Crawford & Moses Digest, sec. 596.
Stat. 1919, Suppl. 1927, sec. 596.
California: Act 591, General Laws, sec. 24.
Session Laws, 1931, chap. 861, p. 1761.
Colorado: Comp. Laws, 1921, sec. 5999.
Sup. Ct. Ruling, 64.
Connecticut: Gen. Stat. Rev., 1930, sec. 5343.
Rules Super. Ct. Reg. Adm. of Att., sec. 4.
District of Columbia: Sup. Ct. D.C., rule 5, sec. 2.
Florida: State Board Laws Ex. Instr., sec. 3.
Georgia: Code of 1926 (Michie), sec. 4932; Acts 1806, Cobb 89; 1847, Cobb 92.
Illinois: State Board Law Examiners, p. 9.
Indiana: Const., article 7, sec. 21.
Kansas: 7–102 of Rev. Stat. 1923.
Stat. Laws, 1905, chap. 67, sec. 1.
Kentucky: Board of Examiners, rules 1 and 2.
Louisiana: Amended Act 118, 1910, p. 190.
Sup. Ct., rule XV, sec. 1.
Maine: Rev. Stat., 1930, c. 93, sec. 26, as amended by Laws, 1931, c. 176, sec. 2.
Maryland: Rules Ct. of Appls., p. 5.
Massachusetts: G. L. (Ter. ed.), chap. 221, sec. 37, 38.
Michigan: Stat., sec. 13578 C.L., 1929, p. 4865.
Minnesota: 1930 Minnesota Supreme Court rule 2; sec. 4946, G.S., 1913.
Mississippi: Laws, 1916, chap. 107, p. 140.
State Board Law Exrs., II, III.
Nebraska: Comp. Stat., 1929; sec. 7–104.
Bar Committee Form 1, sec. 23, Instr., sec. 4.
New Hampshire: Public Laws, 1926, c. 325, S. 2.
New Jersey: Rules of Supreme Court of New Jersey, p. 1 of bar pamphlet published Feb. 14, 1931, rule 3 (B).
New York: Judiciary Law, sec. 460.
Rules Ct. of Appls.—rule II, sec. 2; rule VI, sec. 1.
North Dakota: Rule of the Sup. Ct.
Ohio: Sup. Ct. rule XIV, sec. 38.
Pennsylvania: Rules Sup. and Super. Cts., rule 7.
Rhode Island: Sup.Ct., rule 1 A.
South Carolina: State Board Law—Informal Papers of Cit. Rules (Gen.).
Tennessee: Sup. Ct. Rules, sec. 4.
Utah: 8–0–10 Laws, 1933.
Vermont: Sup. Ct. rule 22.
Washington: Sec. 139, subd. 6, Rem. Rev. Stat. Wash. Stat. Laws, 1921, chap. 126, sec 4.
Wisconsin: Wis. Stat. 1931, 256.28 subd. (2).
Wyoming: Rev. Stat. 1931, sec. 9–103; Stat. Sessions Laws 1927, chap. 26.
First papers (declarations of intention) required:
Idaho: Comp. Stat. 1919, sec. 6565.
Montana: Rev. Code of 1921, sec. 8936, sup. ct. rule A2, B1.
Nevada: Stat. Rev. Laws 1912, sec. 499.
New Mexico: Laws 1909, chap. 53, 19; code 1915; 346 State board bar examination, rule 1, sec. 2.
Ohio: Sec. 1706, general code.
Oklahoma: Rules board of Gov., State bar rule 1, sec. 4149.

[4] Full citizenship required within 6 years.

Lawyers—Continued.
First papers (declarations of intention) required—Continued.
Oregon[5]: Code 1930, 32–105; Stat. Olsons Oregon Laws 1920, sec. 1077, 1078.
Utah: Sess. Laws 1931, ch. 48, p. 166.
Nurses:
Full citizenship required:
Florida: Rule State bd. examrs. nurses.
Nebraska: Comp. Stat. 1929, sec. 71–701, 71–702.
Optometrists:
Full citizenship required:
Alabama: Laws 1919, no. 521, p. 476, par. 9.
Idaho: I.C.A., sec. 53–1706.
Montana: Laws 1925, c. 171, p. 309, par. 4.
Tennessee: Shannon's Suppl. 1926, par. 3654a19, p. 996.
Washington: Laws 1919, c. 144, p. 400, par. 5.
Osteopaths:
First papers (declarations of intention) required:
Wisconsin: Wis. Stat. 1931, 147.15.
Pharmacists:
Full citizenship required:
Massachusetts: G.L. (ter. ed.), chap. 112, sec. 24.
New Hampshire: Public Laws, c. 210, s. 18.
New York: Laws 1924, c. 338, p. 633.
Ohio: Sec. 1302, gen. code.
Rhode Island: Public Laws 1926, chap. 794, sec. 2.
Utah: 1925 Laws, sec. 60e, p. 123.
Vermont: 1931, no. 130.
West Virginia: Code 1931, c. 30, art. 5, par. 4.
First papers (declarations of intention) required:
California: Act 5886, Gen. Laws, sec. 2.
New Jersey: Laws 1932, c. 170, p. 120.
Wisconsin: Wis. Stat. 1931, 151.02, subd. (1).
Certified shorthand reporters:
Full citizenship required:
New York: Ed. Law, sec. 1501.
Surgeons:
Full citizenship required:
New York: Laws 1922, c. 461, Amd. Laws 1924, c. 244.
Wyoming: Rev. Stat. 1931, secs. 86–104.
First papers (declarations of intention) required:
New Jersey[6]: Laws 1925, c. 134, pp. 359–363.
Rhode Island: Public Laws 1927, chap. 1029, sec. 3.
Wisconsin: Wisc. Stat. 1931, 147–15.
Surveyors:
Full citizenship required:
Michigan: Laws 1919, no. 334, p. 592, par. 13.
New York: Edc. Law, sec. 550.
North Carolina: Laws 1921, c. 1, p. 49, par. 9.
South Carolina: Laws 1922, no. 580, p. 1034, par. 8.
South Dakota: Laws 1925, c. 163, pp. 185–6, pars. 7–10.
Wyoming: Rev. Stat. 1931, secs. 114–106.
First papers (declarations of intentions) required:
Minnesota: Mason's Stat. 1927, secs. 5697–9; Laws 1921, c. 523, sec. 9.
New Jersey: Laws 1921, c. 224, p. 718.
Virginia: Act 1920, p. 496; 1924, p. 353.
Teachers:
Full citizenship required:
California: Act 7519, Gen. Laws, part II, c. 1, art. 1, sec. 5.128.
Idaho: I.C.A., secs. 32–1102.
Michigan: Laws 1919, no. 220, p. 392.
Montana: Laws 1919, c. 196, pp. 429–30.
Nebraska: Comp. Stat. 1929, secs. 79–1419.
Nevada: Laws 1927, c. III, sec. 5986, Comp. Laws 1929.
New Jersey: Laws 1928, c. 239, p. 417.
New York: Ed. Law, sec. 550.
Tennessee: Shannon's Suppl. 1926, par. 1487a183, p. 409.
Washington: Laws 1919, c. 38, p. 82; Rem. Rev. Stat., sec. 4845.
Wyoming: Rev. Stat. 1931, sec. 114–106.
First papers (declarations of intention) required:
North Dakota: Laws 1929, c. 111.
Texas: Act 1929, 41st leg., reg. sess., chap. 38, p. 72.
Oath of allegiance required:
Oregon: Code 1930; 35–2402.
West Virginia: Laws 1867, c. 98, par. 32; Laws 1923, c. 13, par. 86–a.

PUBLIC EMPLOYMENT

On public works:
Full citizenship required:
Arizona: Par. 1352, Rev. Code, 1928.
(Amended chap. 85, house bill 72, Laws 1929.)
(Amended chap. 31, subst. house bill 49, Laws, 1931.)
California: Act 6430, Gen. Laws, sec. 1.
Idaho: I.C.A., sec. 43–603.
Illinois: Smith-Hurd Review Rev. Stat., 1931, c. 6, sec. 10–15.
Louisiana: Laws, 1908, no. 271, p. 398.
Montana: Laws, 1927, c. 133, p. 416.
Nevada: Laws, 1925, c. 25, pp. 29–30, sec. 6173; Comp. Laws, 1929.
Oregon[7]: Code, 1930; 19–202, 19–205.
Pennsylvania: P.L., 269, June 25, 1895.
Washington: Sec. 6616, 2334–1 ct. seq., Rem. Rev. Stat.

[5] Full citizenship required within 6 months.
[6] Full citizenship required within 6 months.
[7] Applies only to Chinese and aliens who claimed exemption during the war.

On public works—Continued.
First papers (declaration of intention) required:
Wyoming: Const., art. 19, sec. 3.
Citizens preferred:
Massachusetts: G.L. (Ter. ed.), chap. 149, sec. 26.
New Jersey: Laws, 1931, c. 27, p. 63; c. 402, p. 1471; Laws, 1932, c. 226, p. 503.
New York: Laws, 1921, c. 50, p. 172, par. 222.
Wisconsin: Wis. Stat., 1931, 46.26.
On highways:
Citizens preferred:
Texas: Act of 1931, 42d Leg., reg. sess., chap. 46, p. 69.
State police:
Full citizenship required:
Illinois: State Const., art. VII, sec. 6.
Massachusetts: Rules of dept. of public safety.
Nevada: Laws, 1927, c. III, sec. 5986, Comp. Laws, 1929.
State militia:
Full citizenship required:
Illinois: State Const., art. VII, sec. 6.
Massachusetts: G.L. (Ter. ed.), chap. 33, sec. 2, 90.
State peace officers:
Full citizenship required:
Illinois: State Const., art. VII, sec. 6.
New York: Penal Law, sec. 1845.
Policemen:
Full citizenship required:
New York: Executive Law, sec. 94.
Wisconsin: Sec. 66.11.
Civil service:
Full citizenship required:
Massachusetts: G.L. (Ter. ed.), chap. 31, sec. 12.
New York: Laws 1925, c. 30, pp. 51–2; Civil Serv. Law Reg. 4, subd. 2 (4).
Wisconsin: Wisc. Stat. 1931, 16, II subd. (2).
Bidders on public contracts:
Citizens preferred:
Massachusetts: G. L. (Ter. Ed.), chap. 149, sec. 179A.
In State Departments:
Full citizenship required:
Oklahoma: Sec. 3519, stat. 1931.
Member board of cosmetology:
Full citizenship required:
Michigan: Laws 1931, act. 176, p. 280.
Member board of examiners for plumbing and heating contractors:
Full citizenship required:
North Carolina: Laws 1931, c. 52, p. 51, par. 2.

LICENSES

Private employment agency:
Full citizenship required:
Iowa: Sec. 1551–c, 2 code 1931.
New Jersey: Laws 1928, chap. 283, sec. 3, p. 777.
Oregon: Code 1930; 49–802.
West Virginia: Laws 1929, c. 21, art. 2, par. 8.
Real-estate broker:
Full citizenship required:
New Jersey: Laws 1925, c. 243, sec. 7, p. 674.
New York: Laws 1926, c. 831, p. 1529; superseding laws 1925, C. 164.
Chauffeurs:
First papers (declarations of intention) required:
New York [8]: Laws 1929, ch. 54 amd. by ch. 167, Laws 1933.
Auctioneers:
Full citizenship required:
Minnesota: Sec. 6083, G.S. 1913.
Montana: Laws 1921, c. 15, p. 13.
First papers (declarations of intention) required:
New Jersey [8]: S. 1929, Laws of 1933.
Private bankers:
Full citizenship required:
New Jersey: Laws 1925, c. 189, par. 2, p. 454.
Life-insurance agents:
First papers (declarations of intention) required:
Ohio: Secs. 654–3; General Code, 1925, III Ohio Laws 126.
Steamship-ticket agents:
Full citizenship required:
Pennsylvania: Act July 17, 1919; P.L. 1003; amended by Act Apr. 27, 1925, P. L. 329.
Steam-boiler operators:
Full citizenship required:
New York: Laws 1922, c. 461; Amd. Laws 1924, c. 244.
Master or pilot of a vessel:
Full citizenship required:
New York: Annual Report, Bureau of Labor Statistics, New York, 1924.
Motion-picture operators:
Full citizenship required:
New York: Annual Report, Bureau of Labor Statistics, New York, 1924.
Representative, compensation law self-insurer:
Full citizenship required:
New York: Workmen's Compensation Supp., 1931, sec. 50, subd. 3b.

[8] Full citizenship required within 6 years.

Hunting:
Full citizenship required:
Arizona: 1534 Rev. Code, 1928.
Colorado: Comp. Laws, 1921, sec. 6882.
Connecticut: Pub. Acts 1919–1929, sec. 3143.
Massachusetts [9]: G.L., chap. 13, sec. 7.
New Mexico: Chap. 120.
New York: Conservation Law, sec. 185.
Ohio: Gen. Code, sec. 1431.
Pennsylvania: Act May 24, 1923, P.L. 359, sec. 202.
Texas: Aliens must have license, art. 904a, Penal Code, 1925.
Utah: Laws 1917, p. 278, sec. 2600.
Vermont: Sec. 6338, Gen. Laws, and by sec. 1 of no. 187, Acts 1921.
Washington: Sec. 5711, 5695 Rem. Rev. Stat.
West Virginia: Laws 1929, c. 13, par. 19.
Fishing:
Full citizenship required:
Arizona: 1534 Rev. Code, 1928.
California: Act 2876, Gen. Laws, no. 1 Cal. Jurisprudence, p. 919.
Delaware: Chap. 194, vol. 33.
Massachusetts [9]: G.L., chap. 13, sec. 7.
Ohio: Gen. Code, sec. 1430.
Oregon: Code 1930, 40–511.
Pennsylvania: Act May 2, 1925, P.L. 448, sec. 240.
Vermont: Sec. 6338, Gen. Laws, amended by sec. 1 of no. 187, Acts 1921.
Washington: Sec. 5711, 5695 Rem. Rev. Stat.
West Virginia: Laws 1929, c. 13, par. 19.
Private detectives:
Full citizenship required:
California: Act 2070a, Gen. Laws, sec. 3.
Michigan: Laws 1927, act 383, p. 914.
New Jersey: Laws 1918, c. 97, pp. 233–234.
New York: Gen. Bus. Law, sec. 71.
Wisconsin: Wisc. Stat. 1931, 175–07, subd. (1).
Promoter of boxing or wrestling matches:
Full citizenship required:
Michigan: Laws 1919, no. 328, p. 578, par. 10.
Billiard-parlor owners:
Full citizenship required:
New York: Laws 1923, c. 189, p. 236.
Ohio: Reserved to municipalities under secs. 3659, 3670 of general code.
South Carolina: Laws 1924, no. 537, p. 896, par. 2.
Pool-room owners:
Full citizenship required:
New York: Laws 1923, c. 189, p. 236.
Ohio: Reserved to municipalities under secs. 3659, 3670 of general code.
Card-room owners:
Full citizenship required:
New York: Laws 1923, c. 189, p. 236.
To own soft-drink establishment:
Full citizenship required:
New York: Laws 1923, c. 189, p. 236.
To own dance hall:
Full citizenship required:
New York: Laws 1923, c. 189, p. 236.
To gather or sell oysters:
Full citizenship required:
Oregon: Code 1930; 40–801; 40–809.
Lobster fishing:
Full citizenship required:
Connecticut: Publ. Acts 1919–1929, sec. 3338.
Massachusetts [10]: G.L. (Ter. Ed.) chap. 130, sec. 104.
To own a dog:
Full citizenship required:
Pennsylvania: Sec. 202, Act of May 24, 1923, P.L. 359.
West Virginia: Laws 1925, c. 83, par. 6.

TRADES

Barber:
Full citizenship required:
Idaho: I.C.A., secs. 53–605.
Iowa: Sec. 2585–b13, par. 4, code 1931.
Wisconsin: Wisc. Stat. 1931, 158.08, subd. (2).
Cosmetologists:
Full citizenship required:
Idaho: I.C.A., secs. 53–1201.
Wisconsin: Wisc. Stat. 1931, 159.08, par. (a).
Taxidermists:
Full citizenship required:
Maine: Lower license fee Rev. Stat. 1930, c. 38, sec. 92.
Hawker and Vendor:
First papers (declaration of intention) required:
Massachusetts: Chap. 101, G.L. sec. 22, amended Aug. 3, 1931.
Peddler:
Full citizenship required:
Massachusetts: G.L. (Ter. ed.) Chap. 101, sec. 22.
New York: Town law, sec. 211.
Undertaker:
Full citizenship required:
Massachusetts: G.L. (Ter. ed.) chap. 114, sec. 39.

[9] Also such aliens as own more than $500 in real estate.
[10] With certain exceptions.

Firemen:
First papers (declaration of intention) required.
New Jersey: Laws 1913, c. 363, sec. 5, p. 784.
Junk dealers:
Full citizenship required:
Virginia: Sec. 182, Tax Code.
Salesmen in international firm:
Full citizenship required:
Michigan: Laws 1919, no. 399, p. 705, amended 1921, no. 306. p. 567.
Mining inspectors:
Full citizenship required:
Illinois: Smith-Hurd Rev. Stat. 1931, c. 93, sec. 2.
Kansas: 49–207; Rev. Stat. 1923.
Montana: Laws 1921, c. 160, p. 301.
West Virginia: Code 1931, c. 22, par. 8.
Wyoming: Rev. Stat. 1931, sec. 23–150.
Shot inspector:
Full citizenship required:
Kansas: 49–255; Rev. Stat. 1923.
Shot firers:
Full citizenship required:
Kansas: 49–225; Rev. Stat. 1923.
Wyoming: Rev. Stat. 1931, sec. 23–165.
Managers (mine):
Full citizenship required:
Illinois: Smith-Hurd, Rev. Stat. 1931, c. 93, sec. 2.
Gasmen:
Full citizenship required:
Kansas: 49–255; Rev. Stat. 1923.
Fire boss:
Full citizenship required:
Arkansas: Laws 1919, no. 486, p. 361.
Kansas: 49–255; Rev. Stat. 1923.
Pennsylvania: Act May 21, 1923, P.L. 481, sec. 6, amend. by act April 7, 1925, P.L. 174.
Wyoming: Rev. Stat. 1931, sec. 23–128.
First papers (declaration of intention) required:
Utah: 1923 laws, sec. 10, p. 18.
Mine foremen:
Full citizenship required:
Kansas: 49–255; Rev. Stat. 1923.
Montana: Laws 1921, c. 160, p. 301.
Pennsylvania: Act May 21, 1923, P.L. 481, sec. 6, amended by act April 7, 1925, P.L. 174.
West Virginia: Laws 1925, c. 88, pp. 301, 317, pars. 8, 47.
Wyoming: Rev. Stat. 1931, secs. 23–128.
Mine examiners:
Full citizenship required:
Illinois: Smith-Hurd Rev. Stat. 1931, c. 93, sec. 2.
Montana: Laws 1921, c. 160, p. 301.
Hoisting engineers:
Full citizenship required:
Illinois: Smith-Hurd Rev. Stat. 1931, c. 93, sec. 2.
Kansas: 49–255; Rev. Stat. 1923; Laws 1917, c. 237, p. 332, par. 3.
Check weighmen:
Full citizenship required:
Illinois: Smith-Hurd Rev. Stat. 1931, c. 93, sec. 26.
Mining boss:
First papers (declarations of intention) required:
Utah: Secs. 5–2–4, Laws 1933.

MISCELLANEOUS

Bank directors:
Full citizenship required:
New York: Laws 1919, c. 382, pp. 1109–11.
Pennsylvania: Act May 13, 1876, P.L. 161, sec. 12, amended by act July 19, 1917, P.L. 1101.
Trustees, executors, guardians, or administrators under a will:
Full citizenship required:
Arizona: Rev. Code 1928, 2784.
Maryland: Art. 93, sec. 53, Bagdy's Code; 1924 edition.
Montana: Laws 1923, chap. 58, sec. 3043.3.
Oregon[11]: Code 1930; 19–104.
Texas: Arts. 166–177, Rev. Civ. Stat. 1925.
Trustees (foreign insurance company):
Full citizenship required:
New York: Laws 1919, c. 382, pp. 1109–11.
Directors or officers of insurance company:
Full citizenship required:
Louisiana: Laws 1920, no. 172, p. 274.
Controlling interest in an international trading company:
Full citizenship required:
Texas: Art. 1527, Rev. Civ. Stat. 1925.
Stake mining claim:
Full citizenship required:
Nevada: Sec. 4120, Comp. Laws 1929.
To sell poison:
Full citizenship required:
South Dakota: Laws 1929, c. 124, p. 149.
Farmer applying for county loan for purchase of grain seed and feed for teams:
First papers (declarations of intention) required:
Minnesota: Mason's Stat. 1927, sec. 740; Laws 1919, c. 49, p. 45.

[11] Applies only to property of minors which an alien is prohibited from possessing.

Boat pullers:
First papers (declarations of intention) required:
Oregon: Code 1930; 40–511.
Manufacture or the handling of liquors:
Full citizenship required:
Connecticut: Publ. Acts 1919–1929, sec. 2735.
Pennsylvania: Act of May 3, 1933, P.L. 252, sec. 6.

The citations of the laws and rulings indicate the age of these discriminations in the many States. A study of legislation introduced in the several States this year shows a very definite trend toward an increase in this type of statutory enactment. Seemingly extraneous legislation against aliens such as prohibiting fishing for lobsters, or owning a dog, or hunting, or angling, are but indices of the attitude which has prompted such legislation in part. It finds its ultimate end in the attempt to deny work to aliens in the Public Works program of Congress, in the reforestation program, and frequently in public relief plans. Yet such discriminations create unwarranted hardships: aliens are thrown upon the charities for their support and often their carefully built plans, so often constructive and economically advantageous, are shattered. Furthermore, this distinction in employment is regrettable when viewed in the light of its effect upon any assimilation program that we may seek to effect among our foreign-born residents and upon our ultimate economic recovery. This is the more confirmed by the statement of Justice Hughes in *Truax* v. *Raich* (239 U.S. 33; 1915) in his decision in the Arizona law that sought to restrict employees in establishments engaging more than 5 persons to not less than 80 percent citizens. Justice Hughes stated:

"The right to work for a living in the common occupations of the community is of the very essence of the personal freedom and opportunity that it was the purpose of the fourteenth amendment to secure. * * * The opposite as it affects noncitizens would be tantamount to the assertion of the right to deny them entrance and abode, for in ordinary cases they cannot live where they cannot work."

We cannot overlook the fact that the aliens in this country today number between five and one-half and six millions and that almost all of them are undeportable. Many of them are aliens because they cannot become citizens; they lack the necessary period of time; they lack the relatively high naturalization fees or else they are unable to verify their arrival. If we do not grant to these groups the right to work, we defer their Americanization process and impose upon ourselves the need for sustaining them through public charities. Furthermore, many of them are married and have raised American-born children; discriminations against that group handicap the education and welfare of our own native-born citizens.

The philosophy of caring for one's own—upon which tenet this form of discrimination is founded—must be modified in occupational opportunities to caring for all who are legally in our midst. The citizen and the foreigner who has been legally admitted in past years to our shores deserves prior consideration to the transient. To that form of distinction there can be no objection. But to discriminate between elements among our bona fide residents is invidious and subversive of American ideals. Economically, politically, and historically this policy of discrimination lends itself to important consideration as another effect of the growing nationalism in this country and as another outgrowth of technical developments.

THE AIR-MAIL SITUATION—ADDRESS BY SENATOR AUSTIN

Mr. DAVIS. Mr. President, legislation designed to revise the air-mail laws is now before the Senate for consideration. The Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], and myself are joint authors of an amendment which will, at the proper time, be called up for consideration.

On April 17, 1934, on a Nation-wide radio hook-up of the Columbia Broadcasting System, the able Senator from Vermont [Mr. AUSTIN] delivered an address, in which I concur on this all-important air-mail question. His address was entitled "The Air-Mail Situation." I ask unanimous consent to have the address printed in the RECORD.

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

Tonight, the situation that confronts us is—

A destroyed aeronautical institution.

A great group of experienced, skilled, and specially informed operators who built up that institution, completely banned from creating a new institution to take its place.

A group of nonsubsidized, schedule air-transport companies, who organized immediately after the election into a society for the purpose of securing the air-mail contracts and subsidies thereunder which encouraged the development of the institution which is now destroyed.

Several bills for permanent legislation, pending or ready to be offered, varying in essential features of government and of economics.

Advertisements for bids for temporary contracts covering many of the great routes built up under the stimulating provisions of the McNary-Watres Law, on specifications which lower the standard of safety for pilots and passengers in some of the same fre-

quently befogged areas of our country where several of the Army pilots lost their lives.

The several members of the society of nonmail scheduled air-transport operators busily engaging in preparing bonds and bids to secure these temporary contracts which will consolidate more firmly their strategic position for securing the objective of their organization, namely, substituting themselves for the former operators.

A suggestion by the President that Congress adopt a broad policy for aeronautics after investigation through a commission of all interrelated factors, and that in the meantime contracts for 1 year, or until the policy may be adopted, be let on competitive bidding was made public today, and on the floor of the Senate notice was given by me that an amendment in the nature of a substitute to the McKellar-Black bill would be offered, providing for the appointment of such a commission by the President, and also providing that, pending the report of such commission, and the enactment of permanent air-mail legislation the Postmaster General is directed to revive and reinstate the air-mail contracts canceled February 9, last.

Numerous stockholders of the injured operators, and an army of pilots, technicians, mechanics, and laborers, who are appalled by the swift and ruthless damage inflicted upon them.

Business generally suffering from the loss of one of its important implements of speedy communication.

The volume of passenger and mail transportation by air shriveled to an insignificant point.

Transcontinental mail no longer assured of carriage faster than by train.

Many thickly populated centers practically without air mail.

Air-minded millions who have adjusted their daily work and their lives to the mode and velocity of air transportation, deprived of this service.

This is a sad picture when contrasted with the superb institution which had been created and was serving this country on February 19 of this year. Any hope for improvement depends on the extent of salvage provided for in legislation soon to be passed.

To create this magnificent institution intrepid pioneers gave their lives, millions of our people contributed capital, and the Government afforded a mail subsidy and direct assistance through the Department of Commerce.

The benefit to our civilization is most clearly perceived in its achievement of a more perfect Union.

The first objective expressed in the preamble of the Constitution of the United States was to form a more perfect Union:

"We the people of the United States, in order to form a more perfect Union", among other things, did ordain and establish the Constitution.

We have learned that the Constitution is not self-executory, and that it is not self-perpetuating. We know from experience that the purposes of that great charter can be achieved only by means of patriotic, diligent, and effective service by our people in all the activities of society.

The airplane and the radio have become the greatest unifying agencies civilization has ever enjoyed.

Now, when philosophies of foreign origin attack our social system and the very fabric of government, threatening the disintegration of that Union, and the destruction of liberty, this great institution of the air mail which cements us together should be rescued from cupidity and politics, and be placed on a sound and stable foundation.

The record shows two effectives bombarding the Post Office Department for cancelation of the air-mail contracts:

1. The organized nonsubsidized operators.
2. Political "spoilers."

The record reveals a campaign so comprehensive that the self-seeking interested companies brought their influence to bear upon committees of the Senate and House and individual Senators and Representatives (tr. 7904), the special investigating committee, and the Postmaster General, with ever-increasing urgency until the objective of cancelation was reached.

The record discloses that the society (tr. 7887, 7889) formed for the purpose of securing cancelations kept an attorney of Washington busy with officials and committees and that individual companies also employed him for the same purpose. He testified in the hearings this week that he was working to get an opportunity for his client to bid on air-mail contracts (tr. 7879). The record shows that such an opportunity could not be had without cancelation (tr. 7884).

The record shows that this attorney had been an official of the Post Office Department for 22 years, from 1903 to 1925 (tr. 7894).

The record further shows that a friend of that attorney of more than 30 years' standing, Mr. Stephen A. Cisler, was made general superintendent of the Air Mail Service and the former superintendent was removed to another service. The significance of this change was called to the attention of this attorney's client by letter, saying, among other things: "From what I know of Mr. Cisler, I believe that you will get a fair consideration."

Mr. Cisler had been a comrade of his attorney in the mail service. The attorney wrote: "He has never been employed by any mail operator, but he was general superintendent of the air mail from about 1923 to 1926. He is at present stationed at Fort Worth, Tex., as assistant superintendent, railway mail in charge of air mail."

The record shows that the set-up in the Post Office Department also included two other Texas men, Solicitor Crowley and Fourth Assistant Postmaster General Evans. These are prominent names in the roll of the Democratic National Convention of 1932.

The record discloses that Solicitor Crowley and President Braniff were working together before the Senate special investigating committee (tr. 2794).

The record reveals that the nonmail operators were "after something more important than a short-line contract" (tr. 7903).

Early in the campaign the suggestion was made that a equitable solution of the situation "would be to leave the large operators in possession of the transcontinental routes but divide the feeder routes up among other responsible operators" (tr. 7908). However, even this scheme grew with the encouraging progress of their efforts until the operator who wrote the attorney to "bring it up in your (his) discussion" with then Second Assistant Postmaster General Howes, sought a network of lines which included all of the important routes in the thickly settled area of the United States east of the Mississippi River. This was Braniff Airways whose president was also president of the society organized for cancelation of the contracts.

The record shows that they began to believe that satisfactory results would depend largely on the attitude of the Post Office Department, and that they had just as good a chance to obtain their objective under the Watres law as under any measure Congress might pass (tr. 7916). The attorney then believed that the Department's course of action regarding cancelation would largely depend on opinion of the Comptroller General.

The record reveals that this was the fortunate occasion of the change in air-mail superintendent, and the attorney wrote his client confidentially: "For your confidential information, I am quite sure a new superintendent of air mail is to be appointed shortly, and I think Mr. Howes will then be prepared to discuss intelligently the problem of the Independent Schedule Air Transport Operators. I am keeping close touch and watching developments" (tr. 7942).

Events were slowly but surely moving favorably. The record shows that Representatives and Senators were being impressed into service with the Department. The attorney was confident that the Comptroller General would shortly tell Mr. Farley that he could cancel practically all extensions (tr. 7946). The new legislation to give the President power to cancel contracts was advancing (tr. 7947), and counsel advised clients to "continue to lay their cases before the Postmaster General and show the necessity for early action in their behalf" (tr. 7947).

To secure the contracts quickly was a necessity; not for the benefit of the public, not to save the Government money, not to improve the service, not to make aeronautics more safe and efficient. President Braniff wrote to Mr. Howes: "I am calling these matters to your attention because I am extremely anxious that you should understand the need for the promptest possible relief" (tr. 7954, May 16, 1933).

The record shows that the Postmaster General sought the opinion of the Comptroller General regarding the power to cancel as early as the first month of the present administration (tr. 7909), but was not advised until in June of certain powers to cancel definitely given by law, which required notice and hearing. This was evidently a disappointment. Of course, these powers were not used. It would not do to try out the question of collusion in a regular way, with the accused having an opportunity to be heard.

But were those nonmail operators daunted? They were not.

Immediately after this opinion came out Braniff Airways called Mr. Howes' attention to the opinion as if it were favorable, and notified him that Braniff Airways desires "to submit bids for carrying the mail on routes which are already covered by certificates or extensions", and laid out an air-mail map covering the eastern half of the United States.

He wrote later that he was in dead earnest about it (tr. 7975).

The record shows that Mr. Cisler and the attorney discussed this letter, and that Mr. Cisler thought that "some method should be found for extending the benefits of air-mail transportation to certain independent operators (tr. 7966) who have been operating at least more than 1 year", but the attorney said, "Mr. Cisler is feeling his way cautiously and carefully with a view to arriving at some equitable solution" (tr. 7877).

The record shows that the attorney was having "about two conferences a week with Mr. Cisler", and that he felt "that some progress was being made with a view to tangible results in the near future", and advised that further political pressure be brought on the Department "through your congressional delegations, national committeemen, as well as from civic organizations" (tr. 7971).

Braniff replied: "Keep in regular touch with the Department; press our proposal at every opportunity."

The attorney later wrote: "I have been urging Mr. Cisler to decide on some policy with respect to certain independent operators" (tr. 7996). That was not done because the Government could save money thereby. He admitted that it was done because the independent operators "could not possibly continue to operate much longer" (tr. 7997). This attorney testified that, although his client wanted cancelation of contracts, all that the attorney sought was cancelation of extensions, and that he had numerous conferences with Mr. Cisler about that (tr. 8016).

The record shows that other clients of this attorney were also carrying on their part of the campaign. One of them wrote him: "I have bombarded the Post Office Department with all the national Democratic committeemen, State chairmen, governors, Congressmen, all Democratic Senators, and everyone else in this territory who materially helps keep the Democratic donkey alive."

The record also reveals a relationship with Investigator Patterson, of the Senate special investigating committee, which speaks for itself. The attorney wrote to his client Braniff asking for the names of three or four qualified accountants who could assist that committee. He said, "Any names you suggest, I think it would be advisable not to discuss the matter with them. Let me furnish the names, and let the committee get in touch with them direct. This should be treated confidential." The attorney testified that this was requested by Investigator Patterson (tr. 8037). One name came through from client. But it was not communicated to the committee.

Between the date when Postmaster General Farley testified that he had found nothing about the contracts which had caused him to act toward cancelation, and that his own conduct under them might be regarded as ratification of them, January 30, 1934, and the cancelation February 9, the society of independent operators turned on pressure for speedy action which was succeeded by cancelation of all contracts. February 2, 4 days before the conference with the President, they filed with Postmaster General Farley a memorandum urging "that unless early constructive action is taken to bring about changes in existing administration of the Air Mail Service, the independent operators will be forced to cease their air-passenger transport operations * * *" (tr. 8050). They asked for cancelation of extension and invitation for bids.

Time does not permit further reference to the record now. Sufficient has been shown to call us to the rescue.

We must not permit this bombardment to become permanently destructive.

Permanent legislation should not be passed until after a full and complete knowledge of all facts can be had, so that a remedy may be found that will save this great institution and place it out of reach of the blighting effects of personal cupidity and political interest. We must not have the future air-mail system subject to change every 4 years.

But in the meantime the contracts should be reinstated pending full consideration. Any other course would consolidate the ruin and havoc created by cancelation, and perpetuate the wrong perpetrated in the name of the Government of the United States.

POWER TRUST INVESTIGATION—CAMPBELL RUSSELL

Mr. NORRIS. Mr. President, a few days ago I read into the RECORD a number of letters and documents which had been produced before the Federal Trade Commission in their investigation of the so-called "Power Trust." Among those letters was one from Mr. Ernsberger, president and general manager of the Insull property, the Southwestern Light & Power Co., dated January 17, 1927, to Mr. W. C. Sharp, of Chicago, who was one of the operating vice presidents of Insull's Mid-West Securities Co. From the letter which I read at that time I quote now as follows:

You will recall that I wrote you and also talked with you about the possibility that I should be able to arrange for the employment of Campbell Russell by the utilities association, thereby stopping the prosecution of the suit for reduction of rates against the Oklahoma Gas & Electric Co. in Oklahoma City before the corporation commission.

I had several conferences with Mr. Russell and he was so thoroughly sold on the Southwestern Light & Power Co., its policies and reputation, that he insisted that he would rather go to work for them. Therefore I have hired him.

His salary will be $5,000 per year—the Oklahoma Gas & Electric Co. has agreed to pay three fourths of his salary. I have arranged also with the Oklahoma Utilities Association that Mr. Russell be transferred to that association in the next 3 or 4 months.

I think it best to handle it as we are for the reason that direct connection with the association at this time might injure the utility's standing with the legislature that is now in session.

You may know that we are working very hard to prevent the repeal of House bill 4.

I think we have performed a mighty good service in getting Mr. Russell out of the work he has been doing, for that (the) reason that it would have spread from the O. G. & E. case in Oklahoma City to other parts of the State at some time in the early future.

To that letter of Mr. Ernsberger, Mr. Sharp replied, and I read into the RECORD, as I read now, a part of the reply. Mr. Sharp said, his letter dated January 17, 1927:

I showed your letter of January 17 to Mr. Insull and he was very much pleased with the arrangement that has been made, but suggested that perhaps we were asking the Oklahoma Gas & Electric Co. to bear too much of the burden.

I told him I would take this matter up with you and see how you felt about it. He did not feel that our other companies in Oklahoma should share in this expense for obvious reasons.

The reading of that letter into the RECORD brought to me Saturday a letter from Mr. Campbell Russell, the attorney named in the letter. The letter is written on his letterhead and reads:

OKLAHOMA CITY, OKLA., *April 18, 1934.*

Senator GEORGE W. NORRIS,
Washington, D.C.

DEAR SENATOR: Having long observed your conduct as a public official, as a persistent champion of justice, of fair play, and of human rights, I am now confidently anticipating that you will either produce some evidence to support your recent statement in the United States Senate besmirching my reputation, or that failing to find such evidence you will correct your statement.

When I say evidence, Senator, I mean something more than a letter from an officer of the company who was discharged shortly after such letter is said to have been written. As to why he was discharged, I have no knowledge.

I do know that as a result of his manipulations he left many depleted bank accounts and empty pocketbooks in Oklahoma.

I appreciate the fact that I was one of the employees of the old company who was not invited to participate in his new venture.

Thanking you for such attention to this matter as your own conscience shall direct, I am,

Sincerely,

CAMPBELL RUSSELL.

This morning I wrote a letter to Mr. Russell, and I have in my hand a copy of my reply. I send it to the desk and ask that it may be read.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

APRIL 23, 1934.

Mr. CAMPBELL RUSSELL,
Oklahoma City, Okla.

MY DEAR MR. RUSSELL: I have your letter of April 18, 1934, in which you complain that I have "besmirched" your reputation. The thing of which you complain is my reading into the CONGRESSIONAL RECORD of the letter of Mr. Ernsberger, president and general manager of the Insull property, the Southwestern Light & Power Co., dated January 17, 1927, to Mr. W. C. Sharp, of Chicago, one of Mr. Insull's vice presidents in the Middle West Utilities Co.

You do not explicitly deny the truth of the statements made in this Ernsberger letter, although I take it that from the fact that you have complained against me for reading it into the CONGRESSIONAL RECORD you are, in effect, denying the truth of this letter. If the statements made in this letter of Mr. Ernsberger are not true then certainly he has done you a great injustice. The most effective denial would be to have your testimony before the Federal Trade Commission. This Ernsberger letter, you will remember, was produced before the Federal Trade Commission, and is a part of the evidence developed there. I am sure the Federal Trade Commission desire to do you no harm and would help you to right any wrong that has been done you by the letter of Mr. Ernsberger, if that letter is false. I want to assure you, also, that I shall be glad to do anything that I can to bring out all the evidence on this subject.

Therefore, I most respectfully suggest that you send me an affidavit denying the facts set out in the Ernsberger letter, and I will be glad to file it with the Federal Trade Commission, and ask them to summon you as a witness, and that they subpena Mr. Ernsberger, also, the author of the letter, and that they send their agents to make an examination of the books of these companies of Mr. Insull, to ascertain whether any salary has been paid you in accordance with the alleged employment which is set out in the Ernsberger letter. If Mr. Ernsberger's letter is false, then it is certainly another glaring incident of the methods used by some of the officials of these power companies to injure honest men.

Assuring you of my willingness to fully cooperate in an attempt to bring out all the evidence on the subject, I am

Very truly yours,

G. W. NORRIS.

Mr. NORRIS. Mr. President, I have no personal knowledge of the facts. I think, however, if there are false statements in the letter which Mr. Ernsberger, the president of one electric power company, wrote to the vice president of another electric power company, it is certainly, as I stated in my letter, a glaring instance of an attempt to injure an innocent man.

I know nothing about the truth of the matter. It is the first time during the 3 years this investigation has been going on before the Federal Trade Commission when the truth of any of the letters, so far as I know, has ever been questioned. I have pointed out to Mr. Russell in my letter that if he will deny under oath the statements made in the Ernsberger letter, I will do everything I can to have the Federal Trade Commission subpena the necessary witnesses in order that the whole truth may be brought out.

I believe that is all I care to say or ought to say at this time in regard to the controversy.

LEGISLATIVE APPROPRIATIONS—CONFERENCE REPORT

Mr. TYDINGS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8617) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1935, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 31, 32, 33, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 14, 18, 19, 20, 21, 22, 23, 24, 25, 27, 29, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$187,345, of which $90,000 shall be for the fiscal year 1934"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "That the present incumbent as attending physician be advanced one grade as an extra number, provided that this shall not be considered as affecting the opportunity for advancement of any other person."; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, and 30.

MILLARD E. TYDINGS,
JAMES F. BYRNES,
MARCUS A. COOLIDGE,
FREDERICK HALE,
J. G. TOWNSEND, JR.,
Managers on the part of the Senate.

LOUIS LUDLOW,
JOHN N. SANDLIN,
J. P. BUCHANAN,
CLARENCE J. MCLEOD,
Managers on the part of the House.

Mr. TYDINGS. Mr. President, I ask for the consideration and adoption of the report; and then I shall move that the Senate further insist on its amendments still in disagreement and request a further conference with the House, and that the same conferees be appointed.

The PRESIDENT pro tempore. The Senator from Maryland asks unanimous consent for the present consideration of the conference report. Is there objection? The Chair hears none. The question is on agreeing to the report.

Mr. FRAZIER. Mr. President, may we have a brief explanation of the amendments in disagreement?

Mr. TYDINGS. The amendments in disagreement are mainly those which the committee put in. Those to which the House has acceded are some of those that were put in on the floor of the Senate. The House has receded from about 16 amendments, and the Senate only from 4; so the Senate has maintained practically all of its amendments to the bill.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDENT pro tempore. The Senator from Maryland moves that the Senate further insist upon its amendments to the bill still in disagreement, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. TYDINGS, Mr. BYRNES, Mr. COOLIDGE, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate at the further conference.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

THE AIR MAIL

The Senate resumed the consideration of the bill (S. 3170) to revise air-mail laws.

Mr. FESS. Mr. President, on Friday, while the subject of the air-mail contracts was being discussed, I yielded to a proposal for a unanimous-consent agreement made by the Senator from Mississippi [Mr. HARRISON] that debate on this matter be limited beginning on Thursday next. I had understood at the time that an agreement had been reached which would be satisfactory. I found that it would be impossible for me to do what I had intended without consuming more time than would be allotted to any one Member of the Senate, especially to one who is not a member of the committee. Consequently, having assented to the agreement, I have felt considerable embarrassment, in that I still hold the floor with much unsaid that I think must be said before the debate concludes in order to have it in the RECORD, so that people who have not had the opportunity of being before the committee will know what was brought out in the hearings of the committee.

For that reason, I retained the floor for today. Also, in order that the country might know the general reaction toward the cancelation of these contracts in the manner in which it was done, as expressed through the independent thought of the leaders of public opinion, the editors of the papers throughout the country, I asked consent to have inserted in the RECORD a large number of editorials. Consent was granted, and the editorials were inserted. I also asked and obtained at that time consent to insert in the RECORD statements of some of these companies as to the history of the companies and their contracts. I did that in order that their side of the case might be presented, although it would have been preferable to have them come before the committee, where they could be examined in chief- and also upon cross-examination.

On the evening of April 20 there was delivered in the city of St. Louis, before the chamber of commerce, an address by Mr. P. B. Sturgis, the traffic manager of the eastern region of Transcontinental & Western Air, Inc., which includes in detail the history of the air-mail service, with special reference to the manner in which the contracts were made with this company, and also gives the judgment of this manager on the manner in which the contracts were canceled. I do not care to read the address into the RECORD, but so as to save time, should be glad to have it inserted without reading.

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

The address referred to is as follows:

(Address delivered by Mr. P. B. Sturgis, traffic manager, eastern region, Transcontinental & Western Air, Inc., before the St. Louis Chamber of Commerce, Apr. 20, 1934)

AIR-MAIL CONTRACT CANCELATION

There is only one subject in the minds of those in the aviation industry at present. That subject is the "cancelation of the air-mail contracts." It should be of interest to everyone here, because it involves the principles of sound government. An entire industry has been condemned without a hearing or fair trial.

The interest of those of us in the industry goes farther. Annulment of the contracts means a loss of revenue of $1,200,000 a month, with an average gross business of $2,000,000. It is estimated that the domestic air-mail operators lost approximately $400,000 in December 1933 even with air-mail revenues. In March 1934, the first complete month since the birth of the air transport industry in this country that it has operated without air mail, a net loss of nearly $1,500,000 will probably be experienced. The resources of the operators are not great. It is estimated that total assets of all the air lines, including those of their holding companies, amount to only $60,000,000. Of this total, not more than one half, or, roughly, $30,000,000, could be in net quick assets. A net loss of $1,500,000 a month is an enormous drain. No industry can survive at that rate of deficit monthly.

Why are air-mail revenues so important? Because at present passenger and express revenues are not sufficient to cover operating expenses. Operating cost of the present 10-passenger planes approximate 60 cents per airplane-mile. The average passenger

rate is 6 cents per mile. Thus it is imperative that a full load of passengers be carried each trip to break even. However, the passenger-load factor on even the most heavily traveled routes rarely exceeds 50-percent capacity over a yearly period. This means that the average revenue from passengers would approximate 30 cents per airplane-mile. Express revenue has so far been small and seldom averages 1½ cents per mile over the best routes. This makes a total gross revenue of around 31½ cents per mile. But the operating costs amount to more than 60 cents per mile. So far the difference has been largely made up by Government air-mail payments. The reasons for this contribution to air transportation were: (1) The demand for a fast mail service by individuals, banks, and business concerns, for which the users paid approximately one half the bill; (2) the air transport industry would be of inestimable value in case of national emergency through the rapid communications and transportation service offered, the training of pilots and mechanical personnel, and the equipment available as either transports or bombers.

The first air-mail service in this country began May 15, 1918, by the Army Air Corps, between New York and Washington. The Army relinquished this service August 12, however, when the operation was transferred to the Post Office Department. The postage rate at the outset was 24 cents an ounce, later reduced to 16 cents and still later to 6 cents. A few months of operation convinced the Post Office Department of the practicability of an extensive air-mail service. The next route considered was between New York and San Francisco, and by September 1920 it had been established. In the same year two feeder lines were inaugurated.

During this period the planes were flown only during daylight hours, and the mail was forwarded by train at night. To get the full advantage of the speed of aircraft it was necessary to arrange for night flying. Therefore, beacons were placed and fields lighted, and by July 1, 1924, through transcontinental service with day and night flying began.

By 1925 air mail had developed to a point where the Post Office Department felt that it should retire from the field and turn operations over to private capital. Not only had volume on the main line grown to a point of warranting the assumption that private enterprise could support the venture, but demands for further extensions of this service were being made by off-line cities. Consequently, in February 1925 legislation was enacted authorizing the Postmaster General to contract for the transportation of air mail at a rate not to exceed four fifths of the revenues derived from such air mail. Experience soon showed that the mail was being delayed by the necessity of scanning each piece in order to determine the revenue to be paid the contractor.

In 1926 the first amendment to the Air Mail Act was passed and provided for contracting on a poundage basis with a limitation of $3 per pound, and contracts which had already been awarded under the previous law were by agreement changed to the poundage basis. There were 31 contracts awarded by competitive bidding under the original law and the first amendment.

It may be of interest to insert here the number of bidders on some of these routes: New York-Boston, 4 bids; Chicago-St. Louis, 3; Chicago-Dallas, 2; Salt Lake City-Los Angeles, 3; Seattle-Los Angeles, 3; New York-Chicago, 4; Cheyenne-Pueblo, 9; Chicago-San Francisco, 4; Chicago-Atlanta, 6; and Atlanta-New Orleans, 6. Is this evidence of collusive and fraudulent bidding? On the contrary. The successful bidder on the Chicago-Atlanta route secured the contract at such a low rate that the line could not possibly be made profitable. In other words, the air transport industry was even then becoming the victim of cut-throat competition.

The postage rates were charged on a zone basis. The Government-operated transcontinental route traversed three zones, requiring 8 cents postage for each zone, or a total of 24 cents for the transcontinental flight. In addition, if a letter was traveling to an off-line point on an independent operator's claim, an additional 10 cents' postage was required. The system was cumbersome and expensive, and finally a uniform rate of 10 cents per half ounce, regardless of destination, was established by the Postmaster General.

In 1928 the Air Mail Act was again amended, and one of the provisions of this amendment permitted the Postmaster General to fix the rate at not less than 5 cents an ounce or fraction thereof. Shortly after the passage of this amendment the rate was changed to the minimum authorized by law.

This resulted in an enormous growth in the volume of air mail. In 1926 the amount of air mail carried was 383,000 pounds; in 1927, when the universal rate of 10 cents a half ounce went into effect, it increased to 1,000,000 pounds; and in 1928, with the further reduction in the rate to 5 cents an ounce, it jumped to 3,500,000 pounds. In 1929 it reached a figure of 7,100,000 pounds.

The problem confronting Postmaster General Brown when he took office in the spring of 1929 was serious. Air-mail volume had grown beyond all expectations. With payments to contracts based on poundage carried, the cost was substantial. In May 1929 the Government paid approximately $1,200,000 for air mail transportation, as compared with $300,000 in January 1928. With the domestic air lines flying well over 1,000,000 miles a month, over 14,000 miles of airways, an industry had been created.

Some of the contracts under which these companies were operating would expire in less than a year, and practically all of them would have expired in the course of the next 2 years. There were many shortcomings in the poundage method of payment, which only experience in actual operations could and had made apparent. From Boston to Los Angeles, for instance, on the poundage basis, the Government was abliged to pay a total of $8.74 per pound. The Government was receiving only approximately $2 per pound in stamp revenue. It was uneconomical. Furthermore, on the poundage basis the line between New York and Boston was receiving $3 for transporting a pound of mail between these points, 200 miles apart, while another operator, with less volume, was receiving only 78 cents for carrying a pound of mail between Chicago and Atlanta, Ga., a distance of 790 miles. One line was receiving as high as $4.38 per mile flown in May 1929. Another was receiving only 14 cents. It was obvious that some companies were being overpaid while others were rapidly going broke. New legislation was imperative if the cost to the Government was to be reasonable, and continued encouragement given this new industry.

The Postmaster General after careful study of the problem decided on a program to build up an efficient air transportation system, which, by reason of increased nonpostal revenues, would eventually relieve the Post Office Department of a deficit from domestic air mail, and thus make the industry self-supporting. (1) The legal right of air-mail contractors to carry mail under route certificates after 2 years of satisfactory service should be recognized. (2) Rates should be changed from a poundage to a space-mileage basis. (3) Authority should be given to adjust these rates periodically. (4) Operators should be forced to encourage passenger and express traffic, so that as revenues from these sources increased, reductions in air-mail payments could be made until a point was reached when the payments approximated the stamp revenue. (5) The service should be expanded to take care of certain new territories. (6) There were certain pioneer equities in air transport operations over various parts of the country that should be recognized. To award such new services by competitive bidding would result in numerous short lines expensive to operate and whose rates would therefore be difficult to reduce. These small lines would not be able to afford engineering or technical staffs or undertake valuable experimental work. It was believed that larger companies would contribute more to air transportation. Authority should be given, therefore, to make extensions or consolidations.

This was Postmaster General Brown's air transportation program. It was enacted by Congress April 29, 1930, under the Watres Act. This act specifically provided that the Postmaster General could award air-mail contracts to the lowest responsible bidder at fixed rates per mile for definite weight spaces. Bidders were limited to operators owning and operating an air line of not less than 250 miles in length for a 6 months' period. It specifically provided that the Postmaster General could issue in substitution for a surrendered air-mail contract a route certificate granting the holder the right to carry air mail over its route for a period not exceeding 10 years at rates of compensation to be fixed from time to time by the Postmaster General. The Watres Act went on to specifically provide that "the Postmaster General, when in his judgment the public interest will be promoted thereby, may make any extensions or consolidations of routes which are now or may hereafter be established."

The idea of a 10-year term was originally enacted into law in 1928 by an amendment substantially similar to this particular provision of the Watres Act, except that it provided for payment on a poundage basis. Due to the provision in the original extension power for payment on a poundage basis, Postmaster General Brown chose not to issue route certificates on such a basis, but invoked another extension power in the postal statutes and temporarily extended contracts, which were due to expire before the Watres Act could become effective, for a period of 6 months. In this way he was then able to issue route certificates to those contractors concerned under the provisions of the Watres Act. Thus he saved the Government money in not continuing for another 6 years contracts under which it would have to pay $3 a pound for a 200-mile run. Furthermore, by not issuing route certificates until he could do so under the provisions of the Watres Act, Postmaster General Brown made it possible for the whole air-mail rate structure to be the same for all routes instead of being on a poundage basis for some and a mileage for others. He thus obtained at the same time complete control of the rate-making power for the future.

The provisions under the Watres Act affected each and every one of the operators. Changes in their rates were to be made. Certain extensions were to be awarded. Contracts were to be exchanged for certificates. It was imperative that a plan be formulated which would be fair to the operators and to the Post Office Department and at the same time be in the public interest. The Postmaster General might have decided for himself just what consolidations and extensions to make and what changes in rates should be effected. Or he might sensibly confer with the contractors themselves who had built up the industry and at least let them offer their advice and recommendations. He chose the latter method of procedure, since nothing could be lost thereby, and mistakes might be avoided. Shortly after the passage of the Watres Act he called to Washington representatives of the air transport lines, including those who had mail contracts, those who could qualify to bid under the act, and other aviation interests. The operators had nothing to do with the calling of this meeting. They were unaware of its purpose until they met with the Postmaster General and his principal assistants in charge of air-mail matters in the Post Office Department. There is nothing unusual about such meetings. Even the present Post Office Department

officials called the operators into conference last fall on a rate discussion.

One point concerning the individuals at those meetings in May and June of 1930 has been generally passed over and neglected, particularly by the critics of those meetings. That is that the individuals attending them were operating men—not the men who controlled the companies and had the power to make the deals that would come out of a real spoils conference.

United, the North American interests, and Aviation Corporation were represented by operating men. The problems to be discussed, and that were discussed, were operating problems. If there was to have been any parceling out of plums, it seems logical that the really controlling financial figures would have been representing their companies.

At the meeting the Postmaster General stated that the existing air-mail map did not provide for coordinated systems; that there were great sections of the United States without air-mail service. He stated specifically that he had decided to have two new transcontinental routes, one central route from New York to Los Angeles via Kansas City and one southern route from Atlanta to Los Angeles via Dallas. He stated that these transcontinental lines should be independently owned, so that the Government and the public should have the benefit of alternate routes for dispatching the mail under varying weather conditions.

He outlined the provisions of the Watres Act, showing that Congress had limited the award of contracts to those companies in operation over a 250-mile route for 6 months. He quoted the section of the Watres Act giving him power to make extensions and consolidations of routes which he considered to be in the public interest. He asserted that he intended in the administration of the law to preserve as well as he could the air lines already in operation and in which private citizens had invested large sums of money. He requested members of the group to study the problem and to suggest ways and means whereby a Nation-wide air-mail and passenger service could be created without the inevitable destruction of investments already made. The operators were to formulate their ideas and make recommendations with respect to the equities which they thought they had in certain territories. He made no commitment to abide by their report.

Regardless of what the operators might report, Postmaster General Brown felt that he was not only charged by Congress with he building up of the air-mail system as such, but also with the development at the same time of a sound passenger system. To accomplish this, he felt he must have three-way transcontinental competition. He felt, further, that he must have passengers flying over the Alleghenies, which was not then being done. Coincident with these thoughts was the deep feeling of responsibility toward his fellow citizens who would be passengers on the air lines. Therefore he was determined that passenger business should be developed by lines of proven experience and responsibility. It was for that reason that he had supported the experience clause in the Watres Act. Before the Black committee General Brown expanded on the philosophy behind these thoughts and desires of his in a manner that can leave no room for argument as to the soundness of his air-mail policies.

The meeting was reported in complete detail in the New York Times. The Post Office Department issued a release to the press. This was the clandestine spoils conference of which you have heard so much where Wall Street interests carved up the air-mail map. The operators failed, of course, to agree on any set plan. A memorandum was drawn up setting forth their ideas regarding their respective equities in proposed extensions or new routes. Of the 13 proposals, however, it is interesting to note that only 3 were actually acted upon, in accordance with the recommendations contained in the memorandum. These three were perfectly obvious. Mr. Farley and Senator BLACK offer this memorandum as evidence of fraud and collusion on the part of every operator attending the conference. Postmaster General Brown offers the same as evidence that there was no fraud or collusion.

In accordance with Postmaster General Brown's original intention, bids were called for on the central transcontinental line. Two companies—Transcontinental Air Transport and Western Air Express—pioneer operators on this or portions of it, bid jointly.

There is nothing illegal about a joint bid. This does not prevent another party from bidding. In this case there was another bid, and it was the lower. The matter was put up to the Comptroller General. After an exhaustive study of the facts he ruled that the low bidder was not qualified and that the Postmaster General was justified in making the award on the joint bid to Transcontinental Air Transport and Western Air Express.

The southern transcontinental route was also open to competitive bidding at the same time (August 1930). On this route there was only one bid. It was also a joint bid submitted by a subsidiary of Aviation Corporation and Southwest Air Fast Express, Inc., known as the "Halliburton Co." They were awarded the contract. Subsequently, the Aviation Corporation purchased the half interest of the Halliburton Co. in the line. Shortly thereafter Transcontinental Air Transport and Western Air Express purchased from the Aviation Corporation a large block of stock of Western Air Express which represented substantial working control of that company. But for this arrangement Aviation Corporation would have had control of the two new transcontinental routes. This sale by Aviation Corporation of its stock in Western Air Express removed all possibility of any violation of the antitrust laws, and at the same time was in conformity with the expressed policy of Postmaster General Brown. Nevertheless, Postmaster General Farley points to this transaction as evidence of fraud and collusion.

In the meantime, extensions had been awarded many lines. In some cases extensions were longer than the original lines. In other cases the Postmaster General was able to award new routes through extensions. This was far-sighted. Longer routes meant more efficient service, lower operating costs, greater traffic volume, uniform service to the public; consequently lower costs to the Government. This policy did not make many friends for the Postmaster General among the operators who received no mail contracts. In general, however, they were companies not qualified to operate, and Postmaster General Brown refused to permit them to stand in the way of building up this transportation system he had envisioned. The present administration is tearing down our industry in order to afford these companies least qualified to operate a chance to participate in the air-mail appropriation.

General Brown has been criticized for his administration of the extension privilege. But he had the power to make these extensions and consolidations of routes. The law specifically states, "The Postmaster General, when in his judgment the public interest will be promoted thereby, may make any extensions or consolidations of routes which are now or may hereafter be established." It does not say Senator BLACK, it does not say the Senate Air Mail Investigating Committee, it does not say the solicitor of the Post Office Department. It says the Postmaster General. As a matter of fact, this extension privilege was used by Postmaster General Farley as late as 2 months before the cancelation of contracts to extend American Airways' Buffalo-Chicago route from Buffalo to New York. Finally, it is particularly worthy of note that the same power which gave the Postmaster General the power to extend routes also gave him the power to cut them down or take them away. Furthermore, this power of cutting down on routes was actually used by Mr. Brown and also his successor.

Let us see the result of Postmaster General Brown's actions during his administration and up to the cancelation of the contracts last month. Payments by the United States Government came down from $1.15 per mile in April 1929 to 37 cents per mile in December 1933. The average European government is paying approximately 88 cents per mile for their air transportation service. Air-mail poundage increased from 5,635,680 pounds in the fiscal year 1929 to a peak of 8,845,967 pounds in the fiscal year 1932. Mileage flown grew from approximately 500,000 miles per month in early 1929 to 3,300,000 miles late last fall. Length of air lines increased from 14,000 miles to more than 25,000 miles.

How has this affected the Government's pocketbook? According to the cost-ascertainment reports of the Post Office Department, the excess of air-mail payments over revenues in the 1929 fiscal year was approximately $7,000,000; expenditures in that year were $11,200,000 and stamp receipts $4,200,000. During the current fiscal year, had the air-mail contracts not been canceled, it is conservatively estimated that the net cost to the Government would be only $6,500,000. Expenses were estimated at $14,000,000 and revenues $7,500,000. Thus the net deficit of air mail for the Government would have been reduced by a half million dollars in the short space of 5 years. In that same period service offered to the public, as measured by miles flown, would have been increased by more than 250 percent. Receipts from passengers in 1931 amounted to $4,250,000. In 1932 they rose to $5,000,000, and in 1933 approximated $8,750,000. It is estimated passenger revenues would have reached fully $11,000,000 in 1934 if the contracts had not been canceled and the service curtailed as a result. Express traffic has increased from $8,000 in 1931 to $130,000 in 1932, and to nearly $300,000 last year. This year it would have reached $500,000 at a minimum. It is obvious that with this great increase in passenger and express revenues the entire air-mail subsidy could have been eliminated in a period of 3 or 4 years, because as these revenues increased and operating costs decreased the appropriation could be reduced until it approximated the Government's stamp revenue.

Steps were being taken by the House Post Office Committee to amend certain provisions of the Watres Act, which appeared necessary as the industry had developed over the past 4 years since the passage of that law. This proposed legislation would have placed air mail on the lines at fixed rates of 2 mills per pound-mile, the stamp revenue received. On this basis two of the most important air lines would be self-supporting—receive no Government subsidy. Other lines which do not handle a sufficient volume of mail to make money under these rates would be paid a minimum guarantee in addition to the fixed pound-mile rate. This would gradually be reduced until, after a period of a few years, the entire air transport system would be on the 2-mill or self-supporting basis.

This would have been enacted and would have meant real success to the air-mail program, had not politics interfered. An investigation was launched. Witnesses were examined without the aid of counsel. No opportunity was afforded to cross-examine witnesses with selfish reasons to have the air-mail contracts canceled. Unwarranted inferences and innuendoes were drawn and featured in the press. It was shown that high salaries and bonuses were paid to officials of one aviation concern. It does not appear that these salaries and bonuses came out of companies carrying the air mail. On that showing a new industry, already well established though still in its infancy, has been well nigh wrecked.

Bear in mind that air-mail rates per mile flown had been reduced again and again until at the time of the cancelations the carriers were losing money and barely able to exist. They lived in hopes that their pioneering efforts would be later rewarded by increased revenues from passengers and express. And the fact should never be lost sight of that Postmaster General Farley, under the route certificates which the air-mail carriers had, was czar as far as rates paid to the carriers were concerned. Will the Government ever get a more equitable arrangement from its standpoint?

It is now proposed to throw open all routes to competitive bidding, without regard to past service, equipment, equities, or experience; to give the successful bidder 30 days to qualify, and to exclude the companies and the men who have largely been responsible for the industry's success. The reasons behind the administration's confiscatory action were not clear. And it is most unfortunate that having set back air transportation immeasurably by this conduct, the framing of permanent legislation is in the hands of those, particularly in the Senate, who are hostile to aviation, or who are not familiar with or understand the problems or economics of the business.

The air transportation industry is young and in its pioneering stage. For the industry to survive, legislation governing it must be sympathetic and constructive. In the air-mail cancelations, the heavy hand of the Government has dealt the industry a staggering blow. A constructive program for a period of years must be laid out and enacted into law by Congress. Then the people of this country should demand that this program be administered intelligently and sympathetically and without regard to narrow and selfish partisan politics.

It is, therefore, imperative that every individual interested in seeing what was the country's most promising young industry receive a fair deal and a chance to continue its progress, bring all of his influence to bear on Congress, in whose hands at this moment is the power of making or breaking the air transportation industry.

Mr. FESS. Mr. President, in view of the fact that the time is limited, and that it ought to be divided equally between the two sides, and that members of the investigating committee will desire to take some time, I think it is unwise for me to insist upon holding the floor to say what I have to say, with members of the committee on both sides of the Chamber present and ready to take up the discussion.

As a matter of common decency, it seems to me that those who have been very closely identified with the whole matter ought to be given whatever time they wish to take. For that reason, since the Senator from Vermont [Mr. AUSTIN] is present and desires to speak, and is acquainted with all the details as I cannot be, and since he ought to have whatever time is necessary to develop the case, I am going to discontinue my own statement, as I had intended to make it today, and give way so that the members of the committee may have all of the allotted time they desire to take.

For that reason I suspend for the time being.

Mr. AUSTIN. Mr. President, Congress ought to put on the air brakes, for there is danger ahead.

The recommendation of the President that a commission find and report the facts affecting areonautics, both civil and military, should be carried out.

However, the air-mail status before cancelation of contracts February 9, 1934, should be restored and maintained pending acceptance of the report.

The dangers that are imminent are—

That contracts may be awarded on the bids for temporary service which reverse the policy of the Government and the interest of the operators to develop safety and efficiency in the transportation of passengers;

That Congress may act hastily and unwisely in enacting permanent legislation in an atmosphere of political excitement and on inadequate information;

That Congress may establish the bad precedent of approving and ratifying an impetuous abuse of official power;

That Congress may confirm the condemnation by Postmaster General Farley of his predecessor in office, and of a group of citizens in mass without separate trial—indeed, without notice, and without any trial, ex parte and in absentia;

That Congress may perpetuate the smirching of the good name of officials of Government and of citizens without a chance—much less an opportunity—for them to confront the witnesses who rob them of more than their purse;

That Congress may establish by law the uncivilized doctrine that a contract is no more sacred or binding in effect than to give an action for damages for its breach;

That Congress may teach the people that it is right to break a contract;

That Congress may abet our Government in using its might to wrong its citizens, and then dodge behind sovereignty to escape the reach of equity proceedings;

That Congress attaints a class of citizens and bars them of rights enjoyed by all other citizens;

That Congress may encourage attacks by societies of nonmail carriers, organized from time to time, as new groups of them spring up, to cancel mail contracts and open them to bidding at sacrifice rates in order to take from those who have them and give those contracts to those who have them not; and

That Congress may make itself a party to the destruction of an institution which has cost the lives of brave pioneers, as well as the savings of private investors; an institution that has become an important implement of commerce and an effective agency of forming a more perfect union of the several States, as well as an arm of the national defense.

To avert these dangers an amendment to the pending bill in the nature of a substitute will be offered by the Senator from Maine [Mr. WHITE] and myself, which I send to the desk to be read by the clerk for the information of the Senate, and I ask unanimous consent that it be printed and lie upon the table.

The PRESIDING OFFICER (Mr. PATTERSON in the chair). The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That pending the enactment of permanent air-mail legislation, and in order to meet the existing emergency with respect to the carrying of the mails by air, the Postmaster General is authorized and directed, with the consent of the holder, to revive and reinstate any air-mail contract or route certificate in force on February 9, 1934, and thereupon the person, firm, or corporation holding any such air-mail contract or route certificate shall have all the rights and privileges and be subject to all the duties and obligations as existed under such contract or route certificate at the time of the cancelation thereof.

SEC. 2. (a) The President is authorized to appoint a commission, to be composed of five members, to make a thorough investigation and study of the facts and conditions pertaining to the operation of the air mail and all civil and military aeronautics and to report to the Congress, on or before January 3, 1935, the results of its investigation and study, together with its recommendations for a permanent air-mail policy. The President shall select a chairman from among the members of the commission.

(b) Each member of the commission other than a member who is an officer or employee of the United States shall receive such compensation for his services as the President may fix.

(c) For the purposes of this section the commission, or any member thereof when authorized by the commission, may hold hearings, administer oaths, and require by subpena the attendance and testimony of witnesses or the production of books, papers, documents, or other evidence, or the taking of depositions before any designated individual competent to administer oaths. The provisions of section 9 of the Federal Trade Commission Act insofar as applicable, shall apply in the case of any person required by subpena to appear and testify or produce evidence before the commission created by this act.

(d) The commission may appoint and fix the compensation, without regard to the civil-service laws or the Classification Act of 1923, as amended, of such experts and employees, and may make such expenditures, including expenditures for personal services and rent at the seat of Government and elsewhere, for travel, and for printing and binding, as are necessary to carry out the provisions of this act. All expenses of the commission shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the commission.

(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(f) The commission shall cease to exist upon the submission and acceptance of its report to the Congress pursuant to the provisions of this section.

It is also proposed that the title be amended so as to read: "A bill to create a commission to report upon a permanent air-mail policy, and to provide for the carriage of the mails by air pending the enactment of permanent legislation."

Mr. AUSTIN. Mr. President, the amendment does not require an explanation. Boiled down to a few words, there are just two essential things in it. One of them is provision for the restoration of the status quo before the cancelation; the other is a provision for carrying out the President's recommendation for an investigation and report of facts

which shall form the basis of permanent legislation, and which probably would comprehend more than has been embraced in the scope of the special committee's investigation, and much that has not as yet come before the special committee, and without which Congress is now undertaking to enact permanent legislation.

What I have to say today is for the specific objective of putting on the airbrakes. If Congress should adopt the substitute I have offered, absolutely no harm would come to any living human being on account of that action, and much and grave harm would be prevented.

I address myself to the cancelation of the contracts in order to prove that their cancelation was wholly without warrant; that there was no such cause for cancelation as that assigned by the Postmaster General. I shall, before closing, undertake to call attention to the evidence which shows what was really the underlying purpose and motive of the Postmaster General in canceling the air-mail contracts, and who were the actors, through a series of years, in bringing about the cancelation, not for the public good but solely for a selfish end.

Mr. President, a great reaction of the people of the United States beat upon the Postmaster General immediately following his cancelation, on February 9, 1934, of all the air-mail contracts in question, the most curious performance of government which history has ever recorded. Think of it—an entire group of contracts with the Government, covering an entire governmental activity, canceled en masse at one fell swoop! I venture to say that history will record this as one of the strangest events of the present period of our lives.

The Postmaster General, in response to that reaction from the public, from all sources, without regard to politics, wrote a letter which he addressed to the special investigating committee of the Senate, dated February 14, 1934, in which he assigned as his first reason for canceling these contracts that five of them had been continued in time. He says "extended." It is obvious from reading his letter—of which he denies the authorship, but which he says he ratified—that whoever wrote the letter was unacquainted with his subject, and that he thoroughly confused extensions of routes with extensions of time. The first substantial defense for this outrageous breach of contract, however, was that five of these contracts were extended in time, as he says, 6 months, without any legal authority for so doing.

The Postmaster General referred to Solicitor Crowley for authorship of that letter; and so when Solicitor Crowley was on the witness stand before the committee he was asked if he was aware that in the basic post office law there was a section, 1808, which expressly gave the authority for extension of time. He admitted that he was aware of it, but he thought it belonged to and applied to nothing but temporary contracts. Then he admitted that a temporary contract was a contract for 1 year, whereas a regular contract was a contract for 4 years. His attention was then called to the express language of the law; and he either discovered for the first time in that cross-examination how the law read, or he had shut his eyes to it up to that time, and had not advised his superior officer that such a law existed.

I quote from section 1808 of the Postal Laws and Regulations:

> In all cases of regular contracts the contract may, in the discretion of the Postmaster General, be continued in force beyond its express terms for a period not exceeding 6 months, until a new contract with the same or other contractor shall be made by the Postmaster General.

That disposes of Solicitor Crowley's theory that the Postmaster General had no legal authority to continue the contracts in point of time.

Let us see what the Postmaster General himself testified about it on the witness stand before the same special committee:

> Senator AUSTIN. Now, Mr. Farley, did your counsel call your attention to this authority and tell you that a Postmaster General had this authority, which I am about to read, namely, paragraph 2 of section 1808 of the Postal Laws and Regulations:

Thereupon I read to him the section I have just read to the Senate; and this is the Postmaster General's reply. I quote from the hearings, page 2705:

> Postmaster General FARLEY. Nothing specific of that nature was called to my attention; but, I repeat, this letter was prepared with all of the facts in the letter, and I was thoroughly advised as to its legality.
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> Senator AUSTIN. Were you ever advised in connection with a judgment you were about to sign, and did sign, saying that these extensions for 6 months were illegal, that there was a basic law that gave expressly the discretion to do that very thing?
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> Postmaster General FARLEY. I am not familiar with that section of the law referred to, Senator.
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> Senator AUSTIN. That is plain enough for any layman to understand, is it not?
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> Postmaster General FARLEY. Sure, it is. But, I repeat, every move that I made was made upon the advice of Mr. Crowley and the Attorney General.

Thus that ground, which had been alleged as the first ground of defense for breach of these contracts, was blown right out from under them. That is the kind of failure of defense that is complete and perfect.

Let us now proceed to the next defense.

On page 2 of his letter of February 14 the Postmaster General said—I am quoting Postmaster General Farley, for he signed this letter and sent it to the special investigating committee—

> Extensions of these contracts for a period of 10 years under the so-called "certificate" method were arbitrarily made by Postmaster General Brown on May 3, 1930.

At this point we ought to look at the language of the law itself, the McNary-Watres Act, relating to that subject. I quote section 6:

> SEC. 6. The Postmaster General may, if in his judgment the public interest will be promoted thereby, upon the surrender of any air-mail contract, issue in substitution therefor a route certificate for a period of not exceeding 10 years from the date service started under such contract to any contractor or subcontractor who has satisfactorily operated an air-mail route for a period of not less than 2 years, which certificate shall provide that the holder thereof shall have the right, so long as he complies with all rules, regulations, and orders that may be issued by the Postmaster General for meeting the needs of the Postal Service and adjusting mail operations to the advances in the art of flying and passenger transportation, to carry air mail over the route set out in the certificate or any modification thereof at rates of compensation to be fixed from time to time, at least annually, by the Postmaster General, and he shall publish in his annual report his reasons for the continuance or the modification of any rates.

Then there is the proviso which permits cancelation for willful neglect, namely:

> *Provided*, That such rates shall not exceed $1.25 per mile. Such certificate may be canceled at any time for willful neglect on the part of the holder to carry out any rules, regulations, or orders made for his guidance, notice of such intended cancelation to be given in writing by the Postmaster General and 45 days allowed the holder in which to show cause why the certificate should not be canceled.

It does not need a debate to the Senate of the United States to show that this authority to exchange contracts for certificates was expressed as the policy of Congress, and was granted by the express language of the McNary-Watres Act. It could not be exercised until after a satisfactory performance by the contractor for 2 years, and then it could not be exercised without the consent of the contractor. The record shows this was done in the case of every contract with the consent of the contractor. As soon as the new contracts which were bid for and let in 1930 had matured for 2 years, they also were exchanged for certificates.

Now let us examine the reasonableness of this procedure as bearing upon the use of it by Postmaster General Farley as a defense for breach of these contracts.

It is an old American doctrine—and I believe we have not strayed so far from the ancient landmarks that we cannot remember, at least, a few old American doctrines—that a contract involves two parties, at least, and that any modification of such a contract requires the assent of all the parties to it. If there are two parties to a contract, one party cannot modify it by sheer force; both parties must agree to the modification. So the Postmaster General, who was in authority at the time of the action against which the accu-

sation is made here, held that old American doctrine to be binding and effective on him. He talked over, as the record shows, with committees of Congress, the question that if the Postmaster General were to acquire powers that were arbitrary they could only be acquired if a law were passed enabling him, with the consent of the contractor, to effect a new relationship between the contractor and his Government. So this authority to exchange contracts for certificates had an objective which was wholesome and good, namely, that the policy of the United States Government as executed by its Cabinet officer, the Postmaster General, might not be hampered by the binding effects of contracts but should be free, so that the Government could arbitrarily fix the rates of pay accorded to every certificate holder after the exchange from a contract to a certificate. Before such exchange the Government could change a lesser rate or raise it only with the consent of the contractor.

Under the McNary-Watres Act the Postmaster General not only might do so but he must fix the rate from time to time, at least annually. That was but one of the tremendous powers given to this Cabinet officer. For whom? For the benefit of these contractors who today in public utterances are called crooks? They occupy honorable positions in our life, in our commercial society, as do the former officials who performed great service at great sacrifice to themselves for their country and who are now besmirched by a cancelation which it is claimed is based on collusion and fraud and by the allegation that one of the fraudulent acts which formed a part of the conspiracy, as stated in the letter of the present Postmaster General, was the exchange of contracts into certificates? No; it was not for the benefit of the contractor, Senators, but for the public benefit, because it always enabled the Government, in the interest of society, which pays the bill, to reduce the cost of the carriage of their air mail at any time when it was proper and appropriate so to do. It was not a privilege of Government, either; it was a duty; it was a duty which fell upon the shoulders of Postmaster General Farley as heavily as it ever bore upon the shoulders of Postmaster General Brown, his very able and distinguished predecessor in office. Did Postmaster General Farley take advantage of the powers under these certificates and reduce rates? He did. He recognized that law; he ratified the use of it; and he reduced, when the Appropriations Committee of the other House, the Budget Director, and the President himself so acted upon the appropriation that it became necessary to reduce, not only the compensation of operators but also the number and extent of routes, the location and direction of these mail lines, and to take air mail away from cities that before had been favored with it. Then he used this power not in the interest of the contractor but always against the interest of the contractor and in the interest of the public.

Another thing about these certificates, whose use was condemned and made an excuse for the breach of these contracts, which is in the public interest, is that they have direct reference to the promotion of the safety and efficiency of aeronautics for the carriage of passengers, and these certificates are made binding and good for the benefit of an operator for the long period of at least 10 years, if that period is provided for in the certificate, only if the operator conforms to the rules and regulations relating to safety and the efficiency of the carriage of passengers by those who contract to carry the air mail for the Government. So this particular power exercised by the predecessor of Postmaster General Farley was a legal power; it was a wise power; it represented the policy of Congress; and its execution was directly in line with the spirit of the law and with every expression of legislators recorded in the hearings.

Mr. President, have I not said enough about the defense for breach of these contracts to show that it is a complete fallacy? Does it not reveal that the men who dealt with this defense were not acquainted with their subject, were not acquainted with the law and its meaning, were not acquainted with the policy of the Government, and were absolutely blind to the public good that was intended to be subserved by that law? We will come to that later on, if I have the time, and see the admission under oath that the men who broke down these contracts did not consider the public good and did cancel the contracts on a pretense that they had a legalistic cause for doing so.

Mr. FESS. Mr. President, before the Senator leaves the route-certificate item, will he yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Ohio?

Mr. AUSTIN. I yield.

Mr. FESS. The newspapers carried the news on Friday of the opening of bids for new temporary contracts, with an expression of surprise that the bids were so low. Several newspapers made the statement that at least one result of the cancelation of the air-mail contracts was a considerable saving to the Government in the payment for the air-mail service. What I wanted the Senator again to make perfectly clear—he has made it clear, but I am not sure that everybody fully realizes it—that there is not anything that has been done by the present Postmaster General or that can be done under the new contracts that could not have been done under the existing law.

Mr. AUSTIN. Mr. President, that is absolutely correct. The fact is that one must say more than that. The Postmaster General cannot do under these contracts what he could do under the certificates. He cannot arbitrarily fix the rate as he could do under the certificates. It is a joke, a stupendous joke, to give any significance to the amount bid for the temporary contract as affecting permanent legislation by the Congress.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

Mr. AUSTIN. I yield.

Mr. McCARRAN. I do not want to be understood as attempting to disrupt the trend of the argument of the learned Senator from Vermont; but this thought has occurred to me as regards the prices bid under the temporary-contract arrangement, and I should like the Senator to discuss it. I am fearful that these prices bid under the temporary arrangement will be more destructive of the science itself than anything that has come about, because they represent temporary rate structures set up in an emergency looking to getting contracts rather than looking to the building up of the science for the future.

Mr. AUSTIN. Mr. President, the learned Senator from Nevada has expressed a thought that occurred to me at the outset. These are sacrificial bids; they are bids that constitute the purchase of a franchise in the hope that by once establishing themselves they may ultimately obtain what they have destroyed.

We well remember a reference in the very letter to which I have referred to a contract for 9 cents a mile in the northwestern part of the United States by Varney Airlines. No sensible legislator would ever allow his mind to be deluded by the supposition that such a rate would compensate the carrier for its services; and yet, in undertaking to excuse this breach of contract, use has been made of that 9-cents-a-mile bid, which was a sacrificial bid, in order to justify the breach of the air-mail contracts and in opening the business to bidding in order to bring about just what happened—to induce others to make sacrificial bids and thereby give a false impression of the situation economically.

I am departing somewhat from my line of thought because of the interrogatories, but let us look at the situation. Heretofore there has been a policy of Government which comprehended not merely flying the mails but also comprehended the building up of aeronautics for passenger service and for the national defense.

If we so arrange this business that a man may obtain a contract by competitive bidding for a very low price and we do not have those provisions which are connected with the certificates relating to safety and efficiency in the passenger service, what is the trend of relationship? Is it not obvious that the Government has shifted its policy and

has abandoned the improvement of a postal service in order to buy its air-mail transportation just as cheaply as it can?

It will get only what it buys, for the air-mail carrier is not going to ruin his stockholders if he can help it. He will trim his sails to reduce his costs, and he will get his costs down to the amount of that bid or as near to it as he can, at the price of those safety devices which cost large sums of money and which have been created during the past 4 or 5 years because of the financial encouragement which the Government has held out to individuals to put all their ingenuity and all their inventive genius and a great amount of sacrifice into the development of safety devices for flying ships, and into all sorts of ground equipment to make the ways safer for the carriage of passengers, because there was a formula in accordance with which a price was paid for every one of these devices. There was created also a great competition between the carriers to have a better and safer and more efficient passenger service in order also to gain the rewards that fine service to one's fellow men always produce.

Mr. McCARRAN rose.

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

Mr. McCARRAN. This thought, Mr. President, I think is in keeping with that which is now being discussed; otherwise I would not bring it forward. The safety devices and safety appliances have largely been produced and brought forth at Government expense. I think the Senator will agree with me to that extent. Commercial lines flying the air are not altogether to be credited with those developments.

Regarding the carrying the mail, it is a commodity which belongs, while in its custody, to the Government of the United States. Does not the Senator believe that, as in the case of any other commodity, a rate structure should be fixed after study and investigation, which rate structure should be applicable to those who carry the mail by air?

Mr. AUSTIN. I agree with the Senator on that principle. Of course, we would have to know more in detail about it to make any specific agreement, but I like the thought just the same.

Mr. President, I cannot leave this subject without specifically pointing to the difference between the single-motored craft and the multimotored craft. There was a prize or a bonus or a subsidy, I care not what it is called, for the use of multimotored equipment to encourage it use. Postmaster General Brown had a vision that came true. He saw the multimotored ship whose wings were powerful enough to support without injury five elephants standing upon them, a great ship flying with the speed of a meteor from coast to coast without a stop, bearing not only mail and express but passengers as well. He saw that splendid vision come true on the very day that this breach of contract took effect and the institution collapsed.

The bids for temporary service do not require multi-motored equipment. Under the specifications a contractor may use single-motored equipment provided he does not carry passengers and provided he flies certain routes. Thus we have expressed a direct reversal of the policy of Congress, a direct turn from that lofty vision which was embodied in the very foundation of the McNary-Watres Act, to that sordid idea of doing a political turn at the cost of reduction of the standards of safety, when some of the very same routes on which the Department now allows the use of single-motored planes are the ones upon which our gallant young Army fliers gave up their lives obeying the command of the Government to try to patch over the horrible collapse created by the cancelation of the air-mail contracts.

Mr. FESS rose.

Mr. AUSTIN. I yield to the Senator from Ohio, if he desires to interrupt me.

Mr. FESS. I do not want to interrupt the Senator in his observations, because I agree with him entirely. The suggestion that was made by the Senator from Nevada [Mr. McCARRAN] is in point also—that the law permits or authorizes contracts for carrying the mail. The major element in the law has relation to the art of flying, building up a great aviation industry in order to avoid an increased cost to the Government by new requirements of improvement in aviation, just such as the Senator from Vermont has mentioned in relation to the trimotored plane or multimotored plane. No one knows what will be the ultimate limit of that idea.

There was a limit put in the law by fixing a maximum rate above which the Postmaster General could not go. But at the same time the provision to make the air-mail business stand on its own feet with safety and speed required an examination at least once a year. On one occasion former Postmaster General Brown had a revision twice a year, and in the space of only 4 years the rate was reduced from $1.29 down to 42 cents.

What I want the Senator to make perfectly clear, having reference to propaganda such as we heard on the radio Friday night when Lowell Thomas gave his period over to Harllee Branch in order that the country might learn what a wonderful thing is going to be done under the temporary contracts whereby we are saving so much money, is that nothing can be done on the basis of that reduction that cannot be done under the present law by the Postmaster General.

I resent the Government undertaking to indicate that the only thing there is to come out of the cancelation and this great wrong is that we are going to get lower rates. The Senator from Nevada [Mr. McCARRAN] has put his finger on the point. We are going to do it at the cost, not only of the service but of the whole industry itself, and probably the loss of lives of many citizens of the country.

Mr. AUSTIN. Mr. President, I agree with what the learned Senator from Ohio has said; and, as I have already indicated, the condition is worse than he states it. The rates bid on these temporary contracts cannot be changed. The old rates could be changed and reduced. These rates are a joke in many respects, because on some of the routes they are just exactly as high as the rates of the old contracts.

Take the midcontinental route, from New York City to Oakland, Calif. What was the rate on that route? Ninety-seven and one-half percent of the maximum rate of 40 cents a mile. And what is that? Thirty-nine cents. Well, look at the new bids on the transcontinental routes, and what are they? Thirty-nine cents. So it is a joke to hear people talk about a "saving" on account of such bids. Some of the bids are for more than 39 cents.

I do not care to be diverted into a detailed discussion of rates. Before departing from the subject of certificates, however, I might call attention to a fact which affects the public good and which, therefore, denounces the excuse advanced by Postmaster General Farley for the cancelation of these contracts. This public good is that capital cannot be induced to go out and work if it is terrified about its safety. The employment of the unemployed cannot be increased if capital is so terrified about its future that it will not work.

The future of the operator, the future of the contractor, was one of such doubt that it was specially reported on by the learned doctor from Harvard University who made the investigation in 1932. Now we see the reason why it was doubtful. It was because of the shortness of the time of his contract, which was to expire in 1936, I think. These certificates enabled the Postmaster General to give some assurance of the future of the contractor by extending the time 10 years. Thus he could later find an employer who had sufficient confidence in the future to pour out his wealth and make it work in conjunction with labor for the benefit of his fellow man.

That is one of the things which answers Postmaster General Farley's complaint with regard to these certificates. He says:

> Extensions of these contracts for a period of 10 years under the so-called "certificate" method were arbitrarily made by Postmaster General Brown on May 3, 1930.

Reason, justice, common sense, the letter of the law, the policy of Congress, and the public good, all denounce that defense as specious, and as of no value or effect.

What was his next proposition? He says—and I read from the next sentence in the letter of February 14 by Postmaster General Farley:

> Then Postmaster General Brown proceeded to build up, by so-called "extensions" of routes, part of the system of the United Aircraft & Transport Corporation, and the greater part of the American Airways and the Transcontinental & Western Air systems. This means, in simple terms, that if one of these companies had a contract for part of a through route a transcontinental system could be built on that short line. To illustrate, if one had a route from Boston to New York, it could be extended from city to city until it reached the Pacific coast without competitive bidding. These great systems were built in this manner.
>
> I am convinced that before any of the air-mail contracts were awarded those interested held meetings for the purpose of dividing territory and contracts among themselves.

Now, it will be seen that the subject of extensions and of meetings is one and the same subject, and I intend to discuss it accordingly.

Before examining the law itself to see what it means I desire to call attention to an outrageous misrepresentation, and that is that the United Aircraft & Transport Corporation was built upon these extensions. The record shows that every single route that covers the whole length of that main transcontinental line, extending from New York to Oakland, Calif., was not built upon extensions. There was not an inch of extensions in it. It was built upon contracts let by bidding before the McNary-Watres Act was passed at all, or was even under consideration. There were two extensions made of that line long after the McNary-Watres Act was passed—one of them a feeder in the Middle West that ran up North, and another a little tip end added on from Los Angeles to San Diego. Moreover, there was National Parks Airways, which did not have an extension in it.

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

Mr. AUSTIN. I yield.

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

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. AUSTIN. I do.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

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

Mr. AUSTIN. Mr. President, what is the scope of the McNary-Watres Act with reference to extensions and consolidations, which the Postmaster General uses as a defense for cancelation of the air-mail contracts? The act itself provides, in section 7, that:

> The Postmaster General, when, in his judgment, the public interest will be promoted thereby, may make any extensions or consolidations of routes which are now or may hereafter be established.

To state the case briefly, in order that references to hearings which I shall make may be understood and their application correctly made, Postmaster General Farley and those who hold with him claim that an extension within the meaning of this law cannot be any longer than the thing extended; that an extension can only be made once, and that that is the end of it; and that an extension cannot be made on an extension, and a through line to any place thereby created; whereas Postmaster General Brown understood the law to mean that by extensions he could revamp the air-mail map of the United States.

Taking this matter in the light most favorable to Postmaster General Farley, I ask the question whether, if his construction of this power were right and the authority of the Postmaster General were as limited as he claimed it was, he would then have any excuse or justification for breaking these contracts? Obviously not. They had been in operation for years before he got around to thinking that he ought to break them. They had been serving the public in a wonderfully beneficial way for 12 months during his own incumbency of the office; and, even if he held the view which he claimed he held, then he should have considered the propriety and wisdom, from the standpoint of the public interest, of destroying all these contracts just because he disagreed with his predecessor in office over the interpretation of the law.

What we say is that assuming that this evidence will support his view, it does not justify the accusation of fraud and collusion, and the besmirching of the good names of men and of public officials, just because he holds one view of the law and they hold another view of the law.

But let us examine what the contemporaneous interpretation of that act and of that language was with respect to extensions, in order to see what the record shows; for certainly we in the Senate should be governed by the record rather than by political speeches which are reiterating collusion and fraud in the public press all over this land. We hope that the record of the transactions by the Congress may be safer for the public to follow than the record of such political addresses.

I refer to the hearing on February 19, 1930, on House bill 9500, which was the predecessor to the McNary-Watres Act. Senators will remember that the McNary-Watres Act was approved on April 29, 1930. In this record, at page 8, the following appears:

> Mr. KELLY—
>
> Referring to Representative KELLY—
>
> Of course, General, the yardstick idea was never contemplated under the previous system. The yardstick was a matter for each individual route, based on competitive bidding, and naturally it was determined by the bidders, just the same as star routes, mail-messenger contracts, and other things of that kind where bids are made.
>
> Postmaster General BROWN. Well, competitive bidding in the air-mail business is of doubtful value and is more or less of a myth. In the case of most of the contracts there has been only one bidder, and in other cases I think if we were to throw the whole matter open today to competitive bidding we would have very few competitive bids. That is to say, we would have very few people come in and bid who knew anything about the business. We would have promoters come in and bid against air-mail operators; we would have people come in who had stock to sell and who hoped to get their stock sold before their losses were so great in carrying on the business that they could not sell the stock, but there would be, in my judgment, very little real, substantial bidding by men of experience able to carry on an industry of this kind in the present state of the art.
>
> Mr. KELLY—

And this is the important thing, bearing upon the contemporaneous construction of this language—

> Mr. KELLY. That is the reason we provided the 6-year extension without further bidding.

I call the Senate's attention to language used in that hearing on this very section of the bill, which cannot be avoided, which cannot be answered or disputed, which is so clear that it must be persuasive, and which, of course, is of the highest evidentiary value, because it in part induced the passage of that act. Postmaster General Brown, testifying before the committee considering amending the Air Mail Act, at page 27 said:

> Section 6 authorizes extensions and consolidations when the public interest will be promoted thereby. The purpose of that is to enable us to revamp the air-mail plan of the country and make it a logical one, so far as we have the wisdom to do so.

We have heard all sort of yelps and cries and bellows of fraud and collusion because the Postmaster General called together the operators—not only the operators of the air-

mail contracts but also operators of passenger lines who had no air-mail contracts—in order to see what could be done to revamp the air-mail map; and the accusatory finger has been pointed at the Postmaster General and everyone else who participated in that meeting because they were doing exactly the thing which it was stated in this hearing section 6 was provided to give them the power to do, namely, "revamp the air-mail plan of the country and make it a logical one, so far as we have the wisdom to do so."

Of course, the rational thing to consider in this interpretation is what that meant. So far as the operators were concerned, it meant trying to ascertain where the equities were, where the pioneering rights were; and if they could be ascertained, either by a finding of fact or by an agreement between the operators, then they would afford the Postmaster General a basis of making a logical distribution of the routes in laying out extensions and consolidations.

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

Mr. AUSTIN. I yield.

Mr. McCARRAN. I should like to ask the Senator from Vermont if it is not true that the spirit as well as the letter of the McNary-Watres Act was that the carrying of the mail should be by competitive bidding.? I think the Senator from Vermont will undoubtedly answer that in the affirmative. If that be true, then I make the further inquiry if these conventions, as I should call them, these meetings that were conducted from the 19th of May on, were not for the purpose of avoiding the spirit of the act?

Mr. AUSTIN. Mr. President, I shall have to answer "no" to both questions. It is apparent that there are two Senators who view the McNary-Watres Act differently; two men of whom there can be no doubt that they are free from interest, bias, prejudice or any of those fallacies of logic which interfere with the study of that act and arriving at a good judgment about what it means, and yet they differ. If we were to punish them, because they differ about the meaning of that act, by calling them "crooks", would it not be an outrage? Would it not be an outrage to accuse them of fraud and collusion because they construe this act in a certain way—one of them in one way, and another in another? Of course it would. If the opinion held by the Senator from Nevada and disputed by the Senator from Vermont is an excuse for canceling the air-mail contracts, then it is in the same class with the other excuses which are laid down in the letter of the Postmaster General of February 14—not worthy of consideration. I feel sure, however, that the Senator from Nevada would not take that position. We differ, and I am sure that he can give good reasons for his position.

For my own part my reasons are as follows: The act itself provides two methods of procedure in laying out and revamping the air-mail map of the United States and making it more logical than it had before been. One of them was contained in one section of the act and the other was contained in another section of the act. The bidding feature was contained in section 4, reading:

> The Postmaster General is authorized to award contracts for the transportation of air mail by aircraft between such points as he may designate to the lowest responsible bidder at fixed rates per mile.

And so forth, and so forth. The other is contained in section 7, reading:

> The Postmaster General, when, in his judgment, the public interest will be promoted thereby, may make any extensions or consolidation of routes which are now or may hereafter be established.

Attention has been called to the fact that the language contained in section 4 with respect to bidding is not a command; that it does not limit, it does not restrict the methods. It says that "the Postmaster General is authorized." It does not say the Postmaster General "shall"; and in section 7 that power stands in the same way. The Postmaster General is allowed to use his judgment. It says, "When in his judgment the public interest will be promoted thereby" he may make extensions; he is not obliged to make them, the act does not say he shall do so.

Now I am about to cite the record from year to year, and first, to the hearings preceding the adoption of the act, hearings which characterize the language of this very section, and also the hearings held through the years until this cancelation took place, in order to show that the interpretation of the creators of the act, and the interpretation of those who executed the act, and the policy of Congress as expressed on the floor, all agree that the power to extend was sufficient to create the routes that were actually created, because those routes are specifically set forth in those hearings and are specifically approved as being within the power of section 7.

I turn to page 34 of the hearings. It will be recalled that I had pointed out where the Postmaster General specifically stated that section 7 was intended to enable him to revamp the entire air-mail plan and to make it more logical. We come now to page 34 of the hearings on amending the Air Mail Act, February 19, 1930, and we find specific extensions referred to.

> Mr. GLOVER. These lines that the Postmaster General has mentioned here as possible air routes, the route from New York to St. Louis, Atlanta to Los Angeles, which completes the picture in the Southwest, and Norfolk to Pittsburgh, and there the present line hooking up with the Transcontinental, Pittsburgh to Cleveland, and then with the southern transcontinental coming into being, we believe that the line should be extended down from Pueblo, Colo., which now comes down from Cheyenne and ties up with the southern transcontinental at some place along Sweetwater or Midland, Tex., which will connect up and give New Orleans a direct connection with the Northwest. Then a route from Louisville to Dallas, and then our line that we have in mind to connect up with the Canadian prairie service west from Winnipeg. Our connection would come up from St. Paul and Minneapolis, the Twin Cities, to Winnipeg, through Fargo, N.Dak.
>
> Mr. SPROUL. Is it your opinion that many of those short lines that have been established should be discontinued or merged into longer lines?
>
> Mr. GLOVER. I believe that is correct; yes, sir.
>
> Mr. SPROUL. That is your idea, that that should be done?
>
> Mr. GLOVER. Yes, sir.
>
> Mr. SPROUL. Are you working on a scheme to do that?
>
> Mr. GLOVER. We have a scheme; yes, sir; a well-laid scheme to do that.

I emphasize the word "scheme" because it is found in the record. That was the word used by those who had to do with this particular clause. They applied it to this particular clause. It is a very significant word, a word that comprehended a whole plan. It did not comprehend a fraction of an idea or of a design; it comprehended the rounded scheme of the development. We will hear the Senator who reported the McNary-Watres Act to the Senate using that word, and we will hear of the Representative in Congress who reported that same measure to the House of Representatives using that word as bearing upon the interpretation of this very clause as to extensions and consolidations.

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

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Ohio?

Mr. AUSTIN. I yield.

Mr. FESS. It might be of interest to the Senator, if he does not know who Mr. Sproul was, to say that he was one of the most outstanding Members of the House of Representatives, representing a portion of the city of Chicago, and himself a very large business man. Evidently he used that term, because he initiated it in his testimony, as a builder, and, of course, it has no ulterior meaning. Some people think the word "scheme" implies something that is immoral.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

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

Mr. McCARRAN. I regret exceedingly that I could not hear all that was said by the able Senator from Ohio [Mr. FESS], but I wondered if he was justifying the word "scheme" as having originated in Chicago. If he was, I wanted to have him discuss it a little further.

Mr. AUSTIN. I appreciate the contribution of the Senator from Ohio. There is always tremendous power in a word, but there is lent to it a force and effect far beyond the lexicon meaning when it is presented by the person who

uses it driving it to its target, and therefore I am very much pleased to identify Mr. Sproul.

Now, I call attention to the report on the McNary-Watres bill, submitted to the Senate by former Senator Phipps, from the Committee on Post Offices and Post Roads. With respect to section 7 he used this language in that report:

Section 7 authorizes extensions or consolidations of existing routes. At the present time the scheme of air-mail routes, which has grown a little at a time, is illogical. There are short lines and there are long lines, some of which should be consolidated and others of which should be extended.

Now I read from the report submitted by Mr. Watres presenting the same bill to the House of Representatives. He said:

Section 7 authorizes extensions or consolidations of existing routes. At the present time the scheme of air-mail routes which has grown a little at a time, is illogical. There are short lines and there are long lines, some of which should be consolidated and others of which should be extended.

There is identically the same language used in both reports, and undoubtedly the word "scheme" came from the hearings as having a peculiarly comprehensive effect, because they were discussing section 7 in the committee before the bill underwent this parliamentary procedure, and they were trying to tell anybody, they were trying to tell us today, that the meaning of extensions and consolidations as used in that section was to extend to a scheme.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

Mr. AUSTIN. I yield.

Mr. McCARRAN. Some time when the Senator finds it convenient I should like to have him distinguish between "extension" as we have found it used in the course of the hearings before the special committee, and what to my mind was the real meaning behind the term when used in the legislation, namely "elongation", an extension in its general course rather than the meaning of the term as we have found it used in the hearings.

Mr. AUSTIN. The word "elongation" does not appear so far as I know in the hearings on the bill or since the introduction of the bill. I have examined very closely to discover the use of that word. It appears to our special committee that a lawyer who was consulted about it undertook to use that word in order to illustrate his understanding of the word "extension", claiming that "extension" did not have the scope of "elongation." But it has a different meaning here. According to the contemporaneous construction of those who created the law, according to those who exercised the power and according to the investigating committee of 1932 and the learned Dr. Crane, of Harvard, "extension" here comprehends more than "elongation."

There are three kinds of extensions. There may be only one kind of elongation. Here we have extensions which are lateral feeder lines. Here we have extensions which are couplers, which join together two disconnected lines. Here we have an extension that is end to end and does conform to the word "elongation." The Comptroller General, I think, undertook to make some general definition, although he admitted that it was utterly impossible to make a definition of "extension" which was exclusive or comprehensive enough in its character so that it could apply to every case. He said we have to consider every case upon its own merits, and, in effect, he said that in order to have an extension lawful, the basis of the extension must be the public need; second, there must be an immediate relationship to the existing project or service; third, subordination—that is, a subordinate relationship to the existing service, project, or route; fourth, it must not overshadow or subordinate the route sought to be extended.

I do not know that I would adopt even that as sufficiently comprehensive and exclusive to let us know at all times and under all circumstances what is an extension. But certainly up to date, no matter what learned debates there may be, no matter how much scientific men may differ, no matter who is right and who is wrong about the meaning of it, it is today nothing but an academic dispute. The great transcontinental routes of the United States are made. They already existed prior to February 19, 1934, as great servants of the air-minded millions of the country and an almost indispensable help to speedy commerce in the United States, connecting almost every corner of the country in 24 hours. Is there any sense, is there any justice, is there any decency in ruthlessly destroying those airplane companies because of an academic dispute over the meaning of the word "extension" in the law? Give them the benefit of the doubt; give them a construction that is according to the most favorable view to them; does it justify pointing the finger of fraud at an official of the Government? Does it justify condemning without trial citizens of the country who have borne honorable names throughout a long life of service to the public? Asking the question answers it.

Moreover, this is a condition; this is not merely a philosophical discussion; neither is it a lawsuit or a trial that is dependent upon the construction of the statute. Here is a case where a Postmaster General canceled contracts and alleged that he did because they were induced by fraud and collusion, and that extension constituted an essential part of that fraud and collusion. It should be noted, in passing, that only 28 percent of all the routes of the whole country were made by the method of extension.

Mr. FESS. Mr. President, would it unduly interrupt the Senator for me to ask him a further question?

Mr. AUSTIN. Not at all.

Mr. FESS. In reference to whether there is an elongation or a change of direction, I think we have a good illustration in the case of the Northwestern where the points of the parent route were Chicago and the Twin Cities. If we say that an extension cannot be anything else except a continuation in the same direction, then the Northwestern, which goes to the Twin Cities, could not be extended to Duluth, because the original direction is northwest and Duluth is a little northeast. Neither could it be extended to Fargo, because the original direction is northwest, and Fargo is rather west. It seems to me it would be absolutely silly to say that in order to have it extended it must be in the same direction in which it started.

I think the Senator is right when he says the discussion is purely academic. On the other hand, if a company that already has a route is going to have another route added to it, it does not seem to me it is significant as to the particular direction it takes. It would be an extension of its fixed route provided that when the mail starts it continues on its way even though it does change direction.

Mr. AUSTIN. Mr. President, I think the contribution of the learned Senator from Ohio is sound, and that any scheme of air-mail map must necessarily take into effect a network that will reach the thickly settled areas whence comes the business of passengers and mail.

I will ask the Senator from Maine [Mr. WHITE] to read for me from page 149 of the hearings of November 12, 1930, before the House Committee on Appropriations on the Treasury and Post Office Departments appropriation bill in order to prove that the contemporaneous interpretation of section 7, relating to extensions and consolidations, is in harmony with the exercise of power under it by Postmaster General Brown.

The PRESIDING OFFICER. Without objection, that may be done.

Mr. WHITE. Mr. President, if I have permission, I read, beginning on page 148 of the hearings before the House Committee on Appropriations in November 1930:

NEW ROUTES CONTEMPLATED

The CHAIRMAN. How many other new routes have you under contemplation now?

Mr. GLOVER. Mr. Chairman, this line (Spokane-Seattle) is out, and that is the only territory which is not served by a transcontinental line. We believe that should be dropped out. This line is a necessity here—Kansas City to Denver. We believe that this line from Cheyenne which connects up at Pueblo should be connected down to El Paso, where it connects up with two transcontinentals, as well as this line over here to Fort Worth from Pueblo, passing through Amarillo and Wichita Falls to Fort Worth, where there is quite a voluminous flow of mail for the Northwest by air. That allows the mail to come out through here, from Amarillo to Pueblo, through here, and up into Seattle and Portland and Ta-

coma and Spokane. And then we would like to straighten out this line here. Our South American mail has developed to such a great extent that we would like to make this, as they say, a high-ball line, so as not to have it carry air mail all the way out here to Atlanta and open up that territory in those Southern States of North Carolina and South Carolina, where the great mill industry has been built up and has a very large flow of mail to New York City. That, of course, we have in mind, but we have been prevented, for reasons which I have mentioned, extending that line through Louisville, Nashville, Memphis, and Little Rock, to Dallas. That is a new extension.

Mr. THATCHER. You have that covered in last year's appropriations?

Mr. GLOVER. Yes, sir; we have in this year's appropriation only next year's new extension. Nobody ever thought we would take a line down to Louisville and stop there; we always had in mind a line going into the Fort Worth section.

Mr. BYRNS. Section 7 reads:

"The Postmaster General, when in his judgment the public interest will be promoted thereby, may make any extensions or consolidations of routes which are now or may hereafter be established."

I do not know how it could be made any plainer. I understand the Comptroller General says that you cannot extend or consolidate.

Mr. THATCHER. What does he base his decision on? What is his argument?

Mr. GLOVER. On the line from Cleveland to Louisville the extension is greater.

Mr. THATCHER. What is the basis of his argument that you cannot extend or consolidate?

Mr. GLOVER. That is the reason—that the parent line is shorter than the extension. The extension is longer than the parent line, the original line.

The CHAIRMAN. Suppose it is. Congress says you need not extend it.

Mr. GLOVER. We put it in there with that purpose, and we made the plea before the Post Office Committee that we be allowed to extend some of these lines and consolidate the short lines. Mr. Chairman, here is the picture between Cleveland and Pittsburgh: The Postmaster General had in mind that the Capital of this Nation should not be without air-mail service to the West, and he wants to extend it to Washington and take it down to Norfolk, but the Comptroller General says, "You cannot do it."

The CHAIRMAN. What does he base his opinion on?

Mr. GLOVER. Just what I told you.

Mr. ARNOLD. Section 4 of the Watres Act seems to authorize the Postmaster General to establish new lines.

Mr. GLOVER. Yes, sir.

Mr. ARNOLD. And section 7 authorizes him to make extensions by consolidations of routes which are now or hereafter to be established. Taking the two together I do not see where his authority is curtailed in any way.

Mr. THATCHER. You could extend for a short distance and extend it another short distance and meet his technical objections, if that is a technical objection. I think that the decision is unreasonable if that is what he bases it on.

The CHAIRMAN. You are talking about those lines you think ought to be built. Suppose that they were built. How much more money would that cost the United States? Suppose they were in operation today.

Mr. GLOVER. The Spokane-Seattle route, as I mentioned, is out of it, Mr. Chairman, and that leaves about $2,525,000, sir.

The CHAIRMAN. If they were established and the Postmaster General, thinking that he has a right to do this whether Congress wants it done or not, establishes them this year, then next year you would have to have a new map by reason of the varied extensions you have made or new lines you have built necessitating a lot more, and there is going to be no end to it in the world.

Mr. GLOVER. Mr. Chairman, the Postmaster General wants to cooperate with the committee.

Mr. BYRNS. I read section 7 a while ago. It seems to me that it clearly and unequivocally gives the right to the Postmaster General to extend or consolidate. I do not care whether the Comptroller General says to the contrary or not. If the English language means anything it means that.

Section 9 says:

"After July 1, 1931, the Postmaster General shall not enter into contracts for the transportation of air mail between points which have not theretofore had such service unless the contract air-mail appropriation proposed to be obligated therewith is sufficient to care for such contracts and all other obligations against such appropriation without incurring a deficiency therein."

Mr. AUSTIN. Mr. President, there is an interpretation made within 9 months after the approval of the McNary-Watres Act by a great committee which had to do with this legislation. That was the Post Office Subcommittee of the House Committee on Appropriations, which had under consideration the appropriating of money.

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

Mr. AUSTIN. Yes; I yield.

Mr. WHITE. Am I right in my understanding that the Mr. BYRNS who made that statement was subsequently Chairman of the Appropriations Committee of the House, and is now the majority leader in the House?

Mr. AUSTIN. Yes; that is perfectly correct; and there never has been a time in all these hearings when Representative BYRNS, before he was chairman and after he was Chairman of the Appropriations Committee of the House, has not maintained steadfastly that the authority conferred in section 7 of the McNary-Watres Act gave the Postmaster General power to make extensions in order to revamp the entire air-mail map and to make it a logical one. He was in at the beginning, and he has continued through to the end, and has been absolutely consistent from the start in interpreting that section in spite of all the different views others may have held with respect to the power. Even Postmaster General Farley, on cross-examination, had to admit that whether Postmaster General Brown had or had not done what was right in making these extensions would depend upon how that act was interpreted, and how section 7 was interpreted.

Mr. McKELLAR. Mr. President——

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

Mr. AUSTIN. Yes; I yield to the Senator from Tennessee.

Mr. McKELLAR. Did Representative BYRNS ever take the position that it was not the duty of Postmaster General Brown to advertise the air-mail routes, and let the contracts for them to the lowest bidder?

Mr. AUSTIN. Mr. President, I know nothing about that. That is an irrelevant inquiry. It has nothing whatever to do with this subject.

Mr. McKELLAR. It may be irrelevant, but nevertheless the act provides that the Postmaster General shall let these contracts to the lowest bidder; and that is what the Postmaster General did not do.

Mr. AUSTIN. Mr. President, it is that intolerance of mind, that incapacity to see any view excepting one, which has led to this misconduct by the Government in dealing with its citizens. A rational, tolerant, reasonable consideration of this law necessitates the conclusion that there are two ways of procedure under the McNary-Watres Act, one of them equally as legal as the other, and that there is no command in the law to let the contracts by bidding. There is a mere authorization; and the Senator from Tennessee can have the language of the authorization read to him if he would like to have that done.

Mr. McKELLAR. Mr. President, I wish to ask a question. I do not have to have the act read to me. I am familiar with it. I desire to ask the Senator if the bill which was originally proposed by the Postmaster General did not give him specific authority to let these contracts without bidding, and if that provision was not stricken out.

Mr. AUSTIN. Oh, Mr. President——

Mr. McKELLAR. Is it not true that that provision was stricken out?

Mr. AUSTIN. Mr. President, I will answer the Senator from Tennessee in my own way. He cannot tie me hand and foot. I will answer him. The original draft of the bill did not contain exactly what the Senator says, and one cannot answer his question with a "yes" or a "no." There was a provision in the original draft which enabled the Postmaster General to negotiate contracts, and that was not accepted.

Mr. McKELLAR. No; and after that provision was not accepted, and was left out of the law, the Postmaster General proceeded to do just exactly what he had asked the Congress for authority to do, which authority was refused.

Mr. AUSTIN. Mr. President, that is an inaccurate statement. The Postmaster General did not negotiate any contracts at all. The record is directly to the contrary; and before I get through discussing the meetings which were held I shall prove it. I shall prove that the effort in the first place was not to establish contracts by negotiation, but to establish facts by an inquiry, and that it wholly failed and was utterly ineffectual, and that the other fea-

ture of section 4 of the McNary-Watres Act was resorted to primarily because of that failure, and also because of the dispute over the interpretation of section 7, which is now under debate.

I call the attention of the learned Senator from Tennessee to the fact that Postmaster General Farley, who used this as a defense for breach of these contracts, on oath before the special committee investigating the air-mail and ocean-mail contracts, testified as follows:

Senator AUSTIN. I will ask you about the other feature of the letter. You do recognize there are two methods of making contracts and extensions that are authorized, one equally as legal as the other, under the McNary-Watres Act, do you not?

Postmaster General FARLEY. That is true.

He said 17 times—just think of it, 17 times in the course of that examination—that he was doing what he did and that he was making his answers by advice of counsel. When we open the big book here, the record of the experience of the McNary-Watres Act in Congress, we find that on the floor of the House of Representatives there was some discussion of section 7 of that measure, and that Representative Kelly and Representative Hogg both stated on the floor of the House that section 7 invested the Postmaster General with the power to make these extensions and consolidations for the purpose of creating a more logical scheme of the air mail in the United States.

The bill went through the House and came to the Senate, and what was its experience here? Perhaps the Senator from Tennessee can elaborate what the experience was here. The only debate that occurred here in the Senate on that bill was this. I read from page 7618 of the CONGRESSIONAL RECORD of April 24, 1930:

Mr. McKELLAR. Mr. President, I have no objection to its consideration; I want to have the bill passed. I merely wish to say that it was stated by the Postmaster General and his assistant in charge of the Air Mail Service that new lines are to be constructed, among others one from Nashville, Tenn., to Memphis and Little Rock and Dallas. I hope the bill may be passed.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

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

Mr. AUSTIN. I yield.

Mr. McKELLAR. The record is perfectly accurate; we passed the bill after striking out the provision for negotiation of contracts between the Postmaster General and private individuals. That had been stricken out in the House, as I recall. If the act had been properly interpreted, it would have been a good law. I did not oppose it because I thought it was a good measure, but after it was passed the Postmaster General paid no attention whatever to its terms: he let contracts by negotiation, which he had been denied the privilege of doing, and the present situation is what we got.

Mr. AUSTIN. Mr. President, the Senator from Tennessee is not familiar with the record. There is not one word of testimony of a contract let by negotiation; not one word.

Mr. McKELLAR. We are just talking about terms and words. As a matter of fact, it was done through the so-called "extension policy", which was an even more devious policy than the negotiation policy. The air-mail routes were extended from place to place all over the country.

Mr. AUSTIN. Of course, they were.

Mr. McKELLAR. And it was a violation of the law.

Mr. AUSTIN. That is what the law provided for. When the Postmaster General asked for the enactment of section 7, he told the world that he wanted it for the purpose of revamping the entire air-mail situation, and all Congress knew it, and, of course, we assume that the Senator from Tennessee knew it when he rose here and told us that he wanted the bill passed; that he understood that there was to be one of those routes, which was afterward adopted by extension, brought down into his territory. That route was one of the very same routes which had been discussed as an extension proposition in the hearings on this very act and on the appropriation bill of the year before.

Mr. LONG. Mr. President, will the Senator from Vermont yield to me?

Mr. AUSTIN. I yield.

Mr. LONG. As I understand the contention of the Senator from Vermont, there was no provision in the law requiring an advertisement before the original letting of one of these contracts?

Mr. AUSTIN. The original letting?

Mr. LONG. I mean after that, advertising was not required before an extension?

Mr. AUSTIN. No.

Mr. LONG. I had understood it to be said on the other side of the Chamber the other day that the present administration had made just one of those extensions itself, one from Buffalo to New York.

Mr. AUSTIN. Yes; that is the record.

Mr. LONG. They made one?

Mr. AUSTIN. Yes. They needed to make but one. One is enough. That shows an interpretation of the law. When a man exercises a power under the act, he more than admits, he claims, the power under the act, and confirms that that is the meaning of it.

Mr. LONG. I think that is sound. I think one is enough. Then, as I understand, the only point about which we are having any argument is whether or not these contracts could be let by extensions.

Mr. AUSTIN. Not exactly that.

Mr. LONG. If there is an argument, that is the only argument we can have.

Mr. AUSTIN. We have not a contract here let by extension at all. This is what we have; we have original contracts let by bidding. The next step in the history was extension in time for 6 months of five of them. The next step was changing the contracts into certificates, which gave the Postmaster General certain powers over them which he did not previously have. The next step was letting by bidding of two transcontinental routes, the midtranscontinental and the southern transcontinental routes. The next step was several extensions, going over the whole period of 2 years or more, at different times, basing an extension on an existing route certificate.

New lines are not created by extensions. An extension is based on an old line, and they go from place to place only if they have a starting point. That is what was done, and that is one of the excuses given for destroying the whole works. It is said that that is collusive and that that is fraudulent.

Mr. LONG. Let us say that that is out. I think I agree with the Senator, from what I have heard of the matter. Let us say that that is out. What is the next thing they claim?

Mr. AUSTIN. The next thing is blackmail. After exhausting all the different defenses for the act of cancelation, after being driven from defense to defense, finally Solicitor Crowley, having admitted that the contracts themselves which constituted the consolidations of the southern transcontinental route, the contracts between Halliburton and the company which bought him out, showed a hostility instead of collusion between Halliburton and the Postmaster General, then he stepped right off of this ground of collusion entirely and said, "I will call it blackmail." That was the last chapter of the defense, blackmail.

Meantime the Postmaster General goes all over the country and makes speeches, political speeches, still yelping "Collusion", when his solicitor had retreated from collusion entirely and adopted blackmail.

Mr. LONG. Mr. President, the assistant of the present Postmaster General alleges blackmail?

Mr. AUSTIN. The assistant of the present Postmaster General charged blackmail in so many words.

In response to the interrogatory of the Senator from Louisiana, I think I ought to read into the RECORD the testimony that was adduced. I read from the hearings of the special committee, page 2797. Attention had been called to the contracts:

Senator AUSTIN. Now, these contracts show, do they not, just the opposite relationship to collusion? These contracts show disagreement, do they not?

Mr. CROWLEY. Yes; it is the plainest case of collusion I ever saw.

Senator AUSTIN. Collusion between whom?

Mr. CROWLEY. Between the chairman, representing Postmaster General Brown, Mr. MacCracken, and this man that wanted to bid on this air line. He sent this telegram in July, and he brought them to his own terms in August, and here is evidence of it.

Senator AUSTIN. Don't these contracts clearly show that instead of there being collusion between the Postmaster General and Halliburton there was hostility?

Mr. CROWLEY. I am sure there was hostility on the part of the Postmaster General toward Halliburton. The evidence is clear on that.

Senator AUSTIN. You cannot very well mix hostility with collusion between the Postmaster General and Halliburton, can you?

Mr. CROWLEY. You might refer to it in some other term, "blackmail", or something like that.

Senator AUSTIN. That would be something new. I would not be at all surprised to have you make that charge, sir, but up to date we haven't it in the statements which appear in the letter of February 14, in which the Postmaster General says you advised him about.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

Mr. AUSTIN. I yield.

Mr. McCARRAN. I should like to draw the attention of the learned Senator from Vermont to the fact that, whether he would call this collusion or designate it by some more comprehensive term, it resulted in the payment of $1,400,000 to Mr. Halliburton in a mythical deal in which he had practically nothing to sell.

Mr. AUSTIN. Mr. President, I shall have to show that the facts differ from that materially when I arrive at the question of bidding, which I am going to take up separately. I will say that the assertion, which I have heard made and I have seen it in the record of the hearings before the Committee on Post Offices and Post Roads, will not bear the test of examination.

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

Mr. AUSTIN. I yield.

Mr. LONG. Did I understand the Senator to say that the Postmaster General sent a telegram forcing Mr. Halliburton to do something? It is Halliburton the air-mail man we are talking about?

Mr. AUSTIN. Yes; he had a line.

Mr. LONG. What was the telegram which the Postmaster General sent Halliburton?

Mr. AUSTIN. No; the Postmaster General did not send him any such telegram at all.

Mr. McKELLAR. What was the $1,400,000 that my good friend from Nevada was talking about? That is a goodly sum of money. I am interested in that. Where did it go? To whom was it paid?

Mr. AUSTIN. Mr. President, I can answer only one of the learned Senators at a time. I will first answer the Senator from Tennessee.

Mr. McKELLAR. I am curious about the $1,400,000.

Mr. AUSTIN. I should think the Senator would be. He has been told, or it has been implied in questions before the committee of which he was chairman, that the $1,400,000 was paid to Halliburton to cause Halliburton not to bid.

Mr. McKELLAR. That is the testimony, and I am curious to know what the Senator has to say about it.

Mr. AUSTIN. Oh, no; there is no testimony of that kind. Questions were asked which implied that, but there was not a word of testimony to support the implication. On the contrary, Halliburton did bid. He never sold out the right to bid. He promised to bid, and he did bid. The $1,400,000 was paid to him for a line which he had been flying for years, and for his equipment on the ground and in the air, and for some of his best pilots.

Mr. McKELLAR. Who paid it to him?

Mr. AUSTIN. The company which became the sole owner and manager and operator of a transcontinental route, according to the scheme.

Mr. McKELLAR. Then, as it turns out, according to the Senator's statement, for whatever material Halliburton had—worth very much less than $1,400,000—he was paid, by the successful bidder, the sum of $1,400,000. Is that not correct?

Mr. AUSTIN. No; that is not exactly true.

Mr. McKELLAR. Is not that substantially true?

Mr. AUSTIN. No; it is not substantially true.

Mr. McKELLAR. If it is not substantially so, why did Halliburton get $1,400,000 from the successful bidder?

Mr. AUSTIN. The Senator asked the question and then answered it himself, so I am not concerned with disputing with him.

Mr. McKELLAR. No; I am asking the Senator a question.

Mr. AUSTIN. That is a debate between Senator McKELLAR and Senator McKELLAR, in which I ought not to interfere.

Mr. McKELLAR. If the Senator is satisfied with that answer, I am, because there is no doubt in the world that the successful bidder paid to Halliburton $1,400,000 and took whatever Halliburton had, and Halliburton went out of business, and the Transcontinental Line got this big route after having paid for a portion of it or paid $1,400,000 to keep this man out.

Mr. AUSTIN. Mr. President, that is not the testimony. That is a bare assertion, and, unfortunately, it is contrary to the record.

Mr. McKELLAR. The testimony in the record speaks for itself, of course; but there is no more question about that being correct than that we are here in this Chamber.

Mr. AUSTIN. It is so remote from the facts that I will not trouble to deal with it. When I come to the subject of the bids, who made them, and who got the awards, I think the record will show that the person who bought out Halliburton was not the person who made the bid and was not the person who was given the award. I will ask the Senator to wait and see.

Now, I should like to proceed with my discussion of this subject.

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

Mr. AUSTIN. I yield.

Mr. LONG. I believe the Senator will realize that I am not at all prejudiced on this subject. I am not undertaking to defend the committee, and I am not undertaking to prosecute the committee or other persons, but I have heard so much said on the subject that at this time I should like to have the question cleared up. I do not see the point with reference to the contracts not having been let.

I agree with the Senator so far as I have heard the explanation from him, and I have not heard that seriously disputed. It seems to me the only question is on the point of collusion. If the Senator has stated the facts about this matter—and I am going to ask him if he will not enlarge upon it just a little bit—I want to see just where the collusion was, if there was collusion. So far as a man selling out is concerned, he can sell out to whom he pleases. He can bid, or he need not bid. There is no law compelling him to bid or not to bid. As I understand, however, Halliburton did not sell to the man who got the contract.

Mr. AUSTIN. No; not to the man who was awarded the contract.

Mr. LONG. That is certainly contrary to what we have all been led to believe.

Mr. AUSTIN. Yes. As a matter of fact, Halliburton made the bid and got the award.

Mr. LONG. He got the award?

Mr. AUSTIN. Yes; and so did the Robertson Aircraft Co. make a bid and get the award of another route.

A business transaction occurred which the former Governor of Louisiana and the present Senator will recognize as one of the characteristics approved by the Supreme Court in the Appalachian case, of combining great units for such a service as this from coast to coast. That is a consolidation, one of the very things expressly provided for in this act.

Mr. LONG. Does the Senator mean that the two consolidated?

Mr. AUSTIN. A third company came in and bought them out, and consolidated the northern end of this line with

these two links, which carried through to the coast and made one through route from coast to coast under one management, which was ideal. It was not only ideal in theory, but it proved to be ideal in practice, and there grew up there a great transportation system.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Nevada?

Mr. AUSTIN. I yield.

Mr. McCARRAN. I do not want to be understood as attempting to disrupt the discourse of the Senator from Vermont, but I think the Senator from Vermont is discussing the Transcontinental & Western Air.

Mr. AUSTIN. No; the Senator from Vermont was discussing the southern route, Safeway, the line owned by Halliburton.

Mr. McCARRAN. That was the Halliburton Line originally; but what line took over the Halliburton Line?

Mr. AUSTIN. Finally the Aviation Corporation of Delaware became the owner of it; but there were steps in the transaction.

Mr. McCARRAN. The steps to which the Senator referred—I am using his own terms—were that various companies were asked to come in and contribute $500,000 apiece until the sum of $1,400,000 was made up to buy out Halliburton, because Halliburton had threatened to bid.

Mr. AUSTIN. No, Mr. President. This transaction has been distorted to give it an appearance of collusion. When I reach the subject of the bids I shall discuss those contracts in detail. I merely say in passing that Aviation Co. owned 20,000 shares of the capital stock of Western Air Express, and the Government in its scheme objected to any interlocking of interests between the transcontinental routes. Its plan necessitated the unscrambling of this interest, and therefore Aviation Co. was forced to sell and get rid of that 20,000 shares to Western Air Express.

Mr. McCARRAN. If the learned Senator will pardon the interruption, I trust he is not confusing Transcontinental & Western Air with Western Air Express.

Mr. AUSTIN. No, indeed. I know what names I am using. Western Air Express became a part of, or rather became owned in part by, Transcontinental & Western Air; but Western Air Express remained a legal entity throughout all these days and is alive today. Western Air, by the way, was one of the successful bidders on that midtranscontinental route. Here is Halliburton's testimony, on page 1488, in which he admits:

> Well, I was a bidder on the southern transcontinental route from Atlanta to Los Angeles, but had previously agreed to sell my interest in the line in the event the contract was awarded.

Mr. President, the testimony is so voluminous, the record is so long, that I am sure it would not accomplish the purpose which I seek, which is informing the Senate regarding the subject, if I went through with it, as I have prepared to do, for I am but half-way through with the hearings that interpret section 7 relating to extensions and consolidations in a manner which fully justified Postmaster General Brown in making the connections between disconnected routes, the feeder lines that he made, and the end-to-end extensions which filled out the picture and made a logical scheme such as was spoken of by those who reported the bill for passage, by those who discussed the act on the House floor, and by all who had had to do with it at that time. So I am going to pass on to another feature, and that is the meetings which were held.

These meetings are connected inseparably with this section of the law, section 7 relating to extensions and consolidations. These were the meetings at which epithets were hurled. It is said that an epithet is more powerful than an army. Of course, when the accuser's case is so rotten that he must employ an opprobrious epithet in order to excite the emotions, and to drive men away from intelligent and calm consideration of the facts, his case is bad, indeed; and that is the situation here. They called these meetings "spoils conferences", and we had that statement bruited about the country; we have seen it in newspapers in order to make people who do not know the record, who do not know the facts, believe that there must be something about these meetings that was collusive, that was fraudulent, because they called them "spoils conferences."

The fact is and the record is that when the representatives of the air lines were called together the first question that was raised for consideration was, "By what method do you choose to proceed to revamp the air-mail map of this country? Two methods there are; one is by bidding, the other is by extension and consolidation. Which method do you choose?"

The first man to speak was Col. Paul Henderson, a man who was opposed to the Postmaster General's plan, a man who had interests that were hostile to the interests of the Postmaster General, a man who had a friend in the Postmaster General's department who was very close to him. That man in the Department followed Paul Henderson in all that he did and took the same attitude that Paul Henderson took with respect to the scheme of the air-mail map of this country. I will refer to that later, because if there is any evidence at all tending to support the claims made here, it will be found in the testimony of Paul Henderson, who was an interested witness, who was a prejudiced witness, who was a pure hearsay witness, who was out of the country and in England when the events which he undertook to characterize in writing and before the committee took place; but Paul Henderson was the very first man who spoke up in that meeting. Curiously enough, this is a case where a man has had the boldness, the audacity to come before the public and say that a conspiracy was set forth in writing, that collusion and fraud were recorded in writing, and within the past week he has gone before the public and said that in the possession of the committee are admissions in writing of fraud and collusion. To be perfectly calm, to be perfectly fair, to be very tolerant, one cannot examine this record without believing that the man who made such a statement as that must be ignorant, that he must be incapable of understanding the English language.

Mr. President, this was not a surreptitious meeting. This meeting was called, in the first place, in a public manner. A release was issued by the Post Office Department on May 19, 1930, which release was published in the press, and advised all the world that the meeting was going to be held. The press release read, in part, as follows:

> In order to acquaint themselves with the provisions of the Watres bill, recently made a law through the signature of President Hoover, representatives of every large passenger and air-mail carrying concern throughout the country conferred today with Postmaster General Brown, Assistant Postmaster General Glover, and other officials of the Department in charge of the Air Mail Service.
>
> This is the first time that operators of the large passenger lines have had an opportunity to talk with the Postmaster General and exchange views with him since the Watres measure became a law.

Then it goes on to tell about the discussion of the air-mail and the passenger service. Then it is said that they were preparing a map of the United States—

> Before the close of today's session it was agreed that the operators should prepare a map of the United States which will show in detail plans for a network of passenger and air-mail routes to cover the country and which will be determined at future conferences with the Postmaster General.

And so forth and so on.

It even tells who was there, either in person or by representative.

Mr. President, is it not absurd for a Cabinet officer to cancel these contracts and to condemn a whole class of men, citizens of this country, to smear and smut up his predecessor in office and others who were in official position by cancelation based upon the allegation of collusion and fraud in a meeting advertised in all the newspapers of the country? Is it not perfectly absurd to ask the people of the United States to believe that the record made in writing at the meeting is a record of conspirators engaged in a fraud? No one but a man who will not think can come to any such conclusion. Any fair-minded person

examining that written record will come to the conclusion that they were acting under that provision of the law which enables the Postmaster General to make extensions and consolidations, and that they agreed that it was not so well to try to revamp an air-mail map by bidding.

Here is the record. It should go into the RECORD of the Senate; it should be read by every interested citizen of this land, and we will abide by the judgment of all of them. I quote from page 2325 of the hearings:

The Postmaster General invited representatives of passenger air lines to meet with him in conference at 2 p.m. on May 19 for the purpose of discussing the provisions of the Watres bill insofar as it offered aid to the passenger lines.

The following persons were present.

And there are named 25 persons and 12 companies. As a matter of fact, three other companies were also there or were represented there. It ought to be remembered in this connection that claims have been made that all the lines represented, all the persons there, obtained contracts, which is about as near the truth as some of the other assertions which have been made in interrogatories to me. Only nine companies were ever granted contracts and the vast majority of them obtained those contracts before the meetings were held.

The Postmaster General opened the meeting by discussing the general provisions of the Watres Act.

And so forth. Further on it reads:

The Postmaster General expressed the desire to know whether it is going to be possible for the so-called "pioneers" to agree among themselves as to the territory in which they shall have the paramount interest. He outlined certain prospective routes that were in contemplation.

Here we have Colonel Henderson responding first. Did he think the Postmaster General did not have the power to make the extensions? Let his words speak for him:

Colonel Henderson said: "I believe it is quite possible for this group to work out a plan." He asked for instructions from the Postmaster General as to some policy. He mentioned extensions and then assigning such extensions to some operator who has no mail contract. He indicated the air-mail contractors would be willing to agree to such a plan.

Later in the day and in the record he again spoke:

Colonel Henderson thinks those who have air-mail contracts should be organized into one committee and those who have no air-mail contracts should be organized into another committee.

Was he stepping out of that meeting believing it to be collusive and fraudulent, or was he participating in it?

Mr. Maddux feels that if they do not receive an air-mail contract they could not live, and he hoped the bill would take care of this. He would rather see the plan work out as mentioned above than competitive bidding. He said, "That is the view of T.A.T."

There is another man who thought the method that should be employed should be under section 7 of the law instead of section 4.

Mr. Mayo said, "I think the suggestion is a good one rather than to have competitive bidding." He thinks the routes we have worked out with the directors on their certificates are fair.

And so forth. I could go through and read it all, but I shall not weary the Senate with the reading. I will ask unanimous consent to have it inserted in the RECORD.

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

The Postmaster General invited representatives of passenger air lines to meet with him in conference at 2 p.m. on May 19 for the purpose of discussing the provisions of the Watres bill insofar as it offered aid to the passenger lines.

The following persons were present: Messrs. Russel, Hanshue, Woolley, and Bishop, of Western Air Express; Messrs. Mayo and Patterson, of Stout Air Lines; Messrs. Maddux, Sheaffer, Cuthel, Furlow, of T.A.T. Maddux Air Lines; Messrs. Coburn and Hinshaw, of Aviation Corporation; Messrs. White and Johnson, of United Aircraft Corporation; Messrs. Doe and Elliott, of Eastern Air Transport; Mr. Henderson, of National Air Transport; Messrs. Marshall and Denning, Thompson Aeronautical Corporation; Messrs. Robbins and Hann, of Pittsburgh Aviation Industry; Mr. Van Zant; Mr. Lou Holland, of United States Air Transport; Mr. Ted Clark, representing Earl Halliburton; and Lawrence King, of Detroit.

The Postmaster General opened the meeting by discussing the general provisions of the Watres bill and invited suggestions from those present as to the ways and means of assisting the passenger operators, inasmuch as it is understood none of the so-called "strictly passenger lines" are breaking even and it is apparent that they will need some assistance if they are to continue. The Postmaster General expressed the desire to know whether it is going to be possible for the so-called "pioneers" to agree among themselves as to the territory in which they shall have the paramount interest. He outlined certain prospective routes that were in contemplation somewhat as follows: A southern transcontinental route from Los Angeles to San Diego, thence to Fort Worth and Dallas; also a route from New York to St. Louis and Kansas City and Los Angeles; from St. Louis to Tulsa and Fort Worth; from St. Paul to Winnipeg; possibly from St. Paul and Minneapolis to Omaha; possibly a route south from Cheyenne; and possibly one from Albany to Boston. He referred to the plan mentioned below.

Colonel Henderson said: "I believe it is quite possible for this group to work out a plan." He asked for instructions from the Postmaster General as to some policy. He mentioned extensions and then assigning such extensions to some operator who has no mail contract. He indicated the air-mail contractors would be willing to agree to such a plan.

Mr. Maddux feels that if they do not receive an air-mail contract they could not live, and he hoped the bill would take care of this. He would rather see the plan worked out as mentioned above than competitive bidding. He said: "That is the view of T.A.T."

Mr. Mayo said: "I think the suggestion is a good one rather than to have competitive bidding." He thinks the routes we have worked out with the directors on their certificates are fair, and so forth.

Mr. Clark said: "I would prefer the plan suggested rather than competitive bidding."

Mr. Lou Holland said: "I think it should be worked out by agreement, as I am afraid that competitive bidding will result in wild promotions."

Mr. Hanshue: "We are willing to do anything within reason to work out the plan rather than to go into competitive bidding."

Mr. Coburn: "I believe there is a community of interests among the operators in the Department, and they are ready to cooperate and find out how to do it."

Mr. White: "I feel sure that the entire group would be delighted to go into such a conference and work it out along the lines suggested."

The Postmaster General asked everyone to speak if there were any objections to the plan suggested and said that this was the appropriate time to express their opinions or objections thereto. No one rose in objection to the plan.

Mr. MacCracken suggested grouping the representatives together according to locality in order to work out the details of the plan or any other plan that might be gotten up, suggesting they might even have four committees, or an eastern and a western committee.

Colonel Henderson thinks those who have air-mail contracts should be organized into one committee, and those who have no air-mail contracts should be organized into another committee.

Mr. Cuthel suggested that certain members of this group present to the Postmaster General a grouping of companies to deal with southern and midcontinent transcontinental routes.

The Postmaster General decided to permit the operators to use the room in which the meeting was held for the purpose of organizing themselves into such groups as may be agreed upon and to report back to the Postmaster General when they had reached a conclusion with regard to the suggested plan. He suggested that they stick to the routes outlined.

E. B. W.

Mr. AUSTIN. As a matter of fact, every company represented there, whether it had a mail contract or did not have a mail contract, assented to operating under section 7 of the law instead of under section 4 of the law, namely, to try to create the air-mail map by extensions and consolidations rather than by letting contracts through public bidding.

They started to do it. Then, what happened? The cupidity of men, the utter selfishness of companies, entered into the situation in such a way that the fine plan of the Postmaster General, about which we have been reading in the hearings and for which the law provided, went for naught. They could report in agreement as to certain lines, but there were other lines for which there were so many claimants and about which there was so much disagreement that they could not agree at all. On some of the lines there were as high as five different fliers claiming some pioneering equities.

About that time conditions became so disastrous among them that a question was raised regarding the authority of the Postmaster General to go along with the matter. When the report was made on June 4 of a disagreement regarding some of the lines and of an agreement regarding the other lines the Postmaster General sent back word to those who were in the meeting, "You have picked all the meat and left the bones." In other words, those lines about which there was no controversy, those lines where there was only one

claimant, those lines where somebody was perfectly willing to get out of the way because he knew his claim was not good, were easy to handle and as to them there could be an agreement. But it was as to those routes where there might be a question of fact as to who was there first and who pioneered, and as to those lines where there were as many as five different claimants for the same pioneering right, that the Postmaster General needed agreement. He could not decide those questions. So they were told that he would ask the Comptroller General for an opinion about the group whose line led to Winnipeg.

His opinion was not rendered until July 24, 1930. The matters of which I have been speaking were on June 4, 1930. Paul Henderson went to London and left the situation. In the meantime many of those who had no air-mail contracts besieged the Postmaster General to do something for them and to do it under section 7 of the act.

But on July 24 came the opinion of the Comptroller General, which held that, although they might extend the route to Winnipeg, they might not extend it to Omaha in the other direction, and thereby create an entire new route solely by extension without anything upon which to extend it. First, they must have a base; first, they must have a contract to begin the extension, or they may not have the extension.

Never from that time forth was there anything done to try to arrive at an agreement upon the equities and the pioneering rights or to try to make the air-mail map in a logical form by agreement. That was the end of it.

I had intended to invite attention to the testimony of various persons who participated in that meeting to show the significance of the period, but I am using too much time already. I shall merely refer to the record, so that those who wish to read may learn the story. The evidence of the end of these conferences will be found in the testimony of Clark, page 1509; King, page 1524; Henderson, pages 1477–1486; Sheaffer, pages 1544, 1662, 1665; Woolman, page 1602; and Taney, page 1616.

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

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

Mr. AUSTIN. I yield.

Mr. McKELLAR. Does the Senator include in his reference the testimony of Wadsworth, found on page 2323 and following of the record? On page 2325 the Senator will find a memorandum prepared by Mr. Wadsworth in shorthand, written out by him afterward in narrative form, which gives the exact facts as to what took place in that conference.

Mr. AUSTIN. Mr. President, this is an exhibition of what might have caused the judgment to cancel these contracts. Here I have been reading from that page and from that memorandum and commenting on that very meeting and on that very same record, and yet the learned Senator from Tennessee now rises and asks me if I will refer to it.

Mr. McKELLAR. Mr. President, I wonder if the Senator would object if I should read from that.

Mr. AUSTIN. Yes; I should object.

Mr. McKELLAR. Very well.

Mr. AUSTIN. I think the Senator should take his own time. We are under an agreement limiting debate.

Mr. McKELLAR. I will not interfere unless the Senator is willing to have me do so. I just wanted to show that the Senator had left out some things that were said in that meeting.

Mr. AUSTIN. If that is the case, I shall be glad to have the Senator read. From what page does he intend to read?

Mr. McKELLAR. From page 2325. This is the celebrated so-called "spoils" meeting:

> The Postmaster General opened the meeting by discussing the general provisions of the Watres bill and invited suggestions from those present as to the ways and means of assisting the passenger operators, inasmuch as it is understood none of the so-called "strictly passenger lines" are breaking even and it is apparent that they will need some assistance if they are to continue.

Mr. AUSTIN. Mr. President, if the Senator will permit me to interrupt him, does he want that read twice?

Mr. McKELLAR. Yes; I want it read twice, because the Senator from Vermont did not read some of the comments on it by some of those present, as I recall.

Mr. AUSTIN. I have had them put in the RECORD.

Mr. McKELLAR. It will take only a moment for me to read it:

> The Postmaster General expressed the desire to know whether it is going to be possible for the so-called "pioneers" to agree among themselves as to the territory in which they shall have the paramount interest. He outlined certain prospective routes that were in contemplation somewhat as follows: A southen transcontinental route from Los Angeles to San Diego, thence to Fort Worth and Dallas; also a route from New York to St. Louis and Kansas City and Los Angeles; from St. Louis to Tulsa and Fort Worth; from St. Paul to Winnipeg; possibly from St. Paul and Minneapolis to Omaha; possibly a route south from Cheyenne; and possibly one from Albany to Boston. He referred to the plan mentioned below.
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> Colonel Henderson said: "I believe it is quite possible for this group to work out a plan." He asked for instructions from the Postmaster General as to some policy. He mentioned extensions and then assigning such extensions to some operator who has no mail contract. He indicated the air-mail contractors would be willing to agree to such a plan.
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> Mr. Maddux feels that if they do not receive an air-mail contract they could not live, and he hoped the bill would take care of this. He would rather see the plan worked out as mentioned above than competitive bidding. He said: "That is the view of T.A.T."
>
> Mr. Mayo said: "I think the suggestion is a good one, rather than to have competitive bidding." He thinks the routes we have worked out with the directors on their certificates are fair, etc.
>
> Mr. Clark said: "I would prefer the plan suggested rather than competitive bidding."
>
> Mr. Lou Holland said: "I think it should be worked out by agreement, as I am afraid that competitive bidding will result in wild promotions."
>
> Mr. Hanshue: "We are willing to do anything within reason to work out the plan, rather than to go into competitive bidding."
>
> Mr. Coburn: "I believe there is a community of interests among the operators in the Department, and they are ready to cooperate and find out how to do it."
>
> Mr. White: "I feel sure that the entire group would be delighted to go into such a conference and work it out along the lines suggested."
>
> The Postmaster General asked everyone to speak if there were any objections to the plan suggested, and said that this was the appropriate time to express their opinions or objections thereto. No one rose in objection to the plan.

Mr. President, if the Senator will permit just one other word, here was a law which required these routes to be let by competitive bidding. Here were these contractors closeted with the Postmaster General and agreeing upon a plan which violated the law; and thus we find why that conference was called "the spoils conference."

Mr. AUSTIN. Mr. President, that is about what I suppose took place down in the present Postmaster General's office—that kind of reasoning, and that kind of utterance. By no other means can I imagine how anyone could arrive at cancelation of these contracts on the ground of collusion or fraud than to have taken just that position. I submit to any fair-minded man that the examination of that record will show that the business there of these men was trying to decide upon what method would be used for establishing these routes; whether it would be under the bidding clause, namely, clause 4, or whether it would be under the extension clause, namely, clause 7.

These gentlemen all thought at the start that they could agree upon pioneering rights and equities, and, therefore, that they could handle the matter without bidding. They started in to do it, and they failed. There was a total collapse. The thing fell flat. Never were they able to do anything of the kind at all. Then, at some later period, when attempting to excuse or justify this cancelation, the present Postmaster General said:

> Oh, but my solicitor says that the effect of their talking there about this business held over in such a way that it amounted to the same thing as if they had agreed. They all got contracts. Everybody there got contracts.

That is about as near the truth as anything else has been. The record shows that they did not all get contracts. The record shows that out of 14 companies that were represented

there, only 9 companies got contracts. The record shows that in the case of the routes for which contracts were let, the contractors already possessed their rights before the meeting, and only two routes were created after that meeting—namely, the midtranscontinental line and the southern transcontinental line—and each of them was created by competitive bidding; and the only bidders who did bid for those lines were the only people who were qualified either to make the bid or to perform the service. Of course, it is historically true that in the case of most of these contracts there has been but one bidder qualified to make the bid. There has been but one bidder interested in making a bid in many cases. In some cases there has been more than one bidder, but only one was qualified; and even though the bid of the qualified person was higher than the bid of the disqualified person, the award was made to the one who was qualified under the specifications and the law.

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

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Does the Senator from Vermont yield to the Senator from Maine?

Mr. AUSTIN. I do.

Mr. WHITE. When the Senator speaks of bidders not being qualified, does he refer to a want of qualification under the terms of the law?

Mr. AUSTIN. I do, Mr. President. The Postmaster General did not fix the qualification. The law fixed it. The Congress fixed it. If there was collusion in limiting bidding, then Congress is the colluder. It was the policy of the law that a company should have had experience in flying of a certain length of time and of a certain scheduled regularity over a certain route, as stated not only in the law itself but in the discussion of it by Representative LaGuardia when the bill was up for passage in the House; and that is what I refer to when I say that only one of them was qualified in most cases.

Now, we have the Postmaster General's defense for cancelation that there was an unlawful extension of time for 6 months; that there was an unlawful and arbitrary exchange of contracts into certificates extending the time 10 years; that there was an unlawful and collusive meeting of these people to divide up the air-mail map and revamp it. What has become of all these defenses? They have vanished, and we now come to the fourth one.

The fourth defense was that the bidding was not competitive bidding. That is as near the truth as any of these defenses have been; but there was no agreement that they should not be competitive. That is what is necessary in order to support this defense. The fact that they were not competitive is no defense. The fact that they were not competitive is the result of the economic situation. They were not, indeed, competitive. They could not be competitive. Competition could not be expected on these two great transcontinental routes between the same men who became the operators of them under a plan to have distinct, independent transcontinental routes that were equally well-balanced and competitive at all points of junction. That scheme could not be carried out and have the same people bid on both routes.

Why could not that be done? Not because of an agreement; not because of a law; not because of the plan of the Postmaster General or because of his order, but it was so because of the economic law. The man who wanted to fly a midtranscontinental route had to concentrate all his energy on getting that route. He could not afford, in the nature of things, to be shooting a blunderbuss all over the map. He had to aim for that which he wished. He had to put up a half-million-dollar bond. He had to have the capitalization and the financing to operate a transaction which involved millions and millions of dollars in flying the mail under the law from ocean to ocean. All those little fellows, worthy enough—I criticize them only because of their subsequent misconduct—were disqualified not only under the law but in fact because they were not competent financially to bid or to operate these lines. They did not have the necessary type of ship. They did not have the airways.

Mr. President, the bids were opened, and it turned out that there had been a joint bid on each of the transcontinental lines. Two different operators, two corporations, which previously had flown different routes which would be included in the transcontinental lines, in each case bid for the whole distance. In the southern transcontinental route there were the Halliburton's Southwest and the Robertson Aircraft & Transport Corporation. In the midtranscontinental route there were Western Air Express and Transcontinental Air Transport.

In order to complete the financing of both of these routes, and to make the operation uniform, and capable of being flown from coast to coast without stop, or capable of being flown from one great city to another, skipping a stop now and making a stop then, according to flying conditions, corporations were formed in order to own the capital stock of the successful bidder. Thus there were created these two transcontinental routes.

Let me digress for a moment to consider the whole scheme. Before ever these meetings were held the united company had a complete transcontinental route from New York to Oakland through Chicago, let after bidding, and then transformed into certificates. There was a complete line, which Paul Henderson considered ought to be made the backbone or vertebrae of the entire air-mail system of this country. All of the ribs which would constitute the network connecting cities and towns to the vertebrae, he thought, ought to be feeders into that line. His opinion of the policy of Postmaster General Brown of establishing two more transcontinental lines was not very good. As a matter of fact all his interest seemed to be against that scheme. He thought he ought to fight to save his own line as the only true grand trunk on this continent. There it was, however, a completed line.

Still farther north and west was the Northwest Airways, whose original contracts were let by bidding, and the routes thereof were afterwards transformed into certificates, and still afterwards extended farther toward the Pacific Ocean and the northwest corner of this continent.

Postmaster General Brown had the splendid vision of at least three and possibly four great trunk lines crossing the country at intervals, far enough apart so that they would best serve the commerce of the Nation and best serve the unifying purposes of such a remarkable institution of communication as aeronautics, these to be articulated with the surrounding country by north and south lines at suitable places according to the demands for rapid transportation of air mail and passengers. That even had been stated to committees of Congress. It will be found that the reports of the hearings contain a very definite plan, or "scheme", as they called it, on the part of Postmaster General Brown, a scheme which, under normal conditions, could be carried out only after 10 years, or possibly 12 years, unless it had the stimulating power that was afforded by the McNary-Watres Act.

If it had been dependent upon letting to public bidding by the little short lines which constituted the coupling-up extensions made by Postmaster General Brown, what would they have had? The most illogical, the most "string-bean" plan of an air-mail system that can be imagined. Instead of through lines, grand trunks, going from ocean to ocean, there would have been a route that would have run out a little way and then broken up, and another route commanded by another general running on for a little way, and then another piece under another man, and so on, spotted all over the map.

What would have been the effect, according to the testimony of the experts? The air mail is not merely a ship flying in the clouds. There must be established the great airways with their beacons, their telephone-telegraph systems, their radio stations, all the equipment necessary to communicate with the ship in the air, and to tell the pilot what the weather is, where he is going, which way to fly in the dark, to give him the route over which he may pass through the mists and the clouds, show him how to land although he is blindflying, and land immediately on the

bull's-eye. All these things are necessary to safety, efficiency, and speed in this business.

Could they have been developed in 4 years, as they were, under that "string-bean" policy of letting to bidding? A man with the vision of a 12-year-old boy must see how utterly inconsistent and impossible that would be.

Mr. President, the contracts were let to the lowest bidder who was qualified to bid. There was a bidder on the midtranscontinental route who underbid the company which was awarded the contract, and that was the Avigation Co., to which I wish to allude for a moment.

Postmaster General Brown was probably as familiar with that company as anybody in the United States at the time it made its bid. In the first place, it was nothing but a "paper" company. We have all heard something about "paper" companies in the examinations that have been conducted. It was just a promotion, and the strangest and weakest part of that promotion was that its existence was not merely founded upon the award of a contract in its bidding but it must be found by the directors to be a profitable contract. Postmaster General Brown had the interests of the Government of the United States at heart. The record is available to show that he was always for the Government; regardless of the effect upon the operator, he was always for the Government.

Postmaster General Brown knew of the lack of capacity and flimsiness of this bidder, and he knew something else; he knew by the confession of Mr. Letson, who was the organizer of that company, and who owned one of the constituent corporations, that the whole thing was "phony"; that a representation had been made to the Postmaster General which had turned out to be untrue and incorrect, and he, Mr. Letson, had the old-fashioned, rugged honesty to go to the Postmaster General and say, "Here; I lay the cards on the table. This contract for the transportation of reels was a phony contract. We tried to justify our financing upon a great contract to transport reels from Hollywood to the East, and I have to admit to you that it is a "phony" thing." Postmaster General Brown said——

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

Mr. AUSTIN. Just a moment. My time is very limited. I yield only for a question.

Mr. McKELLAR. What I want to ask is did not Mr. Brown turn down the bid of Mr. Letson and his company—which was composed of three companies, by the way, and was a very responsible organization—on a difference of 39 cents? In other words, one company bid $1.01 a pound for carrying the mail, and the other 62 cents a pound for carrying the mail, and did not Mr. Brown accept the one at $1.01? Does the Senator think that was in the interest of the Government?

Mr. AUSTIN. That is not according to the facts.

Mr. McKELLAR. That was Mr. Letson's testimony.

Mr. AUSTIN. The fact is that the rate for carrying the mail on that midtranscontinental route was 97½ percent of 40 cents a mile, or 39 cents a mile. That is what it was, and that is what it remained until the Postmaster General, exercising his power under the McNary-Watres Act, reduced it. It was so reduced that 33⅓ percent more miles of routes were carried by that single company than were contracted for by bidding, and in the first 9 months of its service for this country it went into the red $1,800,000. That is the story.

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

Mr. AUSTIN. I yield.

Mr. LONG. Is that the contract where the rate was only 39 cents?

Mr. AUSTIN. Thirty-nine cents a mile.

Mr. LONG. And was that rate reduced 33⅓ percent?

Mr. AUSTIN. Reduction was made by extension of mileage so that it flew 33⅓ more miles for the same money.

Mr. LONG. That is, the rate would then be 26 cents?

Mr. AUSTIN. I do not know just what it comes to in figures. I should think it might be that.

Mr. LONG. It is somewhere between 26 and 30 cents. What about the other company which the Senator from Tennessee said underbid them?

Mr. AUSTIN. That was Letson's Avigation Co. I was about to tell the Senate about that company.

Mr. LONG. Very well. What did they bid, and who were they? That is what I should like to know.

Mr. AUSTIN. I will tell the Senator. I will read from the testimony of Mr. Letson before the Committee on Post Offices and Post Roads.

The CHAIRMAN—

I suppose this is the Senator from Tennessee—

So the Postmaster General, after telling you you were going to get a contract, did not give it to you on the ground it was not a responsible bid, although you had underbid the next company the difference between 64 and 97 percent; are those the figures?

Mr. LETSON. Ninety seven and one half.

The CHAIRMAN. He got it at 97½?

Mr. LETSON. Yes.

The CHAIRMAN. Well, we still have not got to your contract. I am a little interested in this. Did you get a contract?

Mr. LETSON. It took me a long time.

The CHAIRMAN. It seems so. How did you get it finally?

Mr. LETSON. I think my attitude toward Postmaster General Brown just before this contract was let had something to do with it. About a week before the contract was awarded to T.W.A., I went before the Postmaster General to see if he had decided what he was going to do about awarding the contract. He stated he had practically made up his mind but he was not going to tell me at that time, but if I would remain at the hotel for a short time he would send for me. At that meeting I told him that I thought he should know all of the circumstances that had some bearing on this contract. That was the fact we had used a frame-up as a basis of trying to force the Postmaster General's hand to give us the contract we had bid on. Feeling that was fraud, I told him I thought it was my duty to tell him. That was one contract we made for the carrying of films from Los Angeles to New York. The man who came to Wilmington and made that contract with our group was sent there for some purpose. Originally he claimed he was there to buy ships of Bellanca to carry films across the country for United Artists. To verify that statement, Mr. Adams called up Mr. Mayer, of Metro-Goldwyn-Mayer, as he was interested in the Bellanca Aircraft, as he was president of that company. He said it was true they had considered such a line, and I will say he gave substance to the claim this man was there for the purpose of buying ships for the sole purpose of carrying films, which were made in Los Angeles, to New York, where they were cut and returned for some purpose. He was to pay us 20 cents a mile for carrying films. I have forgotten the poundage.

After the Postmaster General had claimed we could not operate this line on 64 percent of the maximum operating rates—

Will the Senator from Louisiana notice that? That was 64 percent of the maximum rate. The maximum rate was 40 cents, and their offer was 64 percent of that rate.

Mr. LONG. Yes; I understand.

Mr. AUSTIN (continuing reading):

It meant we would operate at a loss, and we used that as the argument to force him to recognize our bid. After this man had signed up all kinds of contracts, within a few days we found out he was bogus. So, at this meeting, a week or 2 weeks prior to the time the contract was let to T.W.A., I told him I thought I was duty-bound to tell him there was nothing to the film contract. He said "I have known that for some time." I said, "How did you know it?" He said, "I have known it." Then he said: "I will tell you something. I am pleased to have you come and make that frank statement. I like you for it. Your Mr. Adams has been here twice, but he has never intimated to me that that contract that you had made had been washed out; he is still trying to get the contract on this line at 64 percent of the maximum rates on the basis of the film contract as well as the post-office pay.

"You stay in Washington a short time, and I will call for you when I decide as to whom I shall award this contract."

And his statement goes on. It is a frank statement by this witness, who was not called there with any other purpose or in any other interest than to tell his story to the Committee on Post Offices and Post Roads.

The fact shown by the record is that the Avigation Co. bid was submitted to the Comptroller General by attorneys representing the Avigation Co. and those who were interested in the bid, and the Comptroller General obtained a statement from Postmaster General Brown which did not cover in detail all the facts leading to the matter, and thereupon the Comptroller General made a request of the

Postmaster General to furnish him other facts; and then, not on the fact of fraud—I think there is no reference in the Postmaster General's evidence submitted to the Comptroller General on the so-called "fraudulent part" of this transaction—but on the fact that this corporation was not responsible, that it had never flown a mile, the contract was not granted.

The corporation which made this bid, it will be understood, was not the component corporation. It was not one of the companies which had experience which made it qualified within the McNary-Watres Act. It was the Avigation Co. which made the bid, a company which had never owned an airship, never flown a mile, a mere paper company, which never would own the constituent corporations unless it secured a contract, and unless the directors should find that the contract was a profitable contract. So not only did the Postmaster General, looking out for the interest and welfare of the United States, say, "We must not and we will not award this contract to the lowest bidder, because he is not responsible", but the Comptroller General also rendered the same opinion.

So the incident ought to be, in the language of diplomacy, regarded as closed, and doubtless would be were it not for the strange, the extraordinary, situation in which today we find the present Postmaster General coming before the country and claiming as a justification for breaking these contracts and ruining a great institution that it was a collusive thing; that it was a fraudulent thing to award that contract to the company which made the higher bid.

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

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

Mr. AUSTIN. I yield.

Mr. McKELLAR. Is it not true that in that last conversation which the Senator read as having taken place between Mr. Brown and Mr. Letson the Postmaster General said to him, "Now, I cannot let you have that contract; I have got to let the big company have it; but I will tell you what I will do: I will make one of these other companies, one of the big companies, that have got other lines, give you or sublet to you a contract from Kansas City to Denver", and did not Mr. Letson take that contract from Kansas City to Denver?

Mr. AUSTIN. Mr. President, that is about a half truth.

Mr. McKELLAR. Oh, no.

Mr. AUSTIN. I will now show what the record indicates. Let me read from the record.

Mr. McKELLAR. Will the Senator give me the page? I examined the witness and I happen to know something about his testimony.

Mr. AUSTIN. Mr. President, I have the floor, and I have not finished answering the first question asked.

The PRESIDING OFFICER. The Senator from Vermont declines to yield further.

Mr. AUSTIN. I now call attention to the testimony of the witness. The witness says that immediately following the conversation which I have read he departed.

I read on, in order to give the context of the statement.

Mr. McKELLAR. What page?

Mr. AUSTIN. Page 520 of the transcript. I have just concluded with this part of the transcript.

I was displeased with that, and you know it.

And the transcript continues:

> Furthermore, what is the status of your company now?
>
> I said, "We were in the merger of Avigation Corporation, a group I told you of, Ohio Transport, Pittsburgh Airways, and United States Airways, but we made an agreement when we went into this company that in the event we did not get this bid, we would dissolve the Avigation Corporation."

Mr. President, you can see how ephemeral that kind of an organization is.

> He said, "You are fortunate. I cannot give the contract I have told you." The contract was given to the press that evening or the following evening, I do not know, but very soon afterward, as soon as this press notice gave the information the contract had been awarded the T.W.A., I immediately went to New York. I met Mr. Adams there, one of our group, and told him we had lost the contract. I told him I wanted to complete the dissolution of the Avigation Corporation, and I asked his consent to that, and he gave it. He called up the parties interested with us in Pittsburgh, and I went from New York to Pittsburgh and proceeded to dissolve the Avigation Corporation.
>
> The CHAIRMAN. How long was that after the bid was awarded?
>
> Mr. LETSON. I went directly home.
>
> The CHAIRMAN. You did not wait at the hotel?
>
> Mr. LETSON. Oh, yes; he told me I was not to participate in the contract; that is when I left.

I read far enough there to show that the question asked by the Senator from Tennessee could be answered only in the negative.

Mr. McKELLAR. Mr. President, if the Senator will just read a little further——

Mr. AUSTIN. Mr. President, I cannot spend time doing the futile thing of reading for the education of the Senator from Tennessee. We are operating under a unanimous-consent agreement which limits opportunity for debate, and in his own time, I presume, the Senator from Tennessee can refer to this matter and read for himself.

Mr. McKELLAR. Mr. President, in fairness, I am perfectly willing to have the Senator's reading taken out of my time.

The PRESIDING OFFICER. The Senator from Vermont has the floor. Does he yield or does he not to the Senator from Tennessee?

Mr. AUSTIN. The Senator from Vermont refuses to yield.

The PRESIDING OFFICER. The Senator from Vermont declines to yield.

Mr. AUSTIN. Mr. President, this witness also testified before the Post Offices and Post Roads Committee that he was frightened that he might be awarded the contract on that bid; that he was in fear and trembling that they might give him the contract on that bid, because he was conscious of the fact that he was utterly incompetent to handle it. He said he did not have the financing wherewith to set it up, and so he considered it the greatest boon to him that the Comptroller General and the Postmaster General both decided that he was not a responsible bidder. In other words, the record shows that he was, indeed, not a responsible bidder, and that is why his bid was not successful, and no other ulterior, sinister, slimy cause was there, as has been imputed to these honorable men and these honorable officials publicly as an excuse or justification for breaking these contracts, they having made these contracts by public bidding, in which every person who was qualified under the law had an opportunity and right to participate, including this man Halliburton.

Mr. FESS. Mr. President, would it interrupt the Senator unduly if I should ask him a question?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Ohio?

Mr. AUSTIN. I am right in mid-air with a sentence. When I shall have finished I shall be glad to yield.

Mr. FESS. I thought the Senator was about to leave that phase of the subject with reference to Halliburton.

Mr. AUSTIN. No; I want to refer to the matter further.

Then commenced the claim by those who had a selfish purpose—by those who had no other object than to gain for themselves what another man had—that these contracts that were let by bidding were collusive because they involved the exclusion from bidding of somebody who would have been a bidder. So we find ultimately, when the cancelation takes place, that the Postmaster General points to that ancient statute of 1872 and says that he is canceling these contracts for that cause. I think I have not noticed it as having been brought out at any previous time that the specific cause pointed to by the Postmaster General is the cause mentioned in that section of the act of 1872, and no other, despite the statements in public utterances, in political speeches, and talks about collusion and fraud at the meetings, whereas that statute relates only to letting by bidding; it is only for that cause that cancelation may occur; and then there is a great question whether the Postmaster General may presume the facts, whether he may assume the facts. If he may, then that is a case where it has been avoided as much as possible

and where the statute itself, so far as I know, has never had an interpretation by a court of justice. So it becomes necessary to examine into what happened with respect to those two contracts, notice of which came into our investigation and which I have before me.

I noticed this hypothetical question in the Committee on Post Offices and Post Roads. I take this from a press copy, because I have not conveniently at hand the transcript on this point, namely—

"If an officer of your company testified under oath that his concern paid $1,400,000 to persuade another company not to bid", Senator O'MAHONEY asked, "and if it were established by the terms of the contract, would you consider that proof of the charge?"

"That is a hypothetical question", Lindbergh said, "and it is out of my field. I do not want to answer that."

And again, at a later place, as publicly reported, occurred this, according to the press:

"Do you know", O'MAHONEY asked, "that the company with which you are associated paid another company $1,400,000 not to bid on an air-mail award?"

Answer. I have absolutely no knowledge of that.

So twice that assumption has been made, and it calls for some examination of the record, does it not, because, unless the Postmaster General is able to stand upon that assumption, unless he is able to find that is a fact, where, in all the record, is there any evidence, any fact, that brings him within that ancient statute of 1872?

Let us examine the agreement relating to the subject. That ought to be the best evidence. These agreements came to us one attached physically to the other. The first one is between American Airways, Inc., Southwest Air Fast Express, Inc., and Erle C. Halliburton. As a matter of fact Southwest Air Fast Express, Inc., was a corporation owned by Halliburton, and Halliburton is tied in here as an individual as well as his corporation. That was August 23, 1930. Halliburton owns Southwest Air Fast Express, Inc., known as "Safeways", and that is in the central area of the country.

American owned at that time various lines. They agreed to bid jointly for the southern route and form a new company, the Aviation Corporation of Delaware, with 10,000 shares of no par value stock to be divided 5,000 to Safeways for its assets in escrow, with an option on the part of American to buy the 5,000 shares for $1,400,000. It will be noticed that that is an option. It depended upon American's decision, not upon Halliburton's decision, whether that option could ever be exercised and the $1,400,000 paid. I quote from the contract with respect to it:

Such option shall not be exercisable in part, but only as an entirety.

Why? Why should that provision be there, and what is the significance of it as bearing upon the issue here? It was there for the purpose of securing absolute and complete ownership and control in American Airways of through lines from the Atlantic to the Pacific. It was divisible because they were not going to allow Halliburton to impede or interfere with or block or obstruct that main purpose of having one control from ocean to ocean.

That disposes of 5,000 shares of the new corporation, the Aviation Corporation of Delaware. What about the other 5,000 shares? The other 5,000 shares were to go to American Airways, Inc., for $569,000. If the option to which I have referred were not exercised in 3 months, Safeways was to get the first 5,000 shares for the same sum—$569,000. Halliburton was to be chairman of the board and to have other duties. Coburn was to be president. A study of the agreement will disclose that three of the key operators of Halliburton were sold with the contracts.

The suggestion is made to me by the Senator from Maine [Mr. WHITE] that even if there was an agreement on the part of Halliburton not to bid, it could not justify cancelation of all the other contracts on the map. How could it affect any other contract whatever except that particular contract? That question tests of the merits of the whole gesture. That question shows what an un-American transaction this was to condemn a whole group, a whole class of citizens of the country, to smear them with the charge of fraud, to go out on the stump and accuse them and officials of the Government of being crooks, all in a blanket charge. There is no suggestion that the alleged Halliburton agreement had any relation to any other contract than that contract regarding Safeways and the southern transcontinental routes.

There was another agreement attached to it. It was referred to in the text and it was also physically attached to it, so that the two agreements were together. The other agreement was between American Airways, Inc., Transcontinental Air Transport, and Western Air Express, and dated the same date, August 23, 1930. It provided for mail to be carried in passenger ships, T. & W. A. to bid on the mid-transcontinental route and American Airways, Inc., to bid on the southern route through its subsidiary, Safeways. Western Air Express agreed to sell to American for $300,000—and I am going to refer further to this matter in a moment—the equipment operating between Dallas and Los Angeles. They having disagreed as to the value, the question of value was to be referred to the Postmaster General to settle. Also the airport and additional equipment at Tulsa for $284,500 was to be sold. American was to sell to T. & W. A. 20,000 shares of Western Air Express owned by American, or Aviation Corporation of Delaware, for $1,115,000.

Let us examine that and see just what was taking place. What was taking place disproved this charge of agreeing to limit or restrict the bidders who could bid on these routes.

Western Air Express owned a "wishbone", as it might be described, of airways that ran out from Los Angeles, one of them southerly between Los Angeles and Dallas, and one of them northerly between Los Angeles and Kansas City, both of them heading into the same point of origin and delivery of mail. The Postmaster General said to these gentlemen:

You cannot hold these two routes. You must sell one of them. You must unscramble. You cannot have an interest in two routes that land in Los Angeles. Those routes must be competitive.

In other words, the Postmaster General's policy was competition and service.

This agonizing about competition in bidding is absurd and ridiculous when we compare it with the fine objective of the Postmaster General, who said:

I have a scheme, a logical scheme, of three transcontinental routes, which shall be independent of each other, and which shall be evenly competitive at all points of contact.

It is ridiculous to shout about lack of competition in bidding when we are considering the building up of a grand system like this and maintaining that great objective of actual independence and competition in service. The facts refute the claim of limitation, and I say the circumstances speak more accurately and more convincingly than the testimony of any person who may have an interest and an ax to grind and an opportunity here to grind it.

"Sermons in stone; books in running brooks"—circumstances that shout so loudly that even one who does not desire to hear must hear!

There is that other transaction which proves the lack of collusion; namely, the compulsion, as it were; the thing which Crowley called "blackmail"; the compulsion upon American Airways to let go its 20,000 shares of Western Air Express and to receive $1,115,000 for those shares from Western Air Express.

Do you see the picture? There was American Airways coming down from New York to Atlanta, thence to Dallas, and thence over to Los Angeles. There was Western Air Express coming over to Kansas City, thence to St. Louis, and thence on to New York City; and there must not be any scrambling between those two companies. They must be independent.

In that situation let me ask any reasonable person what the record means. Does it mean that Western Air Express promised not to bid on the southern route? Does it mean that Halliburton agreed not to bid on the midcontinental route? Not at all. It means that they were undertaking to bid, and they promised to bid, and they understood they

were bidding on the routes they were seeking to fly independently of each other. In the nature of that situation there could not be competitive bidding between those two companies any more than there could be competitive bidding by the New York Central and the Atchison, Topeko & Santa Fe Railroad. Why? Because this is not the flexible kind of a line which is invisible and which floats about in the air and goes anywhere that an airship may want to go. These routes follow airways built upon the soil in which millions and millions of dollars have been invested by citizens and villages and great groups of people. They make use of established airports and hangars and beacons and lighthouses and all of the equipment necessary to guide the ships in the air and make it safe for people to ride in the ships. Those airways run across the country in just as fixed and immovable positions as the steel rails that are spiked to the ties of a steam railroad.

Therefore, it is clear that the most absurd claim is made here. Therefore, it is apparent that it is absolutely ridiculous to make the claim here that Halliburton agreed not to bid on the midtranscontinental route or that Hanshue agreed not to bid on the southern transcontinental route. The fact is, they could have bid if they wanted to; but it was an entirely undesirable thing for either of them to do. The logic, the economics of the situation, prevented any such thing occurring.

Who else could have been interested in those routes? Does the record show any company or group of companies that could have been interested? The Avigation Co. was terrified lest it might have that great contract dropped on it; and it was lucky for the country and it was lucky for Mr. Letson that the Avigation Co. was put out of the running.

So, instead of the sinister character which has been attributed to the $1,400,000 paid to Halliburton to buy him out, we have a business transaction like that which occurs whenever there is a combination of institutions for the good of an industry, whenever there is the type of consolidation which was approved of in the Appalachian case. This transaction is right in line with the principle of the decision in the Appalachian case. Halliburton got a good price. Did he get more than his property was worth? I believe he did; but why did he get it? Anybody who has traded in one of these transactions knows that sometimes it becomes necessary to pay more than bricks and mortar are worth for the reason that your opponent has a nuisance value as well as an actual value, and this case proved that Halliburton did. Halliburton was all over the map with his claims, though he had never flown these other routes that he claimed.

If we look at the record of the meeting in May we find Halliburton's name attached to practically every route by number and description. Henderson testified that Halliburton was claiming everything in sight, and he was out to get something, and he wrote threatening letters; and that is one of the grounds advanced for attributing a sinister character to this transaction. It is said, "Why, this is the best evidence in the world that Halliburton was bought out, in order to bail him out and not have him bid." He wrote to MacCracken that he intended to bid. Nobody asked him not to bid. In fact, he testified under oath that he was not bound not to bid, and that he made his bid on the only line in which he was interested, and he got a marvelous price for his contract.

So the assumption—and it is nothing but an assumption—that this $1,400,000 was paid to Halliburton to keep him from bidding on the midtranscontinental line is in conflict with all the circumstances and it is in conflict with Halliburton's own testimony; and anyone who reads the record will see that Halliburton was not interested in saving Postmaster General Brown's administration from anything.

Mr. President, we have now arrived at the point in the record where Solicitor Crowley abandoned all these defenses and resorted to the charge of blackmail. We have arrived at the point where, when he was shown the contracts and the features I have mentioned were pointed out to him, he admitted that, instead of showing collusion, they showed just the opposite of it; they showed hostility between Postmaster General Brown and Halliburton; and finally he characterized the relationship between Postmaster General Brown and Halliburton as blackmail.

That is no more astonishing than many of the other things. It is entitled to just exactly as much credence as the charge of fraud, the blackening of the name and good repute of a great Postmaster General who knew his job, who had an ideal, and who devoted his life to it while here. The record shows that when Postmaster General Brown was before the committee asking for the powers given him by the McNary-Watres Act, he admitted to the committee that if he should exercise those powers it probably would add 6 years to his age. Believe me, he guessed right; for the exercise of those powers brought down upon his head the disappointment and the greed and the cupidity and the selfishness and the politics of all those who gathered at Armageddon and formed there a society without residence, without an agent upon whom to serve process—we cannot find what State it belonged to; we cannot find what city was its domicile—for the sole purpose of securing an opportunity to bid, on what? The contracts held by these contractors, some of them of 10 years' duration in the future!

That attack came down upon Postmaster General Brown, but that was not all. It became necessary, in the administration of his duty on behalf of the public interest, to compel these operators—there were nine of them, holding 24 contracts—to conform to certain regulations made by him with respect to their equipment, safety devices, number of pilots, and all manner of things with respect to their flying. He was obliged, in the administration of his duty as a Cabinet officer, to examine from time to time into the amount of their compensation, and—as has been pointed out so ably by the learned Senator from Ohio [Mr. FESS]—to reduce that compensation from time to time; and I call attention to the outstanding fact that he is the only Postmaster General who has reduced that compensation, because he considered it a fair thing to do from the Government's point of view, and because the carriers had so improved and increased in efficiency and enlarged their passenger traffic that they were able to stand the cut. He is the only Postmaster General who has reduced the rate for that cause.

Postmaster General Farley reduced the rate because he was obliged to do so on account of a cut in the appropriation.

Mr. President, I will say in closing for the day, if it is seen fit to suspend until tomorrow at this point in my address, that what I am trying to do is to point out that even those who received contracts felt that they were deprived of compensation, that burdens were added to their backs which they ought not to carry, and for these reasons, and various other reasons, even they were not friendly to Postmaster General Brown.

The record shows that always Postmaster General Brown was standing firm and erect, receiving a storm of criticism, showing not a single trace of fraud of any kind, nothing furtive, no interest in any of the private affairs of which he was accused—a perfectly honorable official, doing his duty constantly, and always having in view the public interest, even though it pinched and hurt the contractor. Never did that man tolerate the idea of so manipulating this law in the reduction of compensation as to effect virtually a cancelation.

Postmaster General Brown testified before the Appropriations Committees, and he testified before the special investigating committee of the Senate, that he still was obsessed by the old-fashioned American idea that every party to a contract, even when the Government was such a party, was bound by its terms, and bound by its spirit, and that it ought to be performed.

Mr. WHITE. Mr. President, I wonder whether it would be agreeable to the Senator from Oregon and the Senator from Tennessee, and also to the Senator from Vermont, to conclude the session at this time until tomorrow, the Senator from Vermont to continue tomorrow.

Mr. McKELLAR. Mr. President, if we conclude today's session now, would it be satisfactory to meet tomorrow morning at 11 o'clock?

Mr. McNARY. I am quite certain that it will be very satisfactory to take a recess now and to meet at 11 o'clock tomorrow morning.

WAR DEPARTMENT APPROPRIATIONS

During the delivery of Mr. AUSTIN's speech.

The PRESIDING OFFICER (Mr. PATTERSON in the chair) laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 8471, the War Department appropriation bill, which was read, as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate nos. 37 and 40 to the bill (H.R. 8471) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes, and concur therein.

That the House recede from its disagreement to the amendment of the Senate no. 6 to said bill and concur therein with the following amendment:

In lieu of the sum inserted by said amendment insert: "$181,631, of which sum $8,000 shall be available exclusively for the several objects embraced by the appropriation contained in this act entitled 'Contingencies, Military Intelligence Division.'"

That the House recede from its disagreement to the amendment of the Senate no. 12 to said bill and concur therein with the following amendment:

In lieu of the matter inserted by said amendment insert: "At a rate in excess of $1,440 per annum, which shall be the legal maximum rate as to such nonflying officers above the grade of captain."

That the House recede from its disagreement to the amendment of the Senate no. 32 to said bill and concur therein with the following amendment:

In lieu of the matter inserted by said amendment insert:

"For an additional amount for the improvement, development, and augmentation of aviation matériel, and for the training of military aviation personnel, to be immediately available, $5,000,000, of which not less than $3,000,000 shall be expended for the procurement of airplanes and their equipment, spare parts, and accessories for the Regular Army and the National Guard; not to exceed $1,000,000 shall be expended for aviation fuel and oil and for the repair and maintenance of airplanes and their equipment and accessories for the training of military aviation pilots; and not to exceed $1,000,000 shall be available for expenditure in the discretion and under the direction of the President, as follows: For airplane accessories for the Regular Army and National Guard; for the investigation and development of a national aviation program, including the employment of personal services without regard to the Classification Act of 1923, as amended, and all other necessary expenses incident thereto; for the encouragement of development of types of airplanes, airplane engines, and aviation equipment, including the granting of awards; for compensation (not exceeding $10,000) for information to be obtained from an authoritative source in such form and manner as the President may desire as to geographic, meteorologic and weather conditions in northern latitudes, and for such other purposes related to civil and military aviation as the President may deem proper."

That the House recede from its disagreement to the amendment of the Senate no. 43 to said bill and concur therein with the following amendment:

Restore the matter stricken out by said amendment amended to read as follows: "$23,966,645, of which sum $50,000 shall be available, under the direction of the President, for conducting a survey of Governors Island, N.Y., to determine its usefulness and adaptability as an airport and the cost of accomplishing all work incidental to effecting the change."

Mr. COPELAND. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 6, 12, 32, and 43 to the bill.

The motion was agreed to.

EXECUTIVE MESSAGES REFERRED

After the conclusion of Mr. AUSTIN's speech,

The PRESIDING OFFICER (Mr. LONG in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting nominations and a treaty (the treaty was ordered to be printed in confidence), which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. McKELLAR. I move that the Senate take a recess until tomorrow morning at 11 o'clock a.m.

The motion was agreed to; and (at 4 o'clock and 40 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, April 24, 1934, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate April 23 (legislative day of Apr. 17), 1934

POSTMASTERS

ARIZONA

Frank A. Rhodes to be postmaster at Gila Bend, Ariz., in place of F. A. Rhodes. Incumbent's commission expired December 11, 1932.

ARKANSAS

Lewis Friedman to be postmaster at Fort Smith, Ark., in place of W. B. Pape, deceased.

Charles E. Duvall to be postmaster at Pine Bluff, Ark., in place of Henry Bringman. Incumbent's commission expired March 22, 1934.

CALIFORNIA

Lela Opal Houghton to be postmaster at Newhall, Calif., in place of M. E. Dawson. Incumbent's commission expired May 23, 1933.

COLORADO

Walter E. Rogers to be postmaster at Berthoud, Colo., in place of H. D. Whipple. Incumbent's commission expired March 22, 1934.

Percy B. Paddock to be postmaster at Boulder, Colo., in place of M. H. Cowie, retired.

Effie B. Jackson to be postmaster at Littleton, Colo., in place of F. M. Moore. Incumbent's commission expired March 22, 1934.

CONNECTICUT

William M. O'Dwyer to be postmaster at Fairfield, Conn., in place of W. H. Gould. Incumbent's commission expired December 16, 1933.

Edward A. Bowes to be postmaster at Saybrook, Conn., in place of G. B. Smith. Incumbent's commission expired December 11, 1932.

Aaron A. French, Jr., to be postmaster at Sterling, Conn., in place of B. D. Parkhurst, deceased.

DELAWARE

Claborne A. Boothe to be postmaster at Frankford, Del., in place of C. T. Esham. Incumbent's commission expired January 22, 1934.

FLORIDA

Hugh McCormick to be postmaster at Eau Gallie, Fla., in place of Ellsworth Morgan. Incumbent's commission expired March 18, 1934.

Abraham C. Fiske to be postmaster at Rockledge, Fla., in place of J. B. Bower. Incumbent's commission expired March 18, 1934.

GEORGIA

Roy R. Powell to be postmaster at Arlington, Ga., in place of M. E. Nance. Incumbent's commission expired March 2, 1933.

Robert E. Walker to be postmaster at Roberta, Ga., in place of B. W. Fincher. Incumbent's commission expired June 19, 1933.

IDAHO

Daisy P. Moody to be postmaster at Sandpoint, Idaho, in place of M. W. Taylor. Incumbent's commission expired December 16, 1933.

ILLINOIS

Philip G. Barron to be postmaster at Du Quoin, Ill., in place of L. R. Kelly, resigned.

Fred A. McCarty to be postmaster at Edinburg, Ill., in place of R. C. Williams, resigned.

David McGrath to be postmaster at Hampshire, Ill., in place of J. H. Brill. Incumbent's commission expired February 2, 1932.

Thomas G. Turney to be postmaster at Homewood, Ill., in place of F. P. Cowing, resigned.

Nicholas A. Schilling to be postmaster at Mascoutah, Ill., in place of P. J. Stoffel. Incumbent's commission expired September 18, 1933.

Emil J. Johnson to be postmaster at Moline, Ill., in place of G. E. Carlson. Incumbent's commission expired December 20, 1932.

George Huthmacher to be postmaster at Murphysboro, Ill., in place of E. G. Sauer, resigned.

Henry Cottlow to be postmaster at Oregon, Ill., in place of Charles Walkup, removed.

William Kehe, Jr., to be postmaster at Palatine, Ill., in place of H. H. Hitzeman, removed.

Harlow B. Brown to be postmaster at Princeton, Ill., in place of H. J. Bailey, resigned.

Robert E. Harper to be postmaster at Rock Falls, Ill., in place of E. L. Longfellow. Incumbent's commission expired February 28, 1933.

Armand Rossi to be postmaster at Wilsonville, Ill., in place of J. L. Lamb, resigned.

INDIANA

James R. Kelley to be postmaster at Lebanon, Ind., in place of F. A. Spray. Incumbent's commission expired February 13, 1933.

Charles A. Good to be postmaster at Monterey, Ind., in place of W. E. Kelsey, removed.

Pauline M. Rierden to be postmaster at Montezuma, Ind., in place of W. H. Wright, removed.

IOWA

Rita A. Brady to be postmaster at Keswick, Iowa, in place of J. F. Higgins. Incumbent's commission expired December 18, 1933.

Laura M. Smith to be postmaster at Montour, Iowa, in place of L. M. Smith. Incumbent's commission expired April 22, 1934.

Anna Bliem to be postmaster at Plymouth, Iowa, in place of U. G. Hunt. Incumbent's commission expired January 22, 1934.

John H. Fitzgerald to be postmaster at Waterloo, Iowa, in place of G. A. Tibbitts, resigned.

Arthur C. Kohlmann to be postmaster at Waverly, Iowa, in place of C. F. Grawe, removed.

KANSAS

Alexander A. Niernberger to be postmaster at Collyer, Kans., in place of H. A. Lacerte. Incumbent's commission expired March 8, 1934.

KENTUCKY

Lou E. Holder to be postmaster at Calhoun, Ky., in place of H. T. Short. Incumbent's commission expired January 31, 1933.

MAINE

John L. Tarr to be postmaster at Anson, Maine, in place of F. A. Manter. Incumbent's commission expired December 18, 1933.

James B. Daily to be postmaster at Pittsfield, Maine, in place of C. H. Bussell. Incumbent's commission expired March 8, 1934.

Frank R. Madden to be postmaster at Skowhegan, Maine, in place of W. R. Elliott, resigned.

MARYLAND

William F. Keys to be postmaster at Mount Rainier, Md., in place of J. S. Haas, resigned.

MASSACHUSETTS

Thomas A. Wilkinson to be postmaster at Lynn, Mass., in place of H. S. Cummings. Incumbent's commission expired March 18, 1934.

MICHIGAN

Joseph A. Byrne to be postmaster at Birmingham, Mich., in place of J. W. Cobb. Incumbent's commission expired February 28, 1931.

William V. Clegg to be postmaster at Eaton Rapids, Mich., in place of R. D. Gifford, removed.

Arthur A. Baxter to be postmaster at Ionia, Mich., in place of H. F. Voelker, removed.

MINNESOTA

Benjamin M. Loeffler to be postmaster at Albert Lea, Minn., in place of L. S. Whitcomb. Incumbent's commission expired February 25, 1933.

Henry P. Dunn to be postmaster at Brainerd, Minn., in place of Carl Adams, resigned.

Denis J. McMahon to be postmaster at Breckenridge, Minn., in place of F. L. Pierce, resigned.

Patrick V. Ryan to be postmaster at Caledonia, Minn., in place of P. M. Dunn, resigned.

Carl C. Heibel to be postmaster at Northfield, Minn., in place of E. H. Vollmer, retired.

Simon M. North to be postmaster at Olivia, Minn., in place of J. L. Dowling. Incumbent's commission expired January 11, 1933.

Charles D. Dempsey to be postmaster at St. Peter, Minn., in place of A. M. Anderson. Incumbent's commission expired March 2, 1933.

Walter J. Mueller to be postmaster at Springfield, Minn., in place of John Schmelz, removed.

Dennis Dwan to be postmaster at Two Harbors, Minn., in place of J. P. Paulson, removed.

MISSISSIPPI

William A. Pepper to be postmaster at Belzoni, Miss., in place of Mary Norwood. Incumbent's commission expired January 11, 1932.

Lewis M. McClure to be postmaster at Ocean Springs, Miss., in place of J. P. Edwards, removed.

MISSOURI

Eugene K. Daniels to be postmaster at Ellington, Mo., in place of W. F. Haywood. Incumbent's commission expired February 6, 1934.

Roswell P. Lane to be postmaster at Naylor, Mo., in place of A. L. Woods. Incumbent's commission expired January 29, 1931.

Walter E. Duncan to be postmaster at Newburg, Mo., in place of John Kerr. Incumbent's commission expired December 18, 1933.

MONTANA

Charles Cigliana to be postmaster at Anaconda, Mont., in place of Philip Daniels. Incumbent's commission expired March 8, 1934.

Walter J. McManus to be postmaster at Augusta, Mont., in place of J. C. Manix. Incumbent's commission expired December 20, 1932.

Clifford Dawson to be postmaster at Boulder, Mont., in place of W. G. Hunter. Incumbent's commission expired January 4, 1933.

Frank X. Monaghan to be postmaster at Butte, Mont., in place of J. M. Evans, Jr. Incumbent's commission expired November 20, 1933.

Godfrey Johnson to be postmaster at Ronan, Mont., in place of A. K. Resner. Incumbent's commission expired January 18, 1933.

NEBRASKA

Alma E. Farley to be postmaster at Bancroft, Nebr., in place of E. F. Farley, Jr., deceased.

Claude L. Frack to be postmaster at Holbrook, Nebr., in place of L. L. Ambler. Incumbent's commission expired December 20, 1932.

Harry H. Ellis to be postmaster at Holdrege, Nebr., in place of Harold Hjelmfelt, transferred.

James C. Nelson to be postmaster at Mason City, Nebr., in place of G. W. Whitehead. Incumbent's commission expired December 20, 1932.

NEVADA

Lem S. Allen to be postmaster at Fallon, Nev., in place of J. W. Johnson, removed.

Frank F. Garside to be postmaster at Las Vegas, Nev., in place of C. K. Ryerse, transferred.

NEW HAMPSHIRE

Joseph A. Gorman to be postmaster at Durham, N.H., in place of L. F. Eldredge, deceased.

David F. Jackson to be postmaster at Pittsfield, N.H., in place of W. R. Emerson. Incumbent's commission expired June 14, 1933.

Fred M. Pettengill to be postmaster at Suncook, N.H., in place of E. F. Baker, deceased.

Marion H. Weeks to be postmaster at Warren, N.H., in place of C. B. Averill. Incumbent's commission expired December 16, 1933.

Margaret A. Laughery to be postmaster at Whitefield, N.H., in place of G. L. Crockett, deceased.

NEW JERSEY

Jane Jolliffe to be postmaster at Bernardsville, N.J., in place of J. B. Kronenberg. Incumbent's commission expired February 12, 1933.

Louis J. Bowlby to be postmaster at Bound Brook, N.J., in place of David Hastings. Incumbent's commission expired December 18, 1933.

Jeremiah E. Chambers to be postmaster at Cape May, N.J., in place of F. W. Cassedy. Incumbent's commission expired February 28, 1933.

Edwin Case to be postmaster at Flemington, N.J., in place of C. V. Weiler, removed.

Fred P. Crater to be postmaster at Gladstone, N.J., in place of F. P. Crater. Incumbent's commission expired March 8, 1934.

Joseph J. McNally to be postmaster at Park Ridge, N.J., in place of A. H. Gilbert, removed.

Robert W. Kidd to be postmaster at Penns Grove, N.J., in place of T. E. Hunt. Incumbent's commission expired February 19, 1928.

Mervil E. Haas to be postmaster at Riverton, N.J., in place of R. E. Mattis, retired.

NEW YORK

Benjamin S. Helmer to be postmaster at Mohonk Lake, N.Y., in place of B. S. Helmer. Incumbent's commission expired March 22, 1934.

NORTH CAROLINA

Rufas C. Powell to be postmaster at Denton, N.C., in place of N. V. Johnson. Incumbent's commission expired January 28, 1934.

NORTH DAKOTA

Wesley P. Josewski to be postmaster at Maxbass, N.Dak., in place of D. B. McDonald, removed.

Nellie Dougherty to be postmaster at Minot, N.Dak., in place of B. E. Stewart. Incumbent's commission expired March 1, 1931.

Andrew D. Cochrane to be postmaster at York, N.Dak., in place of A. D. Cochrane. Incumbent's commission expires April 28, 1934.

Margaret T. Rogers to be postmaster at Zap, N.Dak., in place of N. J. Joyce, removed.

OHIO

A. Harley Bolon to be postmaster at Bethesda, Ohio, in place of C. A. Wilcox. Incumbent's commission expired January 15, 1933.

Helen Shilts to be postmaster at Mount Victory, Ohio, in place of L. R. Wallace, resigned.

Lewis T. Williams to be postmaster at New Waterford, Ohio, in place of H. C. Hart. Incumbent's commission expires April 28, 1934.

Hark F. Williams to be postmaster at Pleasant City, Ohio, in place of Reed Wilson. Incumbent's commission expired April 15, 1934.

Cyril S. Hendershot to be postmaster at Quaker City, Ohio, in place of F. J. Wolfe, retired.

Robert J. Hickin to be postmaster at Rittman, Ohio, in place of H. F. Longenecker, resigned.

Sara J. Bell to be postmaster at Waterford, Ohio, in place of B. S. Dillehay. Incumbent's commission expired March 8, 1934.

OKLAHOMA

Delbert H. Rounsaville to be postmaster at Atoka, Okla., in place of E. J. Blossom. Incumbent's commission expired March 18, 1934.

John L. Beckham to be postmaster at Enid, Okla., in place of George Rainey, resigned.

Clay B. Burnham to be postmaster at Hanna, Okla., in place of C. W. Youngblood. Incumbent's commission expired January 20, 1934.

Josh S. Cole to be postmaster at Porter, Okla., in place of C. V. Ellis. Incumbent's commission expired January 20, 1934.

PENNSYLVANIA

George G. Foley to be postmaster at Pocono Manor, Pa., in place of M. M. Kite. Incumbent's commission expired January 14, 1933.

Joseph F. Conrad to be postmaster at Scranton, Pa., in place of E. H. Ripple, Jr. Incumbent's commission expired January 11, 1934.

SOUTH CAROLINA

Joseph H. Chitty to be postmaster at Denmark, S.C., in place of C. S. Rice, removed.

Bertie Lee B. Wilson to be postmaster at Neeses, S.C., in place of L. G. Bolin, resigned.

Olin J. Salley to be postmaster at Salley, S.C., in place of H. O. Jones. Incumbent's commission expired February 18, 1933.

Robert A. Gray to be postmaster at Taylors, S.C., in place of W. C. Stepp. Incumbent's commission expired January 11, 1934.

Wilbur E. Williams to be postmaster at Wagener, S.C., in place of V. M. Bodie, removed.

Reuben V. Lanford to be postmaster at Woodruff, S.C., in place of P. E. Bryson, resigned.

TENNESSEE

Binnie H. Kinser to be postmaster at Alcoa, Tenn., in place of F. B. King. Incumbent's commission expired December 16, 1933.

William G. McDonough to be postmaster at McMinnville, Tenn., in place of G. B. Beaver, resigned.

TEXAS

William W. Spear to be postmaster at Nixon, Tex., in place of M. H. Edwards. Incumbent's commission expired December 8, 1932.

Emory S. Sell to be postmaster at Texline, Tex., in place of G. W. Vaughn. Incumbent's commission expired December 16, 1933.

VERMONT

Earle J. Rogers to be postmaster at Cabot, Vt., in place of E. J. Rogers. Incumbent's commission expired April 15, 1934.

Lelah M. Prescott to be postmaster at Randolph Center, Vt., in place of M. G. Kibby. Incumbent's commission expired January 16, 1934.

Timothy J. Murphy to be postmaster at Windsor, Vt., in place of C. H. Stone. Incumbent's commission expired December 16, 1933.

WASHINGTON

Edward F. Gregory to be postmaster at Bothell, Wash., in place of Arnold Molm. Incumbent's commission expired January 28, 1934.

Ed. J. Claiborne to be postmaster at Ridgefield, Wash., in place of B. G. Brown. Incumbent's commission expired December 18, 1933.

WEST VIRGINIA

Everett G. Herold to be postmaster at Marlinton, W.Va., in place of J. E. Buckley. Incumbent's commission expired January 22, 1934.

WISCONSIN

John S. McHugh to be postmaster at De Pere, Wis., in place of M. M. Shepard. Incumbent's commission expired January 31, 1933.

James A. Stewart to be postmaster at Lac du Flambeau, Wis., in place of M. L. Schilleman. Incumbent's commission expired December 18, 1933.

Frank M. Doyle to be postmaster at Ladysmith, Wis., in place of F. E. Munroe, removed.

Gladys M. Suter to be postmaster at Plum City, Wis., in place of H. B. Hoyt. Incumbent's commission expired December 18, 1933.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 23, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Almighty God of the ages past, enable us to abhor that which is evil and cleave to that which is good. Thus may we hasten the extension of Thy kingdom in human minds and hearts. We fervently pray that it may grow and become wide-spread wheresoever man is found. O keep us this day without sin, and may we experience in our own hearts the triumph of good over evil. Grant, our Heavenly Father, that our entire citizenship may be so united, so closely and fraternally bound together that war, strife, or rebellion among us may be forever impossible. Keep us, merciful God, in the peaceful, quiet, and happy pursuits of life which bless those who wait upon the Lord. O God, may the sword of enmity, the sting of envy, or the sharp weapon of hatred never put their cruel and destructive edges to our souls. Through Christ our Savior. Amen.

The Journal of the proceedings of Saturday, April 21, 1934, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 5075. An act to amend section 1 of the act entitled "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes", approved June 25, 1910, as amended.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate to the bill (H.R. 8471) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes, numbered 6, 12, 32, and 43.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8617) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1935, and for other purposes.

The message also announced that the Senate further insists upon its amendments to the foregoing bill numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, and 30, disagreed to by the House, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. BYRNES, Mr. COOLIDGE, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

REPUBLICAN REACTION

Mr. DARROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by the gentleman from New York [Mr. DANIEL A. REED].

The SPEAKER. Is there objection?

There was no objection.

Mr. DARROW. Mr. Speaker, by permission granted me, I am inserting in the RECORD the following address delivered by Representative DANIEL A. REED, of New York, on Wednesday evening, April 18, over a national network:

Friends of the radio audience, this Nation has been and is still passing through a most trying time. This, however, is not the first crisis this country has had to face. Let us go back three quarters of a century. In May 1860 the National Convention of the Republican Party was in session at Chicago. Ten thousand people were packed in the historic old building known as the Wigwam. A platform was adopted. The paramount issue in that party platform was the preservation of the Union.

The third day of the convention came. Delegates were in their seats. Interest was at white heat. The first and second ballots had been taken. Lincoln was steadily gaining over Seward. When the third ballot was cast, the result was not announced. Not a sound could be heard except the scratching of pencils as the delegates added up the vote. But it was known Abraham Lincoln lacked only one and a half votes to place him in nomination for the Presidency.

Suddenly, from the great crowd a shrill voice that penetrated every corner of the Old Wigwam, announced, "Ohio changes four votes to Abraham Lincoln!" It was like an electric spark applied to a high explosive. Hats, coats, canes, umbrellas, and shawls were tossed into the air. Strong men embraced each other and wept. The band struck up, and the great crowd marched and yelled to the point of exhaustion.

When the excitement had subsided, a distinguished man walked up to the platform. It was William M. Evarts, chairman of the New York delegation. He said "Mr. Chairman, we came from a great State with a great candidate whom we had hoped to see nominated. In the name of that great State, and at the request of that great candidate, I move that the nomination of Abraham Lincoln be made unanimous." There followed another wild demonstration. Before the enthusiasm had subsided, some man in the gallery shouted, "Three cheers for Honest Old Abe!" That was the slogan of the stirring campaign that followed.

Persons everywhere and in all walks of life who believed in constitutional government rallied to the support of Abraham Lincoln. They knew they could trust him. They knew that when he made a promise, he would keep it. Because of the faith of the people in constitutional government and their firm belief in the integrity of Lincoln, he was elected President.

How different the scene when as President-elect he entered the Capital City, from modern demonstrations when the President returned from a short vacation. There was no military band, no crowds. Abraham Lincoln stepped off the train early in the morning. He was alone. Two men, and only two men, were there to greet him.

The task with which President Lincoln was confronted was to examine into the state of the Union. First he turned to the Army. There was no Army. It had been marched into Texas and to the Mexican border. The officers had been ordered to deliver the United States Army over to the States.

Next Mr. Lincoln turned to the Navy. All seaworthy ships except four had been ordered from northern waters to southern seas.

Then Mr. Lincoln inquired into the condition of the United States Treasury. It was empty. The credit of the United States had been destroyed.

These were the conditions that confronted Abraham Lincoln at a time when hostile forces were almost within sight of the Capitol. He had to organize an army. He had to rebuild the Navy. Abraham Lincoln organized an army. He built an invincible navy. He reestablished the credit of the United States. It cost the Nation the lives of 600,000 men and the sum of $10,000,000,000 to save the Union.

Lincoln required no "brain trust" to meet the crisis. A "brain trust" was proposed, and he scorned it. All the support he asked was the confidence of the people, and he received it in fullest measure. Why did the people follow the leadership of Abraham Lincoln throughout the great crisis? It was because he never made a promise he did not keep. The people knew they could trust him.

The same political party that left its heritage of debt and disaster in 1860 is the same political party in power today. Twenty years ago the Democratic Party asked the suffrage of the people "to keep us out of war." The people accepted that promise at its face value and placed the party in power. It was known by the Democratic Party when the "promise to keep us out of war" was made that the pledge could not be kept. When we entered the World War, our national debt was less than $2,000,000,000. In less than 2 years our Nation emerged from the war with an indebtedness of $26,000,000,000. Industries were closed. Six million men were idle.

Again the people turned to the Republican Party to rehabilitate the country. Within 1 year the unemployed were put back to work. Year by year for 10 years the national debt was being reduced about $1,000,000,000 a year. Taxes were reduced five times in this period.

Finally, a great tidal wave of financial disorder and social unrest, the backwash of the World War, swept across the nations of the earth, hurling them one by one upon the hidden reefs of communism and state socialism. Dictators became the last resort. That our Nation felt the impact of this backwash, that our people suffered no person can gainsay, but it cannot be successfully denied that our people suffered less from the great world disaster than did the people of other nations.

It is in the hour of distress that many people turn to political nostrums for relief. Such a time of acute suffering is a paradise for visionary theorists and demagogues. Promises are their stock in trade. No political party in this country ever made a more alluring set of promises to a distressed people to obtain their suffrage than did the Democratic Party in its party platform adopted at Chicago in 1932. The platform was expressed in the most convincing language. The platform had this to say:

"We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe."

The candidate, Mr. Roosevelt, who had become the idol of millions of people, inspired absolute confidence in the platform pledges when he declared: "The platform which you have adopted is clear. I accept it 100 percent."

President Roosevelt, by common consent, became the leader not alone of his party but of the whole Nation. Party lines disap-

peared. A hundred million people responded to the call for concerted action to carry out every pledge in the Democratic platform and every promise made by its Presidential candidate.

What was one of the first promises made in the Democratic platform? It was this:

"We advocate an immediate, drastic reduction of governmental expenditures by abolishing useless commissions and offices."

Has this promise been kept? It has not. Instead, a bureaucracy has been set up that rivals in size of personnel and in magnitude of expenditures any other bureaucratic government in the world. The alphabet is incapable of enough combinations of letters to designate the new commissions.

The Democratic Party, in its platform, said: "We advocate a sound currency to be maintained at all hazards."

The American dollar has been reduced to 59 cents. This reduced the debt owed to the United States by foreign countries 40 percent.

Why are the people bewildered? On April 24, 1933, Secretary Woodin offered for sale United States Treasury 3-year notes or bonds in the amount of $500,000,000, bearing 2½-percent interest. They were issued in small denominations of $100 each to enable the man or woman of average means to invest. Secretary Woodin issued an official statement to encourage the people to buy these bonds. Here is what he promised: "The principal and interest of the notes will be payable in United States gold coin of the present standard of value."

Why are the people bewildered? Let us see what happened to these bonds. Four weeks after Secretary Woodin issued the statement, Congress passed a resolution repudiating this promise. It repudiated the gold clause contained in every United States bond. The President signed this resolution. This is the first time in our history that the United States Government has repudiated its obligations.

An eminent psychologist has said, "He who makes himself the master of opinion may lead a people to perform the most heroic actions as well as enter upon the most absurd adventures." The cost to the taxpayer has received little consideration. The expenditure of billions of dollars to carry out the socialistic program that has been adopted must eventually be paid. This debt burden of the Government has already reached staggering proportions. Every day the credit of the Government is being driven nearer to the brink of printing-press inflation. The day of reckoning cannot long be deferred. The tax bill now pending in Congress does not reveal to the taxpayers the ultimate cost which they will have to bear for the present mismanagement of the financial administration of the Nation.

The cost of the "brain trust" experiments must not be measured alone in money. Loss of individual freedom may prove far more disastrous to the American citizen than the loss of property. A program of planned economy means that a man's least actions shall be directed by the State; the individual is to possess no initiative; all acts of his life are mapped out. Under this system the farmer is to be told where he shall live, what he shall produce and how much, when he shall sell, to whom he shall sell, and the price he shall receive for what he produces. Failure to obey the edicts of a bureaucrat sent out from Washington may hale him into court for any violation of the rules and regulations promulgated by a bureaucrat under such a program. It must be recognized that no man in government is infallible. This has been demonstrated in the cancelation of the air-mail contracts. This official blunder resulting in almost complete paralysis of commercial aviation in the United States and in the death of 10 young men ought to be sufficient warning of the danger of vesting too much power in one man. Even when Col. Charles Lindbergh sought to advise of the danger, he was charged with seeking publicity.

Under a planned-economy program directed by fallible governmental functionaries individual liberty can be destroyed by an error in bureaucratic judgment, and from this mistake there is no appeal. Planned economy goes further than this, if carried to its ultimate conclusion. It means confiscation by the Government of capital, mines, and property, and the administration and redistribution of the public wealth by an immense army of bureaucrats. The Government, under the plan, would manufacture everything and permit no competition. The least signs of initiative, individual liberty, or competition would be suppressed.

To what extent has the Government attempted such a program, so far as industry is concerned? The Democratic platform contains this pledge:

"The removal of Government from all fields of private enterprise except where necessary to develop public works and national resources in the common interest." Regardless of this pledge, there was transferred to the Postmaster General from the Public Works fund $525,000 for the erection of a Government factory at Reedsville, W.Va. This attempted abuse of power and direct attempt to enter into competition with private business in the manufacture of furniture was defeated in the House by a vote of 275 to 110.

The Tennessee Valley Authority is another example of a definite move toward state socialism. Under this act, a corporation has been formed. Its charter contains these broad powers:

"To produce, raise, manufacture, buy, sell, deal in, and to engage in, conduct, and carry on the business of producing, manufacturing, buying, selling, and dealing in farm products, livestock, goods, wares, and merchandise of every class and description necessary or useful for the operation of the corporation."

It has the power under its charter to lend or advance money, to endorse the notes, and to guarantee the obligations of individuals, firms, corporations, or others with or without collateral security whatsoever.

This is only one of several corporations organized by the Federal Government under the Tennessee Valley Authority empowered to enter into competition with private farms and private factories.

Let me again repeat that the colossal national debt must eventually be paid by the American taxpayer. When the day of final reckoning comes, the task of the taxpayer will be like that of Sisyphus, who was condemned by the gods continually to roll a rock to the summit of a high mountain, whence it invariably rolled back again.

I do not believe American citizens will submit to a program that tends to reduce every individual to a common type and to place them under the guardianship of a strongly centralized government. Bertrand Russell, the mathematician, describes such an average type as a person "without passion or vices, neither mad nor wise, with average ideas, average opinions, he will die at an average age, of an average malady invented by the statisticians."

PRIVILEGE OF THE HOUSE

Mr. BEEDY. Mr. Speaker, I rise to a question of the privilege of the House and offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 349

Whereas the Committee on Banking and Currency of the House met on the forenoon of April 21, 1934, and took up for consideration the bill H.R. 7908, which was not read; and

Whereas thereupon a motion was made in said committee to strike out all after the enacting clause of H.R. 7908 and substitute therefor the text of H.R. 9175, commonly known as the "Brown bill", and that the said H.R. 7908, as thus amended, be reported favorably to the House; and

Whereas the said Banking and Currency Committee thereupon adopted the aforesaid motion and proposes to report said H.R. 7908, as amended, to the House; and

Whereas the said H.R. 7908, which the said Banking and Currency Committee voted to report to the House, was at no time read in committee for amendment by section or by paragraph, either by the chairman or the clerk of said committee, as required by section 26, paragraph 412 of Jefferson's Manual; and

Whereas House rule no. 43 provides that "The rules of parliamentary practice in Jefferson's Manual shall govern the House in all cases to which they are applicable * * *"; and

Whereas House rule no. 12 provides that "The rules of the House are hereby made the rules of its standing committees so far as applicable * * *"; and

Whereas section 26, paragraph 412 of Jefferson's Manual, among other things, provides that in the case of "a bill, resolutions, draft of an address", etc., originating with or referred to a committee, "in every case the whole paper is read first by the clerk and then by the chairman, by paragraphs, pausing at the end of each paragraph, and putting questions for amending, if proposed"; and

Whereas the said failure of the said Banking and Currency Committee to comply with the rule as stated in section 26, paragraph 412, vitiates the committee's attempt properly to report out H.R. 7908, and vitally affects the regularity and integrity of the proceedings of the House itself; and

Whereas the right of said Banking and Currency Committee to report said H.R. 7908 to the House, for the reasons herein set forth, raises a doubt as to the regularity and validity of the proceedings of said committee and its attempt to make a report on H.R. 7908; and

Whereas the reception of said report by the House is objected to and disputed: Now, therefore, be it

Resolved, That the question whether the House shall receive said report be submitted to the House forthwith.

Mr. BLANTON. Mr. Speaker, I make a point of order against the resolution.

Mr. RANKIN. Mr. Speaker, I make a point of order against the resolution that it does not set out a question of the privilege of the House.

Mr. BLANTON. Mr. Speaker, I make the further point of order that it is an attempt to impeach the integrity of the action of a committee when every rule of the House is presumed to have been adhered to in the committee and followed, unless the records and the minutes of the committee itself show to the contrary and show that points of order were made in the committee that the rules were not being followed. There is no attempt here in this resolution to set out any statement to the effect that points of order were made in the committee that the rules were not being followed, and in the absence of such points of order, as shown by the minutes of the record, the presumption is and it always has been the presumption, that the rules have been followed in the committee.

Mr. BYRNS. Mr. Speaker, the point of order has already been made that this is not a privileged resolution; and since

that has been made, I shall not remake it, although I rose for that purpose. It is very clear, as the gentleman from Texas [Mr. BLANTON] has said, that this is an effort to impeach the action of a standing committee of this House by a recitation of facts which are not supported by any record of the committee or any statements which have been filed with the resolution. It seems to me that if it is possible for a Member of this House, whether he be a member of the committee or not, whenever a bill is reported, to rise in his seat and offer a resolution of this kind, it would be possible to disturb the whole committee organization of the House and would not guarantee that the action of any committee, whether it be the Banking and Currency Committee or any other committee, is to be given any force and effect.

I take it there is no precedent for a resolution of this kind. It is sprung here suddenly. No one had any intimation, at least on this side of the Chamber, that such a resolution would be proposed, and, I repeat, this effort to impeach the action of a standing committee which was taken in regular session of that committee, and by a majority vote, is not in order, and especially when the gentleman admits that he sat still and makes no question of the action taken at the time. I am surprised that the gentleman should have so deliberately taken advantage of his colleagues on the committee.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BYRNS. Yes.

Mr. BLANTON. The gentleman is mistaken in stating that there is no precedent. There is a precedent, and I am sure the Parliamentarian can cite it to the Speaker, where Mr. Speaker Gillett held that in the House you could not attack the integrity of the proceedings of a committee by a mere resolution unless you show by the minutes of the committee that points of order were made in the committee and overruled and that the rules were not adhered to; that the presumption is that the rules were adhered to in committee, and you cannot attack it by such a resolution.

Mr. BYRNS. There may be such a precedent. I am sure if there is a precedent, it sustains the position taken by the gentleman from Mississippi, the gentleman from Texas, and myself, because I cannot imagine a situation where the integrity of a standing committee can be attacked upon the floor of the House in this manner.

Mr. RANKIN. Mr. Speaker, the only question raised by the offering of this resolution is whether or not it sets out a proceeding which violates the integrity of the proceedings of the House of Representatives. In other words, to sustain the position of the gentleman from Maine [Mr. BEEDY], the resolution must set out on its face a question that goes directly to the integrity of the proceedings of the House. Such a question was raised on the floor of the House some years ago in a resolution which I presented with reference to the meetings of the Veterans' Committee. We went into the question thoroughly at that time.

For a resolution of this kind to be in order it must set out on its face a violation of the integrity of the proceedings of the House, or a question that goes directly and vitally to the integrity of such proceedings; and that, I submit, this resolution does not do. The resolution recites what took place in the committee and alleges violation of the rules that could have been taken advantage of in the committee. Now, if these proceedings were not regular the place to have raised the question, as laid down in Jefferson's Manual, was in the committee.

The rule referred to in the resolution does not mean that every section of every bill must be read in committee, but it does mean that the members of the committee have a right to raise that question in the committee and are entitled to be protected by the chairman.

Mr. Speaker, I submit that to uphold the contention laid down in this resolution, and to hold this motion in order, would be to establish a precedent which could be invoked to question practically every bill brought to the floor of the House.

The gentleman in his resolution has not raised a question that goes to the integrity of the proceedings of the House; and the point of order should be sustained.

Mr. O'CONNOR. Mr. Speaker, I desire to be heard on the point of order.

Mr. Speaker, rule no. IX reads in part:

> Questions of privilege shall be, first, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings. * * *

I emphasize the words "the House collectively", because I believe the pending resolution does not properly raise a question of the privileges of the House itself.

If in a meeting of one of the committees of the House anything is done in violation of the rules of the House, the first place to protest or insist on compliance with the rules is in the committee itself; then if the procedure complained of is not in compliance with the rules, then the matter may be brought before the House on a point of order against the report of the committee, or the consideration of the bill or resolution reported.

I contend that the proper way to correct any action taken in the committee contrary to the rules is by way of a point of order against the consideration of that matter coming before the House, and that by no stretch of the language of this rule IX do the proceedings in the committee affect the rights of the House collectively so as to make the point "a privilege of the House."

Mr. BEEDY. Mr. Speaker, two issues are involved. The first one, to which I shall address myself briefly, is whether the resolution raises a question involving the privileges of the House.

As the rule states, anything affecting the integrity of the proceedings of the House raises a question of privilege. The word "integrity" means "soundness." That is the best synonym for it I can find in the dictionary. The question, then, is, Were the proceedings of this committee sound; did they conform to the rules of the House? And here, lest I forget it later, let me state what I believe we will all concede, namely, the fundamental proposition that there is never a moment when the House loses control over the conduct of its committees, which are a branch of the House.

There is a rule governing procedure involving amendments in committee, and it will not be contended that the rule was followed. It is contended that the one and only opportunity for the House to protect itself is through the acts of Members who happen to be in the particular committee at the moment. What a spurious doctrine that would be for the House to stand on! If that were to be the rule of conduct, then any recalcitrant Member who was not in sympathy with the legislation might sit idly in committee and by refusing to make an objection to any irregularity forfeit forever the rights of the House to have its committees function with regularity and under the rules. That cannot be so. But, so far as that goes, I objected to the whole proceedings in committee.

I made it very clear that I would have nothing to do with them because I did not think that the reporting of the bill in question by the committee was a move to procure legislation but was, rather, an attempt to interfere with the rights acquired by a minority of 145 Members of this House when the required number of signatures were secured and the petition completed. Therefore, I refused to have anything to do with the proceedings and voted "present." That is the broadest objection to everything that took place in the committee that I knew how to make.

Mr. BYRNS. Mr. Speaker, will the gentleman yield?

Mr. BEEDY. Yes.

Mr. BYRNS. Was there a member of the committee who raised the question at the time that the bill ought to be read, as the gentleman claims in the resolution?

Mr. BEEDY. I may say to the gentleman from Tennessee that if I had raised that point I should have said so. Instead I made a broader objection. I objected to the whole proceedings of the committee. I did not make any specific objections.

Mr. BYRNS. The gentleman in his resolution does not say that any member of the committee raised the question of whether the bill should be read.

The gentleman knows that in this House, unless request is made to the contrary, many bills are passed by unanimous consent. That is done on the floor of this House frequently; and if the gentleman, as a member of the committee, sat there and did not raise his voice in protest, he has waived his rights.

Mr. BEEDY. I did not; and I contend that I could not waive any rights of this House.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. BEEDY. Not at this time. I contend it was not the duty of any Member to raise specific objections, and that this House could not be foreclosed upon its right to insist, as I shall show presently by decisions, that its committees conform to the rules.

Mr. BLANTON. Will the gentleman yield?

Mr. BEEDY. I yield to the gentleman from Texas for a question only.

Mr. BLANTON. May I ask the gentleman this question: The gentleman knows that appropriation bills, bills involving hundreds of millions of dollars, are read scientifically from that desk frequently, with half pages skipped here and there. Does not the gentleman know he cannot raise a point of order to that procedure afterward unless the point of order is raised at the time of the reading? The presumption is that the bills are read according to the rules.

Mr. BEEDY. Whether that can be done or not, I submit, would be irrelevant to the issue here involved.

The rules in committee are analagous to the rules of the House. No bill which was not read for amendment in the House would be considered legally passed, and the same is true in a committee. But the question is asked, Was this point of reading the bill for amendment raised there? No; it was not. And I submit that the failure to raise it cannot forfeit the rights of the House to control the action of its committees in this or any other respect.

If the gentlemen will bear with me I will cite a decision which I think will disabuse anyone's mind of any doubt.

Mr. BYRNS. The gentleman is a lawyer?

Mr. BEEDY. I used to be.

Mr. BYRNS. I am sure the gentleman was a good lawyer. May I ask the gentleman what he thinks a Supreme Court would do on a general objection such as the gentleman just stated he made in committee? In other words, the gentleman voted present.

Mr. BEEDY. Yes.

Mr. BYRNS. The gentleman made no specific objection. What would a Supreme Court do under these circumstances if that sort of procedure were followed in an inferior court of law?

Mr. BEEDY. If the gentleman from Tennessee desires an answer, it seems to me that if the Supreme Court exercised good judgment and sound sense, as I think it would, the Supreme Court would say that my conduct was absolutely consistent, that by having objected to the proceedings and refusing to become a party to the proceedings by a vote either in the affirmative or negative, I very properly voted "present."

Mr. WEIDEMAN. If they were acting in equity, there would not be any doubt but what they would listen to the resolution.

Mr. HASTINGS. Will the gentleman state upon what specific grounds he is offering the resolution?

Mr. BEEDY. The grounds are stated in the resolution. I refuse to yield further; I desire to go on with my statement.

Whether there is a question of privilege involved in this resolution or not, I submit to the Speaker that, in any event, a Member of the House may at any time rise in his place; and if he objects to the receipt of a report of a committee by this House, the Speaker must put the question to the House, whether the House will receive the committee report or not.

I call the attention of the Speaker to a rule in the manual, which is to be found at the top of page 222, section 39, of the manual. The manual is here dealing with the putting of a question, whatever the question may be. The section is as follows:

> But in small matters, and which are, of course, such as receiving petitions, reports, motions, etc., the Speaker most commonly supposes the consent of the House where no objection is expressed and does not give them the trouble of putting the question formally.

If the Speaker will bear with me further, I will make myself a little clearer. It is very apparent from the reading of this section that for the convenience of the House the Speaker does not ask the House if it will receive a report every time one is offered. Yet, bear in mind that the House at all times is in full control of the actions of its committees. That is an inherent right of this House.

In small matters even the Speaker makes the same assumption if there is no objection, viz, that the House will receive the report, no objection being offered. The plain inference is that if there is objection raised the Speaker then must put to the House the question, Will the House receive the report of the committee?

I refer the Speaker to two decisions, one to be found in Hinds' Precedents, volume 4, page 938, section 4591. This decision was made by the eminent Speaker, Charles F. Crisp. On the 1st of February 1895, a Representative from Illinois, then a member of the Banking and Currency Committee, attempted to submit a privileged report to the House. One of the Members raised an objection to it, stating that it did not present fully or accurately the views of the committee. The Member claimed it was irregular in this respect. The Speaker stated this, and mark these words, Mr. Speaker:

> If objection were made, the question would be, Shall the report be received by the House?

The mere raising of an objection brings up that inherent right of the House to control the conduct of its committees, and the Speaker at that time stated that the question immediately arises, Shall the report be received by the House?

Permit me to make another point clearer here. I refer again to Hinds' Precedents, the same volume, page 937, section 4588. In this case there was an attempt by a Committee on Public Lands to bring in a report on a bill. It was contended that there were irregularities in the proceedings of the committee in passing upon the bill. There was a statement as to just what those irregularities were. A request was made that the question be submitted to the House whether the House would receive the report of the committee. Speaker John White, of Kentucky, stated:

> No question of order is involved. The question is, Shall the bill be received as the report of the committee? That is for the House alone to decide, and if the reception of the bill was objected to, that question would be put to the House.

Mr. Speaker, thereupon Mr. Cox, who was making the objection, said, "I withdraw the objection." I do not withdraw my objection. I make the objection that this report of the committee is not regularly made. It is born of an infringement of the rules of this House.

It is not necessary, however, that the Speaker now decide whether there were irregularities in committee, as I view it. If a question of privilege is raised by my resolution, then it is in order to be passed on by the House.

The Speaker must put the question to the House, Shall the House receive this report of the committee? And I ask, on my objection to this report, that the Speaker put to the House the question, Shall the House receive the report of the committee on H.R. 7908?

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. BEEDY. I am pleased now to yield to the gentleman.

Mr. KOPPLEMANN. The gentleman will recall that I was present in committee when this matter was under consideration. At that time, when the vote was being taken on reporting out this measure, the gentleman will recall that when the Clerk called his name he voted "no." The gentleman will also recall that when the Clerk said to him, "How did you vote?" the gentleman said, "Well, I had

better vote "present", and the gentleman withdrew his vote of "no."

Mr. BEEDY. Oh, no.

Mr. KOPPLEMANN. I recall that, sir.

Mr. BEEDY. The gentleman does not recollect correctly what transpired.

Mr. KOPPLEMANN. I recollect that.

Mr. BEEDY. The gentleman is incorrect. I did not vote "no." I had no hesitation whatever as to my vote. I announced in advance to the gentleman from Ohio [Mr. HOLLISTER], who sat near me, that I was about to vote "present", and he it was who said, "I thought I might vote 'no'", or words to such effect, "because I am, in fact, opposed to this legislation, but I shall vote 'present.'" I take it the gentleman from Ohio did not wish to soil his hands with the procedure then being followed by the committee.

Mr. KOPPLEMANN. Oh, no.

Mr. BEEDY. The action of the committee was not to secure legislation but to defeat the will of the Membership of the House as expressed in a petition to inaugurate the discharge rule.

Mr. WEIDEMAN and Mr. KOPPLEMANN rose.

Mr. BEEDY. I yield to the gentleman from Michigan [Mr. WEIDEMAN].

Mr. WEIDEMAN. In other words, there is not any doubt that when this matter was considered before the gentleman's committee the Members who were most active in getting the McLeod bill before the House and the members of the Banking Committee were willing to accept most of the Brown bill as an amendment to the McLeod bill, and when the committee voted on that they knew the only way they could obstruct this legislation from coming before this House was by passing out some bill and amending the McLeod bill, and this was the only way it could be obstructed, was it not?

Mr. BEEDY. Yes; but in my opinion the committee does not desire any action on that bill either.

Mr. KOPPLEMANN. Will the gentleman yield? I had not concluded my questions.

Mr. BEEDY. I do not care to yield any further.

Mr. STEAGALL. Will the gentleman yield to me for a moment?

Mr. BEEDY. I yield to my chairman.

Mr. STEAGALL. Was the gentleman from Maine present at all the meetings of the Committee on Banking and Currency when the McLeod bill was under consideration?

Mr. BEEDY. Prior to Saturday's meeting I was not present for the reason, as the chairman knows——

Mr. STEAGALL. Then I want to call the gentleman's attention to the fact——

Mr. BEEDY. For the reason, I was about to state, that I received notice of the meeting from the chairman, and as the chairman knows, the meeting was irregularly held, and the gentleman himself had to come into the House and try to remedy the error made in holding the meeting. I did not participate in it and I am pleased to say that I was not present. I had no part in those irregular proceedings, nor do I acquiesce in the irregularity of the proceedings of Saturday. I stand on my rights as a Member of this House fighting for the rights of the House to control at all times the action of its committees. [Applause.]

Mr. STEAGALL. Will the gentleman yield for another question?

Mr. BEEDY. Yes, indeed.

Mr. STEAGALL. Does the gentleman understand that at a prior session of the committee the McLeod bill and the amendment adopted to the McLeod bill and reported were read in full and considered by the committee?

Mr. BEEDY. I have no such understanding; in fact, the bill was not even introduced until after that meeting was held.

Mr. STEAGALL. I will say to the gentleman his failure to understand it grows out of the fact that he was not present. It is a fact that at a former meeting of the committee the McLeod bill was read, the substitute offered by the gentleman from Michigan [Mr. BROWN] was read, amended, and adopted and ordered reported as a substitute for the McLeod bill, and the meeting on Saturday was simply called for the purpose of filing a subsequent report on the measures read and considered at a former meeting, as every member of the committee who was present will testify.

Mr. WOLCOTT. Will the gentleman yield?

The SPEAKER. The Chair is ready to rule.

Mr. BEEDY. Mr. Speaker, I think these facts should be cleared up for the benefit of the House.

I yield to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. I want to call the attention of the gentleman from Alabama to the fact that the committee met and adopted what was presumed to be at that time the Brown bill on the 12th of the month. The bill which was substituted for H.R. 7908 on Saturday last was not introduced in this House until April 17, and that bill has never been read in committee, and the bill H.R. 7908 was not read in the committee when the substitute was adopted.

Mr. STEAGALL. I may say to the gentleman in that connection, if he will permit——

Mr. BEEDY. I do not care to yield further.

Mr. STEAGALL. Will not the gentleman yield to me?

The regular order was demanded.

Mr. BEEDY. This is the regular order. I desire to conclude my remarks. The bill which was adopted on Saturday, the subject matter of the so-called "Brown bill", was never read before the committee for amendment, and this is the irregularity which I do not waive.

Mr. SISSON. How do you know—you were not there?

Mr. BEEDY. I stand on my right to object to and to question the legality of the report filed by this committee, and I ask that the question be submitted to the House, whether the House will receive the report of the Banking and Currency Committee.

The SPEAKER. The Chair is ready to rule.

Mr. BEEDY. Mr. Speaker, a question has been raised which reflects upon the accuracy of one of my statements. The gentleman from Alabama, I believe it was, who cried out, without addressing the Speaker, and generally he is very much of a gentleman and obeys the rules of this House—if I am wrong the gentleman will correct me—I thought I recognized his voice, yet I thought it was quite unlike the gentleman. But somebody behind me said, "How do you know"—possibly it was the gentleman from New York [Mr. SISSON] who said, "How do you know, you were not there at the meeting." My answer is that I know, because the bill in question, which was substituted on Saturday last, was not introduced until the 17th of this month. Therefore it could not have been read for amendment prior thereto.

Mr. BANKHEAD. Was the gentleman alluding to me as the gentleman from Alabama?

Mr. BEEDY. I was. I alluded to the gentleman who I have found to be always decorous and always the gentleman.

Mr. BANKHEAD. I thank the gentleman, but the assumption that I made the remark is entirely in his imagination, for I made no such statement during the course of the debate.

Mr. BEEDY. I accept the gentleman's statement. It was the gentleman from New York [Mr. SISSON], I understand, who made the remark without addressing the Chair.

Mr. BANKHEAD. I do not see how the gentleman could pick me out. [Laughter.]

Mr. BEEDY. I thought I recognized the gentleman's voice.

The SPEAKER. The Chair is ready to rule. It is contended by the gentleman from Maine [Mr. BEEDY] that the resolution he has presented, of which he is the author, presents a question of privilege affecting the rights of the House and the integrity of its proceedings.

When Mr. Reed, of Maine, was Speaker of the House in 1891 a matter very much like this was presented to him. At that time there was no rule of the House prescribing a method of discharging a committee from the consideration of a bill.

A report had been ordered to be made by a committee. It was not made within a reasonable time, and a resolution

directing the report to be made was decided by Speaker Reed to present a question of the privilege of the House.

Questions of privilege are, first, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings.

The ruling of Speaker Reed to which I have alluded can be found in volume 3, Hinds' Precedents, page 1085.

The Chair holds that the resolution presents a question of privilege, and it is for the House to adopt or reject the resolution. The Chair therefore overrules the point of order.

Mr. BYRNS. Mr. Speaker, I move to lay the resolution on the table.

Mr. GOSS. And on that, Mr. Speaker, I ask for the yeas and nays.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. If I vote "aye", does that mean——

Mr. BYRNS. Mr. Speaker, the gentleman is out of order. We are discussing whether we will have a roll call.

Mr. RICH. Before I vote on this I should like to know——

Mr. BYRNS (interrupting). The gentleman is an intelligent Member of this House, and he ought to know the rules.

The question was taken, and the yeas and nays were ordered.

Mr. McLEOD. Mr. Speaker——

Mr. O'CONNOR. Mr. Speaker, the gentleman from Michigan cannot interrupt a roll call.

Mr. McLEOD. The roll call has not yet begun. I should like to ask the Speaker what is the significance of an "aye" vote and the significance of a "no" vote?

The SPEAKER. The Clerk will call the roll.

The question was taken; and there were—yeas 227, nays 123, not voting 80, as follows:

[Roll No. 130]

YEAS—227

Abernethy	Delaney	Larrabee	Robinson
Adams	DeRouen	Lea, Calif.	Rogers, N.H.
Andrew, Mass.	Dickinson	Lee, Mo.	Romjue
Andrews, N.Y.	Disney	Lehr	Ruffin
Arnold	Dobbins	Lewis, Colo.	Sabath
Auf der Heide	Dockweiler	Lloyd	Sanders
Ayers, Mont.	Doughton	Lozier	Sandlin
Ayres, Kans.	Doxey	Luce	Scrugham
Bankhead	Driver	Ludlow	Sears
Berlin	Duncan, Mo.	McClintic	Secrest
Biermann	Eagle	McDuffie	Shallenberger
Black	Edmiston	McFarlane	Sisson
Bland	Elizey, Miss.	McGugin	Smith, Va.
Blanton	Faddis	McKeown	Smith, W.Va.
Boehne	Farley	McMillan	Snell
Brown, Ga.	Fernandez	McReynolds	Snyder
Brown, Ky.	Fitzpatrick	Maloney, La.	Somers, N.Y.
Brown, Mich.	Flannagan	Mansfield	Spence
Buchanan	Fletcher	Mapes	Steagall
Buck	Ford	Marland	Strong, Tex.
Bulwinkle	Foulkes	Martin, Colo.	Stubbs
Burch	Fuller	Martin, Mass.	Sumners, Tex.
Burke, Nebr.	Fulmer	Martin, Oreg.	Swank
Busby	Gambrill	May	Tarver
Byrns	Gavagan	Mead	Taylor, Colo.
Caldwell	Gillette	Meeks	Taylor, S.C.
Cannon, Mo.	Glover	Merritt	Terrell, Tex.
Carden, Ky.	Goldsborough	Millard	Terry, Ark.
Carmichael	Granfield	Miller	Thom
Carpenter, Kans.	Gray	Milligan	Thomason
Cartwright	Greenway	Mitchell	Thompson, Ill.
Cary	Gregory	Montague	Thompson, Tex.
Castellow	Griswold	Montet	Tinkham
Chapman	Hancock, N.C.	Moran	Treadway
Christianson	Harter	Morehead	Turner
Claiborne	Hastings	Murdock	Umstead
Clark, N.C.	Henney	Norton	Underwood
Cochran, Mo.	Hill, Samuel B.	O'Connor	Vinson, Ga.
Coffin	Hoidale	Oliver, N.Y.	Wallgren
Colden	Hollister	Owen	Walter
Cole	Hope	Parker	Warren
Colmer	Huddleston	Parks	Wearin
Condon	Hughes	Parsons	Weaver
Connery	Jacobsen	Patman	Werner
Cooper, Tenn.	Johnson, Tex.	Pettengill	West, Ohio
Cox	Johnson, W.Va.	Peyser	West, Tex.
Cravens	Jones	Pierce	White
Cross, Tex.	Kee	Polk	Whittington
Crosser, Ohio	Keller	Prall	Wilcox
Crowe	Kerr	Ramspeck	Williford
Crump	Kleberg	Randolph	Williams
Culkin	Kloeb	Rankin	Wilson
Cullen	Kocialkowski	Rayburn	Wood, Ga.
Cummings	Kopplemann	Reilly	Wood, Mo.
Darden	Kramer	Richards	Woodrum
Dear	Lambeth	Richardson	Zioncheck
Deen	Lamneck	Robertson	

NAYS—123

Adair	Duffey	Kinzer	Sadowski
Allen	Dunn	Kniffin	Schuetz
Arens	Durgan, Ind.	Knutson	Schulte
Bacharach	Ellenbogen	Kurtz	Seger
Bakewell	Eltse, Calif.	Kvale	Shannon
Beam	Englebright	Lambertson	Simpson
Beedy	Evans	Lehlbach	Sinclair
Blanchard	Fiesinger	Lemke	Smith, Wash.
Boileau	Fish	Lesinski	Stalker
Britten	Foss	Lundeen	Strong, Pa.
Brumm	Frear	McCormack	Studley
Brunner	Gifford	McFadden	Sweeney
Burke, Calif.	Gilchrist	McGrath	Taber
Burnham	Goodwin	McLean	Taylor, Tenn.
Carter, Calif.	Goss	McLeod	Thomas
Cavicchia	Guyer	Marshall	Tobey
Chase	Hancock, N.Y.	Mott	Traeger
Clarke, N.Y.	Hart	Moynihan, Ill.	Truax
Cochran, Pa.	Healey	Muldowney	Utterback
Collins, Calif.	Higgins	Musselwhite	Wadsworth
Connolly	Hildebrandt	O'Brien	Weideman
Cooper, Ohio	Hoeppel	O'Malley	Welch
Crowther	Holmes	Peavey	Whitley
Darrow	Imhoff	Perkins	Wigglesworth
De Priest	James	Powers	Withrow
Dingell	Johnson, Minn.	Ransley	Wolcott
Dirksen	Johnson, Okla.	Reece	Wolfenden
Ditter	Kahn	Reed, N.Y.	Wolverton
Dondero	Kelly, Ill.	Rich	Woodruff
Douglass	Kelly, Pa.	Rogers, Mass.	Young
Dowell	Kenney	Rudd	

NOT VOTING—80

Allgood	Church	Hamilton	Nesbit
Bacon	Collins, Miss.	Harlan	O'Connell
Bailey	Corning	Hartley	Oliver, Ala.
Beck	Crosby	Hess	Palmisano
Beiter	Dickstein	Hill, Ala.	Peterson
Bloom	Dies	Hill, Knute	Plumley
Boland	Doutrich	Howard	Ramsay
Bolton	Drewry	Jeffers	Reid, Ill.
Boylan	Eaton	Jenckes, Ind.	Rogers, Okla.
Brennan	Edmonds	Jenkins, Ohio	Schaefer
Brooks	Eicher	Kennedy, Md.	Shoemaker
Browning	Fitzgibbons	Kennedy, N.Y.	Sirovich
Buckbee	Focht	Lanham	Stokes
Cady	Frey	Lanzetta	Sullivan
Cannon, Wis.	Gasque	Lewis, Md.	Sutphin
Carley, N.Y.	Gillespie	Lindsay	Swick
Carpenter, Nebr.	Green	McCarthy	Thurston
Carter, Wyo.	Greenwood	McSwain	Turpin
Celler	Griffin	Maloney, Conn.	Vinson, Ky.
Chavez	Haines	Monaghan, Mont.	Waldron

So the motion to lay the resolution on the table was agreed to.

Mr. KENNEY, Mr. BRITTEN, Mr. McCORMACK, Mr. BEAM, and Mr. KELLY of Illinois changed their votes from "yea" to "nay."

The Clerk announced the following pairs:

On this vote:

Mr. Boylan (for) with Mr. Doutrich (against).
Mr. Corning (for) with Mr. Hartley (against).
Mrs. Jenckes of Indiana (for) with Mr. Stokes (against).
Mrs. McCarthy (for) with Mr. Buckbee (against).
Mr. Harlan (for) with Mr. Carter of Wyoming (against).
Mr. Lanham (for) with Mr. Jenkins of Ohio (against).
Mr. Hamilton (for) with Mr. Turpin (against).
Mr. Drewry (for) with Mr. Bolton (against).

General pairs:

Mr. Greenwood with Mr. Bacon.
Mr. Collins of Mississippi with Mr. Plumley.
Mr. Oliver of Alabama with Mr. Beck.
Mr. Maloney of Connecticut with Mr. Swick.
Mr. Lindsay with Mr. Thurston.
Mr. Sullivan with Mr. Edmunds.
Mr. McSwain with Mr. Eaton.
Mr. Hill of Alabama with Mr. Hess.
Mr. Bloom with Mr. Reid of Illinois.
Mr. Vinson of Kentucky with Mr. Waldron.
Mr. Griffin with Mr. Shoemaker.
Mr. Bailey with Mr. Frey.
Mr. Kennedy of New York with Mr. Crosby.
Mr. Green with Mr. Carpenter of Nebraska.
Mr. Celler with Mr. Peterson.
Mr. Lanzetta with Mr. Schaefer.
Mr. Sutphin with Mr. Cady.
Mr. Allgood with Mr. Sirovich.
Mr. Browning with Mr. Beiter.
Mr. Haines with Mr. Kennedy of Maryland.
Mr. Chavez with Mr. Ramsay.
Mr. Jeffers with Mr. Monaghan of Montana.
Mr. Boland with Mr. Cannon of Wisconsin.
Mr. Dickstein with Mr. Gillespie.
Mr. Dies with Mr. Knute Hill.
Mr. Gasque with Mr. O'Connell.
Mr. Lewis of Maryland with Mr. Eicher.
Mr. Brooks with Mr. Carley of New York.
Mr. Fitzgibbons with Mr. Church.

The result of the vote was announced as above recorded.

On motion of Mr. BYRNS, a motion to reconsider the vote by which the resolution was laid on the table was laid on the table.

JURISDICTION OF DISTRICT COURTS OF THE UNITED STATES

Mr. O'CONNOR, from the Committee on Rules, reported the following resolution for printing under the rules:

House Resolution 350 (Rept. No. 1297)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 752, an act to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards; that after general debate, which shall be confined to the bill and shall continue not to exceed 5 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

THE WIRT COMMITTEE

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to proceed for 7 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, recently there was created by resolution of the House a select committee to investigate certain charges made by Dr. William A. Wirt, of Gary, Ind. The committee held certain hearings and has concluded its activities.

The charges of Dr. William A. Wirt, which form the basis of this inquiry, may be summarized as follows:

Certain persons in positions of influence and authority in the administration hold these beliefs:

The depression demonstrates that the political, economical, and social organization of our country, heretofore accepted as the embodiment of American traditions and ideals, is inadequate to insure the temporal well-being and security of the people. The concept that American men and women constitute a free people must be scrapped.

In its stead must be erected a planned economy wherein the everyday activities of American citizens in agriculture, industry, transportation, merchandizing, and other pursuits, including labor, are controlled and regimented by the Government functioning through numerous bureaus. It necessarily follows that remuneration for such activities and the wealth invested therein likewise are in the control of the Government, even if the naked title to such properties are left in the present owners.

Inasmuch as the Constitution of the United States is the keystone of the arch supporting the concept of a free people, its provisions must be disregarded and allowed to fall into desuetude.

Dr. Wirt further charges that these persons holding the opinions above set forth are using their positions in the administration to draft measures, ostensibly temporary in character and purported to accelerate present recovery, which, in effect, operate to further the regimented economy plan. Such measures necessarily retard immediate economic improvement, which is all right with the economic planners, because the more serious the plight of the people the more readily will they submit to the proposed new order.

No suggestion was advanced that any such persons contemplate physical violence, or that the established agencies of the Government be forcibly overthrown.

This, in substance, is the contention of Dr. Wirt, the truth of which this committee was created to probe. The committee limited its activities to an attempt to ascertain the sources of information upon which Dr. Wirt based his statement.

This was an utterly futile proceeding. Every well-informed person knows from the speeches, published writings, and radio addresses by Government officials constituting what is commonly known as the "brain trust" that their political, economic, and social philosophy is substantially as set forth by Dr. Wirt.

Activities in furtherance of the establishment of a socialized economy seem apparent to an increasing number of our people. They view with misgiving a securities act purported to protect investors from cheaters, drying up sources of much-needed credit for industry struggling toward recovery; a proposed law to regulate stock and commodity exchanges, ostensibly to check insensate speculation, threatening to convert a business investment into a frozen asset by the destruction of its market; the absorption of available credit resources of our banking system by dumping upon it huge Government issues. The inability or unwillingness of the Government to stabilize our currency renders it prohibitive for business to engage in long-term commitments of international character. These are but a few instances that have engendered doubt and dismay.

This committee is not authorized to sit in judgment upon the relative merits of the old order of a free people or a Government-regulated mode of American life. Under a broad, common-sense construction of the resolution creating the committee, we were commissioned to investigate whether Government officials believing in a socialized American order were so functioning as to facilitate its establishment. In short, What are the purposes of the "brain trust" and what are they doing about it?

This the American people are entitled to know. This it was not only the privilege but the duty of the committee to ascertain.

Unfortunately, the committee booted away its opportunity. [Applause.]

PAYMENTS OF ASSETS IN CLOSED BANKS

Mr. McLEOD. Mr. Speaker, I call up the motion to discharge the Committee on Banking and Currency from the further consideration of the bill H.R. 7908, which is on the Calendar of Motions to Discharge Committees.

Mr. STEAGALL. Mr. Speaker, I make the point of order that the motion is not in order and does not lie, because of the fact that the committee has reported the bill, and, therefore, cannot be discharged from its consideration.

Mr. McLEOD. Mr. Speaker, will the gentleman withhold his point of order for an inquiry?

Mr. STEAGALL. I cannot withhold the point of order.

Mr. McLEOD. Will the gentleman reserve his point of order and yield for a question?

Mr. STEAGALL. I yield for a question.

Mr. McLEOD. Will the gentleman, as Chairman of the Committee on Banking and Currency, advise the House if it is the intention of that committee to call up that bill this week, which the committee has reported out?

Mr. BLANTON. Mr. Speaker, that is immaterial.

Mr. COCHRAN of Missouri. Mr. Speaker, I make the point of order that the gentleman from Michigan is out of order, and I demand the regular order.

Mr. BLANTON. The point of order should be acted upon.

Mr. BEEDY. Mr. Speaker, I raise a point of order.

Mr. STEAGALL. The gentleman's question does not in any way involve the matter before the House.

Mr. BEEDY. Mr. Speaker, the gentleman from Alabama [Mr. STEAGALL] reserved the point of order.

Mr. STEAGALL. Oh, no.

Mr. BEEDY. And yielded to the gentleman from Michigan for a question. That was the specific request that the gentleman from Michigan made, and the question is not out of order.

Mr. McLEOD. The gentleman attempted to answer the question when he was cut off.

Mr. STEAGALL. Mr. Speaker, I make the point of order.

Mr. WOLCOTT. Mr. Speaker, I would like to be heard on the point of order.

The SPEAKER. The Chair will hear the gentleman from Michigan.

Mr. WOLCOTT. Mr. Speaker, it is my understanding that if a bill is improperly reported to the House—and I believe in this particular instance the Chair has already ruled,

that where a committee sits during the sessions of the House without receiving permission of the House—the action of the committee in reporting out this bill is a nullity. It is void ab initio; that is, from the very beginning and for all intents and purposes the bill has never left the committee. In the case of other irregularities, not perhaps of a like nature but of equal importance, whereby members of the committee were shut off in the exercise of their rights, under the rules of the House and the committee, to offer amendments to perfect the bill, then that is of equal importance and effect and that bill as reported out and the report is equally void.

I call the Chair's attention to the rule, with which he is familiar, section 412 of Jefferson's Manual, which reads in part as follows:

> In every case the whole paper is read first by the Clerk and then by the chairman by paragraphs pausing at the end of each paragraph and putting questions for amendment, if proposed.

It is my contention, Mr. Speaker, that if that were not done—and I want to say on my own responsibility as a member of that committee and as a Member of this House—that in none of the proceedings of the Committee on Banking and Currency neither the bill H.R. 7908 or the so-called "Brown bill", the number of which I do not remember, which was substituted for H.R. 7908, was read. If the bill was not read, and any right of any Member in his legislative capacity was denied to him to discuss each paragraph and offer amendments thereto, then that bill is not properly or legally upon the calendar, and the action of the Committee on Banking and Currency in reporting it out is void.

Mr. BLANTON. Mr. Speaker, I desire to be heard on the point of order.

Mr. Speaker, there is but one question for the Chair to decide: Is the gentleman from Michigan privileged at this time to call up the McLeod bill on the petition that was signed? This is the sole question. There is no question here involving the integrity of the action taken by the Committee on Banking and Currency. This bill, reported by that committee, is on the calendar until the Speaker takes it off the calendar. It is properly on the calendar until the Speaker rules that it is not properly on the calendar.

Under the operation of the discharge rule, a committee can be discharged from consideration of a bill only for failure to act. Certainly a committee cannot be discharged from the consideration of a bill when the committee has finished its consideration of the bill and has returned it to the House with its report. The committee has brought the bill back here, has reported it, and the report is before the House. The committee has discharged itself and could not, if it wanted to, further consider the bill. The committee is through with it. The bill as reported is before the House; and this action of the committee absolutely nullifies every action that was taken under the petition to discharge. This is the sole question, so what is the use of wasting the time of the House fooling with a lot of infinitesimal, inconsequential points raised in an effort to impede business and to muddy the waters?

Mr. DOWELL. Mr. Speaker, I desire to be heard on the point of order.

Mr. Speaker, the discharge rule provides for a special procedure.

The question now before the House is not on the rule to discharge; it is on the question of procedure after the petition has been signed by 145 Members. I call the attention of the Chair to page 435 of the Manual. I read therefrom the following:

> When Members to the total number of 145 shall have signed the motion, it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the calendar of motions to discharge committees.

Then follows the provision that such a motion can be called up on the second or fourth Mondays of each month; and from page 436 I read the following:

> When any motion under this rule shall be called up, the bill or resolution shall be read by title only.

Then the rule recites what the procedure shall be.

Mr. Speaker, the question now before the House is one of procedure. A petition has been signed by 145 Members, as required by this rule. The rule prescribes what the procedure shall be. The gentleman from Michigan has proceeded exactly in accordance with this rule, and there is no provision in the rules that the operation of the discharge rule can be interfered with by any action of any committee of the House. In other words, when this petition has been signed by 145 Members, the procedure shall be as prescribed by this rule, and the rule makes no exception whatever. Whatever any committee may do, the rule brings the matter directly before the House for its attention; and this rule was adopted for that specific purpose.

Mr. WEIDEMAN. Mr. Speaker, will the gentleman yield?

Mr. DOWELL. I yield.

Mr. WEIDEMAN. Does the rule state anywhere that the committee by any action can thwart the will of the 145 Members who signed the petition to discharge?

Mr. DOWELL. It does not. On the contrary, it affirmatively prescribes what the procedure shall be. We are now operating under this rule and the question here is one of procedure and is not on the action of the committee in reporting this bill or on whether or not a report has heretofore been made. As a matter of fact, when this petition was signed by 145 Members, this bill was lying in the committee. The action of the 145 Members in signing this petition immediately put into force this rule; and when the rule is put into force, no action of any committee can operate to nullify this rule.

Mr. WEIDEMAN. Mr. Speaker, will the gentleman yield further?

Mr. DOWELL. I yield.

Mr. WEIDEMAN. In other words, before the committee reported this bill, the petition had been signed by 145 Members.

Mr. DOWELL. Yes.

Mr. WEIDEMAN. And the committee report was not received until today. So, previous to the time the bill was reported the discharge rule had been invoked by the 145 signers of the petition, thus making the motion to discharge the committee in order today.

Mr. DOWELL. The rule states that whenever 145 Members sign a petition this rule is put into effect and jurisdiction is taken from any committee of the House having the bill under consideration. [Applause.] The House by that action took immediate charge of this bill and it is now before the House.

Mr. BYRNS. Mr. Speaker, will the gentleman yield?

Mr. DOWELL. I yield.

Mr. BYRNS. What is the motion on which the House would be called upon to vote under the contention of the gentleman from Iowa?

Mr. DOWELL. There will be a motion here.

Mr. BYRNS. What is the motion?

Mr. DOWELL. It follows this rule exactly to discharge the committee.

Mr. BYRNS. I ask the gentleman—the gentleman has the rules before him—what is the motion upon which the House will be called upon to vote?

Mr. DOWELL. Yes; it is to proceed in accordance with this rule to take it from the committee and to bring it directly before the House.

Mr. BYRNS. The gentleman is begging the question. If the gentleman is not willing to be specific in his answer, I will state for him that the motion is a motion to discharge the committee from further consideration of the bill.

May I ask the gentleman how in all common sense he is going to discharge a committee when it does not have the bill before it?

Mr. DOWELL. The motion which will be before the House is for the immediate consideration of the bill under this rule.

Mr. BYRNS. No. May I read the rule to the gentleman?

Mr. DOWELL. That is exactly the effect of it.

Mr. BYRNS. May I read the rule to show that it is a motion to discharge the committee? The motion is first

taken up for consideration, and then the bill, if the committee is discharged, will be taken up for consideration. The gentleman will find that at the bottom of page 435 of the Manual.

Mr. DOWELL. This rule specifically provides that nothing shall interfere with the immediate consideration of the bill under this rule.

Mr. BYRNS. Consideration of the motion, not the bill. The motion is to discharge the committee from consideration of the measure.

Mr. DOWELL. No.

Mr. WOLCOTT. Will the gentleman yield?

Mr. DOWELL. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I call attention of the Members of the House to the fact that this rule embraces two distinct questions. One is the discharge of the committee and the next is the immediate consideration of the bill. We discharged the committee to get consideration of the bill. We cannot get immediate consideration of the bill under this rule unless we discharge the committee.

Mr. BYRNS. How is the gentleman going to discharge the committee on a bill which has been reported?

Mr. WOLCOTT. It is not important whether the committee has made a report or not. The report of the committee should not be used to prevent an immediate vote on the bill.

Mr. DOWELL. Mr. Speaker, may I get clearly before the Chair the very purpose of this rule.

This rule all the way through provides specifically for the immediate consideration and determination of this bill. The whole purpose of it is to take the bill from the committee and bring it before the House. As soon as 145 Members have signed the petition, the bill comes directly before the House on this motion without the action of any committee and under the rule of the House on a certain day this motion shall be called up and then certain definite procedure is outlined. This rule specifically provides for every means by which it can be immediately forced to a conclusion in this House. If there is a majority who do not want to consider it, that is another question, but the question now is on the rule for the consideration of this bill and the action of the committee has nothing to do with the matter.

The whole purpose of this rule and the whole reason for its existence is to get the immediate vote of the House on the bill. Everyone who has been interested in this rule knows that that is the purpose of the rule, and that is why it has been so framed that nothing shall intervene until a final conclusion is had on the bill under consideration.

Mr. STEAGALL. Will the gentleman yield?

Mr. DOWELL. I yield to the gentleman from Alabama.

Mr. STEAGALL. Does the gentleman contend that the question before the House is not the discharge of the committee from consideration of the bill?

Mr. DOWELL. The question before the House is to follow the rule bringing this matter now to a vote. The bill was brought before the House by 145 names to the petition. That action brought it directly before the House.

Mr. STEAGALL. Will the gentleman read the specific language of the rule?

Mr. DOWELL. This is a question of procedure. May I say that if this rule can be sidetracked or if this rule can be defeated by the action of some other committee or of some committee of this House after 145 names have been signed to the petition which brought the matter before the House, and if it can be taken back and defeated by a committee, then this rule is not what the House intended to have when it passed the rule.

Mr. BEEDY. Will the gentleman yield?

Mr. DOWELL. I yield to the gentleman from Maine.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that the gentleman from Iowa cannot yield to anyone.

Mr. DOWELL. I am not yielding the floor to anyone. I yield to the gentleman from Maine for a question.

Mr. BEEDY. Has any answer been made to the contention of the gentleman from Iowa other than that there is now on the calendar a bill which has been reported by the Banking and Currency Committee?

Mr. O'CONNOR. We will answer if the gentleman will give us a chance.

Mr. BEEDY. Just a moment. I have asked the gentleman from Iowa a question. There is no other answer to the contention of the gentleman from Iowa than that there is a bill on the calendar from the Committee on Banking and Currency. Is that not the fact?

Mr. DOWELL. So far as I know.

Mr. BEEDY. Let me call the attention of the Members of the House to the incorrectness of the view of the gentleman from Tennessee, who claims the Committee on Banking and Currency has reported H.R. 7908, which is now on the calendar. It cannot be refuted here that there was an irregularity in the consideration of this bill by committee. On Friday, the 20th, when the gentleman from Alabama admitted that his committee had met during a session of the House and reported the so-called "McLeod bill", the Speaker, in answering his question as to the regularity of such a proceeding said that the bill was in effect still before the committee. That any irregularity in its consideration renders the committee action void. In the case of Friday, as well as in the case presented today, there is no denial as to the irregularity of the committee's proceeding. I now quote from the ruling of the Speaker on last Friday:

> In reply to the parliamentary inquiry, the Chair will state that the action of the committee in so reporting the bill is absolutely void, and the Chair will direct that the report and the bill be stricken from the calendar. The purported report on the bill H.R. 7908 made to the House on April 12, 1934, being invalid, the Chair holds that the bill is still before the Committee on Banking and Currency.

A bill is never on the calendar if there is irregularity in the proceedings of the committee reporting it. There is no bill from the committee now before the House which can thwart the operation of the discharge rule. Therefore the way is clear, I submit to the Speaker, to bring up the motion of the gentleman from Michigan to discharge the committee.

Mr. DOWELL. Mr. Speaker, if the statements here relative to the action of the committee are correct, some other bill, as I understand it, has been presented to the House. To my mind, it is immaterial whether there is another bill or something else that has been presented.

My position is, and I want the Chair to understand it and I want to emphasize it, when the petition has been signed by 145 Members the bill is taken away, and it follows the procedure of this rule. This is my contention, and I believe it was the contention of the House when it adopted this rule, and I believe the rule should be followed.

Mr. O'CONNOR. Mr. Speaker, this is an important matter upon which the Chair is about to rule. So far as I know it has never been ruled upon, and there are more situations possible to arise under the discharge rule (rule XXVII, subdiv. 4) than the McLeod bill; in fact, I think another somewhat similar situation will arise today immediately following the disposition of this matter.

If the contention of the gentleman from Iowa [Mr. DOWELL], were sound, the rule in its language would be ridiculous and meaningless.

First, however, let me say that the Chair or this House cannot take cognizance of the statements of fact made by the gentleman from Michigan [Mr. WOLCOTT], or the gentleman from Maine [Mr. BEEDY], as to what happened in the committee. These facts are not before the Chair or before the House. There is up to this minute no proof of what happened in the Committee on Banking and Currency.

All through this rule is the reference to a motion to discharge a committee. That rule provides that such a motion as is called up today, is a motion to discharge the committee, and as has been said, the committee has already discharged itself. But to proceed further, the rule states that:

> If the motion prevails to discharge one of the standing committees of the House from any public bill or resolution pending before the committee—

Of course, this bill does not longer pend before a committee, and to read further from the rule at the bottom of page 436 of the Manual—

> Should the House by vote decide against the immediate consideration of such bill or resolution it shall be referred to its proper calendar and be entitled to the same rights and privileges that it would have had had the committee to which it was referred duly reported the same to the House.

And so on throughout the rule, the intent being that the rule does not reach a bill reported from a committee and only reaches a bill which has not been reported.

Further, as you know, in the past few years this question has been discussed many times informally, although the question has never come specifically before the House, as for instance on the bonus legislation and possibly in connection with some other legislation where a committee assumed that by reporting a bill adversely it could defeat the efficacy of the petition to discharge. That, of course, could be done, as was generally agreed among the parliamentarians of the House, to the effect that if the committee reports at all, favorably or adversely, it annuls the petition lying on the desk. In a proposed new rule not yet adopted it is proposed to provide that after a petition is lodged the committee cannot, under the existing rules, report adversely, but right now if the committee reports favorably or adversely it defeats the efficacy of the petition to discharge.

The gentleman from Wisconsin [Mr. O'MALLEY] has said—

> By that method any committee can strangle all legislation.

That statement is not correct under our rules.

Mr. O'MALLEY. The gentleman has used my name. Will not the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. O'MALLEY. Was I not correct when I said that if 145 Members have signed a petition for a specific piece of legislation, after the completion of the petition, if a committee reports an amended bill, does not that defeat the purpose of the discharge rule entirely, if the committee sees fit to do this?

Mr. O'CONNOR. I was just about to state that the gentleman is mistaken.

Mr. O'MALLEY. Now, will the gentleman point out to me how I am mistaken?

Mr. O'CONNOR. If the gentleman will permit me, I shall attempt to do so.

There are two features of this discharge rule which were carefully considered and debated upon its adoption. You ladies and gentlemen probably all know that the author was one of the greatest parliamentarians this House ever had, Mr. Crisp, of Georgia. The gentleman from Wisconsin [Mr. O'MALLEY] says that if the committee reports a bill immediately after the petition is completed the House is helpless. Of course that is not correct.

The second feature of the rule provides that a petition can then be filed to discharge the Rules Committee from a resolution to consider the bill, and thus force the consideration of the measure, despite any action on the part of the Rules Committee. Mr. Speaker, if the gentlemen anxious for the consideration of this measure do not succeed today, they will, and speedily, propose to do that very thing—petition to discharge the Rules Committee. After 7 days elapse the matter will be before the House. The bill having now been reported from the committee, and that destroying your petition, they can and will now file a resolution with the Rules Committee to make the bill a special order of business.

Mr. WEIDEMAN. Will that be satisfactory to the gentleman?

Mr. DINGELL. Will the gentleman yield?

Mr. O'CONNOR. Please wait until I have completed my statement.

Mr. O'MALLEY. Will the gentleman yield to me? The gentleman is convincing me, or trying to convince me.

Mr. O'CONNOR. I have not answered your question completely.

The gentleman from Wisconsin [Mr. O'MALLEY] says that when a committee amends a bill it defeats the purpose of some Members of the House. Of course, the committee does not and could not do that.

This bill as it comes in here reported from the committee or as it will be taken up under a discharge petition directed to the Rules Committee, has the McLeod bill in it. It is physically in the bill. It has merely been amended by the committee. If this House prefers the McLeod bill it can vote down the committee amendments and enact the McLeod bill. The McLeod bill has not been taken away from the House. The McLeod bill will be read to the House first. The committee amendments, which I understand are substantially the Brown bill, will be offered as committee amendments. Those Members who prefer the McLeod bill will vote down the committee amendments.

Mr. O'MALLEY. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. O'MALLEY. In the placing of a petition in the well it is required that a copy of the specific legislation be placed in there, so that the Members signing know they are signing for a specific piece of legislation immediately upon the completion of the petition. If a committee can report in an amended bill or a bill which does not correspond with the exact bill upon which the Members signed the petition, are they not in this way defeating the entire purpose of the petition?

Mr. O'CONNOR. They could do that if it had the power, which it has not. They reported the McLeod bill with committee amendments. They could not physically strike out the entire language of the McLeod bill. That is still in the bill for the consideration of the House.

Mr. O'MALLEY. Let me correct the gentleman. They struck out all of the language. There is nothing left of the McLeod bill but the title. They struck out everything after the enacting clause.

Mr. ELLENBOGEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ELLENBOGEN. The gentleman from Iowa stated that 145 Members had signed the petition, and that they were on the petition the day the report was made. My impression was to the opposite, and I ask the Speaker to inform the House whether the report was filed before the petition was completed?

The SPEAKER. That is what the Chair is going to pass on.

Mr. LUCE. Mr. Speaker, for the benefit of the parliamentary procedure, and in order that the Chair may have occasion to comment on one phase of the situation that has not been brought to the attention of the House, I would ask the gentleman from New York whether he is of the opinion that when passing on the application of the rule referring to the motion to discharge the committee, it is within the province of the Chair to pass judgment on the futility that such a motion may come to have? Can it be pressed to a vote that will be fruitless? I hope the Chair will see fit to answer the question.

Mr. O'CONNOR. I think the point of order was that the motion is not now in order.

Mr. LUCE. But the discussion has covered the whole course of the procedure. I hope we may have it clear whether the Chair may pass on the futility of a motion that technically will still be valid.

Mr. BANKHEAD. It is not the province of the Chair to undertake to construe the philosophy of the rule, but only as to the proper parliamentary procedure.

Mr. O'CONNOR. Of course, in all this discussion of the parliamentary procedure, we are not passing on the merits of the McLeod bill or any other bill. There is no possible way for any individual or any committee of this House to prevent the ultimate consideration of the proposals contained in the McLeod bill or any other bill. A majority of this House can always function. That is as it should be, but it should function under the established rules of the House. To attempt to enact legislation in direct violation

of the rules would be most disastrous to ourselves and our people.

Mr. BYRNS. Mr. Speaker, I am going to take but a few minutes. I hope Members will not forget that this is purely a question of parliamentary procedure. The merits or demerits of the bill have absolutely nothing to do with the present question before the House. The rule was adopted for one purpose, and for one purpose only, and that was to prevent a committee from undertaking to smother a report. It would be contradictory if this rule prevented a committee from making a report before a motion is taken up. Here is the proposition—you are asked to take 20 minutes under the rule on a motion to discharge the committee, when the committee has not the bill in its possession, and it is on the calendar. It seems to me the question answers itself.

The committee has discharged itself, and so the motion of the gentleman from Michigan falls to the ground. He has his remedy. This does not prevent him from introducing a rule and getting a discharge petition with reference to that rule, and that is what the gentleman proposes to do. I call attention to this one fact, and then I am through. This rule was introduced in a previous term of Congress by the gentleman from Georgia, Mr. Crisp, at that time a Member of this House, a man recognized as a splendid parliamentarian, one of the best in the House at the time. That gentleman stated in his remarks on the rule with reference to the bonus bill which had been reported by the Committee on Ways and Means, that it did not apply to the bill. Those favoring the bonus bill abandoned the intention of filing a petition to bring that bill from the Committee on Ways and Means, and adopted the course that I have outlined after 7 days had expired, and the Committee on Rules had failed to take action. So I say, Mr. Speaker, that this matter is purely a question of parliamentary procedure, and certainly the House does not want to put itself in the foolish position of debating seriously for 20 minutes a motion to discharge the committee when the committee has already discharged itself.

Mr. KVALE. Mr. Speaker, will the gentleman from Tennessee yield?

The SPEAKER. The Chair is ready to rule.

Mr. KVALE. Mr. Speaker, may I be heard briefly? I endeavored to interrogate the majority leader. It seems to me we all agree that the Speaker was correct on Friday last when he ruled the earlier action of that committee was illegal. That left the discharge rule in full operation. The Committee on Banking and Currency, therefore, had no parliamentary right to report the bill now, because it had been discharged from further consideration of that measure, and I hope the Speaker will rule accordingly.

Mr. CONNERY. Mr. Speaker, I should like to be heard for just a moment on this. I think it is of tremendous importance. I have been listening attentively to all of these observations, and it seems to me that the question which the Speaker will be called upon to decide is whether if the Banking and Currency Committee came in at a quarter past 12 today with their report and before a quarter past 12 the gentleman from Michigan had moved to discharge the committee, the 145 names being signed, then the gentleman from Michigan would be entitled to bring up the motion to discharge the committee. I merely say this because I hope the Chair will pass on the question of whether the 145 names being signed to the petition gives the right at the moment the one hundred and forty-fifth signature is placed there to permit the gentleman to call up his bill or whether the committee, between the time the one hundred and forty-fifth signature is signed and the next second or fourth Monday, can report the bill and thus defeat the right of the gentleman from Michigan to call up the motion to discharge the committee.

The SPEAKER. The Chair is ready to rule. The discharge rule has not been construed in the House up to the present time. It provides:

> When Members to the total number of 145 shall have signed the motion it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the Calendar of Motions to Discharge Committees.

That has been done in the instant case. The motion is pending now on the Calendar of Motions to Discharge Committees. The question raised is one of procedure. Last Friday a parliamentary inquiry was submitted to the Chair with reference to this same bill. It appeared that the bill had been reported out by the Committee on Banking and Currency, or that that committee had attempted to report it out when the House was in session, that committee having no authority to sit when the House was in session, not having obtained that permission from the House. The Chair held at that time that the action of the Committee on Banking and Currency in reporting out the bill or attempting to report it out under those circumstances was absolutely void, and the bill was still before the committee. The question now arises as to whether the bill is still before the committee. If it is still before the committee, then it is in order to call up the motion to discharge the committee at this time. The question now is whether the committee has the bill yet or not. If the committee still has the bill, it can, of course, be discharged from the consideration of the bill. If the committee has discharged itself by reporting the bill out, another question arises. It appears from the argument that the bill has been reported out and that the committee no longer has the bill before it. The Chair is informed by the Clerk that the report on the bill was filed in the House this morning, and the bill was placed on the calendar.

This matter is a rather important one, and the Chair thinks it deserves some consideration at length.

The question presented to the Chair for decision may be stated as follows:

Is the motion to discharge a committee from the further consideration of a bill, as provided in clause 4 of rule XXVII, applicable to a bill that has been reported by a committee during the interval between the placing of the motion to discharge on the calendar and the day when such motion is called up for action in the House?

The discharge rule is what its name implies; that is, a rule providing a method of taking a bill from a committee which has refused to consider or report it. The House has had one form or another of a discharge rule since the Sixty-first Congress. The purpose of all those rules was to provide a method of forcing a committee to report bills instead of pigeonholing them, the theory being that once a bill was placed upon one of the calendars of the House a majority of the House, if it saw fit, could consider it under the general rules of the House.

That was the purpose of the present discharge rule. Mr. Charles R. Crisp, formerly a Member of the House, in discussing the discharge rule on May 10, 1932, said:

> The smothering of bills in the committee is what led to the demands for a discharge rule. * * * The discharge rule is needed only to prevent a committee from smothering a bill in the committee room.

It will be clearly seen from the remarks of Mr. Crisp, who who was a very able parliamentarian and who drafted the present rule, that the fundamental purpose of the discharge rule was to provide a method of taking a bill from a committee that refused to consider and report it.

It will be apparent to those who read the present discharge rule that there is no prohibition attaching to a committee to the extent that such committee is forbidden or deprived of the right to report a bill merely because a motion to discharge such a committee from the consideration of a bill has been filed in the House. Nor is there any restriction upon a committee as far as reporting a bill is concerned, even after a motion to discharge has received the requisite number of signatures and the motion has been placed on the calendar of motions to discharge committees.

In other words, a committee of the House has it within its power to report a bill any time it sees fit, notwithstanding the discharge rule. Inasmuch as the purpose of the discharge rule is to compel reports by committees, it would be contradictory to say that the rule should be construed to prevent committees from reporting. Mr. Crisp, on May 10,

1932, addressing himself to this particular point, in reply to a question asked him upon the floor, said:

* * * Of course, the discharge rule now does not apply against the Ways and Means Committee which has reported the bill * * *.

In that case the Ways and Means Committee had reported adversely the bonus bill. As Members will recall, the proponents of the bonus bill at that time abandoned their original intention of filing a motion to discharge the Committeee on Ways and Means, and filed a second motion to discharge the Committee on Rules from a resolution providing a special order of business for the consideration of the bonus bill. Members recognized at that time—and the present discharge rule was then newly adopted—that the discharge rule could not apply to a case where a committee reported a bill, and thereby divested itself of any jurisdiction over it. Mr. Crisp at that time stated that—

The action of the Ways and Means Committee in reporting the bill adversely has in no wise taken away any of the privileges, rights, or opportunities of the proponents of the measure to bring it up if they can meet the requirements of the rules; and the rules are not adopted for this particular case, but the rules were adopted on the 9th of last December.

Under a fair interpretation of the discharge rule it would seem that where a committee had reported a bill and thereby divested itself of all its authority and jurisdiction over that bill, a motion to discharge such a committee would not be in order. After a committee has reported a bill, it has lost possession of it and it is then in the possession of the House. The House can take any action on such a bill as it sees fit; as a matter of fact, the rules provide an order of business, and the proponents of the bill may utilize the rules for the purpose of getting any reported bill up for consideration. Once a bill is in the possession of the House, the House can always dispose of it as it sees fit, under the general rules of the House.

In order to bring about a condition wherein a committee may be discharged, it is necessary to meet all the requirements of the discharge rule. First, a bill must be in a committee for 30 days before a Member may present a motion to discharge the committee; then such a motion after it is presented must receive 145 signatures of Members. When that is done the motion is placed on the Calendar of Motions to Discharge Committees. After the motion has been on that calendar for 7 legislative days any Member who has signed the motion to discharge may on the second or fourth Mondays of a month call up the motion for consideration in the House. If, however, at any time before the House begins consideration of a motion to discharge on the second or fourth Mondays of a month, the committee to which the bill has been referred reports the bill, then the motion to discharge falls by reason of the fact that the committee has by its own action divested itself of its jurisdiction over the bill.

The Chair thinks that inasmuch as the Committee on Banking and Currency has reported the bill, that the effect of that action nullifies the motion to discharge and makes it inoperative.

The Chair, therefore, sustains the point of order.

Mr. BEEDY. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. BEEDY. Mr. Speaker, I make the point of order that the amendment to the McLeod bill, so called, was not introduced in the House until the 17th of April subsequent to the time when any bill of the kind was ever read for amendment in the committee. This fact is undenied.

The bill that was reported never was read for amendment in the committee. It is not legally or validly upon the calendar of the House. While the decision of the Chair well presents the fact, assuming that the bill were legally before the House, the Chair has not touched upon the question as to whether it may be in order to call up the discharge rule if the bill attempted to be reported by the committee concerned was not regularly before the House, not having been considered according to the rules of the House.

Mr. Speaker, I make the point of order, therefore, that the bill alleged to have been reported is not legally reported, is in violation of the rules of the House and of the committees of the House, and has no valid standing in the House.

The SPEAKER. The House passed on that question a few moments ago in a resolution raising the question of the privileges of the House, and passed upon the question adversely to the position taken by the gentleman from Maine.

The Chair has no information as to what occurred in the committee. The only thing the Chair knows is that the McLeod bill, bearing the number it has always borne and with the same title, and with some amendments in which the Chair is not interested, has been reported out, is on the calendar, and can be taken up under the general rules of the House when an opportunity presents itself.

The Chair overrules the point of order.

Mr. WOLCOTT. Mr. Speaker, I respectfully appeal from the decision of the Chair.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman's appeal comes too late, intervening business having been transacted, to wit, a separate, distinct point of order having been made and ruled on by the Chair. Intervening business having been transacted, the gentleman's appeal comes too late.

The SPEAKER. From which point of order is the gentleman from Michigan appealing?

Mr. WOLCOTT. Mr. Speaker, the point of order and the remarks of the gentleman from Maine were an interruption of the Chair in view of the fact that the Chair in ruling on the point of order of the gentleman from Maine reiterated the reasons why the Chair so ruled.

Mr. BLANTON. That was separate and distinct business.

Mr. WOLCOTT. It is from that, Mr. Speaker, that I respectfully appeal.

The SPEAKER. The time to have appealed from the decision of the Chair was at the time the decision was made. Since that time the gentleman from Maine presented another point of order, a very different point of order and argued it at considerable length, and the Chair made a ruling on that point of order.

Mr. WOLCOTT. Mr. Speaker, I respectfully appeal from the decision of the Chair.

The SPEAKER. Which decision is the gentleman appealing from?

Mr. WOLCOTT. The decision of the Speaker on the point of order made by the gentleman from Maine.

Mr. BYRNS. Mr. Speaker, I move to lay the appeal on the table.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the motion of the gentleman from Tennessee.

The motion was agreed to.

Mr. GOSS. Mr. Speaker, on April 13, the gentleman from Michigan introduced a resolution known as House Resolution 332, which was referred to the Rules Committee. This is a resolution providing for the consideration of the McLeod bill, and in view of the proceedings here today may I ask now whether it is in order to file a petition to discharge the Rules Committee from the further consideration of this resolution?

The SPEAKER. The Chair will answer the question of the gentleman from Connecticut by saying that it would be in order to file a motion to discharge the Committee on Rules from the further consideration of the resolution after 7 legislative days have passed from the time of its introduction and reference to that committee.

REFUSAL TO SERVE NEGROES IN THE HOUSE RESTAURANT

Mr. DE PRIEST. Mr. Speaker, I rise to propound a parliamentary inquiry, which is similar to the one just decided by the Speaker.

On the 24th day of January I filed a resolution in the House. At the expiration of 30 legislative days I prepared a petition to discharge the committee, and laid it on the desk. I subsequently received the necessary 145 signatures on the 23d day of March. After that the Committee on Rules reported the bill out favorably, and I am glad they did.

Under the ruling of the Chair today, if my interpretation is correct, it is impossible to call up this resolution on the Discharge Calendar?

The SPEAKER. The Chair will pass on the gentleman's point of order. The Chair feels a different question arises here.

Mr. DE PRIEST. The rule was not enforced last Monday because I was out of the city and I ask that it be allowed to go over. The House very kindly postponed action until I returned to the city. I have been out in Illinois trying to be renominated, and I am happy to say that I succeeded.

The SPEAKER. The gentleman from Illinois presents a rather important question and the Chair will pass on the matter.

Mr. DE PRIEST. I want to find out from the Chair whether the Rules Committee, or any other committee for that matter, can come in and block legislation? I am speaking on the broad, general question now. Can a committee report a bill out, after 145 Members of the House have signed a petition to discharge the committee, and block legislation in this way?

Mr. O'CONNOR. Mr. Speaker, I would like to be heard on the question when the gentleman is through.

Mr. RANKIN. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Illinois is propounding a parliamentary inquiry.

Mr. DE PRIEST. This is a very important question and upon the ruling of the Chair today will depend the validity and the effect of the discharge rule. The committee reported out my resolution by striking out the preamble, and I had no objection to that.

This is simply a question of Members knowing their rights in this House under the discharge rule. I understood that this was to come up next Wednesday, and that is perfectly all right with me. May I have a ruling so that we Members especially in the minority group may know where they stand on this rule?

The SPEAKER. The Chair is ready to rule.

Mr. O'CONNOR. Mr. Speaker, I would like to be heard on this point of order. The question here is not identical with the other situation upon which the Speaker has just ruled, in connection with the McLeod bill.

The gentleman from Illinois [Mr. DE PRIEST] introduced a resolution which was referred to the Rules Committee. It could not have been first referred to any other committee, because that resolution provided for the setting up of a special committee to investigate a certain alleged situation in connection with the conduct of the House restaurant. While his resolution was pending in the Rules Committee, the gentleman filed a petition to discharge that committee, and obtained the necessary 145 signatures. Thereafter the Rules Committee favorably reported the resolution to the House.

Mr. Speaker, I want it distinctly understood by the House that there was no pressure that could have been exerted on the Rules Committee to report out the gentleman's resolution. The Rules Committee reported the resolution voluntarily because it felt that the matter should be submitted to the House, and, further, because it knew, as every Member should have known, that the gentleman's petition was not worth the paper it was written on. It was completely futile under our rules. No such petition could lie to discharge the Rules Committee from such a resolution. Therefore the action on the part of the Rules Committee was entirely voluntary and not compelled or influenced in any manner by reason of the petition to discharge. The gentleman has not moved to bring up the petition for the reason that undoubtedly he has been advised by his Republican colleagues, more learned in parliamentary procedure, that not only would such a motion not now lie, because the Rules Committee has reported, but further, and for the more vital reason, that his petition was worthless ab initio. Incidentally, such an experience might serve as an example to some Members who sign such petitions indiscriminately.

Under the rules the Rules Committee can only be discharged from consideration of either a special order of business or a special rule for the consideration of any public bill or resolution reported by a committee. The gentleman's resolution was a mere House resolution, which he could not have brought up on a discharge day if he wanted to, as, for instance, 2 weeks ago today or even today. The Rules Committee, realizing full well the futility of the petition and that it could not possibly serve the gentleman's purpose, reported out the resolution in fairness to the gentleman and the House, and for weeks have been prepared to bring up the matter. I personally reported the resolution, with pleasure. It bears my name. I have not called it up before, for the sole reason that the gentleman requested that it not be called up until after his primary election. He also informed the Speaker that he would not return to Washington until the 23d of April, which was yesterday, and did not want the resolution reported from the Rules Committee called up before that date. So all his hullabaloo here today comes as a surprise to us.

I have been trying to arrange to call up the resolution today, tomorrow, or Wednesday of this week at the latest. This arrangement is entirely agreeable to the leaders on the other side of the House.

But what I want understood, Mr. Speaker, is that no attempt has been made to block or sidetrack the gentleman's effort. On the other hand, I want it understood that the Rules Committee reported his resolution voluntarily, a resolution from which it could not have been discharged under the rules.

Mr. DE PRIEST. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. DE PRIEST. Will the gentleman kindly tell the Membership of the House when the resolution will come up, if the gentleman can?

Mr. O'CONNOR. As I understand, the leaders on both sides hope to take it up Wednesday. I would like to take it up today, but Wednesday has been more or less tentatively agreed upon as the first chance it will fit into the program.

Mr. RANSLEY. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. RANSLEY. It was virtually agreed to take it up the first free day this week.

Mr. O'CONNOR. Yes.

Mr. MARTIN of Massachusetts. Is it not also true that all rights are protected, because any member of the Rules Committee, whether a member of the majority or minority party, can call the rule up at any time?

Mr. O'CONNOR. Surely. The calling up of the resolution has simply been awaiting the return of the gentleman from Illinois [Mr. DE PRIEST], who made the specific request that we not call up the resolution until his return from the arduous duties of his primary. Now that he has been successfully renominated as the Republican candidate for Representative in the Congress of the United States, he has happily returned. We have patiently waited upon the pleasure of the gentleman and are now ready to proceed.

The SPEAKER. The Chair is ready to answer the parliamentary inquiry submitted by the gentleman from Illinois.

The resolution introduced by the gentleman from Illinois reads:

That a committee of five Members of the House be appointed by the Speaker to investigate by what authority the Committee on Accounts controls and manages the conduct of the House restaurant and by what authority said committee or any members thereof issued and enforced rules or instructions whereby any citizen of the United States is discriminated against on account of race, color, or creed in said House restaurant—

And so forth. The discharge rule we are considering this morning provides very specifically, as follows:

Under this rule it shall also be in order for a Member to file a motion to discharge the Committee on Rules from further consideration of any resolution providing either a special order of business, or a special rule for the consideration of any public bill or resolution favorably reported by a standing committee, or a special rule for the consideration of a public bill or resolution, which has remained in a standing committee 30 or more days without action.

The gentleman's resolution which the Chair has just read does not provide for a special order of business or a special rule for the consideration of any public bill or resolution favorably reported by a standing committee, or a special rule for the consideration of a public bill or resolution, which has remained in a standing committee 30 or more days without action, and, therefore, a motion to discharge the Committee on Rules will not lie, in the judgment of the Chair, under the discharge rule.

OLD-AGE SECURITY IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 4548) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes.

Mr. JONES. Will the gentlewoman from New Jersey withhold that so that I may submit a unanimous-consent request.

Mrs. NORTON. I yield to the gentleman from Texas.

THE SUGAR BILL

Mr. JONES. Mr. Speaker, pending that motion, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on 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.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to ask a question. This is what bill?

Mr. JONES. The sugar bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LABOR LEGISLATION

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered over the radio by the gentleman from Massachusetts [Mr. CONNERY].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, under the leave to extend my remarks in the RECORD and include the radio address of the Honorable WILLIAM P. CONNERY, Jr., Chairman of the Committee on Labor, as well as my own radio address.

For the first time in the history of our Government, the Democratic majority and our Democratic President have passed legislation to conform to the Jeffersonian theories but contrary to the Republican legislation of the Hamiltonian theories.

For the benefit of the laboring man the Democratic majority has passed various labor legislation, and this has been brought on certain manufacturers owing to their unscrupulous tactics toward their employees.

Although stating they would cooperate with our Government in supporting beneficial measures, they have defied it in many instances. Therefore, in support of the 30-hour week bill, I wish to point out that because of the speed-up systems which are now being used in their factories by certain manufacturers, this legislation is very necessary in order to spread employment and to bring us such prosperity as we formerly enjoyed.

The addresses above referred to are as follows:

RADIO ADDRESS OF HON. WILLIAM P. CONNERY, JR., APRIL 21 1934

Mr. Chairman and friends: It is gratifying to note the deep and sincere interest which those outside the ranks of industrial workers have taken in problems affecting the welfare of the worker.

The House Committee on Labor, a year ago, unanimously reported a 30-hour work bill to apply to all those workers employed in the manufacturing industries of this country. The Senate of the United States, twice last year voted in favor of limiting the hours of industrial workers to 30 hours per week. Last year we were prevailed upon to give industry an opportunity of putting its own house in order, with a direct promise that weekly hours of labor would be reduced to a point where the millions of unemployed industrial workers would be provided with gainful employment in industry. That promise has not been kept.

Those in control of manufacturing in this country have not only repudiated their implied promise to the Congress of the United States, but, they have ignored, or, refused the request of the President of the United States, publicly made on March 5, that hours of labor be shortened and wages of industrial workers be increased.

The House Labor Committee has again unanimously reported a 30-hour work week bill with wages to be paid to the workers for 30 hours which they now receive for 40 or more hours per week.

The industrial workers of our country, the Congress of the United States, and the President of the United States were promised by industry that, with the suspension of the antitrust laws, permitting industry to get together legally, that industry would find employment for millions of unemployed industrial workers. What do we find?

The vast majority of codes approved by General Johnson provide for a work week of 40 hours. We are told that the average hours prevailing in 1929 were 50 per week, and some persons try to create the impression that the reduction from 50 hours per week to 40 hours per week would absorb many of the unemployed. The truth is that with the added productivity per worker the average workers today produce more in 40 hours per week than they produced in 50 hours in 1929. The people of America are not blind. There may be some among us who follow the ostrich in the fable, who stuck his head in the sand, hoping that he would not be seen; but from our knowledge of the American people I have no hesitancy in saying that the sooner industry hides its body in the sand and places its head up where it can see what is going on, the sooner will its investments be safeguarded.

Not only are the codes in effect dominated by the employing interests, as they alone govern American industry through their control of code authorities, but contrary to the understanding and intent of Congress very few of these codes provide for any representation of the workers. In passing the National Industrial Recovery Act Congress and the American people understood that the N.R.A. would bring about real partnership in industry on the part of employers with bona fide representatives of the workers. The Connery 30-hour work week bill will make effective this understanding of real partnership in industry as it specifically provides that there shall be equal representation on all codes of both employers and workers.

I am particularly conversant with the industries of my own district, which happen to be basic industries, namely: Textiles, shoes, leather, and electrical products. What are the facts? The textile industry was placed on a 40-hour week under the code, with a minimum wage of $13 per week in the North and $12 per week in the South. The textile workers of Massachusetts were not averaging 40 hours per week when the textile codes went into effect, or for many, many months before it. I want to point out that the minimum wage of $13 per week provided for textile workers in Lawrence increased the wages of very, very few textile workers there.

The reason for this being that the minimum wages prevailing in Lawrence before the code took effect were in excess of the minimum wages provided in the code. In the case of shoes this industry normally employs some 205,000 workers. When the code took effect 160,000 were employees and 45,000 were unemployed. We were promised that the code would provide employment for the unemployed; and, after 6 months of operation, we find that only 4,000 of these unemployed shoe workers have secured employment.

As an illustration, on February 14 of this year I read the following telegram into the record of the hearings on the 30-hour work week bill before the House Committee on Labor:

Congressman WILLIAM P. CONNERY, Jr.,
House of Representatives, Washington, D.C.:

Forty-hour week has proved useless to leather-tanning industry. More workers unemployed now than at beginning of codes.

DANIEL J. BOYLE,
National Leather Workers Association.

I cite these cases simply as illustrative of what is equally true of all other industries.

After 10 months' trial of the N.R.A., dominated as it is by employers who have continued to exploit the worker and exploit the consumer—without any restraint on the part of the Government—the House Labor Committee unanimously demanded that if the eight or ten millions of unemployed workers of our country are to secure employment, it is essential that Congress enact the 30-hour-work week bill now on the House Calendar, with wages no less than they now receive, which we all will admit are too low.

The Congress, to my mind, fully realizes the necessity of forcing American industries to do that which the President of the United States asked them to do, and which they have not done. The farmers of America are suffering at the present time owing to the lack of purchasing power on the part of our industrial workers. In passing, I want to compliment the Washington representatives of the farm organizations for their foresight in endorsing the Connery 30-hour work week bill. They realize that they can hardly expect to receive the costs of production for their products with from eight to ten millions of industrial workers unemployed, or dependent upon private or public charities.

Incidentally, let me say that the Congress of the United States has never sanctioned the formation of company-controlled unions under the N.R.A. On June 8, 1933, under the leadership of Senators NORRIS and WHEELER in the Senate, and myself and other Members of the House, Congress specifically rejected an amendment which would have legalized company unions.

To all real Americans who desire to assist in promoting the welfare of our country, the one vital and absorbing question is that of providing our millions of unemployed with gainful employment at a fair living wage. At this time the only legislative manner in which this can be done is the immediate passage of the Connery 30-hour work week bill with the same wages for 30 hours that they now receive for longer periods.

RADIO ADDRESS OF HON. JOHN LESINSKI, APRIL 15, 1934

Ladies and gentlemen of the radio audience—

I have been afforded the privilege to speak over this station and am taking the liberty to deliver my message to the listeners and endeavor to explain section 7–A of the National Recovery Act.

The feeling and the unrest among the labor ranks is due to the fact that many of the laborers have been exploited through the speed-up system in our industries inasmuch as the industries in their continuous competition have attempted to produce products at a continual reduction of price, so that not only the domestic trade, but also the foreign trade would absorb our products on account of the low price.

Industry has forgotten one fundamental part, and that is—that by constantly attempting to lower the price of the commodity that is manufactured, the cost must be taken out of labor and the industries knowing that the present Government's desire is to increase the wage-earner's income, many of them have cooperated with the Government to that extent; but by so doing, they have speeded up the production per man to such a point that today an employee in many of the factories is only a mechanical machine working at a top speed, which in no way aids the welfare of the worker but makes him a mechanical slave.

The average worker is only able to give so many years of his life to the industry; and by the time he reaches the age of 40 years he is no more wanted, as the industry has taken the best part of his life and no longer considers him efficient. There is only one solution to this—and that is, that the industry must be fair to its employees and slow down the production lines, which, of course, will put many more men to work and will naturally add to the cost of the product. I realize fully, that the industry is not willing to do this, and on account of its stand the present unrest and dissatisfaction among the employees exist.

The present government has done more for the laborer than any other previous government has done for many years. When section 7–A became a part of the National Recovery Act, it was not put there as a gesture. It was placed on the statute books of this country for the benefit of labor, and it is up to labor to use it fully, and the Government is willing to use its offices for the benefit of labor when such demand is made. This procedure, of course, is slow, but in a long run it is the best, because both the employee and employer should have a certain amount of time to settle their differences which arise when demands are made either by the employer of the laborer, or employee of the manufacturer.

Realizing that the unemployment situation in this area has been beyond the comprehension of many people, and knowing that the labor cannot constantly wait until all arguments between themselves and the employers are settled, many temporarily resort to strikes, as that is the only remedy left for the employee. Relative to this matter, I still would say to the laborer that before an attempt is made to force any employer to agree to the demands of labor by striking, that labor should first use the machinery of the Government to settle their differences before they resort to other means of forcing the employer to give heed to their demands.

Being an employer for many years myself, I have always followed a rule which I personally thought was best for my business, and that was by seeing that my employees were always paid fair wages, as by paying them a fair wage I knew that I was creating a power which not only helped my business, but helped merchants along the avenue, who in turn became customers of mine. I think that the manufacturers should do likewise and treat their employees the same way.

It is up to all of us to do our share to restore prosperity back to this Nation by following a certain course and willingness to cooperate fully with the Government for the benefit of both labor and manufacturer.

I know that the President is keenly interested to bring about the recovery of the whole Nation, and he is also greatly interested that the labor should be allowed the American standard of living. A few days before I left Washington I corresponded with him regarding the situation of the speed-up system of our factories and presented to him these matters as I thought were for the benefit of the laborers. His reply to me reads as follows:

"Thank you for your note of March 24. I know a good deal about the speed-up system and that in many cases it has been carried too far in certain industries. It occurs to me, however, that it would be more practical to ask the Department of Labor to make a preliminary study of the problem. I think the Department is equipped to do this. Later on, after such a study has been made, we could determine whether a congressional investigation was or was not desirable."

I have since taken this matter up with the Labor Department and have a promise that an investigation is going to be made. I fully realize that if the speed-up systems and mass productions are not checked, it will be a long time before we can expect a full recovery of this Nation.

I am attempting to show labor that everything possible is being done for its benefit; but, of course, we also realize that labor must be fair in its demands and should not overstep its bounds and create unemployment. At the present time, in this district, or in this territory, the major portion of our labor is not organized, and I believe that great consideration should be given the welfare of its families; and for that reason I am asking labor to go along cautiously, and believe that by using the proper agencies of the Government they eventually will not only gain their point but the manufacturer will also be satisfied to go along on a program of this type.

I also realize, of course, that all the employers do not want to abide by any actions of the Government, as evidenced by the facts in the coal industry. An agreement has been reached with the producers on hours and wage scale, and a statement made by Forney Johnston, coal operator, reads as follows:

"As between the civil war in the industry and subjection of the industry to three proconsuls working through a military ringmaster, we prefer civil war."

Speaking at the closing session of the Recovery Administration's coal-wage hearing, Johnston said:

"So far as we are concerned, we have definitely and finally determined that we will not conform any further to any one-man determination of policy and dictation in repudiation of essential basis and covenant of the code."

If industry will take this type of stand, then there will be nothing else left for Congress or the Government to do but to make a law enforcing all the laws, which would then upset the condition in this country of free speech and the collective bargaining between the employee and the employer.

The industry must realize that the Government has been very lenient not to upset the traditions of the Government; but if that employer will take a stand as the Alabama coal operators did, then there is nothing left for the Government to do but enact laws which will force the employer to abide by the law as it is written. When the National Industrial Recovery Act was enacted, it was not only to protect organized labor or the unions, but it was also intended for the benefit of all employees to have the right of collective bargaining. The employees of any individual plant, if they so elect, can form their own organization in that particular industry free from any intimidation of the employer.

The employer has no right to help organize nor has he any right to prepare bylaws for the employees. The employee in this case must stand on his own right and can demand in the particular industry in which he is employed that an organization be formed by the employees, and through their efforts only. The reason for this is so that the collective bargaining between employer and employee is free from intimidation or coercion.

I also wish to say that I am always at the service of both the laborer and employer, and my office is open at all times to all my constituents, be they laborers or manufacturers.

DISTRIBUTION OF NATIONAL INCOME

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein certain figures compiled by the National Industrial Conference Board concerning the distribution of the national income and which are useful in the consideration of tax matters and public business.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following figures, compiled by the National Industrial Conference Board, concerning the distribution of the national income, which are useful in the consideration of tax matters and public business.

Distribution of national income produced and paid out, 1929 and 1932

	1929		1932		Percent decline per capita, 1929 to 1932
	Amount, in millions	Per capita	Amount, in millions	Per capita	
Total income produced	$83,032	$1,877	$39,365	$1,153	38.6
Net gain or loss of capital assets	+1,896		−9,529		
Total income paid out	81,136	(1)	48,894	(1)	
Paid to employees in wages, salaries, etc.	52,793	1,500	31,533	1,239	17.4

[1] Number of individuals not known.

Distribution of national income produced and paid out, 1929 and 1912—Continued

	1929		1932		Percent decline per capita, 1929 to 1932
	Amount, in millions	Per capita	Amount, in millions	Per capita	
Total income paid out—Con.					
Paid to farmers, withdrawn by business proprietors and professional persons, and net rents and royalties	$16,136	(1)	$8,890	(1)	
To farmers [2]	5,574	$1,002	1,291	$222	77.8
Other	10,562	(1)	7,599	(1)	
Paid as interest and dividends and net income from abroad	12,206	(1)	8,472	(1)	
To savings institutions, and directly as interest and dividends to individuals with net incomes of less than $10,000 [3]	7,501	(1)	6,925	(1)	
Interest and dividends paid directly to individuals represented in returns of net income of $10,000 and over [4]	4,705	(1)	[5] 1,547	(1)	

[1] Number of individuals not known.
[2] Net income available for farm operators' labor, capital, and management, estimated by the Department of Agriculture.
[3] Obtained by subtraction.
[4] From Statistics of Income, Treasury Department, interest partly estimated for 1929.
[5] Partly estimated.

Number of gainful workers reduced to equivalent number of fully employed

[Thousands]

	1929	1932
Agriculture:		
Entrepreneurs	5,565	5,804
Employees	2,027	1,484
Total	7,592	7,288
All other industries:		
Entrepreneurs	3,455	2,873
Employees	33,178	23,969
Total	36,633	26,843
All industries:		
Entrepreneurs	9,020	8,677
Employees	35,205	25,453
Total	44,225	34,131

NATIONAL INDUSTRIAL CONFERENCE BOARD,
New York, April 19, 1934.

Total tax collection, Federal, State, and local, in the United States in 1932 were equal to 20.3 percent of the total national income of the American people, according to computations announced today by the National Industrial Conference Board in a study of The burden of taxation in the United States and European countries. In 1929, total tax collections in the United States were equal to 11.8 percent of the national income.

In the period from 1929 to 1932 the ratio of taxes to national income increased in three European countries as follows: United Kingdom, from 21 to 28 percent; Germany, from 19 to 22 percent; and France, from 23 to 25 percent.

American tax collections in 1932, the last year for which comparable data are available, were almost equal to the combined total of the three European countries, the figures being as follows: United States, $8,000,000,000; United Kingdom, $4,400,000,000; Germany, $2,400,000,000; France, $2,300,000,000.

Aggregate tax collections in the United States reached an all-time peak of $10,300,000,000 in 1930. Of this total Federal taxes accounted for $3,500,000,000; States taxes, $1,800,000,000; and local taxes, $5,000,000,000. In 1932, Federal taxes amounted to $1,800,000,000; States, $1,700,000,000; and local, $4,500,000,000. The principal factor in the decline in total tax collections after 1930 was the marked drop in Federal taxes, particularly income taxes and customs. Federal tax returns for the fiscal year 1933 were at the 1932 level, and for 1934 the indications are that collections will be substantially higher.

The ratio of taxes to national income was almost constant in the United States in the predepression years, 1926 to 1929, moving no lower than 11 percent nor higher than 11.8 percent. In 1929, taxes totaled $9,800,000,000, compared with total national income of $83,000,000,000. Taxes increased to $10,300,000,000 in 1930, while national income decreased to $70,300,000,000, with the result that the ratio of taxes to national income rose to 14.6 percent. In the next 2 years taxes fell off to $8,000,000,000, but national income dropped even more rapidly, to $39,400,000,000, and the ratio for 1932 rose to 20.3 percent, the highest figure on record.

LOCKS IN THE OHIO RIVER AND ITS TRIBUTARIES

Mr. MANSFIELD. Mr. Speaker, the bill (H.R. 9265) prescribing tolls to be paid for the use of locks in the Ohio River and its tributaries has been referred to the Rivers and Harbors Committee. I am of opinion it should be referred to the Committee on Interstate and Foreign Commerce, and the Parliamentarian agrees with me. I therefore ask that the measure may be withdrawn from the Committee on Rivers and Harbors and referred to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL COMMITTEE ON AIR- AND OCEAN-MAIL CONTRACTS OF THE SENATE

Mr. LAMBETH. Mr. Speaker, by direction of the Committee on Printing I send to the desk a privileged Senate concurrent resolution (S.Con.Res. 13).

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee on Air and Ocean Mail Contracts of the Senate be, and is hereby, empowered to have printed 1,500 additional copies of each and all parts of the testimony taken before said special committee during the Seventy-third Congress in connection with its investigation of air-mail and ocean-mail contracts: *Provided*, That 10 copies shall be distributed to each Senator.

With the following committee amendment:

In line 9, strike out the proviso reading, "*Provided*, That 10 copies shall be distributed to each Senator."

The committee amendment was agreed to.

The concurrent resolution as amended was agreed to.

CALL OF THE HOUSE

Mr. BLANTON. Mr. Speaker, the motion of the lady from New Jersey is to take up a most important bill, and I think we should have a quorum present. I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mrs. NORTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 131]

Allgood	Disney	Hoidale	Oliver, Ala.
Bacharach	Doughton	Imhoff	Peavey
Bailey	Douglass	James	Peterson
Beck	Doutrich	Jeffers	Pierce
Bloom	Drewry	Jenckes, Ind.	Plumley
Boland	Eaton	Jenkins, Ohio	Rayburn
Bolton	Flannagan	Johnson, W.Va.	Reid, Ill.
Boylan	Focht	Kennedy, Md.	Rogers, N.H.
Brennan	Foulkes	Kennedy, N.Y.	Romjue
Britten	Fulmer	Kvale	Sadowski
Brooks	Gasque	Lanham	Schaefer
Browning	Gillespie	Larrabee	Shallenberger
Burke, Calif.	Goldsborough	Lea, Calif.	Shoemaker
Cady	Green	Lesinski	Sirovich
Cannon, Wis.	Greenway	Lindsay	Smith, W.Va.
Carley	Greenwood	Lloyd	Stokes
Carpenter, Nebr.	Griffin	McCarthy	Sullivan
Celler	Haines	McCormack	Sutphin
Church	Hamilton	McDuffie	Swick
Claiborne	Harlan	McLeod	Thurston
Collins, Miss.	Hartley	McMillan	Treadway
Condon	Hastings	McSwain	Turpin
Cooper, Ohio	Hess	Marland	Vinson, Ky.
Corning	Hildebrandt	Merritt	Wadsworth
Crosby	Hill, Ala.	Milligan	Waldron
Crowther	Hill, Knute	Montague	Withrow
Cummings	Hill, Samuel B.	Nesbit	
Dickstein	Hoeppel	O'Connell	

The SPEAKER. Three hundred and nineteen Members have answered to their names. A quorum is present.

Mr. O'CONNOR. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to; and the doors were opened.

Mr. HARTER. Mr. Speaker, I wish to announce that the following Members are in attendance on a subcom-

mittee of the Committee on Military Affairs: Mr. ROGERS of New Hampshire, Mr. HILL of Alabama, Mr. JAMES, Mr. Goss, and Mr. KVALE.

CONTESTED ELECTION CASE—M'ANDREWS *v.* BRITTEN

Mr. PARKER, from the Committee on Elections No. 1, presented a privileged report in the contested-election case of *James McAndrews* v. *Fred A. Britten*, which was referred to the calendar and ordered printed.

EXTENSION OF REMARKS

Mr. BROWN of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address made Saturday night by the Assistant Secretary of Agriculture, Mr. Tugwell, which gives his philosophy of government, which has been of so much interest to the minority side.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. BLANTON. Mr. Speaker, I object to any of Mr. Tugwell's philosophy going in the RECORD. In my opinion, his so-called "Tugwell bill" would have closed up every country drug store in the United States, and would have put out of business every country newspaper. He did a great injustice to a high class, highly respected mineral-water business in my district, at Mineral Wells, Tex., which has been curing afflicted people from all over the United States for nearly a hundred years. He had this product in his "Chamber of Horrors" at Chicago until we forced him to take it out. I do not like his philosophy.

OLD-AGE PENSIONS

Mrs. NORTON. Mr. Speaker, I will renew my motion that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 4548) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes. And pending that, I ask unanimous consent that general debate on the bill be limited to 1 hour, one half to be controlled by the gentleman from New York [Mr. STALKER] and one half by myself.

Mr. BLANTON. Reserving the right to object, the bill is of so great importance it ought to be debated generally under the rules of the House, and I shall be forced to object to the unanimous-consent request.

The motion of Mrs. NORTON was then agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. THOMPSON of Illinois in the chair.

The Clerk read the bill, as follows:

Be it enacted, etc., That there shall be established in the District of Columbia an Old Age Security Board, hereafter referred to as the board, to be composed of the three Commissioners of the District of Columbia, who will serve without additional compensation during their term of office.

SEC. 2. The board shall perform all the duties imposed upon it by this act and shall have authority to appoint such persons and to make such rules and regulations consistent with the provisions hereof as are necessary to carry out the provisions of this act. The board shall meet at such times and places as shall be fixed by its rules.

SEC. 3. Every person (man or woman, married or single) shall, while residing in the District of Columbia, be entitled to a security in old age, subject to the restrictions and qualifications hereinafter noted.

SEC. 4. The amount of said security shall be the amount which when added to the income of the applicant will make the total income of an applicant not to exceed $9 per week.

SEC. 5. A security may be granted only to an applicant who (a) is a citizen of the United States; (b) has attained the age of 60 years or upward; (c) resides and has his domicile in the District of Columbia, and has so resided and had his domicile continuously therein for not less than 10 years immediately preceding the date of the application for a security: *Provided*, That continous residence in the District of Columbia shall not be deemed to have been interrupted by occasional absences therefrom where the total period of such absences does not exceed 4 years; (d) that the claimant is not at the time an inmate of any prison, jail, workhouse, insane asylum, or any other public reformatory, or correctional institution.

SEC. 6. The income of the claimant from all sources at the date of application for relief shall not exceed $468 per annum; and the value of his property or the value of the combined property of husband and wife living together shall not exceed $3,000.

(a) The claimant must not have deprived himself, directly or indirectly, of any property for the purpose of qualifying for old-age relief.

(b) The aged person must have no child or any other person legally responsible for the support of the aged person under the laws of the District of Columbia fully able to support the applicant.

(c) At the death of the person to whom the security is granted, or of the last survivor of a married couple, the total amount of the security since the first grant, together with 3 percent of interest, shall be deducted and allowed by the proper courts out of the proceeds of his property as a preferred claim against the estate of the person so assisted, and refunded to the Treasurer of the United States to the credit of the District of Columbia Relief Aid Fund, leaving the balance for distribution among the lawful heirs in accordance with law: *Provided*, That upon sufficient cause, such as mismanagement, failure to keep in repair, or the inability to properly manage such property, the board may demand the assignment or transfer of such property upon the first grant of such security or at any time thereafter that it deems advisable for the purpose of safeguarding the interest of an applicant or a security certificate recipient or for the protection of the funds of the State. The board shall establish such rules and regulations regarding the care, transfer, management, and sale of such property as it deems advisable, and also provide for the return of the balance of the claimant's property into its hands whenever the pension is withdrawn or the claimant ceases to request it.

SEC. 7. The annual income of any property, inclusive of a homestead, shall be computed at 3 percent of its determined value.

(a) In ascertaining a claimant's income and the amount of security, his income for the past preceding year shall be deemed his annual income, and the property owned at the end of that year as his accumulated property: *Provided*, That when the claimant shows to the satisfaction of the board the loss of personal income derived from personal earnings it shall be deducted from the income of the preceding year in considering the amount of security to be granted.

SEC. 8. A claimant for an old-age security under this act shall deliver his claim in writing to such person or persons as may be authorized by the board, the same to be forwarded to the board within 10 days, together with such recommendations as are considered consistent with the rules and regulations of the board, or said application may be filed with the board.

SEC. 9. When the claim is established and the rate of the first year's old-age security is fixed the board shall, in the manner it may prescribe, certify same to the Secretary of the Treasury, together with the claimant's name, residence, age, the amount of weekly payments, the date of issuance, and who shall draw his order on the United States Treasury.

(a) The old-age security certificate shall be required each subsequent year, to be renewed after satisfactory investigation.

SEC. 10. The old-age security shall commence on the date named in the certificate issued to the claimant. A decision shall be made within 30 days after claim is filed.

(a) All old-age securities shall be paid in monthly payments by warrants drawn on the District of Columbia Aid Relief Fund thereof.

SEC. 11. If at any time during the currency or continuance of an old-age security certificate the recipient, or the wife or husband of the recipient, becomes possessed of any property or income in excess of the amount allowed by law in respect to the amount of security granted, the board may on inquiry either cancel the security or vary the amount thereof during the period of the certificate, and it shall be the duty of the recipient immediately to notify the board of the receipt and possession of such property or income.

(a) If on the death of any recipient of an old-age security it is found that he was possessed of property in excess of the amount allowed by law in respect to the amount of security granted, double the total amount of the relief granted in excess of that to which the recipient was by law entitled may be recovered by the board as preferred claim from the estate so found in excess. The Attorney General shall take the necessary proceedings to recover such claims and the amount so recovered shall be paid into the United States Treasury.

SEC. 12. On the death of a recipient of old-age security the installments then accruing, and such other reasonable funeral expenses as are necessary for the burial of such person, shall be paid to such person or persons as the board directs: *Provided*, That these expenses do not exceed $100: *Provided further*, That the estate of the deceased is insufficient to defray the expenses: *And provided further*, That these provisions for providing old-age securities shall not be construed as a vested right in the security recipient.

SEC. 13. During the continuance of the old-age security no recipient shall receive any other relief from the District of Columbia except for medical and surgical assistance.

SEC. 14. All securities shall be absolutely inalienable by any assignment, sale attachment, execution, or otherwise, and in case of bankruptcy the old-age security shall not pass to any trustee or other persons acting on behalf of creditors.

SEC. 15. If at any time the board has reason to believe that any security certificate has been improperly obtained, it shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be canceled

by the board, but if it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

SEC. 16. Any person, who by means of a willfully false statement or representation, or by impersonation, or other fraudulent device, obtains or attempts to obtain, or aids or abets any person to obtain (a) an old-age security certificate to which he is not justly entitled, (b) a larger amount of assistance than that to which he is justly entitled, (c) payment of any forfeited installment grant, (d) or aids or abets in the buying or in any way disposing of the property of an old-age security recipient, without the consent of the board, shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine of not more than $500 or imprisonment not exceeding 6 months, or both.

SEC. 17. Where on old-age security recipient is convicted of an offense under section 16, the board may cancel the security certificate in respect to the issue of which the offense was committed.

(a) When a claimant has received a notice that his claim for a security has been denied he shall have the right to personally appear before the board to defend his claim for a security after due notice has been made to the board of such desire.

SEC. 18. In case of forfeiture of any old-age security certificate the person whose security is so forfeited shall be disqualified from making an application for a new certificate until the expiration of 1 year from the date of forfeiture.

SEC. 19. The funds for the payment of old-age securities shall be furnished by the District of Columbia and all expenses incurred in the administration of the act by the board shall be paid from the funds of the District of Columbia Aid Relief Fund, which shall be established, the funds to be deposited in the Treasury of the United States. The sum of $—— is hereby appropriated for said purposes.

SEC. 20. Within 90 days after the close of the calendar year the board shall make a report of the preceding year to the President, stating (a) the total number of recipients; (b) the amount paid in cash; (c) the total number of applicants; (d) the number granted securities, the number denied, the number canceled during the year, and such other information as the President may deem advisable.

SEC. 21. All methods of procedure in hearings, investigations, recording, registration, and accounting pertaining to the old-age securities under this act shall be in accordance with the rules and regulations as laid down from time to time by the board.

SEC. 22. Every old-age security granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be enacted, and no recipient under this act shall have any claim for compensation or otherwise by reason of his old-age security being affected in any way by any such amending or repealing act.

SEC. 23. That whenever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun also.

SEC. 24. This act shall be named and cited as the Old Age Security Act of the District of Columbia.

SEC. 25. This act shall take effect January 1, 1934: *Provided, however*, That said Old Age Security Board shall be appointed on or before July 1, 1934, and thereupon said board shall perform all the duties required by this act from date of said appointment.

With the following committee amendments:

Page 2, section 4, line 11, strike out "$9" and insert "$35", Strike out "week" and insert "month".

Page 2, section 5, line 14, strike out "sixty" and insert "sixty-five".

Page 3, section 6, lines 9 to 11, strike out subsection (b). Line 13, strike out (c) and insert (b).

Page 6, section 11, lines 11 and 12, strike out "Attorney General" and insert "Corporation Counsel".

Page 10, section 25, line 3, strike out "January" and insert "July".

During the reading of the foregoing bill the following occurred:

Mrs. NORTON (interrupting the reading). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, I reserve the right to object. This is such an important bill that we should have the provisions of the bill printed at length in the RECORD at this place, so that the membership and the country may know its provisions as they are read. It is only 10 pages long, and I object.

The Clerk continued the reading.

Mr. ELLENBOGEN (interrupting the reading). Mr. Chairman, I move that the further reading of the bill be dispensed with.

Mr. BLANTON. Mr. Chairman, I make the point of order that the motion is out of order.

The CHAIRMAN. The point of order is sustained.

The Clerk continued the reading of the bill.

Mr. TABER (interrupting the reading). Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seven Members present, a quorum, and the Clerk will continue the reading.

The Clerk continued with the reading of the bill.

Mr. BLANTON (interrupting the reading). Mr. Chairman, it is very evident that there is not a quorum here now. I make the point of order that there is no quorum present, so that we may get the Members in out of the cloakrooms.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and four Members present, a quorum.

Mr. BLANTON. Mr. Chairman, I ask for tellers on that.

Mr. DUNN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN. May I ask the Members who are now present please to stay here and make a quorum so that we can dispose of this humanitarian piece of legislation?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. BLANTON. Mr. Chairman, I ask for tellers on that vote.

The CHAIRMAN. The Chair does not think that its count can be impeached from the floor in committee. The Clerk will continue with the reading.

The Clerk concluded the reading of the bill.

Mrs. NORTON. Mr. Chairman, I yield myself 15 minutes. I find it very difficult to understand why every committee in this House is treated courteously until the Committee on the District of Columbia comes in with a bill that is not approved by certain Members of the House. Two weeks ago I had this bill on the calendar. I was asked at that time by a certain Member not to bring up the bill on that day. We had a great many other bills of importance on the calendar and we thought that we would dispose of those bills first. I did so, with the understanding that the bill would be brought up today, that it would be a special order of business. I ask no concessions from any Member of this House, but I do want plain, simple justice. [Applause.] This certain Member who objected to the bill came to me and the reason he gave me for objecting—and please bear this in mind—was that he did not have any such law in his State and that as it was a congressional year, and he was coming up for election it would probably put him in a very embarrassing position there. Of course, I feel very sorry for any Member who is having a hard time in the election. I may have a hard time myself and I would want all the cooperation that I could get from the House to support me, if I deserved it, but does any Member of this House think that that is a fair reason for depriving the old people of the District of Columbia of a pension bill? Does any Member of the House think that is the proper procedure? I cannot believe it. I want to know if this House is going to support the Members who have worked very faithfully on District matters, or if it is possible that one Member can frustrate the work that we are trying to do? I have tried to be absolutely fair in my dealings with every committee.

I recall last week, when the Subcommittee on the District of Columbia of the Committee on Appropriations had under consideration the District appropriation bill here, there were many parts of that bill that I strongly objected to and which I should like to have seen amended. I could have done, or any Member could have done, exactly what is being done here today, namely, filibuster all day long and make it impossible for the committee to finish its work, but I did not believe that that was the fair way to proceed. If a bill is to be rejected, let it be rejected by the Membership of the House on its merits, but it is not fair to reject it because one or two Members in the House oppose it for personal reasons. Therefore I did not make points of no quorum when the District appropriation bill was under consideration, although I may say that there were many times when I should like to have done so. I did not consider that that was a fair way to proceed. Today I think we have been subjected to the most unfair treatment that has ever been witnessed in this

House and I appeal to the membership to sustain the Committee on the District of Columbia and to give this bill a chance to be voted up or down upon its merits.

I want now to explain something about the bill. I do not think it is necessary to call the attention of the membership of the House to the importance of this bill. We have here a bill taking care of old people. In 28 States of the Union at the present time there is a similar bill, and in every State which we have investigated we have found that it costs less to keep the people in their own homes and give them this so-called "pension" than it does to send them to institutions. If for no other reason than that, the bill should pass; but there is another reason, and I think a very much more humane one, why the bill should pass. I do not know whether any of you have ever had experience with aged dependent people. Before I came to Congress I gained some knowledge of this question as chairman of the county institution in my own county, and I saw many sights that led me to believe that while institutional care is very good and at times absolutely necessary, particularly in case of illness, it is not in any sense to be compared with keeping these old people in their own homes.

This bill merely provides $35 a month in order to keep these people in their own homes. You know and I know that in these days of stress many people have found it necessary to apply for help who never dreamed of doing so before. We are living in a different age, under different conditions; and none of us knows when the day may come that we, too, may have to appeal for support from somebody. If you have children who are able to support you, that is very fine; but there are many children today who, with all the good intentions in the world, find it impossible to help their fathers and mothers. If they could do so, they should be obliged to do so. If, however, they cannot help them, surely these aged people should not suffer in this, the Capital of the wealthiest Nation in the world. If the Government contributes $35 a month, that father or mother, instead of being a liability, becomes an asset; and certainly they can be very much happier surrounded by their dear ones than they can when sent to Blue Plains or any other institution where old people are kept together.

Mr. PARSONS. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. Gladly.

Mr. PARSONS. From what source will come the funds to establish this relief?

Mrs. NORTON. From the District of Columbia funds.

Mr. PARSONS. How will it be raised?

Mrs. NORTON. In the usual way that all District funds are raised.

Mr. PARSONS. In the regular tax rate?

Mrs. NORTON. Exactly.

Mr. ARNOLD. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. ARNOLD. I notice on page 3 of the bill the committee struck out this language:

> The aged person must have no child or any other person legally responsible for the support of the aged person under the laws of the District of Columbia fully able to support the applicant.

Will the lady give us the reason why this language was stricken from the bill?

Mrs. NORTON. Yes; the language was stricken because there is no such law in the District of Columbia.

Mr. ARNOLD. Should there not be such a law in the District of Columbia?

Mrs. NORTON. I think so; but, of course, such a bill would have to be reported by the Judiciary Committee.

Mr. WHITTINGTON. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. WHITTINGTON. I think the bill should carry language which would eliminate those who have children able to support them.

Mrs. NORTON. The committee did not feel that it was proper to leave that language in the bill, inasmuch as there is no law to compel children to support parents. However, I shall be very glad to accept an amendment covering the point the gentleman has in mind if he will prepare one.

Mr. WHITTINGTON. I will keep that in mind. If the gentlewoman will permit a further question, the gentlewoman said, in answer to the gentleman from Illinois, that funds to provide for this relief must come from taxes levied against property in the District of Columbia.

Mrs. NORTON. Exactly. Of course, the gentleman knows the Government makes a small contribution to the District funds.

Mr. WHITTINGTON. And is no part of it to come from Federal contributions or Federal appropriations for the operation of the District?

Mrs. NORTON. It will come from District of Columbia funds.

Mr. WHITTINGTON. And no part will come from the Federal Treasury?

Mrs. NORTON. I do not know exactly what the gentleman means by that.

Mr. WHITTINGTON. I should like to know definitely whether any part of the funds for the support of these pensioners is to come from the Federal Treasury?

Mrs. NORTON. My understanding is that it does not. When the Federal Government makes a contribution to the District it belongs to the District.

Mr. WHITTINGTON. A provision should be inserted in the bill specifying that no part of the funds shall come from the Federal Treasury.

Mr. GLOVER. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. Certainly.

Mr. GLOVER. I am vitally interested in this principle of legislation both for the District of Columbia and for the States. I was just wondering if the gentlewoman had made a survey of the city and is able to inform the House about how many persons would be cared for, and whether or not the District funds at this time are sufficient to carry the amount that is proposed in the bill?

Mrs. NORTON. I may say to the gentleman from Arkansas that the District funds are not now sufficient. We would, of course, be obliged to authorize the District to use additional funds for this purpose.

Mr. GLOVER. How many people would be affected by the bill?

Mrs. NORTON. According to a recent survey and estimate 1,240 men and women would be eligible for this pension.

The estimated average annual cost per person is $200. The total cost, therefore, would be $248,000 on the figures at present available; and this is much less than the cost per person at Blue Plains.

Mr. DONDERO. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. DONDERO. I am interested in the rate. The State of Michigan recently passed legislation of this character and fixed the rate at $30 per month. Could the gentlewoman inform the House why it was fixed at $35 in the District of Columbia? Is it because of higher costs of living?

Mrs. NORTON. Living costs are higher in Washington. Living costs in Washington are comparable to those in New York and most of the eastern cities.

Mr. DONDERO. One more question: I notice that the tax rate has been reduced to $1.20.

Mrs. NORTON. No; it has not been reduced. An effort was made to reduce it, but the rate was not reduced.

I may say that in my own State, New Jersey, we have found that it is considerably cheaper to keep people in their own homes than it is to maintain them in institutions.

The Commissioners of the District of Columbia endorse the principle of this legislation.

Mr. WHITTINGTON. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. WHITTINGTON. Will the gentlewoman inform the House a little more fully with regard to the operation of this

law in her own State? What is the amount per person, and what is the age at which the relief starts?

Mrs. NORTON. For the present year the annual appropriation for my State per person was $177.60.

That was the rate in New Jersey.

Mr. WHITTINGTON. Fifteen dollars in New Jersey; and $35 is the amount in the pending bill.

Mrs. NORTON. Yes; but we provide in this bill that the $35 includes all of the income that an applicant must have. In other words, if an applicant had $2, $3, or $10 a month income from some other source, this would be deducted from the $35 granted by the District.

Mr. McFARLANE. Did I understand the gentlewoman to say that in New Jersey the average was $177 a year?

Mrs. NORTON. Yes.

Mr. McFARLANE. That would be a little less than $15 per month.

Mrs. NORTON. That is the average annual pension.

Mr. McFARLANE. And $177 a year is a little over $14 per month.

Mrs. NORTON. That is about the average for the State; the counties make their contribution.

Mr. WHITTINGTON. Will the gentlewoman explain the New Jersey provision inasmuch as she has brought the matter up? What is the minimum age in order to obtain a pension in the gentlewoman's State?

Mrs. NORTON. The minimum age in my State is about 65 years. That is the minimum age in this bill.

Mr. WHITTINGTON. How do they get $24 when the total amount on the average per year is less than $180?

Mrs. NORTON. I presume that is the average. They have not applied probably for more than that. I am merely quoting the average.

Mr. WHITTINGTON. What does the investigation show as to the amounts paid in other States?

Mrs. NORTON. The Department of Labor has furnished these statistics.

State	Average annual pension	Average annual cost of poor-house care per inmate	Sav'ng to taxpayer per pensioner
California	$275.28	$484.12	$208.84
Delaware	113.91	495.62	381.71
Idaho	132.21	528.52	396.31
Kentucky	60.00	295.95	235.95
Maryland	332.38	459.79	127.41
Massachusetts	312.00	539.33	227.33
Minnesota	192.36	631.86	439.50
Montana	158.35	634.19	475.84
Nevada	300.00	949.16	649.16
New Hampshire	232.79	503.72	270.93
New Jersey	177.60	479.86	302.26
New York	302.88	405.59	102.71
Utah	116.76	512.33	395.57
Wisconsin	236.04	399.99	163.95
Wyoming	170.66	908.68	738.02

Mr. WHITTINGTON. What is the age?

Mrs. NORTON. I cannot tell the gentleman.

Mr. WHITTINGTON. What are the minimum property qualifications?

Mrs. NORTON. I cannot answer that question. Perhaps the gentlewoman from California can tell us something about that.

Mr. WHITTINGTON. We would like to have some information.

Mrs. KAHN. I do not know anything about that feature.

Mr. BLACK. The minimum rate shows the cost on the taxation basis as against the cost on the poorhouse basis.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield myself 5 additional minutes.

In Wisconsin the average has been $236.04 for the year. The average cost of the poorhouse care in that State was $399.99. It is contended that they have saved $163.95 through having this pension.

Mr. WHITTINGTON. I appreciate that and understand the principle involved, but what I am trying to ascertain is the amount allowed pensioners who have no property, income, or children responsible for their support in the various States where the pension law has been adopted.

Mrs. NORTON. I have not that information. If the gentleman would like to have me secure the information, I will do so and include it in the RECORD.

Mr. WHITTINGTON. Has the gentlewoman any definite information for any particular State?

Mrs. NORTON. What is the particular question that the gentleman wishes to ask?

Mr. WHITTINGTON. My particular question is the amount allowed a person 65 years of age in New Jersey or any other State.

Mrs. NORTON. The amount allowed in my State is $14.

Mr. ELLENBOGEN. The amount allowed in Pennsylvania is $30.

Mr. WHITTINGTON. For what age?

Mr. ELLENBOGEN. Seventy.

Mr. WHITTINGTON. What is the average amount paid?

Mr. ELLENBOGEN. I may say that this law has been passed, but does not take effect until December.

Mr. WHITTINGTON. I am wondering if someone can give us the information as to the definite amount allowed pensioners 65 years of age or over.

Mr. ELLENBOGEN. May I say to the gentleman that I have sent for a book which will give the information as to all the States.

Mr. WHITTINGTON. What was the poorhouse charge per person?

Mrs. NORTON. The poorhouse charge—and this is a comparison per inmate—is $42.13.

Mr. ELLENBOGEN. The gentlewoman quoted the amount paid out and the amount allowed by law?

Mrs. NORTON. That is correct.

Mr. O'MALLEY. The gentlewoman quoted figures from the State of Wisconsin?

Mrs. NORTON. Yes.

Mr. O'MALLEY. May I ask the gentlewoman where she obtained those figures? I should also like to get the amount given, and to learn where she obtained the figures.

Mrs. NORTON. This shows the number of pensioners as of December 31, 1933, for Wisconsin as 1,760. I obtained them from the most recent poorhouse investigation made by the Department of Labor.

Mr. O'MALLEY. Old-age pensions paid in Wisconsin?

Mrs. NORTON. Yes.

Mr. O'MALLEY. By the State?

Mrs. NORTON. Yes. The average pension per annum is $236.04. The poorhouse cost in the gentleman's State was $399.99—a saving to Wisconsin taxpayers of $163.95 per pensioner.

Mr. O'MALLEY. May I inquire where the gentlewoman obtained these figures, because I did not know that the pensions were paid by the State? I thought they were being paid by the county.

Mrs. NORTON. It may be that the county is contributing to the State fund. My statistics are from the Department of Labor.

Mr. O'MALLEY. In my State the situation has been that the counties are supposed to be helped by the State, but, the State not having the money, the counties are still paying it.

Mrs. NORTON. I may say to the gentleman I think that is true in a great many States.

Mr. O'MALLEY. And I cannot believe those figures are reliable, and I should like to know where they were obtained.

Mrs. NORTON. I received these figures from the Department of Labor.

Mr. PEYSER. Under the provisions of the bill providing $35 a month, is it not fair to assume that in many cases the person applying for help may receive $5, $10, or $15 a month from a member of the family, so that the average expenditure may be less than even $20 a month?

Mrs. NORTON. Yes; every dollar contributed to the pensioner from any other source will be deducted from the $35.

Mr. DONDERO. I am interested in the age limit that has been placed in the bill. Can the gentlewoman from New

Jersey give the House any information why it was fixed at 65 years of age? In my State it has been fixed at 70.

Mrs. NORTON. The original bill called for 60, and it seemed to be considered that a person of 60 was just as needy, if destitute, as one older. Then we had some discussion to raise the age to 68, and we compromised on 65.

Mr. DONDERO. What is the age limit in the various States?

Mrs. NORTON. The gentleman, I am sure, will admit that a person needy at 60 is in just as difficult a position as if he were older, and today, with prevailing conditions, it is difficult for any man or woman to secure a position when past 60 years of age.

Mr. DONDERO. Can the gentlewoman give the House any information as to what is the average age in the States that have adopted this kind of law?

Mrs. NORTON. I am not sure I have that information, but I think the average age is about 65. There are some States under, some States over this, but I believe from the evidence brought out in the committee that the average is about 65, and this is one of the reasons we arrived at this particular age.

Mr. RANDOLPH. If the gentlewoman from New Jersey will permit, I believe the average is about 63½ years, to be exact.

Mrs. NORTON. Yes; I thank the gentleman for the information.

Mr. RANDOLPH. In my own State it happens to be 65.

Mr. DUNN. Will the gentlewoman from New Jersey yield?

Mrs. NORTON. I yield to the gentleman from Pennsylvania.

Mr. DUNN. I presume the gentlewoman knows there are about 28 States in the Union giving these old-age pensions?

Mrs. NORTON. Yes; I stated that at the beginning of my argument. There are 28 States with such legislation, and I think there are about 10 other States with pending legislation which they hope to complete within the next year or two.

Mr. HENNEY. Will the gentlewoman from New Jersey yield?

Mrs. NORTON. Yes.

Mr. HENNEY. In regard to the State of Wisconsin, I may state that previously it has been optional with the counties as to whether they would take care of their aged people or not, but at a recent election the vote was 531,915 to 154,726 to make it compulsory on the State, and it is proposed to raise the money through a tax on incomes of over $15,000 and also on labor-saving machinery.

Mrs. NORTON. I thank the gentleman for his contribution.

I have here an editorial from one of the Washington papers which I should like to read into the RECORD:

[From the Washington Post of Apr. 4, 1934]

THE MODERN WAY

Old-age pensions are no longer a novelty. Twenty-seven States are now caring for indigent aged people in their own homes. From experience over a considerable period they have found that old folks who are unable to support themselves can be saved from the humiliation of going to a poorhouse without any additional expense to taxpayers. The average cost of old-age pensions runs from about $8 to $24 per month, depending upon local conditions and the terms of various State laws. The average cost of maintaining a person in the District Infirmary at Blue Plains is $22.50 per month, exclusive of interest on a large capital investment.

No one questions the need for some action to relieve aged indigents of Washington. Blue Plains is always overcrowded. The enactment of an old-age pension law appears to be the only alternative to the investment of more money in institutions of this kind. The principle that aged people without means of support must be assisted by the State is no longer open to question. The real issue is whether Congress shall adopt for the District the most modern as well as the most satisfactory system of discharging this inevitable obligation.

May I say in this connection that we have held hearings on this bill and it has received the unanimous support of all the associations of the District as being the very best way of taking care of the poor people.

Mr. RANDOLPH. May I ask the gentlewoman from New Jersey if she does not believe that the passage of an old-age pension bill for the people of the District of Columbia will advance the enactment of a national old-age pension law in this country?

Mrs. NORTON. I think so, but I do not know that that is important in the consideration of this measure. It would appear to be a matter for the States to decide, and I should like to see every State in the Union adopt its own old-age pension bill. I believe in State rights.

Mr. WHITTINGTON. If the gentlewoman from New Jersay will now yield, as I understand the figures she read a moment ago of the average rates in the 28 States that have old-age pension laws, they range from $8 to $24 a month?

Mrs. NORTON. That is about the average.

Mr. WHITTINGTON. May I ask why it is necessary to make it almost twice the average in the District of Columbia?

Mrs. NORTON. The people in the District seem to think this is a fair amount, and, after all, they should have something to say about spending their own funds.

Mr. WHITTINGTON. All the States should have that right.

Mrs. NORTON. Mr. Chairman, I reserve the balance of my time.

Mr. BLANTON and Mr. BLACK rose.

Mr. BLANTON. Mr. Chairman, I ask for recognition against the bill.

The CHAIRMAN. Does the gentlewoman from New Jersey desire to yield the balance of her time?

Mrs. NORTON. I yield the balance of my time to the gentleman from New York [Mr. BLACK].

Mr. BLANTON. I make the point of order that under the rules someone opposing the bill should now be recognized.

Mr. BLACK. Mr. Chairman, I move that the Committee do now rise.

Mr. BLANTON. Mr. Chairman, I ask for recognition first.

The CHAIRMAN. Does the gentleman from New York insist upon his motion?

Mr. BLACK. Yes. Mr. Chairman, I move that the Committee do now rise.

Mr. BLANTON. That is not fair. The gentleman intends to try to close the debate. We must vote that motion down.

The question was taken; and on a division (demanded by Mrs. NORTON and Mr. BLACK) there were—ayes 30, noes 47.

So the motion was rejected.

Mr. BLANTON. Mr. Chairman, may I make a parliamentary inquiry? It is of course permissible under the rules for the chairman of the committee, or anyone else, who has an hour, to yield a part of their time to others.

The CHAIRMAN. It is.

Mr. TABER. Will the gentleman yield to me for a question?

Mr. BLANTON. I would rather the gentleman would get his time in his own hour. If he is recognized he has an hour. I want to use all of my hour.

Mr. TABER. I wanted to ask the gentleman one question, and it is very important. I went to the desk and asked for a copy of the hearings on the bill and there are none. I was wondering whether the gentleman knew whether there were hearings on this important bill.

Mr. BLACK. That inquiry should be directed to the committee.

Mr. BLANTON. Since the committee does not answer, I will state that I have not been able to locate any hearings, and I do not believe there are any hearings. Mr. Chairman, as long as I remain a Member of this House, whenever I think a piece of legislation is unwise you are going to find me here on this floor doing everything within the limits of parliamentary law to stop that legislation. I am going to do it whether the chairman of the committee is a man or a woman. I am going to do it whether the chairman likes it or not.

When anyone is elected to Congress he takes his seat in this House as a Member of the House to abide by the rules. The rules of this House permit every Member to use to the utmost all his skill, if he has any, to fight for legislation which he thinks ought to pass and to fight against legislation which he thinks ought not to be passed, and no

one has any right to become peeved when he opposes such a bill. You will find me opposing all bills that I deem bad as long as I am a Member, and nothing is going to stop me.

When we had a former District day there were about 15 or 20 bills on the calendar. This bill was up near the top. I went to the chairman of this committee, and I went to the chairman's straw boss, Mr. BLACK, and I also went to the assistant straw boss, Mr. PALMISANO, and told them all that if they called up this bill they would not pass many bills that day on the calendar, that I was against it, and that I was going to use every bit of parliamentary knowledge of the rules that I had to stop it. And after consultation they sidetracked this bill, and put it down at the bottom of the list, and I helped them to pass quite a number of noncontroversial measures that day. They knew then that I opposed this bill, and intended to do everything within my power to stop it.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. I am sorry, I cannot yield. I want to have the lady obey the rules as the men have to do. I cannot answer the lady like I could a man, and I do not want to be placed at a disadvantage.

Mr. ELLENBOGEN. Mr. Chairman, I make the point of order that the gentleman is reflecting on a Member of the House.

Mr. BLANTON. No; I am not. I am simply protecting my own rights.

Mr. BLACK. I do not mind the gentleman calling me a straw boss.

Mr. BLANTON. Well, the gentleman from New York has been very active in helping to guide District legislation through this House. The proponents of a measure should never become personally offended because other Members disagree with them, and see fit to oppose their measure. The District of Columbia Committee has always brought some bad legislation, once in a while, on the floor ever since I have been here. I see a former chairman of the District Committee now on the floor. I helped to kill scores of bad District bills when he was chairman of the committee every year during the time I served on this committee in the House. I helped to kill about half the bills he favorably reported.

SEVERAL MEMBERS. Name him!

Mr. BLANTON. It was Fred Zihlman, who sits over there smiling. I know that it seems natural to my old chairman, Fred Zihlman, to see me on this floor vigorously fighting a District bill. For several years while he was chairman of the committee I was the ranking Democratic member, and we had it back and forth across the table.

Members here have already expressed their great surprise that respecting a bill of this importance the committee has furnished us no hearings whatever. And question after question was propounded in an attempt to obtain pertinent information, all to no avail. At least we should have been informed of the fact that the District Commissioners reported to the chairman of this committee that the District budget cannot possibly carry the financial load of supporting old-age pensions in the manner prescribed by this bill at this time. When the Commissioners said that, they in effect said that this bill should not be passed. If their District budget cannot possibly carry the financial load which the provisions of this bill places on them, then how is the financial load to be carried? Are we Congressmen to ignore their warning? They say they cannot carry the financial load of this bill. Are we going to put on them a load they cannot carry? Or is it expected that the Government will carry the load?

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am sorry; I cannot yield.

Something was said about somebody being afraid of votes at home. I made no such statement. I never have been afraid of votes back home since I have been a Member of this Congress. If this Congress is in session when my primary comes up you will find me still here very busy and working hard on this floor, 2,000 mile away.

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No. I would prefer for the gentleman to use his own time.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No. I am going to use my own time. I have such confidence in the people I represent back home that I know that if I do my duty here on this floor and help to kill bad bills they are going to look after me when election time comes.

Mr. RANDOLPH. Will the gentleman be kind enough to yield?

Mr. BLANTON. In just a minute, then I will. I have confidence in my constituents, and they have confidence in me, and that is the reason they take care of me, whether I am there or not. They know that when I am here they can depend on me to fight to stop bad bills.

Mr. BLACK. Mr. Chairman, a point of order. It is about time the gentleman said something about the bill.

Mr. BLANTON. That is not a point of order, Mr. Chairman, and if I desired, I could omit it from my remarks. It so happens that under the rules I can use my time in discussing any subject that suits me.

Mr. RANDOLPH. Will the gentleman be kind enough to yield?

Mr. BLANTON. I am not going to let any of these "side swipers" on the side lines interject anything I do not like into my remarks.

Mr. BLACK. Why reduce me from a "straw boss" to a "side-swiper"?

Mr. BLANTON. Oh, as the gentleman changes, I change. What he says here is futile when I have the floor, because I am going to use my hour in my own way. Do you know what the gentleman from New York [Mr. BLACK] tried to do, Mr. Chairman, when they had had all of the time used in debate—this gentleman who talks about being fair? He knows that this is a very controversial measure, and I think that when the other gentleman over there from New York [Mr. TABER] in his own proper time moves to strike out the enacting clause, there will be enough votes here to strike it out. The gentleman knew that this is a controversial measure, and when his chairman had used all of the time in debate for the bill and there had been none against it, he made a motion for the committee to rise, so as to go into the House. He was then going to make a motion to close debate and keep the opposition from being heard at all. Oh, I am on to that, I will say to the great chief justice from New York.

Mr. BLACK. Chief justice? That is better. Now, I shall not make any points of order.

Mr. BLANTON. I yield to my friend the gentleman from West Virginia.

Mr. RANDOLPH. I was interested in hearing the gentleman say that he did not feel worried about how his constituents in Texas felt.

Mr. BLANTON. Oh, let us get away from that.

Mr. RANDOLPH. I want to ask the gentleman a question. The gentleman spent 2 weeks in his legislature when they were considering the redistricting bill when Congress was in session.

Mr. BLANTON. Oh, that is absolutely not true. I did not leave Washington and did not go near my Texas Legislature. Politicians down there gerrymandered my district and tried to frame me by stealing away 10 of my best counties. The gentleman does not know the facts but has been misinformed, and yet he is a pretty good scout at that. Somebody has misinformed him; and will not the gentleman take that back, since he has been misinformed?

Mr. RANDOLPH. Yes; I will.

Mr. BLANTON. I now want to talk about this bill. The very first paragraph in the bill provides that the three Commissioners shall constitute the Board. Suppose we should do away with the Engineer Commissioner. I am not going to vote to do it. I want to see Major Gotwals or somebody like Major Gotwals kept there. I am for Major Gotwals. I

believe in him and I believe he is honest, but there is a move here on both sides of the Capitol to do away with the Engineer Commissioner and have only two. Why don't you strike out the word "three" and leave it to the Commissioners if you want a good bill?

Mr. BLACK. We will accept that amendment.

Mr. BLANTON. Very well, I shall offer an amendment to that effect. So gentlemen can see that I am helping the committee frame a good bill. Let us take the next paragraph, which gives those three Commissioners carte blanche authority to employ just as many employees as they want to. There is no limitation on it; they can appoint 500 if they want to; they can appoint 5,000 employees if they want to. There is no limitation.

I have been in this House long enough to know that it is advisable to put a limitation as to the number of employees on these bills, or you will have several times the proper number of appointments.

There is no limitation on salaries. The Commissioners can fix the salaries just like they want to by calling the positions certain designated names, and then under the act of 1923 the Classification Board fixes those salaries automatically, with certain sums for certain positions. It is the name of the position that fixes the salary.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am sorry, but I cannot. The lady can use her own time.

I do that because no matter what the lady says to me I have to smile and bear it, because I am a gentleman and I cannot talk back. I never say anything unkind to a lady. They can say anything they want to me, but I always smile. Unfortunately, sometimes, when we are fighting a bill that a lady wants we cannot yield to them. [Laughter.]

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. Oh, I yield to my good friend, because I am her friend, and the gentlewoman knows it. I am going to try to kill her bill, but I shall be pleased to yield to her.

Mrs. NORTON. The gentleman knows that in the end he will probably vote for it.

Mr. BLANTON. Never will I vote for it until the gentlewoman puts in the bill all the people of the United States. Then I would vote for it. [Applause.]

Mrs. NORTON. This is a District bill. I have no authority to insert such a provision. Please do not designate me as "the lady." I am a Member of the House, with exactly the same credentials as the gentleman from Texas, and I want no concession because of my sex. [Applause.]

Mr. BLANTON. Then everything will be lovely, and all of us who do not believe that this is a wise measure to pass at this time may oppose it without fear of anyone taking offense. It would be an unthinkable situation if Members of Congress were denied the privilege of opposing measures they deemed unwise and unsalutary because they were afraid it might be considered discourtesy to a lady chairman in charge of some bill. I try to be courteous to everybody, but I reserve the right to oppose bad bills, to object to them [laughter], and fight them from the floor.

Mrs. NORTON. The gentleman evidently thinks that he is the only Member in this House who has the interest of the country at heart.

Mr. BLANTON. Oh, there are lots of others here. When the vote comes on the motion to strike out the enacting clause of this bill, it is going to be a surprise to my friend.

Mrs. NORTON. It may be a surprise to the gentleman from Texas.

Mr. BLANTON. Let me discuss this bill; then I will yield to my friend. I want to get the facts before the committee. Are you gentlemen in favor of letting three Commissioners select all the appointees they want and fix their salaries?

Mr. STUDLEY. Will their salaries be fixed by the Civil Service Commission?

Mr. BLANTON. Their salaries will be fixed by designating them by names of jobs, calling them director of this or chief clerk of that, or assistant director or assistant chief clerk. That fixes the salary under the Classification Act, and they have found it out. I am not in favor of it.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Please let me proceed a little.

I am going to insist on Congress holding the purse strings. I am going to insist on this Congress saying how many employees shall be appointed and what their salaries shall be; and then you will not put a dreadful burden on my splendid friend and colleague from Texas [Mr. BUCHANAN], as head of the Appropriations Committee, to pass on these matters himself. You are placing a great burden on him to make him assume the responsibility to hold them in line. The Congress ought to hold them in line. And that is a vicious part of this bill. I will never vote for the bill as long as this matter is left indeterminate as to the number of employees and their salaries.

Now let me get to another point. Did you know that during this fiscal year, in addition to $6,500,000 in cash that your taxpayers have given to this District for its running expenses, that the P.W.A. and the C.W.A. have given to the District of Columbia out of your tax money, out of the Treasury of the United States, $9,000,000 more?

Mr. PALMISANO. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I am sorry. I know more about it than my friend from Maryland. I have been checking this up.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am sorry, but I cannot yield. I want to get these facts before the Committee. Now, that is what they got in the District. Do you know who got this relief money? I am told that the records show that about 91 percent of it has been received by the colored population of Washington. Now, if it were a legitimate population I would have no objection. I am one southern Congressman who has never had any prejudice against the colored race, when they conduct themselves properly. I am their friend. Why, DE PRIEST will come to me for a favor lots quicker than he will to some of his Republican colleagues over here. The colored men in this building know I am their friend, and they come to me when in trouble. Why, when our man Coates, back here in the cloakroom, had to have some money for an operation on his eye, did he go to WOODRUFF, MCFADDEN, or SNELL? No; he came to me. [Laughter.] I let him have the money. He knew where he could get it. They know who are their real friends.

The colored people in all the States around here have found out that it is an easy thing for a colored man to live in Washington and they have been drifting in here for years, and lots of them are so no account you could not make them work if you used a long prod pole. Some will not work. They have been getting this relief here; 91 percent of all these millions we have spent here has gone to them; and your taxpayers back home are paying for it.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. LOZIER. I wonder if the people of Washington who are insisting upon so-called "local" self-government remember their experience of the years 1871 to 1874, when Congress yielded to their importunities and established a territorial form of government in the District of Columbia, and for 3 years the National Capital had one of the most corrupt governments ever maintained in the United States, so venal, extravagant, and wasteful that the people of the District came to Congress and begged it to abolish the territorial government and again take over the administration of District affairs.

Mr. BLACK. That was in a Republican year.

Mr. LOZIER. And during this period of self-rule, one Sheppard was the political boss of the District. His statue stands in front of the District Building. During this orgy of self-government he ruled the District and managed its affairs with unprecedented prodigality. Taxes were high, and the District became hopelessly insolvent.

Mr. BLANTON. And Congress came along and paid off all their debts and has been paying their debts ever since.

May I tell you how good newspapers misrepresent? The Washington Star is one of the most reliable newspapers in

the United States, except when it gets into a discussion of District matters and the Federal contribution. It is a little bit biased and prejudiced then. The other day I called attention to the fact that the Government had spent lots of money on various things here. For instance, I stated that our Government had spent lots of money on this million-dollar bridge on Connecticut Avenue, and on the $2,000,000 Key Bridge. I did not say the Government paid all of it. Then I referred to this new Memorial Bridge that goes over to Arlington, and said the Government spent $14,000,000 on that bridge and I said that it all came out of the Treasury, and it did.

The Star had a long statement in yesterday's paper to the effect that I had said the Government spent all of the money on all of these bridges. I did not say that. I referred to the Memorial Bridge. The Government did spend a great big sum on the million-dollar bridge on Connecticut Avenue, and on the $2,000,000 Key Bridge, and on the bridge down next to the Southern Railroad, and they spent a large sum on every other bridge which has been built in the District of Columbia.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. I was interested in the gentleman's statement that the appropriation for the District of Columbia as fixed last year by the Congress was six and a half million dollars and that the Civil Works Administration and the Public Works Administrator came along and gave them more.

Mr. BLANTON. The P.W.A. and the C.W.A. have given the District $9,000,000 this year.

Mr. MAY. Allotments have been made to a lot of these projects without Congress knowing anything about the matter and projects, too, are being withdrawn. I am wondering if they would not have the power to bring it back in here and give it to the District of Columbia.

Mr. BLANTON. They may. You have to watch them. They are fixing to bring up a $20,000,000 bill now. Secretary Ickes and these Commissioners had their pictures taken the other day, and they have arranged with the gentlewoman from New Jersey [Mrs. NORTON] to bring in a bill to permit the District of Columbia to borrow $20,000,000 from the Public Works Administration. Are you going to vote for that bill? I am not. I do not propose to permit them to do that when this District is now out of debt, when the tax rate was reduced to $1.50 per $100 last year, and the taxable values were reduced $80,000,000, with a rate of $1.50 to cover all taxes. They have a $5,000,000 surplus in their treasury this year. I do not intend to vote to permit the District to borrow a cent to be wasted down here in the Municipal Building. I know too much about this Municipal Building. I have been checking up on it for nearly 20 years, and I am not going to give them any leeway by my vote. I want you to help us kill this $20,000,000 bill that they are fixing to bring in here.

Mr. BLACK. I wonder if the gentleman will say a few words about this bill.

Mr. BLANTON. I know the gentleman does not like for me to tell you his plans; but we have to anticipate. The gentleman is a member of two of the worst committees that I ever saw—the Committee on Claims and the Committee on the District of Columbia—but he is a good fellow after all. Whenever we get tied up here and feel like the world is going backward and we want to relax, the only thing is to get him up on the floor for 5 minutes.

Mr. BLACK. The gentleman is quite a help himself.

Mr. BLANTON. May I say that this bill pays $35 a month to every man and every wife over 65 years of age. You notice that it does not just pay this sum to a family. It provides for $35 for the wife and $35 for the husband. Most people who are 65 years old are married yet. Most of the spouses are about the same age. There is $70 a month to be paid one family; $14 is paid in New Jersey and $24 is the highest average for the States, yet in the District of Columbia they are going to pay $35 to each person, man and wife, totaling $70 a month to the two of them. They are going to let them own a $3,000 piece of property for a residence and also nearly $1,000 of personal property.

Mr. ELTSE of California. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from California.

Mr. ELTSE of California. Under sections 2 and 3 the two spouses might have $930 of property and still get $70?

Mr. BLANTON. And they may also have a $3,000 home and still get $70 a month.

Mr. BLACK. The gentleman understands that under the present poorhouse system they would get $76 a month?

Mr. BLANTON. Oh, no; not in any State. May I say that a committee, when they bring in a bill like this, ought to be able to tell us all about it. I was surprised at this committee. Question after question was asked to obtain some definite information and they could not tell you a thing except that this bill carries $35 for each individual per month. They ought to know something about it. They ought to know all about this subject of old-age pensions in the various States.

Mr. McFARLANE. Will the gentleman yield?

Mr. BLANTON. I yield to my colleague from Texas.

Mr. McFARLANE. I have just asked for a copy of the hearings and I find there are no printed hearings on this bill.

Mr. BLANTON. That was called to the attention of the committee a few moments ago by our friend from New York [Mr. TABER].

Mr. RUFFIN and Mr. LEE of Missouri rose.

Mr. BLANTON. I yield first to the gentleman from Missouri.

Mr. RUFFIN. Would the gentleman mind referring to section 19 and telling me, if he can, the source from which the funds that are going to make up this relief fund will come?

Mr. BLANTON. All the tax money that comes from taxation on District property here goes into the Treasury to the credit of the District. Then it has a water fund which goes to its credit although the Government spent millions of dollars on that water system and the Government today owns the old, original water conduit itself, and paid for it, and yet the District gets the water. It has been getting so much from its water fund, that has gone into its general treasury this year, that the water rate has been cut another 25 percent so that now the ordinary family will only pay about $6 a year per family for the finest water in the world. We do not get that back home for $6 a year per family.

Then there is the gasoline tax. Tennessee has a 7-cent gasoline tax, while the District has only 2 cents; but that is another source of revenue that goes into the General Treasury to the credit of the District.

Then the Government came along last year and gave them $6,500,000 cash in a lump sum, which went to their credit. Then the P.W.A. and the C.W.A., which is nothing in the world but the money of the taxpayers—your constituents and mine—they like to call it "P.W.A. money", but it is nothing in the world but Government money out of your Treasury—they gave them $9,000,000, and it went into the Treasury to their credit. All this is to their credit in the Treasury, and they pay their obligations from it, but that does not keep your people back home from realizing that they will be paying part of this pension to the colored population of 150,000 that has drifted in here from every part of the globe.

Mr. RUFFIN. Will the gentleman yield further?

Mr. BLANTON. Yes.

Mr. RUFFIN. Is the gentleman in position to answer the question of whether any part of this fund I have asked about will come from the citizens of the District directly?

Mr. BLANTON. It will be such part as comes out of that general fund in the Treasury, which comes from the sources I have mentioned, coupled with the $6,500,000 we gave them and the $9,000,000 the P.W.A. gave them. They have this money to draw on, and they will draw on it. That is the way the money comes.

Mr. RUFFIN. In other words, am I to understand that all of it will come from the Federal Government, directly or indirectly? Is that a fair inference to draw?

Mr. BLANTON. No; it is not. I tried to explain that their taxes on real and personal property is used also.

Mr. RUFFIN. I wish the gentleman would cover that, because that is something I have been trying to get information on.

Mr. BLANTON. The bill provides these pensions shall come out of District funds. They will take this out of the actual taxes here in the District, but then they will use the Government fund of $6,500,000 which we gave them for something else. This is the way they will get around it. They will just beat the devil around the stump and shift it about. If you will get the hearings on the District appropriation bill, you will find where Chairman CANNON and myself made one department admit they had been taking money appropriated for maintenance and raising salaries during the past year.

Mr. LEE of Missouri. Will the gentleman now yield?

Mr. BLANTON. I yield to the gentleman from Missouri.

Mr. LEE of Missouri. The gentleman from New York, who is a member of the committee, stated that this bill would mean a saving in that it costs more to feed them at the poor farm than the pensions would amount to. If it is true that this would cost over $31 a month, then that is a dirty graft, because in my county we feed them for $10 a month better than you can feed them in this town.

Mr. KELLER. What do you feed them?

Mr. LEE of Missouri. We fed them everything that is right, and we do not ask the Congress to pay for them, either. We pay them ourselves in our State.

Mr. WEIDEMAN. Will the gentleman yield?

Mr. BLANTON. I yield to one of the champions of the bill.

Mr. WEIDEMAN. I do not know about that. I want the District to pay for this, but I want to ask the gentleman a question. If I remember correctly, the gentleman advocated a reduction of the tax rate from $1.50 to $1.20. If we had left it at $1.50, we could have had the local people paying more taxes. I want to raise their tax rate and employ it for such purposes and take it off of the country as a whole and let the District support itself.

Mr. BLANTON. I will answer that statement. I have found out that money is wasted down here in this Municipal Building. If they have a surplus of money they waste it extravagantly, and when I found out that if you kept the tax rate at $1.50 they were going to have a surplus of about $6,500,000 to draw on, whenever they wanted it, for this or that, I decided it was best to earmark it and give the people of the District the benefit in a reduction of taxes. That is the reason we tried to provide for that rate, and I may tell you this. It is the most remarkable phenomenon in the world that you find the District papers here fighting a reduction of taxes.

Mr. WEIDEMAN. Of course, that covers a lot of territory.

Mr. BLANTON. I believe that the people I know here and the people that my friend from West Virginia [Mr. RANDOLPH] knows in Washington, the real taxpayers, 99 percent of them, were in favor of this reduction in the tax rate and a saving of their money, but the newspapers caused this 30-cent tax raise to be put on the people here. The newspapers did this, coupled with the help of the Commissioners.

If you will get the hearings, you will find that the first question I asked was if they were going to oppose a reduction of taxes. I said, "Mr. Commissioner, are the papers correct yesterday and today in saying that you are not going to stand for reduction of taxes? How about that?" I asked the auditor if he had given out any such statement. They reluctantly denied it, but you could see that they were against reducing taxes, and they came in here and caused it to be stricken out.

Mr. WEIDEMAN. Will the gentleman yield? They cannot operate the city in a proper way—the schools are among the worst that I ever saw.

Mr. BLANTON. I do not yield for that.

Mr. ELLENBOGEN. Will the gentleman yield to me?

Mr. BLANTON. No. I know more about this than the gentleman. The fact is you have the finest school system here in the whole world.

Mr. PALMISANO. Mr. Chairman, a point of order. The gentleman is not talking to the bill.

Mr. BLANTON. I do not have to talk to the bill. This is general debate. I can discuss any question from Maryland to Mesopotamia. [Laughter.]

Now, I am going to tell you about the schools. They have the finest school system in Washington there is in the world. They pay the highest salaries of any school system in the United States. They have the finest buildings; they have the finest playgrounds; they have the finest equipment. They teach the boys every kind of industrial work so that they can do something when they get out in the world. They have the finest cooking schools for girls, and they teach them sewing; they give them every kind of industrial instruction, and there has not been a single day in Washington during the depression that any teacher has had to wait 5 minutes for their money. They have it paid to them on time. When in Chicago their teachers have not been paid for 3 solid years, the teachers of Washington got it right on time.

Another thing—they have free schoolbooks here; some schools furnish lunches to them. I want to say that all this poppycock you hear about the schools not being good is pure rot, pure and simple rot.

They have the best teachers in the world, and one of the finest superintendents in the United States, Dr. Ballou, who gives the schools everything on God's earth that they can think of, and yet they are always complaining and coming to some Congressman, dissatisfied about something and making complaints, and having the Congressman get up and say that the school system is not what it ought to be.

Mr. WHITTINGTON. Will the gentleman yield? Is it not true that under the bill a husband and wife can get $840 annually and in addition burial expenses and doctor's bills?

Mr. BLANTON. And can be the owner of a $3,000 home and drawing $70 a month between them.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. BLANTON. I am sorry; I cannot yield. I am for old-age pensions. I should like to see the people of my State some of these days, when other States and the Government can do it, be provided for in their old age. But I do not want them taxed to help put $5,700,000 in the Treasury in a lump sum and then have the P.W.A. and the C.W.A. put $9,000,000 more into the Treasury to pay old-age pensions in Washington while my State is without it. Whenever you get to voting the Federal Government into an old-age pension law, let it be a general law; a law that applies to all of the 48 States in the Union; and then you will find me supporting and fighting for it on this floor.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Mr. Chairman, I am going to yield to my delightful colleague from Pennsylvania, who is one of the great proponents of this bill.

Mr. DUNN. I thank the gentleman. Can the gentleman tell me of any more economical way to provide relief than by the old-age pension system?

Mr. BLANTON. This District has taken care of its indigent people for many years, and there are fewer indigent people in Washington than anywhere else in the world.

Mr. BLACK. Then how is the bill going to be so expensive?

Mr. BLANTON. But because there are a few shacks in some alleys here—and have you not got them in all of your cities and towns—a great hullabaloo is raised. Have you not got them down on the Mississippi Delta, shacks that people live in? Oh, these Washington papers do not want any shacks in Washington at all. They want every colored sniper that slips in here from some farm to get an easy living, to live in a three-story house with basement, and they want to have the living provided for him, with two or three servants and a cook and washerwoman also.

Mr. STRONG of Texas. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Texas, who has had many years of experience along these lines.

Mr. STRONG of Texas. Does the gentleman not know that there will soon be before the House a national old-age pension bill?

Mr. BLANTON. We have a committee studying that subject now.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am sorry that I cannot.

Mrs. NORTON. Will not the gentleman please yield for a question? I should like to ask the gentleman a question.

Mr. BLANTON. Certainly, if you put it that way.

Mrs. NORTON. Does the gentleman believe in State rights?

Mr. BLANTON. I used to, but I have been voting for so many things in this Congress that I have been taught against ever since my childhood that I have gotten all mixed up.

Mrs. NORTON. If the gentleman believes in State rights, there is nothing in the world to prevent his going back to Texas and seeing to it that his State passes a law taking care of the poor people there. I shall be glad to aid him in doing so.

Mr. BLANTON. I want to say that when normalcy gets back, and when this depression is over, you will find the gentleman from Texas on this floor fighting against every kind of measure he thinks is unsound.

Mrs. NORTON. That is not answering my question.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I am sorry. I want to use the remainder of my time. The gentleman can get his own time.

Mr. DUNN. Mr. Chairman, will the gentleman yield to me?

Mr. BLANTON. I yield to my friend from Pennsylvania [Mr. DUNN].

Mr. DUNN. I do not know whether the gentleman understood my question; but if he did, I did not hear his answer.

Mr. BLANTON. I thought I had answered the question, but I shall answer it now. I know what the question is.

Mr. DUNN. Does the gentleman know of any more economical way to provide relief for the aged than through an old-age pension system?

Mr. BLANTON. Yes. If you will inquire up in New Jersey, you will find out that the pensioners there under the old-age pension law are three times in number what they thought they would be when they passed the law. If you will check it up in California, you will find that they are paying three times as many as they expected to when they passed the law; and if you check it up in every other State, you will find the same thing. When you once pass a law that gives people easy money, you will find a lot of them coming in that ought not to come in. You will find a lot of them who are willing to live on the State and the Government and get something for nothing.

Mr. DUNN. Does not the gentleman believe it will cost a great deal more to construct and maintain poorhouses than to come to an old-age pension law?

Mr. BLANTON. We have been carrying on poorhouses for a long time, and I think we will do it much more easily in the future. But of course, we do not want to force indigent people to go to the poorhouse if we can help it. I am in favor of the principle. If the President right now would say to us that his financial policy would permit it, if he would say that it would not disrupt his policy, I would vote right now for a national old-age pension law that would take care of every person 70 years old in the United States, but the age ought to be 70 years.

Oh, they talk about 60 and 65. Why, most of the most valuable men and women in the Nation are 65 years old.

Mr. MEAD. Sam Insull is about 75, is he not?

Mr. BLANTON. Yes; Insull has stolen more money from the American people than any other grafter, and he is 75 right now, and we are having a terrible time catching him and bringing him back here. We have citizens over all the United States 75 and 85 years of age, men who are doing service to their country and to their State. We have them in this House. I saw Uncle Joe Cannon when he was 85 years old do some of the best service ever performed on the floor of the House.

Mr. WEIDEMAN. Then we have that Turk, who is 116 years old, still doing good service.

Mr. BLANTON. And we have a CONGRESSIONAL RECORD clerk out here, Mr. Andy Smith, who has been holding that job down with this Government for 55 years, and there is not a more capable man in the Capitol.

I hope that he will be here for 20 more years. Why, take Tyler Page, one of the leading men of this country, the author of the American's Creed, one of the brightest men in the Nation, has served this Government here for 50 years; and I will guarantee he will be with you Republicans for many more years [laughter]; and if you ever should get back into power about the only thing that will recompense us Democrats is that we will have him again for Clerk of the House.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. KVALE. The gentleman has cited the cases of Capitol employees, but under existing law it is the policy of the Civil Service Commission to retire people from service after they have given a lifetime in the service. The Civil Service Commission demands that at a certain age they retire. We have those people to deal with and to provide for.

Mr. BLANTON. I am one of those who believe that if Congressmen were allowed to make a few selections of the employees in their districts [laughter and applause] they would pick lots better ones because they would know them and would be responsible for them.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; I am pleased to yield to the gentleman from New York.

Mr. MEAD. The gentleman has made the statement that he favors a national policy of old-age pensions rather than the policy of local administration?

Mr. BLANTON. Yes, I do; I will vote for a national policy.

Mr. MEAD. I should like to have the gentleman develop this thought: The gentleman also brought out the fact that under local administration there are conflicting delegations of power and authority, and there are many rates in conflict one with the other; the rates are high in some places and low in others; is it the thought of the gentleman from Texas that a centralized administration of a national law would be so far removed from local politics that it would be better administered and more uniform in its application throughout the country?

Mr. BLANTON. Why, certainly. It would cost the taxpayers of the Nation much less money; and my friend knows that it could be regulated better as a national law and there would be more justice in its administration than if it were left to the States, because there are 48 Governors and 48 State administrations to administer local laws, and they would not be administered in the same way. We should have one system centralized in Washington. When our committee gets through with its study and investigation of the national old-age pension system you will find me on this floor fighting for such a law.

Mr. ELTSE of California. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. ELTSE of California. To come back to the bill, may I ask this question: Under section 6 (a) and (b) will not shiftlessness increase? I should like to have the gentleman's reaction to that.

Mr. BLANTON. I think it is self-evident. If the gentleman will check up on the relief that has been going on in the District and check up the opportunities that recipients of the relief have had for getting work, of which they have

not taken advantage, he will see there is lots of shiftlessness.

Mr. ELTSE of California. Will there not also be a tendency for them to skin out their property under this law?

Mr. BLANTON. Certainly; and we will see property values go down. A house that has been worth $6,000 or $7,000 will be reduced overnight to $3,000.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. MEAD. Just this one question and I shall be through. With regard to national rather than local administration, does not the gentleman believe it would be helpful for the country if we made of this bill a model for the District of Columbia that would be copied by the States and would eventually become the national law?

Mr. BLANTON. I may say to the gentleman from New York that there is not a single paragraph in this bill that is a model, with all due respect and regard to the committee. It has been drawn for them by somebody else; I am not reflecting upon them. I do not believe it is a model. To pass this bill would be to pass the wrong kind of bill for the States to adopt. It is my belief that the committee now studying the question from the national viewpoint will bring in a much better bill.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BIERMANN. I understood the gentleman to say that he preferred a national law to a State law?

Mr. BLANTON. Yes.

Mr. BIERMANN. Let me call the gentleman's attention to a booklet that we ought to pay more attention to on this side of the aisle—the Democratic platform of 1932.

It says:

We advocate unemployment and old-age pension under State laws.

That is what we are doing right now in working out a bill for the District of Columbia.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. ELLENBOGEN. The gentleman knows that I favor a national old-age pension law, and that I am the author of a resolution under which a subcommittee of the Committee on Labor is investigating this subject.

Mr. BLANTON. Let me ask the gentleman this question: He got his idea from foreign countries?

Mr. ELLENBOGEN. No.

Mr. BLANTON. The gentleman brought that over here from a foreign country?

Mr. ELLENBOGEN. I may say to the gentleman——

Mr. BLANTON. Did not the gentleman bring that over from a foreign country?

Mr. FLLENBOGEN. No. I will answer the gentleman's question if he will give me an opportunity. I believe that the number of old people in the country is increasing. According to the figures available, and they are available to everyone, not only the total number of old people is increasing in the United States but also the proportion of older people to the rest of the population. I am in accord with the gentleman, and I believe in the end it will be too expensive for the old-age pensions to be paid out of the Public Treasury; therefore, I believe in a contributory system on a national basis, and I believe the gentleman has a somewhat similar idea, but in the meantime we should pass this bill.

Mr. BLANTON. I will not yield further to the gentleman.

Mr. TRUAX. I think the gentleman from Texas is sincerely in favor of a national old-age pension law when it can be applied universally and there is a means to finance the proposition. I agree with the gentleman from Pennsylvania that the Treasury cannot stand it, and I am not for the contributory system. I say it should come from the wealthy of the country and from the public utilities.

Mr. BLANTON. Mr. Chairman, I reserve the remainder of my time.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, while there was not much logic and there was not much social philosophy indulged in this afternoon, there were plenty of errors made as to what this bill is really intended to do. A great many medieval social suggestions have been made on the floor. The bill itself is to take care of the aged in the homes, if possible, instead of sending them to a poorhouse, the poorhouse system being more expensive to the taxpayers than the other and more modern system. That is all there is to this proposition.

It is true, probably, that the national old-age pension bill should have come before this one as far as some Members are concerned, but it is no fault of the aged of the District and it is no fault of the taxpayers of the District that they have to get their legislation from the Congress and that Congressmen come from States which have no old-age pension systems. However, the fact that Texas does not have an old-age-pension system should not keep the Congress, because it has Congressmen from the State of Texas, from legislating along advanced sociological lines for the good of the District of Columbia. The people of the District of Columbia have by force of law to depend on Congress. They would probably rather not do this, but that is the situation they find themselves in at this time. It is to be regretted that all the States of the Union have not an old-age-pension system, but 22 out of the 48 States have this modern method of taking care of their aged.

I was astonished to hear one gentleman here in an offhanded way—and I am sure if his remarks were carried back to his district, he would be defeated—state, "Oh, we feed them for $10." Imagine that statement on the floor of this Congress in this day and generation. As a matter of fact, it is costing the District of Columbia and the Federal Government as their contribution toward the District finances $38 a month for each inmate in the poorhouse. This system will cost about $20 a month, and instead of ultimately being a great charge on the taxpayers of the country and the taxpayers of the District there will be a saving by this bill.

There is another situation in connection with this bill, and that is that an old, indigent couple in the District under the system now prevailing cannot live out their old age together. They must be separated and put into separate institutions. Under this bill, if indigent, they will be allowed to live together during their declining years.

Of course you can use your imagination about any piece of legislation. You can see ghosts in any bill. You can say that any bill will be crookedly worked, and that any bill will not properly work; but this bill, with proper and decent administration, will work out the way it is intended to work out. We have no right to assume that a piece of legislation passed by the Congress will be improperly administered. The proper assumption to make is that any bill passed by the Congress will be prudently and efficiently taken care of in its administration.

Mr. SNELL. Will the gentleman yield for a question?

Mr. BLACK. Surely.

Mr. SNELL. I am not opposed to the system of old-age pensions; but as I look through the bill, it is much more generous than the one we have in our State, and it seems to me it would be pretty expensive to start it at 60 years of age. Does not the gentleman think that is rather young?

Mr. BLACK. No; and I will tell the gentleman why I do not think so. Insurance companies have reported, after a conference, that 84 percent of people over 60 years of age are in need of support by somebody other than themselves.

Mr. WEIDEMAN. The gentleman from New York [Mr. SNELL] mentioned 60 years of age.

Mr. BLACK. My bill was 60, but the committee amended it to start at 65 years of age. There are other things to be taken into consideration, such as the conditions surrounding them and the ability of their relatives to support them, and all these things will be investigated. Everybody over 65 is not going to get $35 a month under this bill. This is not the thought of anybody. It is highly unfair to take what

might be possible under the most extravagant and imprudent system of administration and charge that up to a bill.

Mr. Chairman, there is a filibuster going on——

Mr. SNELL. Will the gentleman yield for just one more question?

Mr. BLACK. Surely; I am always pleased to yield to the gentleman from New York.

Mr. SNELL. Under the provisions of the law in our State, if a person applies for such a pension and has any property, he must turn it over to the county.

Mr. BLACK. There is a provision in this bill that such property ultimately will be turned over to District aid.

Mr. SNELL. That is after they die.

Mr. BLACK. After they die, but the fact they hold property is taken into consideration in the administration of the act.

Mr. SNELL. The experience has been in our State that there are a great many people who apply for an old-age pension and when they find they must give up their own property they are not willing to do this but go on and support themselves and I think this is a pretty good provision.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. PALMISANO].

Mr. PALMISANO. Mr. Chairman, I did not care to take the floor at this time, but in view of the fact that the gentleman from Texas, the watchdog of the Treasury, has constantly refused to yield to me, I thought it would be more appropriate that I should at least take 5 minutes.

The excuse of the gentleman from Texas for not yielding to any Member of the House at the beginning was his suggestion that every member of the committee may have an hour to discuss this bill. This means 435 hours to kill time, as he stated, at the expense of the people of the country. This would mean a whole session. We have not an hour each allotted to us during the entire session of the Congress, and why the gentleman from Texas, with the experience he has had as watchdog of the Treasury should suggest a ridiculous proposition of this kind I cannot understand.

Furthermore, if there is objection to this bill, if there is a clause or paragraph in the bill that is not right, the bill has been before the House for some time, and the gentleman from Texas or any other Member of the House has the right to prepare such an amendment; but let us get down to the consideration of the bill under the 5-minute rule. If he wants to strike anything out entirely or to correct any matter in the bill, that is another matter.

Oh, the gentleman says that the Federal Government is going to pay for this. I agree with the gentleman in that I do not want the Federal Government to pay a cent toward this pension, and I say that on the same principle the Government has no right to be matching its funds for State functions. I say let us go right down to the root of the whole matter and cut out all Government allotments, and let us tax the people solely for Government functions and not for State propositions, and this would include State roads, schools, and everything else.

The gentleman referred to the fact they are going to strike out the enacting clause. Of course, they are going to move to strike out the enacting clause, if the gentleman has his way, and this means that the gentleman is against old-age pensions, because if he were not against old-age pensions, notwithstanding what he may say about being in favor of them in some form or other, striking out the enacting clause would demonstrate to the Members of this House that he is utterly opposed to them.

So far as I am concerned, I was opposed to this bill originally, not because I did not believe in the principle of the bill, but because I did not want anyone from the Virginia line or the Maryland line to come here and make the people of the District pay them a pension. I want the District people to take care of their own people instead of putting them in the poorhouse.

Now, with all due respect to the Members here, anyone who would suggest that every Member of this House should take an hour and kill time, if you please, at the expense of the Government——

Mr. TABER. Will the gentleman yield there?

Mr. PALMISANO. Yes.

Mr. TABER. Does not the gentleman think that somebody on the committee ought to take the floor and explain what this bill does before the House is asked to consider it? No such explanation has been made.

Mr. PALMISANO. We were trying to explain the bill, but the gentleman from New York, as well as the gentleman from Texas, has taken the position that he is going to strike out the enacting clause.

Mr. TABER. I have not taken any such position, and I refuse to permit the gentleman to say that.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask recognition against the bill.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, I am for this bill for old-age pensions in the District of Columbia, because I think it is a just bill. I am especially for it because Congress has the entire right to legislate on this matter in this District. I am for it because if it is passed, an old-age pension law in the District of Columbia will be a guide to us when we come to pass a Nation-wide old-age pension law, which we are certainly going to do. It is for these reasons that I am for the bill. Whether minor changes should be made in it is another matter.

I want to call your attention to these simple facts: Every poorhouse in the United States is a disgrace to our intelligence, to our courage, and to our national spirit. We ought to wipe it out, and we ought to wipe it out by providing something better than it is.

The United States is the only civilized country in the world that has not already recognized nationally the duty of providing old-age pensions. Every other civilized country in the world has done it, and why should we stand here quibbling over whether it should be $35, $32, or some other amount per month? We ought to open our eyes to these facts.

The time was when our fathers and mothers could save something and provide something for old age, but conditions were not what they are now. Those conditions have changed beyond the possibility of solution so far as individuals are concerned. Time was when if a man, or a woman, lost his job he could go West, take up land, and grow up with the country. It was an easy matter to take up land back in those days.

There is no land now in the West to take up. Today when a man loses his job he is out. He cannot go anywhere else and take up land, or get another job if he is past 40.

It is true here in the District now. Here is where we ought to provide the first pension law, because it will give us something of an experience in our National Government that will be a guide to us hereafter when legislation is undertaken to give Nation-wide old-age pensions.

Industry is no longer confined to localities, States, or regions. It is purely and simply national in its scope; and if we would get the proper vision, we must recognize it nationally.

Granting old-age pension is not charity—it is a just reward to the man or the woman who has served in industry up to the time he can no longer serve because of age. The mother who has struggled out on the farm or in the home of the factory town, in the great cities, or the villages until she is 65 ought to have a pension if she needs it, because every day of her life she served her country as much as any man or woman can serve it anywhere in any way. The men who have produced the wealth of the country by their labor, whether in field or factory, in mines, or over the whirring wheels of transport, wherever you go, in whatever industry, have earned enough more than they have received to assure them a pension as a reward for their service, if they need it. There are about 500,000 men and women over 65 who would be eligible for old-age pensions under the average conditions

recognized by the State laws already granting old-age pensions. If we grant old-age pensions, it would cost about $172,000,000 a year, which would save a tremendous amount of money over the poorhouses and other systems of caring for our old people at present in use, quite outside of the rights of humanity.

Mr. Chairman, the property taxes in our States cannot stand the necessary burden to carry old-age pensions. Let us not deceive ourselves by thinking that they can. I was brought up as a strict State rights man, but I have sense enough to know that even the great State of Illinois cannot carry its part of the burden as it should be done. This burden of old-age persions does not belong to the States. It belongs to industry as a whole, and ought not to be placed anywhere else. Industry, properly carried on, is abundantly able to carry old-age pensions, as it does in every other civilized country. We ought not to deceive ourselves; we ought to open our eyes to the plain facts in the case and see that it is good economy as well as good humanity. I yield to the gentleman from Michigan.

Mr. WOODRUFF. Is it not a fact that every old person who has been a good citizen of this country, whether or not he has accumulated enough for himself in his old age, has all during his life contributed to the economic welfare of this country?

Mr. KELLER. I answer, "Yes, certainly", to that splendid question. I am glad the gentleman asked it. I endorse every word it implies.

Having been granted the right to revise and extend my remarks, I embrace the opportunity to quote the statements made in justification of my own national old-age pension bill introduced in the Seventy-second Congress and reintroduced in the Seventy-third Congress as H.R. 1623, and which is under consideration by a special subcommittee of the Committee on Labor. These statements are a part of the bill itself:

Modern industrial conditions have made old age a definite economic hazard. Specialized and standardized production has eliminated most of the need for skill and experience. The swifter pace required in modern industry produces greater nervous strain and tends to wear out workmen more rapidly than ever before. Many employers of labor, not being legally bound for the protection of their workers, feel no obligation for their support in old age.

American industry and commerce today are no longer confined to one locality, one State, or one region. Mergers and trusts have extended our major industries all over the Nation. Workers also move freely from one State to another and from one occupation to another. The problems which arise out of our industrial development are, therefore, no longer local or State-wide but National in scope. The questions of wages, hours of labor, employment and unemployment are questions for the Nation as a whole to solve rather than for each community or State. No one State can advance to a solution of these problems alone for fear of competition from neighboring States without such protection for their workers. This is best illustrated by the plethora of legislation now pending in Congress on these various subjects.

Old-age dependency is obviously a national problem, to be solved only by national or congressional action. State solutions of this problem, as of any other industrial problem, only aggravate the conditions in each particular State and leave a great portion of the problem unsolved.

The national character of old-age dependency has now been recognized by all industrial countries of the world except the United States. Everywhere else it is acknowledged that the honest and industrious workman or farmer who by industry and labor has added to the wealth of the Nation is entitled to humane consideration when, through no fault of his own, he is deprived of his earning power. He must not be made an object of charity, which serves only to embitter his declining years when his only crime is age and poverty. Industry has failed to deal with the question successfully. It is too directly interested in profits to consider men as they should be considered. Only the Nation acting as a whole can do this.

The maintenance of old men and women in their own homes on the basis of a self-respecting reward for their services has everywhere been found to be not only humane and honorable but also more economical than any other method of providing for them. This has been the case abroad and is also the experience of the 17 States which have already placed old-age security laws on their statute books. The average cost of a pension in California is $23.10 per month as against a cost of $44.74 in an almshouse. In New York the average pension amounts to only $26.30 per month as against $39.61 for almshouse maintenance.

It is estimated that within the United States there are about 500,000 men and women 65 years of age and over who are entitled to old-age relief as provided under the existing State laws. Less than one fifth that number, however, are now in receipt of this security. Many of our States are unable to raise their taxes and therefore cannot follow the lead of the 17 States now having more or less limited old-age pension laws. It is indeed a question whether even these wealthier States can continue these pensions, because the real-estate taxes are consuming the property. But if this burden were distributed equally over all industry it would relieve this menace to property and be easily borne by industry.

Since the problem of old-age dependency is essentially a national problem, it is obviously the duty of Congress to make such humane provisions for the aged citizens of America as they are justly entitled to.

It is in view of our national obligation to the aged who are least able to help themselves in these hard times that the following bill is presented.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WEIDEMAN].

Mr. WEIDEMAN. Mr. Chairman, as my colleague from Texas, [Mr. BLANTON] is diligent in obstructing matters that he thinks bad, and in pushing matters that he thinks will do good, I want to inform him that there is another petition on the Speaker's desk to bring out the McLeod bill from the Committee on Rules and I want to put that in the RECORD here so that everybody is charged with that knowledge. All we want is a vote on that bill. If you vote it down, we shall be satisfied, but we want a day in court on this bill just like any other bill.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WEIDEMAN. Yes.

Mr. BANKHEAD. Does not the gentleman from Michigan think that the Rules Committee, both the majority and the minority members, were entitled at least to have a request made by those in favor of the McLeod bill for a hearing on that rule before the motion was filed to discharge?

Mr. WEIDEMAN. Normally, yes; except that at 4 minutes after 12 today a report was filed by the Banking and Currency Committee on this bill. If they wanted a vote on the McLeod bill, as amended, all the gentlemen needed have done who supported it was not to have filed a report, and we would have had the bill up today. We do not care whether it is the McLeod bill that passes or a good Democratic bill. All we want is the principle of this legislation voted on, and inasmuch as we are in parliamentary procedure, and as my friend from Texas says, it is just give and take, I want to say that I respect the Chairman of the Committee on Rules and think he is the greatest leader on this side of the House. I have gone with him many times, and I shall go with him again, but on this matter I just cannot follow him, and in the future, on other issues, we are going to be fighting side by side.

Mr. BANKHEAD. I do not want to get into any controversy with the gentleman, but in all candor it does seem to me that where a committee is charged with the responsibility of acting on matters of this sort, in good courtesy to that committee and to the precedents, it was at least entitled to have an opportunity to hear the resolution presented before you filed a motion to discharge.

Mr. WEIDEMAN. Normally I would agree with that, but these are days of emergency, just as when my good friend from Texas [Mr. PATMAN] filed the bonus petition, and in these emergency matters we have to be diligent. To be of any value to the country this bill must be passed at this session.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. WEIDEMAN. Yes.

Mr. TRUAX. I think no one in this House has greater respect than I for the Chairman of the Committee on Rules, but I think the gentleman from Michigan takes the same position that I do, namely, that when 145 Members walk up to the desk and sign a petition to discharge a committee from further consideration of a bill, they are entitled to a prompt vote on that measure, just as we secured a prompt vote on the Patman bonus bill, and that we should vote it up or down.

Mr. WEIDEMAN. I agree with the gentleman, and I refuse to yield further. In other words, 145 Members of this House want to do just what 1 Senator can do on the other side of the Capitol, and that must be music to the

ears of my friend from Texas. We fought side by side in favor of another bill, and he said at that time that all we wanted was to give 145 Members of this House the same right that 1 Member of the other body had.

Mr. BLANTON. I think our good friend from Michigan is one of the most promising Members of the House. I admire all his splendid work he has done here, and I am his good friend, even when he is against me, and I think he is doing good work now, for he is doing his very best. But he did not answer the question my friend from Alabama [Mr. BANKHEAD], Chairman of the Committee on Rules asked him. That was a proper question, and that committee is a responsible committee of the House, and should have been shown some consideration.

Mr. WEIDEMAN. I agree with the gentleman. I came just about as close to answering it as my good friend from Texas did to answering the question of the gentleman from Pennsylvania [Mr. DUNN] as to how you are going to improve on the old-age pension proposition, so that we are about even there.

Now I want to divert and talk about the school system in the District of Columbia. The gentleman from Texas [Mr. BLANTON] said that he has watched these schools for 20 years, and they are among the best in the country. The gentleman's line of travel must have been over one line, Abilene to Washington and back again. I would like to have my friend go to the city of Detroit and see what a real clean school is and what a real playground is. The trouble is that he has seen that same school in the District for 20 years, and if he had traveled the route for 30 years he would still see the same school, because in 1908 a commission was appointed by this House and condemned many buildings still in use. One school which they had been using for 50 years in this District was condemned in 1908, but it is still being used.

We must help the schools. The Jefferson School in southwest Washington is only 50 feet from a railroad where trains are switched day in and day out, hour in and hour out; and the children cannot study on account of the noise. If you go up into the auditorium on the third floor of that school building, every time you take a step the floor bends under your weight.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I yield 1 minute to the gentleman from Michigan to resume our colloquy. He is under the impression I have never been to Detroit, when as a matter of fact I have visited there several times.

In 1907, in company with 168 Texans, I spent quite a nice sojourn in Detroit. Our party was royally entertained by the Detroiters, and we were shown everything you had, from your fine aquarium to your schools; and we were carried up to Marblehead on a fine boat, with an orchestra and dancing; and, oh, we were most royally entertained.

Mr. WEIDEMAN. The gentleman did not sample all the wines they had at Marblehead, I hope.

Mr. BLANTON. Oh, we had a good time, and picnicked all day at Marblehead. And I still think that our Washington schools, as a whole, are the finest in the United States.

Mr. WEIDEMAN. To complete my time, I am intensely interested in the schools in the District. I am not finding fault with the teachers; they are fine teachers and are doing the best they can. I do not find fault with the administration—and I have no patronage in the District; there is not a thing they can take away from me and there is not a thing they can give to me. I am fighting for the interest of the children. I want to see clean rooms for the little children to go to, and clean playgrounds for them to get their recreation in.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. ELLENBOGEN].

Mr. TABER. Mr. Chairman, I suggest the absence of a quorum.

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

Mr. PATMAN. Mr. Speaker, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. Is that motion in order unless the gentleman withholds his point of order that there is not a quorum present?

The CHAIRMAN. The motion to rise is a preferential motion and is always in order.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 4548) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes, had come to no resolution thereon.

INVESTIGATION OF CHARGES OF FRAUD AGAINST WAGE EARNERS EMPLOYED OF FEDERAL BUILDING PROJECTS IN THE DISTRICT OF COLUMBIA

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, last Thursday I offered a resolution calling for an investigation into charges of fraud against wage earners employed on Federal building projects in the District of Columbia.

Since publication in the Washington Herald of the first charges of improper handling of pay rolls, I have been visited by many workers and have received letters from others, all indicating a sickening condition of coercion and extortion among the building-trades craftsmen employed on Government work. While my first information concerned only conditions in the District of Columbia, evidence brought to me since Friday indicates that these abuses are national in scope.

In appropriating the vast sums now being expended in public-works construction it was the clearly expressed intention of the Congress and the Executive that these undertakings were primarily designed to relieve unemployment and to restore in some measure the purchasing power of American labor. I do not think that many of us were in real opposition to such a worthy objective.

In awarding contracts for the construction of those buildings it was very definitely specified by both Congress and the Executive that the prevailing rate of wages in each community should be paid on Government work. The Bacon-Davis Act, which became a law at that time, was most explicit on this point.

When contracts were awarded costs were figured on the prevailing rates of wages and the contractors handling these projects are today collecting from the Treasury the money to pay such wages—but the prevailing rate of wages is not being paid in Washington. The contractors receive the money to pay them from the Treasury, but the employees do not get that money from the contractors.

The difference, Mr. Speaker, is going into pockets where it does not legally or morally belong. To speak with reserve, Mr. Speaker, that is graft. To give it its right name, it is theft—theft from workingmen who dare not protest lest their wives and children be again forced to sit down at bare tables, shiver in cold rooms, or walk abroad in rags and broken shoes. The Government building program was and is a splendid gesture in the fight against that sudden poverty which has conquered America. It was and is an honest gesture on the part of Congress and the part of the Executive. It was no part of our plan that thieves should enter the house and steal the benefits from those for whom we intended them—but the thieves are here and we must put them out. I for one have little stomach for years of taxation to pay off the great increase of our public debt, if the money so borrowed is to be spent to fatten the strange sort of people who can steal from hungry men.

In the last few days I have seen evidence of things that I never imagined could happen. I have seen letters between

contractors, speaking frankly and in detail of contributions to a slush fund raised for the purpose of squeezing Washington labor for the benefit of the contractors and their associates—not squeezing them, mind you, to reduce costs to the Government but squeezing them to increase profits for the contractors beyond the fair and legitimate profit allowed in the contracts signed by the Government.

These contracts were awarded in competitive bidding. One of the conditions of every bid was that the prevailing rate of wages should be paid. Every bid included funds to pay those wages; in awarding contracts the Government is paying for the prevailing rate of wages; but, I repeat, the employees are not getting the money that is intended for them.

Nor is this all. Not only are the prevailing rates of wages being ignored in public work here and elsewhere in the United States but employees drawing the reduced rates cannot even collect those reduced wages. Men working for subcontractors receive checks which are refused by the banks upon which they are drawn. Employees in desperate need have been prevailed upon by their employers to turn those checks back for small amounts of cash, the balance being paid in earnings certificates, which have proven to be entirely worthless. If they complain, they are discharged; not only discharged but they cannot secure similar employment on other Government projects in Washington. I know that the blacklist is illegal, but that is what is being done.

I have a verified statement from one carpenter who received alleged pay checks to the total amount of $333.42. On these checks the contractor paid him only $49.37 in cash, the balance of $284.05 being given in these fictitious earnings certificates. I have a photo of one of these earnings certificates here in my hand as I speak.

Now, this is not the charge of a disgruntled workman, nor is it an error in accounting, nor can it be questioned upon any other ground. When evidence of this transaction was presented to the Treasury of the United States, that Department forced the general contractor, under whom this subcontractor was working, to pay this man in full to the amount I have just recited. Not only was this man paid what was due him, but so were others who collectively received some $15,000 in restitution for their losses in this swindle.

Thousands of other men did not dare protest for fear that they would lose even the weekly pittance that they were receiving for their work. If they dared to object they were told, "You want your job, don't you? Then keep your damned mouth shut"!

When the Treasury forced those refunds, they convicted the contractors of guilt. When that tiny restitution was made it was evidence that far more restitution remained to be made. Mr. Speaker, that restitution still remains to be made.

I do not indict all contractors on Government work. I recite a condition which calls for a full investigation, in which the innocent can have a fair opportunity to clear themselves and in which the guilty can be convicted. I hope that most contractors are innocent. I sincerely hope that because of my own self-respect as a member of the human race. I hate to think that many creatures bearing the form of manhood can do the things that have been done in this terrible business.

I have been told of workmen being herded into a shanty in groups of a dozen or more on pay day, where a foreman dealt cards around the table and each worker laid down $15 as his stake in the supposed card game. Without even turning up the cards, the foreman would announce that the workmen had lost their money and they were hustled out to make room for another dozen victims of their employers' rapacity. In the perverted minds of these grafters, to be able to say that the men had lost their money gambling, gave some color of legality to the extortion of $15 per week from each man as the price of his job.

On one contract in Washington, I am told that bricklayers were hired by the wife of the superintendent of the job. This contract was on Army property and an Army officer was designated to inspect each pay envelop as the bearer of it left the grounds, to be sure that these envelops contained the full pay to which they were entitled. Evidently the Army had reason for suspicion. The envelops contained the proper amounts, but after they had been inspected, I am told, each workman had to meet this woman extortionist and pay her $4 out of his envelop for each day for which he had been paid. The penalty for failure to comply with this demand for $20 of graft money every week was immediate discharge and this other procedure which has seemingly succeeded the now illegal blacklist.

I could continue these stories for hours, but I have said enough to make plain the tenor of what has been told to me. This condition is a wanton insult to the President and to Congress. It is a revelation of cynical disregard for the decency which is supposed to characterize the human race. It is a cold-blooded overturning of our motives, of our efforts, and of the people's hopes for a return of reasonable prosperity. If recovery is to be bled at every step by these leeches she will never be able to complete the journey we are all hoping she will be able to make.

Men who do things like this are public enemies. We cannot deal with them, because there is no common ground upon which our minds can meet. All that we can do is to investigate them, identify them, and turn them over to the law to punish.

This is a question above partisanship. No question of politics enters into it. It is one absolutely necessary proceeding into which men of all parties can enter without jealousy or self-seeking.

Mr. Speaker, this investigation must be made. If it be thought necessary to have any number of these workmen appear before the Rules Committee, that can easily be arranged. The Rules Committee can also have such written and photographed evidence as it desires to establish the fact that these conditions do exist.

If it be desired to conduct this investigation under some other resolution than mine, I have no pride of authorship. This investigation must be made, and I urge upon you that we do not permit any unnecessary delay. This horrible state of affairs is undermining the confidence of the whole working class in the good faith of government. We owe it to ourselves as well as to the Nation to show that nothing like this will be permitted to continue after it has been brought to our attention.

OLD-AGE PENSIONS

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. TRUAX. Mr. Speaker, Congress should, and will eventually, enact legislation that will provide a sustenance for aged people who are without property or income sufficient to enable them to at least be provided with the bare necessities of life.

The minimum age, both in States wherein old-age pension laws have been enacted, and in the minds of legislators who have given this subject considerable thought, is 65 years. In my judgment, the limit should be reduced to 60 years. The reason for this suggested reduction is twofold. First, it gives the needy individual 5 additional years in which to enjoy, if he can, the fruits of hard toil and industry during the earlier years of his life. Hence, I choose to call all such measures as the one under discussion "old-age rewards." Second, under the system of government which has permitted ultra-rich individuals and wealthy corporations and trusts to accumulate 95 percent of the wealth of this country, under a system which has created a mortgaged and bonded indebtedness, public and private, of approximately $230,000,000,000, largely controlled by the international Wall Street bankers and their fellow pirates, the mortgage-loan companies and 36-percent loan sharks, under a system which has resulted in massed finance, massed industry, and 10,000,000,000 idle men, it is impossible for a man 60 years of age to obtain work, even though he be able-bodied and willing to work.

The average longevity of persons reaching the age of 65 is about 11 years. Eleven short years of picking what few crumbs of happiness and contentment that may be gleaned from the festal boards of the modern Dives by the modern Lazarus. Surely, every human being reaching 65 is entitled to 11 short years of relaxation and contentment before being struck down by the withering hand of death.

In Ohio we passed, by a majority of 861,000 votes, an initiated old-age pension law at the November 1932 election. The funds to finance the pensions will be derived from the general revenue fund. It is estimated that approximately 14 percent of the aged population in Ohio will secure pensions; that the normal load of pension cost will not be reached until about 1938; and that in 1938 there will be nearly half a million people in Ohio who are 65 years of age and over. If 14 percent of the 482,000 aged pensioners in Ohio in 1938 receive a pension, there will be 68,908 pensioners on the rolls. If each of these pensioners receive $25 a month, or $300 a year, the annual normal cost of pensions in Ohio will be approximately $20,000,000. This maximum pension load of nearly $20,000,000 will not be reached until a pension law has been in effect for 5 years.

Mr. Speaker, that a comparatively small class of the men are absorbing the wealth of the country as fast as it is produced, leaving to those who create it scarcely a bare subsistence, is apparent to all.

The people I plead for are the struggling masses, the farmers, the wage workers, small business men and producers, who for 45 years have toiled with hand and with brain, toiling away day by day, month by month, and year by year, creating the wealth of the country, paying the taxes of the country, to have that wealth accumulated by the favored few of special privilege and grand larceny.

During the recent winter, one of the severest in history, practically all of the opponents of old-age legislation were happy and comfortable in their own homes. They were warm. Yet thousands and tens of thousands of little children shivered because of the inability of their parents to buy coal or gas. People still are hungry in a land of plenty. People freeze in a country that abounds in coal and oil. People are homeless because there are too many homes. Ten million men are still unemployed because there are too many men who want to work.

What shall be done with these distressed people? Why, give them the reward of a fixed annuity or retirement when they become 60 years of age.

You who have a home, who sit by the warmth of your fire in winter, in the coolness of your spacious porch in the summer, who are blessed with an income, it is you who must be your brother's helper in this great crisis. It is easy to be happy and contented when you have a good job or a good income.

Someone has said:

> It is easy enough to sail with wind and tide, to float over fair seas 'mid purple isles of spice, but the captain who goes down with his ship 'mid tempest dire, 'mid wreck and wrath, may be a far better and braver sailor than the master who rides his vessel safely to port with ensigns flying and rigging all intact.
>
> 'Mid the boast of heraldy and the pomp of power
> And all that beauty, all that wealth, e'er gave.

It were easy enough to be a good citizen and a consistent patriot. But it is poverty and economic slavery, suffering and distress, sorrow and disappointment that try men's souls, that proclaim to the world the kind of stuff of which they are made.

Mr. Speaker, we seek to rescue and rehabilitate, with old-age pensions, the human derelicts beached on the sands of misery and despair by the tidal wave of legalized burglary, organized plunder, and bloody racketeering of the Morgans, the Kuhn-Loebs, the Mellons, the Wiggins, the Lamonts, and all the other high priests of the money aristocracy and scavengers of human misery.

Oh, we have clipped the claws and fangs of the Wall Street wolves. For the first time in the history of the country we have a President who has had the courage to tell Wall street to "go to hell" and stay there. Franklin D. Roosevelt is a humanitarian. He lives, thinks, and acts for all the people. His heart throbs and his humanitarian motives are synchronized with those of the people who work for a living.

He has destroyed the pagan god of gold, worshipped by the Wall Street infidels. In comparison with the god of gold, the gods of Buddhism, Brahmism, Islamism, Confucianism are good and just gods. They are immutable gods. They can harm no one by themselves. But the god of gold is mutable. In times of great economic distress his ugly head rears itself from its golden shell, and like the sword of Damocles, hovers over the heads of the poor and distressed. His viperous tongue darts out at the unemployed worker and his home is gone. His fangs sink deep into the bankrupted farmer and he loses his farm. His sibilant hiss freezes in mortal terror the small business man and producer, until finally, like the human boa constrictor that he is, he destroys all of the debtor classes for the further enrichment of the capitalistic creditor classes.

Oh, they said it could not be done. They said we could not go off the gold standard. But the man of the hour, Franklin D. Roosevelt, like the mythical Hercules when he was invited by Anteaus, mighty giant and wrestler, son of Terra, the Earth, to grapple and wrestle in mortal combat, Hercules threw Anteaus repeatedly with ease, but each time when his feet came in contact with his Mother Earth, Anteaus arose with renewed vigor and energy, until finally Hercules seized Anteaus by the throat, raised him up, and strangled him in mid-air. Thus has our modern Hercules, Franklin D. Roosevelt, strangled the Wall Street money kings, and dragged them now and forever from their golden idol and pagan god, the gold standard.

Franklin D. Roosevelt has voiced his support of old-age pensions. Mrs. Roosevelt also heartily supports old-age pensions. So let us all join hands and fight for the old-age security of millions of men and women who have given their all for the supremacy of their country.

If we were to pass the proposed bill to benefit the aged of the District of Columbia without making the same provision for 120,000,000 people who are living elsewhere in this great country of ours, we would be guilty of a gross injustice to these 120,000,000.

Mr. Speaker, moreover, without question, the residents of Washington, D.C., have suffered less during the depression than any other community in the land. With upward of 74,000 Government employees, most of them under civil-service rules and regulations, which means a life job and a life meal ticket, Washington hardly knew that a depression existed.

The Government has always been kind to the District of Columbia. The Franklin D. Roosevelt administration and the Seventy-third Congress have been exceedingly kind to the citizens of Washington; but we must all remember that those sturdy citizens on the rolling prairies of the Corn Belt, in the semiarid regions of the Northwest and Southwest, on the magnolia-bedecked plantations of the Southland, and on the rock-bound cliffs bordering the Atlantic are entitled to equal consideration, equal compensation, and equal justice.

Unfortunately this bill, if enacted, means an extension of unbearable and obnoxious bureaucracy, in that it confers unlimited power upon a commission to administer the law and the funds and to make appointments without consulting Congress or the President as to the number of such appointments to be made, the qualifications of individuals for said appointments, and the salaries to be paid those receiving appointments.

Of necessity, then, those of us who have the constituency of our districts and of our States uppermost in our consciences and our hearts must condemn the weaknesses herein mentioned.

What about the farmer who lost his farm? What about the unemployed home owner who had his home cast upon the bloody altar of the money lender? What about those of us who have a home and means of livelihood? How many of us can sleep soundly tonight, secure in the knowledge that when we reach the age of 60 we will have a roof

for shelter and an income sufficient to provide food and warmth for our bodies?

What about the father who wielded the pick, the shovel, the hammer, the saw, that communities might be built? What of the humble tiller of the soil who blazed the trail and made the desert to blossom as the rose?

What of the men who have gone down into the bowels of the earth to bring forth the natural resources for the enrichment of the coal barons, the copper kings, the oil monarchs, the steel magnates, and the electric-power barons.

What of those who have gone down into the factories and shops to feed the roaring blast furnaces, to operate the turning lathe, the punch press, the trip hammer, to become mere cogs in the mechanistic equipment of the gigantic industrialists, only to be kicked out like yellow dogs when they reach middle age. Oh, the Fords, the Schwabs, and other great industrialists boast of high wages and short hours. Yet, with their mammoth conveyor systems the strain is so great, the toil so devastating, that men are worn out and crushed at 45 and 50 years of age.

What shall we do with these millions of toilers, with this so-called "surplus" of men? We cannot plow them under as Secretary Wallace is doing with the farmer's cotton. We cannot advocate birth control, as Wallace advocates for pigs. These men are here. They have been potent factors in the upbuilding of a great Nation. There is one solution, and one only. Retire them at three score with a living compensation.

What about the aged mothers who have gone into the shadows of death that the captains of industry, commerce, and finance may have an ever-increasing supply of young men and young women to feed into the insatiable maw of swollen incomes and fortunes. What about this mother, who nursed at her breast and fondled on her knee the same blue-eyed boy and the same curly haired girl, as did the mother of the multimillionaire spawn?

What about those mothers who sent their boys to defend the honor and glory of our country—those boys, who crossed the tossing, foaming billows of the Atlantic, who went down into the blood-soaked trenches, who fought arm to arm and shoulder to shoulder, who heard the roar and shriek of the bursting shells, the yells and crying of the dying and wounded, who closed their buddies' eyes in that eternal sleep that knows no awakening, 3,000 miles away from home—those mothers, who fell down on their knees when the armistice was signed, who welcomed back home with outstretched arms and streaming eyes those boys?

Today, thousands of these boys are jobless, partially or totally disabled. Their pensions have been reduced. They cannot support the mothers who gave them to their country.

Should these fathers and these mothers, now in their declining years, be consigned to the poorhouse, or left to beg, starve, or steal? Is that the reward of the richest, the greatest, the most powerful nation the sun ever shone upon?

Today these distressed people are penniless—not through any fault of their own—but through the vicious system that has permitted 4 percent of the people to amass 96 percent of the wealth. These toilers, the backbone of the Nation, in war and peace, should be rewarded with a competence sufficient to enable them to spend their declining days in contentment and happiness. This reward should be paid for by those who have profited most from their slavery and serfdom—the capitalists.

Mr. Speaker, I propose a plan that will mean a decent living for every American citizen:

A DECENT LIVING FOR ALL

First. A capital-tax levy on all fortunes of $1,000,000.

Second. Limit all incomes to $100,000 per year.

Third. Tax all inheritances of more than $1,000,000 95 percent.

Fourth. Enact the Truax moratorium bill and stop foreclosures of real estate.

Fifth. Pass the Frazier-Lemke bill to refinance farm mortgages at 3-percent interest, which includes amortization.

Sixth. Pay the soldiers' bonus with new currency, as provided for in the Patman bill recently passed by the House of Representatives by an overwhelming majority. Pay off depositors in full in all closed banks, up to $2,500.

Seventh. Nationalize the currency and credit. Restore the power to issue currency to the Congress of the United States.

Eighth. Enact old-age pension laws so that every aged person shall receive a minimum of $30 per month.

Ninth. Tax wealth to the limit, to provide Federal relief funds, instead of issuing and selling tax-exempt bonds to the Wall Street bankers.

Tenth. Tax public utilities, the huge bank accounts of the millionaires, and the millions lent to farmers and wage-workers by personal-finance companies, commonely known as "36-percent loan sharks."

If we, as a nation, are to countenance and condone a system that creates classes—the strong and the weak, the educated and the illiterate, the high and the low, the rich and the poor—then the strong must lend a helping hand to the weak, the educated must inform the illiterate, the high are in duty bound to help the low, and the rich must take care of the poor.

A SUMMARY OF CHOCTAW AND CHICKASAW INDIAN AFFAIRS AND OTHER MATTERS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, under permission given me by unanimous consent of the House, I take this opportunity, in view of my inability to visit the various communities of my district, to bring a brief summary of Choctaw-Chickasaw affairs and other matters to the attention of my constituents. As Congress has not yet adjourned, my official duties will not permit me to leave Washington.

As ranking member (or vice chairman) of the Committee on Indian Affairs, it has been my duty and privilege to secure important data direct from the departments, and to make a close study of Indian affairs. Since the Choctaws and Chickasaws are practically all located in the third district, which I have the honor to represent, I have spent some time in gathering and compiling definite data and figures to show the exact standing of these two tribes and their connections with the Government of the United States.

PER CAPITA PAYMENTS

Following is a list of per capita payments made to the Choctaws and Chickasaws to date, and the years in which those payments were made:

Year	Chickasaw	Choctaw
1904	$40	$40
1906	35	35
1908	20	20
1911–12	50	50
1914	100	----------
1916	200	300
1917	100	100
1918	200	200
1919	200	140
1920	100	100
1921	30	50
1924	----------	25
1929	----------	10
Total per capita	1,075	1,070

Number of Chickasaws participating	6,304
Total amount received by Chickasaws	$6,776,800
Number of Choctaws participating	20,799
Total amount received by Choctaws	$22,354,930
Total cash per capita payments to Chickasaws and Choctaws	$29,031,730

The amount now on deposit with the Treasury Department to the credit of the Choctaws is $101,966. Commissioner Collier says that after the salaries and expenses of tribal officers are paid, and other necessary funds are expended, it will be an insufficient amount to warrant a per capita payment at this time. (Indian schools are no longer maintained by tribal funds.) These payments have been made principally from accumulated coal royalties, and you will note that since 1918 the payments have gradually

diminished, owing to the discovery of a great wealth of oil and gas and a consequent drop in the coal business. Of course, the Choctaws and Chickasaws are not located in oil territory and have not reaped the riches from this source that the Creeks and Osages have. Therefore, anyone who tells the Choctaws and Chickasaws they have a lot of money and should have a per capita payment is either afflicted with colossal ignorance or is a demagogue of the first water, and is willfully and maliciously misrepresenting facts for political purposes. It is to be hoped that certain suits pending in the Court of Claims will be decided favorably at an early date. If so, the Choctaws and Chickasaws will get some money, but of course Congress has no part in the decisions of the Court of Claims.

INDIAN SCHOOLS REMOVED FROM TRIBAL FUNDS

When first elected to Congress, I promised to do what I could toward relieving the Choctaws and Chickasaws of the financial burden of keeping up their Indian schools. As soon as I had been in Washington long enough to have any influence, with the cooperation of Congressman HASTINGS, who is on the Appropriations Committee, we succeeded in getting Government appropriation for the maintenance and support of Jones Academy and Wheelock Academy in the Choctaw Nation, and Carter Seminary in the Chickasaw Nation, so they are no longer supported with tribal funds.

BILL TO SELL COAL LANDS

I have worked incessantly from year to year on my bill to sell the Choctaw-Chickasaw coal and asphalt deposits to the Government at the Government's appraised value, the proceeds thereof largely to be distributed in per capita payments, but the administration has always opposed it. I have secured passage of numerous bills to re-lease the coal lands, thereby replenishing the tribal treasury to some extent.

LEASED DISTRICT

In 1932 we were successful in securing passage through Congress of the Pine-Cartwright leased district bill, authorizing the Choctaws and Chickasaws to sue the Government in the Court of Claims for approximately $7,000,000 in payment for certain western Oklahoma lands taken away from them in early days. Unfortunately, the bill was vetoed by President Hoover. But a special Senate resolution placed the claim in the Court of Claims for a finding of facts, where attorneys say it will be reported on before the next session of Congress. As Vice Chairman of the Committee on Indian Affairs, I shall be able to bring prestige and strong influence to bear on the final passage of this bill through Congress if it receives a favorable report from the Court of Claims.

OTHER CASES IN COURT OF CLAIMS

Numerous other cases totaling about $32,000,000 in behalf of the Choctaws and Chickasaws are also pending in the Court of Claims. Some of these are about ready for trial and some are expected to be won. If and when they are won, the money is expected to be distributed in per capita payments. These claims, however, are out of the hands of Congress and in full charge of tribal and special attorneys.

$400,000 REIMBURSEMENTS TO OKLAHOMA

Again, in cooperation with Congressman HASTINGS, I have aided in securing $400,000 per year in reimbursements to the State of Oklahoma for nontaxable Indian lands. When I came to Congress the State was receiving only $250,000 per year for nontaxable Indian lands, and much complaint was being made from certain school districts affected.

LET INDIANS HANDLE INDIAN AFFAIRS

It has always been my belief that Indians should hold Indian jobs, and that matters pertaining to the welfare of the tribes should be decided by the Indians themselves. It is therefore my policy to act on the the Wheeler-Howard administration measure as directed by the Indians of my district. I will say that recent amendments relieving the bill of certain strict and compulsory features have made it more acceptable, but I still find much opposition to it.

REPORT OF EMERGENCY CONSERVATION AND P.W.A. FUNDS ALLOTTED INDIANS OF MY DISTRICT

Following is a summary of the emergency conservation funds, road funds (P.W.A.), and construction funds (P.W.A.) allotted to the various Indian agencies in my district within the last year:

Agency	Emergency conservation	Public Works construction	Public Works roads
Carter Seminary	$1,350		
Choctaw and Chickasaw Sanitarium	30,000	$23,400	$3,000
Jones Academy	12,000	10,800	
Wheelock Academy	2,000	41,100	
Five Civilized Tribes	82,000	18,000	100,000

Out of the last-named item, funds are being used for such purposes as to establish subsistence homesteads for Indians, such as the project now being established at Wilburton, Okla., on 2,200 acres of tribal land, giving Indian families a chance to earn a livelihood in desirable surroundings with certain educational advantages. If these prove successful, more such projects will likely be established.

CONGRESSMEN ENTITLED TO COMMUNICATION WITH CONSTITUENTS

I have given you these facts and figures as valuable information on the Choctaw and Chickasaw tribes of Indians and an outline of my endeavors to serve them as one of their representatives in Congress.

Fortunately, this United States Congress many years ago provided by law the daily CONGRESSIONAL RECORD as a bulwark for its Members against base misrepresentations made to the people back home by designing politicians, while Congressmen were busily engaged in their duties at Washington with no means of communication with their constituents except through the mails. It was found that highly respected and able Members of Congress, while hard at work in Washington, were being ruined by false charges down home, because they could not leave their posts of duty and had no means of keeping their records before the people. Therefore, they passed a law providing that any Member of Congress, by paying the full Government printing charges, could send excerpts from the CONGRESSIONAL RECORD to the people in his district. My great trouble has been that owing to the tremendous amount of daily mail and business before the departments, my office clerks do not have time to send such material out, and in order to get it out occasionally, I must pay extra employees out of my own pocket, besides the printing charges.

MISREPRESENTATION AND ABUSE OF PUBLIC TRUST

Strange to say, such base misrepresentations and false charges often come from opponents who are holding public office, but who will neglect or desert that office and misuse their salaries, paid by the taxpayers, to travel around over the district and in public speeches lambaste and misrepresent the Congressman who is laboring 16 hours a day in Washington. This unfairness and abuse of public trust is going on in my district at the present time by opponents of mine who are holding public office, but spending their time at the expense of the taxpayers to the tune of $8 and $15 per day; proclaiming in public speeches such charges as, for instance, that I have my wife on the Government pay roll; that I voted to raise my own salary; that the Choctaws and Chickasaws have a lot of money and should be given a big per capita payment; all of which are either utterances of colossal ignorance or willful and malicious misrepresentations.

CHARGE WIFE IS ON PAY ROLL ABSURD

The charge that my wife is on the pay roll is too absurd to answer, because the records are wide open and anyone can see that she is not on the pay roll, and, although she works daily in my office, she does not draw a penny from the Government.

CHARGE VOTED TO RAISE SALARY FALSE

The statement made by Democratic Floor Leader BYRNS, found on page 6786 of the CONGRESSIONAL RECORD of April 17, 1934, should set at rest any doubt in the minds of the people on the salary-raising charge. Mr. BYRNS said:

I may say to the gentleman from Oklahoma that I think we all realize that if we had not overriden the President's veto there would have been a full salary restoration on the 1st of July.

In other words, we voted to reduce our salaries rather than to raise them, but folks did not understand that until they had a chance to read the bills involved.

WOULD REPLACEMENT BE WISE?

I am doing the very best I can for the people of my district, and it is that confidence and esteem they show by returning me to Congress by overwhelming majorities that remunerates me for my work. It would take any new man, no matter how able and industrious he might be, at least 7 years of hard work and study to gain the influence and knowledge I now have of Government business. In case of my defeat, the State of Oklahoma as well as the Third District would lose the chairmanship of the Roads Committee in Congress; and the Choctaws and Chickasaws, particularly, would suffer the loss of the vice chairmanship of the Committee on Indian Affairs. Owing to the scramble among new members for committee assignments, it is doubtful if a new Congressman from the Third District could even get on one of these important committees, and then if he were successful in getting on one of them, he would be placed at the foot of the committee where it would take years to work up to a position of influence.

However, should the time ever come that my constituents would feel that another would give them better service as their representative at Washington, I feel safe in saying they would never choose a man who could not stand on his own merits. I think I know the good people of the Third Congressional District well enough to predict they will never honor a man who abuses public trust and who takes advantage of my absence from the district to besmirch my good name, falsify and misrepresent me. Anyone who will misrepresent facts to obtain an office will misrepresent the people if he gets the office.

Above all, I believe in honesty and hard work. I shoot straight from the shoulder, give the plain facts, and keep my promises. I know my record will stand the test.

OLD-AGE PENSIONS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, the old-age-pension plan, now adopted by 28 States, has been given a sufficient test to demonstrate that it is the most practical and humane method of caring for aged, dependent people.

The District of Columbia adopted this principle a few years ago when three faithful horses, long connected with the fire department, were retired with a guaranty of food, shelter, and freedom from toil for the remainder of their lives, and again when it provided for dependent children by the mothers' pension plan, thus enabling them to be cared for in their own homes rather than to be placed in institutions at greater cost.

Dependent age and dependent youth should and does make a deep appeal to all of us. Those in between these two extremes usually can and do take care of themselves, except in periods of long-continued depression.

Almshouses will always be needed for the care of certain persons unable to care for themselves, but the old-age-pension plan will enable us to avoid inflicting a punishment more dreaded than death upon worthy citizens who have spent the best part of their lives providing for others.

To imprison an intelligent, worthy citizen, simply because he is old and out of money, among the insane, the idiotic, the feeble-minded, and the incurable, in a county poorhouse should be classed among the cruel but unfortunately not unusual punishments prohibited by the Constitution.

Aside from all sentiment, however, and disregarding the established fact that the old-age-pension plan is the most humane method of providing for the aged dependents, there is a financial phase to be considered which should appeal to all of us who represent tax-paying constituents.

Aged people who are in need must and are being cared for, either through public funds or private charity. The old-age-pension plan does not put an additional burden on the taxpayer, but, as the following table indicates, where adopted it has materially lessened the cost of this phase of relief.

State	Average annual pension	Average annual cost of poorhouse care per inmate [1]	Saving to taxpayer per pensioner
California	$275.28	$484.12	$208.84
Delaware	113.91	495.62	381.71
Idaho	132.21	528.52	396.31
Kentucky	60.00	295.95	235.95
Maryland	332.38	459.79	127.41
Massachusetts	312.00	539.33	227.33
Minnesota	192.36	631.86	439.50
Montana	158.35	634.19	475.84
Nevada	300.00	949.16	649.16
New Hampshire	232.79	503.72	270.93
New Jersey	177.60	479.86	302.26
New York	302.88	405.59	102.71
Utah	116.76	512.33	395.57
Wisconsin	236.04	390.99	163.95
Wyoming	170.66	908.68	738.02

[1] The poorhouse statistics are taken from a report of the most recent poorhouse investigation by the United States Department of Labor. They include the cost of maintenance, plus the annual investment cost of the buildings and land figured at 6 percent. Depreciation has not been included.

I quote briefly the following facts cited by the Old Age Security Herald and append hereto a table showing chief provisions of the principal old-age pension laws in the United States compiled by the national old-age pension commission for the Fraternal Order of Eagles:

1. Old-age pensions have been definitely established as the cheapest form of relief.
2. Public leaders, officials, and newspapers, formerly opposing this form of relief, are now favoring it.
3. The old-age pension law is working out better than any other plan heretofore tried for rendering aid to old persons from public funds.
4. Self-reliance and greater independence, not pauperization, has resulted from the adoption of old-age pension laws.
5. The prediction that old-age pension laws would remove the terrors of the poorhouse and lead to the eventual abolishing of most of those relics of barbarism, is being borne out by pension experience.

Chief provisions of the principal oldage pension laws in the United States

Compiled by the National Old Age Pension Commission for the Fraternal Order of Eagles. The first old-age pension law in the United States was introduced by Lester H. Loble, of the Fraternal Order of Eagles and member of the Old Age Pension Commission of the State of Montana

State	Year of law	Kind of law	In effect	Residential qualifications	Property qualifications	Age limit	State jurisdiction	How administered	Funds, how raised	Pensions, how paid	Maximum amount of pension allowed
						Years					
Calif.	1929 (revised 1931)	Mandatory	Jan. 1, 1930.	United States citizen, 15 years; State, 15 years; county, 1 year.	Value of applicant's property (or combined property of husband and wife) must not exceed $3,000.	70	Division of State aid to the aged (created in State department of social welfare).	County board of supervisors.	By county levy.	State pays one half of pension (but not more than $180 a year), county pays other half.	$1 a day.
Del.	1931	do	July 1, 1931.	United States residence, 15 years; State, 5 years.	No limitation; but if additional property is acquired by aged person or his or her spouse, pension may be canceled or amount varied.	65	Vested in State old-age welfare commission; Governor to receive annual reports.	State old-age welfare commission.	Beginning July 1, 1931, $200,000 appropriated annually for 2 years out of general funds of State treasury.	State pays entire amount.	$300 annually; in no case to exceed $25 a month.

Chief provisions of the principal old-age pension laws in the United States—Continued

State	Year of law	Kind of law	In effect	Residential qualifications	Property qualifications	Age limit	State jurisdiction	How administered	Funds, how raised	Pensions, how paid	Maximum amount of pension allowed
						Years					
Idaho	1931	Mandatory	May 5, 1931.	United States citizen, 15 years; State, 10 years; county, 3 years.	Applicant's income must not exceed $300 annually.	65	State department of public welfare.	Probate judge under supervision of county commissioners.	Paid from poor fund or county current expense fund.	County paid	$300 annually; in no case to exceed $25 a month.
Mass	1930	do	July 1, 1931.	State, 20 years.	Applicant's income and value of property not specified, but are to be considered, together with ability of children and others to support aged person, in determining need of pension.	70	Department of public welfare.	Town boards of public welfare.	Tax of $1 on males 20 years old, or older, levied 1931 for 2-year period.	State pays entire amount.	Not specified, but amount shall be sufficient to provide suitable and dignified care.
Minn	1929 (revised 1931)	County option.	1929	United States citizen, 15 years; State, 15 years; county, 15 years.	Value of applicant's property (or combined property of husband and wife living together) must not exceed $3,000.	70		County commissioners, with special provisions in counties having boards of public welfare or poor commissions.	County levy. City, town, and village also levy annual tax.	City, town, and village to reimburse county for pensions paid to their 5-year residents.	$1 a day.
Mont	1923	do	1923	United States citizen, 15 years; State, 15 years.	Applicant's income must not exceed $300 annually.	70	State auditor to receive annual reports.	County commissioners.	County levy	County paid	$25 a month.
N.H	1931	Mandatory	Sept. 1, 1931.	United States citizen, 15 years; county, 15 years.	Value of applicant's property (or combined property of husband and wife living together) must not exceed $2,000.	70		County commissioners.	County treasurer to pay pensions unless otherwise arranged with proper officials of towns and State. Town and State officials whose duty it is to furnish assistance are authorized to make such agreements with commissioners as shall make purposes of act effective.	Counties to pay pensions in first instance; to be reimbursed by city or town legally chargeable for such assistance.	$7.50 a week.
N.J	1931	do	Jan. 1, 1932, pensions granted July 1, 1932.	United States citizen: State residence, 15 years; county, 1 year.	Applicant's real or personal property not to exceed $3,000.	70	Division of old-age relief (created in department of institutions and agencies).	County welfare boards.	Inheritance tax [1]	State pays 75 percent, county pays 25 percent.	$1 a day.
N.Y	1930	do	May 1, 1930, pensions granted Jan. 1, 1931.	United States citizen: State residence, 10 years; public welfare district, 1 year.	Applicant must be unable to support himself or be without children or other person able to support him and responsible for such support.	70	Division of old-age security. (Created in State department of social welfare.)	Public welfare district officials (a city forming part of a county public welfare district may elect to furnish aid to its residents.)	By levy in public welfare district; State's share included in executive budget of department of social welfare.	Public welfare district to provide relief in first instance; to be reimbursed by State for one half of the amount.	Not specified, but relief granted should be sufficient to provide for pensioner.
Utah	1929	do	1929	United States citizen, 15 years; State, 15 years; county, 5 years.	Applicant's income must not exceed $300 annually.	65		Board of county commissioners.	County levy	County paid	$25 a month.
Wis	1931	Mandatory (replaces county option law of 1925).	Jan. 1, 1932, pensions July 1, 1933, under mandatory law.	United States citizen, 15 years (or born in United States); State, 15 years; county, 15 years.	Value of applicant's property (or combined property of husband and wife) must not exceed $3,000.	70	Annual reports to be filed with State board of control and secretary of state.	County judge under supervision of board of control.	County levy; each town to levy tax if required.	County pays two thirds; State, one third (county may cause towns to reimburse it for county's share).	$1 a day.
Wyo	1929	Mandatory	June 1, 1930.	United States citizen, 15 years; State, 15 years; county, 5 years.	Applicant's income must not exceed $360 annually.	65	State auditor to receive annual reports.	Board of county commissioners.	County levy	County paid	$30 a month.

[1] Governor required to budget annually, and legislature required to appropriate from receipts of inheritance-tax department, sufficient sum to pay State's share. After this pension appropriation is made, $12,000,000 from the inheritance receipts shall be set aside for general State purposes. All surpluses over these two amounts shall be placed in a capital fund, until such fund alone will yield interest sufficient to pay all the State's share of old-age relief. Each county board of freeholders will annually appropriate a sum sufficient to pay county's share.

SUBSISTENCE HOMESTEADS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of Subsistence Homesteads and to include therein an answer made to Dr. Wirt by the First Lady of the Land, also a telegram I sent to her and a copy of a letter she received from the Morgantown real-estate board.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under leave granted me to extend my remarks in the RECORD I include the following newspaper article quoting Mrs. Franklin D. Roosevelt in answer to charges of Dr. Wirt; also a telegram, and letter

relative to charges of Dr. Wirt against subsistence homestead projects:

WIRT CHARGES BRING ANSWER BY FIRST LADY—DEFENDING SUBSISTENCE HOMES SHE ASKS "WHEN HAS WORK BEEN HELD COMMUNISTIC"

Shattering tradition that the First Lady should avoid controversies, Mrs. Franklin D. Roosevelt yesterday struck back vigorously at Dr. William A. Wirt in defense of the subsistence homestead projects which he labeled "communistic."

Mrs. Roosevelt said:

"Dr. Wirt said that the Reedsville project was communistic and would take 200 families out of Morgantown who are now paying rent in Morgantown and would therefore mean that taxes would be harder to collect and would upset the general economic situation in town.

FEW RENT PAYERS

"I should like first of all to point out that not many, if any, of the people who eventually will move into the 125 houses instead of 200 have paid any rent for quite a long while. Most of them were on relief or they would not have been employed there or had an opportunity to say they would like to move out there.

"I hardly think it would be found that people on relief were paying much, if any, rent. Most of them were out of mining camps and I doubt if mining camps will feel that they are losing any rent from these people.

"I do not understand how he considers it communistic to give people a chance to earn their own living and to buy their own houses. It is a fact that the Government will provide the initial capital, but I hope that many private enterprises will do it, for the Government is simply attempting to point the way for what may be done by many industries throughout the country in the future.

DROP IN BUCKET

"Never in this country, to my knowledge, has it been considered communistic for an opportunity to be given to people to earn their own living and buy their own houses.

"What the Government is doing in this homestead project is but a drop in the bucket in a big country like this, and its value, while it may be helpful to a few people, really lies in the suggestions it is making to the industry of the country that by decentralizing and moving out of large cities, it may make it possible for great numbers of people to have more in their lives than they otherwise would have."

[Telegram]

MRS. FRANKLIN D. ROOSEVELT,
The White House, Washington, D.C.:

Please accept my sincere admiration and approval for the courageous answer you have made to what I believe to be unfair and faulty criticism by Dr. Wirt relative to the subsistence homestead program under way among stranded population groups in our Nation. The Roosevelt administration is actually planning in behalf of humanity. These mountaineers of West Virginia have been down for the count of 9, but through your active interest and that of the new deal leaders these discouraged folk will stand on their own feet again and not continue to be kept on an unsatisfactory dole which destroys initiative. As First Lady of the land, let me assure you that you are first in the hearts of the men and women of the West Virginia hills whom you are aiding. When you visit them on June 7 they will again express their gratitude.

JENNINGS RANDOLPH,
Member of Congress.

APRIL 21, 1934.

MRS. FRANKLIN D. ROOSEVELT,
White House, Washington, D.C.

DEAR MADAM: Our local real estate board has learned through newspaper reports of the testimony of Dr. Wirt before the congressional committee which is investigating his charges, that Dr. Wirt said the removal of 200 families to Arthurdale would greatly disturb the economic situation in Morgantown, especially in reference to real estate. This is somewhat amusing to us.

So far as we have been able to learn, but one family accepted for the Arthurdale project, resides in Morgantown. If every family accepted had come from Morgantown the result would be a relief in the housing situation. There is at this time a distinct shortage of small homes here which we see no way to relieve until mortgage money for construction is available.

If Dr. Wirt's accusations have generally no more basis in fact than the specific part here referred to, they do not, in our opinion, deserve serious consideration.

Very truly yours,

THE MORGANTOWN REAL ESTATE BOARD,
By R. C. SMITH, *President.*

ELECTION CONTEST—ELLIS *v.* THURSTON

Mr. PARKER, from the Committee on Elections No. 1, submitted a report in the contested-election case of *Lloyd Ellis* v. *Lloyd Thurston*, from the Fifth Congressional District of Iowa (Rept. No. 1305), which was referred to the House Calendar and ordered printed.

ELECTION CONTEST—LOVETTE *v.* REECE

Mr. HANCOCK of New York, from the Committee on Elections No. 1, submitted a report in the contested-election case of *O. B. Lovette* v. *B. Carroll Reece*, from the First Congressional District of Tennessee (Rept. No. 1306), which was referred to the House Calendar and ordered printed.

LEGISLATIVE APPROPRIATION BILL, 1935

Mr. LUDLOW. Mr. Speaker, I call up the conference report on the bill (H.R. 8617) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1935, and for other purposes.

Mr. SNELL. How long will this take? It seems to me this request comes rather late in the day.

Mr. LUDLOW. I do not think it will take very long.

Mr. SNELL. The committee should have risen earlier if we were to consider this conference report today.

Mr. LUDLOW. I may say to the gentleman from New York that there are two or three matters of emergent necessity in this conference agreement that should be taken care of at once. There is no controversy to speak of with regard to the conference report.

Mr. SNELL. It is a privileged matter; but I say that as a general proposition a conference report should not be called up at this late hour. If a conference report is to be brought in, the committee should rise earlier to give proper time for consideration of the report. Why cannot this matter be put over until tomorrow noon?

Mr. LUDLOW. If the gentleman insists, it can be done.

Mr. SNELL. I cannot insist, for it is a privileged matter.

Mr. LUDLOW. I think it can be disposed of very briefly. As I say, there are some urgent matters in the bill, some appropriations, for instance, in which the State Department is greatly interested, to equalize pay of employees in the Foreign Service. This is important, and it is of emergent necessity.

Mr. SNELL. Do the minority members of the conference committee know the gentleman intends to call it up at this time? Who are they?

Mr. LUDLOW. They are the gentleman from Michigan [Mr. MCLEOD] and the gentleman from North Dakota [Mr. SINCLAIR]. I called up their offices, but they were not there.

Mr. SNELL. As I pointed out, we are acting hurriedly in this matter. I think it ought to go over until tomorrow.

Mr. LUDLOW. There is no difference between the conferees. As far as I am aware we are unanimous.

Mr. SNELL. I think the minority members of the conference committee should at least be given the opportunity of being here.

Mr. LUDLOW. As I said, I notified their offices, but they did not happen to be in.

Mr. SNELL. I am not going to object, but I am bitterly opposed to bringing up conference reports at this late hour of the day.

Mr. GOSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Will the gentleman withhold his point of order for a moment?

Mr. GOSS. I will withhold it for a moment; yes.

Mr. LUDLOW. May I ask the gentleman from New York if he contemplates maintaining his position in reference to the matter?

Mr. SNELL. I have made all the statement I care to make. It is too late in the afternoon to call up a conference report. I think the gentleman should have given notice or else have taken them up earlier in the day.

A 12-POINT PROGRAM

Mr. MCMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by Hon. Homer Cummings, Attorney General of the United States, before the Continental Congress of the Daughters of the American Revolution at Washington, D.C., on April 19, 1934.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The address is as follows:

Madam President General, ladies, and gentlemen, permit me, at the outset, to express my deep appreciation of the honor you have done me in inviting me to address the Continental Congress of the Daughters of the American Revolution. It is not only a delightful privilege in itself, but it affords me an opportunity to renew, in very pleasant fashion, a semiofficial tie of long standing between the Department of Justice and the D.A.R. The history of your society records that, shortly after its organization in 1890, the national board of management selected as its first legal adviser a distinguished lawyer of St. Louis, the Honorable George H. Shields, who was, at that time, an Assistant Attorney General during the administration of President Harrison.

Since its inception your society has devoted itself with enthusiasm to patriotic causes. You have, as enjoined by your constitution, truly perpetuated the memory and the spirit of the men and women who achieved American independence. You have erected monuments to commemorate those whose heroic deeds have lighted the fires of patriotism within the hearts of the American people. You have caused to be introduced into the public schools patriotic exercises to celebrate the anniversaries that are closely connected with our national history. You have sponsored the writing of essays upon historical subjects. You have carried on educational work among applicants for naturalization, to the end that they might be instructed regarding the great figures and the important events of American history. You have sponsored legislation to protect the dignity of the flag from disrespect at the hands of the thoughtless and the irreverent.

In these ways, and by many other means, you have consistently stimulated disinterested service and fostered reverence for the glorious traditions of our Nation. By so doing you have made a vital contribution to the public welfare; for, as an ancient Greek statesman once said, "Through admiration of what is heroic, men rise to higher levels."

Therefore, knowing full well your devotion to our common country and your deep concern for its welfare, I speak to you tonight of certain matters of wide and immediate importance.

The suppression of crime has become a national problem of the first magnitude. Hundreds of millions of dollars are expended each year in efforts to arrest, to prosecute, and to restrain the criminal classes. Moreover, large sums are spent annually by private individuals and corporations in the maintenance of guards and industrial police forces and for insurance against loss by criminal acts. The yearly toll exacted of society by predatory criminals, in the form of property destroyed, values converted, money stolen, and tribute enforced, constitutes a ghastly drain upon the economic reserves of the Nation. Undoubtedly crime costs our country several billion dollars each year, and it is conservative to say that there are more people in the underworld carrying deadly weapons than there are in the Army and the Navy of the United States.

Clearly the institutions and agencies upon which we have relied for the enforcement of the law have not adequately performed their proper functions.

In many localities there exists an unholy alliance between venal politicians and organized bands of racketeers.

Then, too, certain unworthy members of the bar maintain a close contact with the criminal classes and prostitute an honorable profession by resorting to improper practices in order to save their clients from the legitimate consequences of their crimes.

These recreant members of the legal profession take skillful advantage of the cumbersome and archaic procedural rules governing criminal cases which still persist in many of our jurisdictions. Trials are delayed, witnesses die or disappear, and appeals upon frivolous grounds are all too frequent.

As Mr. Justice Holmes once very shrewdly observed: "At the present time in this country there is more danger that criminals will escape justice than that they will be subjected to tyranny."

In many parts of the country law enforcement officers are not selected primarily because of their training and general qualifications, but are given positions on a basis of political preferment. Where this is true, each change of political administration is accompanied by a reorganization of the local constabulary. It is impossible to build up an efficient and courageous force of officers so long as they are constantly subject to the whims of political fortune.

Another difficulty grows out of the unfortunate situations which result from a lack of cooperation so often characteristic of the activities of the various law enforcement agencies of the country.

Another serious phase of the problem has to do with the relative uncertainty which exists with respect to the dividing line between the jurisdictions of the Federal and State Governments. Here lies an area of relative safety—a twilight zone—in which the predatory criminal takes hopeful refuge.

At the time of the adoption of the Constitution of the United States there was little need that the Federal Government should concern itself with the problem of crime. Due to the isolation of the different settlements, the operations of criminals were, of necessity, local in their nature. You will recall that when John Adams first went from Boston to Philadelphia, his wife, the famous and delightful Abigail Adams (who, by the way, has been called the "patron saint of the D.A.R."), made note of the fact that it took 5 weeks to receive a return letter from that "far country."

We are no longer a nation whose problems are local and isolated. The growing density of our population and the development of high-speed methods of transportation have resulted not only in a large increase in our crime rate but also have given to many offenses an interstate character. As a celebrated American jurist has said, "The maintenance of an organized society has come to involve much more than repression of local offenders against local laws. Where 100 years ago the chief concern was the common defense against foreign aggression and savages, today it is rather a common defense against organized, antisocial activities extending beyond State lines, operating without regard to political boundaries and threatening any locality where there is possibility of plunder or profit."

Crime today is organized on a Nation-wide basis, and lawbreakers extend their activities over many States. In a well-remembered kidnaping case, which occurred during the past year, the operations of the criminals took place in 7 States; and it was necessary for the agents of the Department of Justice to go into 9 additional States in their successful efforts to solve the crime and bring its perpetrators to justice. The seven States referred to have an area of about 683,000 square miles, which exceeds in extent the combined areas of Austria, Denmark, France, Germany, Italy, Holland, Switzerland, England, Scotland, and Wales. This illustration indicates the extent of the difficulties involved and accentuates the need of Nation-wide approach to the problem. The Federal Government has no desire to extend its jurisdiction beyond cases in which, due to the nature of the crime itself, it is impossible for the States adequately to protect themselves. In response to this manifest necessity, and entirely within constitutional limitations, the Department of Justice is urging the Congress to pass certain important bills now pending before that body, as follows:

First. A law dealing with racketeering which will make it a felony to do any act restraining interstate or foreign commerce, if such act is accompanied by extortion, violence, coercion, or intimidation.

Second. A law making it a Federal offense for any person knowingly to transport stolen property in interstate or foreign commerce.

Third. Two laws strengthening and extending the so-called "Lindbergh kidnaping statute."

Fourth. A law making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution or the giving of testimony in felony cases.

Fifth. A law making it a criminal offense for anyone to rob, burglarize, or steal from banks operating under the laws of the United States or as members of the Federal Reserve System.

Sixth. A law making it a criminal offense for any person to kill or assault a Federal officer or employee while he is engaged in the performance of official duties, and a law to provide punishment for any person who assists in a riot or escape at any Federal penal institution.

Seventh. A law to make the husband or wife of a defendant a competent witness in all criminal prosecutions.

Eighth. A law to limit the operation of statutes of limitations by providing that such statutes shall not prevent the prompt reindictment and prosecution of a person after a prior indictment has been held to be defective, and a law to prevent dilatory practices by habeas corpus or otherwise.

Ninth. A law to provide that testimony on behalf of the defendant to establish an alibi shall not be admitted in evidence unless notice of the intention of the defendant to claim such alibi shall have been served upon the prosecuting attorney at or before the time when the defendant is arraigned.

Tenth. A law to repeal the statutory provision which has been held to prohibit comment upon the failure of the accused to testify in a criminal case.

Eleventh. A law to regulate the importation, manufacture, or sale, or other disposition, of machine guns and concealable firearms.

Twelfth. A law authorizing agreements between two or more States for mutual cooperation in the prevention of crime.

This is the 12-point program of the Department of Justice. I not only invite your attention to it—but I solicit for it your earnest support.

I believe that thus it will be possible for us to observe the letter and the spirit of the Constitution and, at the same time, work out a better and more effective system of crime control.

It is seemly that we should venerate the heroes of the Revolutionary period; and that we should honor the patriots whose courage and daring have added luster to our flag. At the same time we should remember that we are now engaged in a war that threatens the safety of our country—a war with the organized forces of crime. It is an undertaking of serious import and constitutes a test of our citizenship and of our capacity for successful self-government. In this fight your organization can render valiant service.

You can, if you will, direct your efforts toward the building up of a stout-hearted public morale which will cause citizens, as a matter of course, promptly to furnish to the officers of the law the information that may come to them regarding known fugitives from justice, to give testimony freely in criminal cases, and to render jury service gladly when opportunity is afforded to perform this high function of American citizenship. You can help in putting an end to the maudlin glorification of the gangster, which has at times disgraced our public thinking and has led to episodes like that which recently occurred at Crown Point.

You can aid in speeding the activities of police and prosecutors, in enabling courts to establish proper rules and practices, and in

securing desirable laws from State legislatures and from the Congress.

No more worthy enterprise could possibly engage your attention. A serious danger faces this country. Organized bands of criminals prey upon legitimate business, exact tribute from the timid or the fearful, and constitute an ever-present threat not only to property but to the safety of our homes and the sanctity of life. This open challenge to orderly government must be met with a courage worthy of our intrepid ancestors.

To this sacred cause I urge you to devote your thoughts and dedicate the energies of your great organization.

LEGISLATIVE APPROPRIATION BILL, 1935

Mr. LUDLOW. Mr. Speaker, in deference to the wishes of the gentlemen on the other side, for whom I have the highest regard, I withdraw the request to take up the conference report at this time, but I serve notice now that I shall call up this conference report the first thing tomorrow. In calling up the report I did not have the slightest intention or desire to take advantage of anyone. It was simply that we might make progress because of the emergencies involved.

Mr. GOSS. Mr. Speaker, I withdraw my point of order.

PERMISSION TO ADDRESS THE HOUSE ON FOREIGN WAR DEBTS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House on the subject of foreign war debts and increased armaments of war.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, the British Government last week announced that it was making no provision in its budget this year to pay any of the principal or interest due the United States on war debts. That means that England is again defaulting on these debts, although a magnanimous Congress several years ago and before I was a Member extended the time of payments over a period of 60 years and also granted her request of the outright cancelation of more than a billion dollars of England's debt to America on the assurance that Great Britain would pay her future installments of principal and interest promptly. It is needless to add that she has broken faith in her failure and refusal to do so.

This House only a few days ago passed a reciprocal tariff bill at the suggestion of the President in order to show our good faith toward foreign governments, in the hopes that such a bill when enacted would create better trade relations between the United States and foreign nations, more especially those who owe war debts and claim they have been unable to pay because of our tariff policies. As a reply to our magnanimous attitude toward these foreign governments, France has also indicated she will follow England's lead in refusing to pay any part of the principal or interest this year on her debts due the United States.

PROPAGANDA OF INTERNATIONAL BANKERS

During my four terms in Congress there has hardly been a week in any session that some Member of this body with an international complex has not risen in his seat to pay a glowing tribute to France, England, or some other foreign government. A majority of these speeches have been pleas for cancelation of foreign war debts due the United States. It has been somewhat amusing to hear Congressmen who never have set foot on foreign soil speak in this Chamber and before the committees about "poor poverty-stricken France."

Others have lauded France to the skies for staying on the gold standard, and have praised her financial system as being far superior to that of the United States. This sounds like propaganda from the international bankers, who predicted disaster and business stagnation when the President very wisely took the United States off the gold standard.

Mr. Speaker, I have no animosity toward France or any other foreign government; but as I have stated on this floor many times, I am not an internationalist. Neither am I in sympathy with all the propaganda in and out of Congress by half-baked economists, political opportunists, supporters and apologists for the Hoover administration, and would-be statesmen who worry more about the affairs of the Old World than they do of the many perplexing problems facing our own people of America.

It will be recalled that during the Hoover administration many self-admitted economists and supposed-to-be statesmen were telling the country that our terrible financial and business catastrophe could not be avoided because of world conditions. Yet, under the able leadership of our great President, Franklin D. Roosevelt, it must be admitted that America is gradually, slowly but surely, pulling out of the depression, while world conditions apparently are becoming more complicated. Recent events in Austria, China, France, and other nations beyond the seas would indicate this to be true.

SHOULD STAY OUT OF ENTANGLING ALLIANCES IN EUROPE

Having spent many months in France several years ago in doing my very humble part to make the world safe for democracy, and having visited France and some of the other countries of Europe in recent years, where I went as a representative of Congress to world-peace conferences, I have been especially interested in the manner in which European countries have handled their problems. I am becoming more and more convinced that America should henceforth and forever stay out of entangling alliances with the Old World. But we should do more than that. We should quit trying to emulate France or other unfriendly and unappreciative foreign governments.

We are told by the international bankers and their henchmen, big and little, that America must cancel all foreign war debts in order to assure better trade relations. That is the burden of the argument of all of those advocating outright cancelation, whether they be the Wall Street bankers, with millions of foreign securities, or their spokesmen in and out of Congress. As I recall, this is some of the same argument used back in December 1931, when former President Hoover asked Congress to declare a year's moratorium on all war debts. In opposing that moratorium bill then on the floor of this House, I predicted that such action by Congress would not help trade relations but would only leave the impression with foreign nations that this Government does not actually expect European countries ever to pay the debt they owe us—a debt they contracted when they had their backs to the wall and could not borrow a dime elsewhere on the face of the earth.

PASSED MORATORIUM AT BEHEST OF BIG BUSINESS

In addressing this House in opposition to the Hoover moratorium bill, known as "House Joint Resolution 147", on December 18, 1931, I said in part:

If you will examine the RECORD you will find that almost the identical argument that has been made on this floor today and for the past week in favor of this alleged 1 year's postponement was made by some of the same leaders here a few years ago in favor of cancelation of a major portion of war debts due America by other nations. Be it remembered that 51 percent of the French debt and 74 percent of the Italian debt was canceled in order that America might show her brotherly love and play the part of the good Samaritan to those supposedly impoverished nations. We were also told that it would be a valuable aid in helping France and Italy to prosper, and that their prosperity would be indirectly reflected in America, and that our magnanimity to France and Italy would mean a revival of business in the United States. Congress was also assured that France and Italy were to reduce their armaments of war. Both nations prospered to considerable extent by our overgenerous move, and neither nation felt obligated to keep faith with America. Did trade with either France or Italy improve? No; both nations went across to the cut-rate store—Russia—and began buying their cotton, wheat, and other supplies that they were morally obligated to buy from the United States. Did either nation reduce its armaments of war? Oh, no; but, on the other hand, both France and Italy have decidedly increased their standing armies, their navies, and increased their appropriations for aircraft. In short, France and Italy took Uncle Sam, the big-hearted Santa Claus, on a "snipe hunt" and left him holding the sack.

The Congress granted that moratorium. The international bankers, who had inspired the whole scheme, collected some of their private loans to European countries at the expense of this Government. Did business conditions improve? It is well known that they did not improve especially in America, despite the glowing promises and enthusiastic predictions made on this floor when the Hoover moratorium was pending.

World conditions also continued to grow worse. The slump in America developed into a panic and on the 4th day of March, 1933, when Franklin D. Roosevelt was inaugurated as President, practically every bank in this land was closed. It was the darkest page in American history.

Then came the new deal. The bankrupt policy of internationalism was thrown overboard and America, under the leadership of President Roosevelt, is emerging from the chaos and ruin that had thrown the country into bankruptcy, left millions of homeless, hungry people, and more than 12,000,000 heads of families without jobs. No one pretends to say that the country is fully out of the woods but, as the President has so aptly said, "we are on our way." Yet few of those gentlemen here who boast of their international complexes will claim that conditions are growing better in the European countries.

BOMBARDMENT HAS BEGUN AGAINST CONGRESS

Just now Republican leaders in Congress and a few bitter, partisan newspapers with a Wall Street complex, have begun their bombardment of criticism and vilification of the President and the Congress. Some of these same Republican leaders promised faithfully to cooperate as a loyal, patriotic duty at the beginning of this session but have decided, as the coming campaign approaches, to be bitter partisans rather than patriotic citizens. Some of the same leaders and big daily newspapers who were calling on Democrats to support the Hoover moratorium, the infamous Hoover program of farm relief, the Reconstruction Finance Corporation, and declared, with so much eloquence, it to be the patriotic duty of Members of this House to do so against one's own convictions, are leaders in a concerted movement now to discredit the Congress as well as our great President and his entire program. Some of them have the nerve and audacity to tell us we ought to return to the era of internationalism, otherwise known as the "Hoover administration." President Roosevelt as well as this Congress, that has generally followed his leadership, no doubt has made mistakes and probably will continue to do so in the future. But I am firm in my conviction that the great heart of our beloved President beats in sympathy with the toiling masses and that under his able leadership this country shall never be turned over to the money changers and international bankers. [Applause.[

UNCLE SAM PLAYS ROLE OF SANTA CLAUS

Mr. Speaker, I want to repeat again today what I have said on the floor of this House many times, that I favor the payment in full of the balance of the foreign war debts due the United States. I am opposed to so-called "token payments", or bad-faith gestures under the disguise of good will on the part of ungrateful foreign governments. Our people are becoming weary of watching Uncle Sam continue to play the role of Santa Claus to Europe. They are tired of seeing the greatest peace-time armies in the world being financed in Europe with dollars that belong to the American taxpayers.

Mr. McFARLANE. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I am delighted to yield to the gentleman from Texas.

Mr. McFARLANE. These same countries that owe us war debts, instead of trying to pay the war debts, have increased their armament to the amount of nearly $2,000,000,000 annually.

Mr. JOHNSON of Oklahoma. That is true. Instead of cooperating and showing good faith, they have begun to build up their standing armies to an alarming degree. Only recently, France announced that she proposed to construct 8,000 of the fastest and most powerful airplanes in the world, yet she pleads poverty in justification for her failure and refusal to pay any part of the debts she owes this country.

Mr. Speaker, if Europe really has any good will for the United States and desires to show as much as a spark of appreciation to the American people, I would suggest that a practical way of showing to the world her sincerity of purpose would be by reducing, rather than substantially increasing, her standing armies, navies, and aircraft. Let her come to the United States with clean hands. Let her lower her unreasonable trade barriers that have excluded practically all products of the American farmer. But let it never be said that this Government would go so far as to cancel Europe's war debts and thus aid in building up the greatest military forces the world has ever seen for ungrateful and unfriendly nations across the sea. [Applause.]

Mrs. NORTON. Mr. Speaker, I move the House do now adjourn.

The SPEAKER. Will the gentlewoman withhold her motion just a minute?

Mrs. NORTON. I withhold it, Mr. Speaker.

BOARD OF VISITORS TO ANNAPOLIS

The SPEAKER laid before the House the following letter of resignation, which was accepted:

APRIL 23, 1934.

Hon. HENRY T. RAINEY,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: On account of unexpected matters just developed that prevent my attendance, I hereby resign from the position to which appointed of the Visitors' Board to Annapolis.

Very sincerely yours,

JAMES A. FREAR.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CADY, for 4 days, on account of official business.

To Mr. CLARK of North Carolina, for several days, on account of being a witness in important litigation.

To Mr. HAMILTON, for today, on account of important business.

To Mr. LANHAM, for today, on account of illness.

To Mr. SWICK (at the request of Mr. DARROW), for this week, on account of death in family.

To Mr. THURSTON (at the request of Mr. DOWELL), on account of death in family.

To Mr. VINSON of Kentucky, indefinitely, on account of illness.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5075. An act to amend section 1 of the act entitled "An act to provide for determining the heirs of deceased Indians, for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes", approved June 25, 1910, as amended.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I renew my motion that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 24, 1934, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

(Tuesday, Apr. 24, 10:30 a.m.)

Room 328, House Office Building.

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(Tuesday, Apr. 24, 10 a.m.)

Hearings for the consideration of H.R. 8172 and S. 2835. Hearings to be in the committee room.

EXECUTIVE COMMUNICATIONS, ETC.

402. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a letter from the Chief of Engineers of the Army renewing a former recommendation for legislation for the relief of the heirs of Mr. Burton S. Adams, formerly a civilian employee of the War Department, who lost his life in the performance of his duty, was taken from the Speaker's table and referred to the Committee on Claims (H.Doc. 420).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BROWN of Michigan: Committee on Banking and Currency. H.R. 7908. A bill to promote resumption of industrial activity, increase employment, and restore confidence by fulfillment of the implied guaranty by the United States Government of deposit safety in national banks; with amendment (Rept. No. 1288). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 325. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1936, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter; without amendment (Rept. No. 1289). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H.R. 8714. A bill to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S.C.; without amendment (Rept. No. 1290). Referred to the House Calendar.

Mr. KELLY of Illinois: Committee on Interstate and Foreign Commerce. H.R. 8908. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Gallatin County, Ill., and a point opposite thereto in Union County, Ky.; with amendment (Rept. No. 1291). Referred to the House Calendar.

Mr. PETTENGILL: Committee on Interstate and Foreign Commerce. H.R. 8937. A bill granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near Delphi, Ind.; without amendment (Rept. No. 1292). Referred to the House Calendar.

Mr. KELLY of Illinois: Committee on Interstate and Foreign Commerce. H.R. 8951. A bill authorizing the city of Shawneetown, Ill., to construct, maintain, and operate a toll bridge across the Ohio River at or near a point between Washington Avenue and Monroe Street in said city of Shawneetown and a point opposite thereto in the county of Union and State of Kentucky; with amendment (Rept. No. 1293). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H.R. 8958. A bill authorizing the city of Wheeling, a municipal corporation, to construct, maintain, and operate a bridge across the Ohio River at Wheeling, W.Va.; with amendment (Rept. No. 1294). Referred to the House Calendar.

Mr. WOLFENDEN: Committee on Interstate and Foreign Commerce. H.R. 9000. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Holtwood, Lancaster County; without amendment (Rept. No. 1295). Referred to the House Calendar.

Mr. WOLFENDEN: Committee on Interstate and Foreign Commerce. H.R. 9257. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Bainbridge, Lancaster County, and Manchester, York County; with amendment (Rept. No. 1296). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Rules. House Resolution 350. Resolution for the consideration of S. 752; with amendment (Rept. No. 1297). Referred to the House Calendar.

Mr. PARKER: Committee on Elections No. 1. House Report 1298. A report in the contested-election case of *McAndrews* v. *Britten*. Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine, Radio, and Fisheries. House Joint Resolution 282. Joint resolution requiring 50 percent of the cargo imported and exported under trade agreements between the United States and foreign nations to be carried in vessels of the United States; with amendment (Rept. No. 1299). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine, Radio, and Fisheries. H.R. 5266. A bill to amend section 4548 (U.S.C., title 46, sec. 605) of the Revised Statutes of the United States; with amendment (Rept. No. 1300). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine, Radio, and Fisheries. H.R. 8639. A bill to repeal certain laws providing for the protection of sea lions in Alaska waters; without amendment (Rept. No. 1301). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. H.R. 9241. A bill to authorize the Postmaster General to award 1-year contracts for carrying air mail, to establish a commission to report a national aviation policy, and for other purposes; without amendment (Rept. No. 1302). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H.R. 7212. A bill to remove the limitation upon the extension of star routes; without amendment (Rept. No. 1304). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARKER. Committee on Elections No. 1. House Report 1305. A report in the contested-election case of *Ellis* v. *Thurston*. Referred to the House Calendar.

Mr. HANCOCK of New York: Committee on Elections No. 1. House Report 1306. A report in the contested-election case of *Lovett* v. *Reece*. Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KELLER: Committee on the Library. House Joint Resolution 224. Joint resolution to retire George W. Hess as director emeritus of the Botanic Garden, and for other purposes; with amendment (Rept. No. 1286). Referred to the Committee of the Whole House.

Mr. FITZPATRICK: Committee on Military Affairs. H.R. 4440. A bill to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person; without amendment (Rept. No. 1287). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Rivers and Harbors was discharged from the consideration of the bill (H.R. 9205) prescribing tolls to be paid for the use of locks in the Ohio River and its tributaries, and the same was referred to the Committee on Interstate and Foreign Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SMITH of Washington: A bill (H.R. 9278) providing for a survey of the Chehalis River from the mouth of the Skookumchuck River extending up the Chehalis River to the Ocean Beach Highway Bridge at Riverside Park, Chehalis, and to the deep water of the Chehalis River at the Grays Harbor County line, Washington; to the Committee on Rivers and Harbors.

By Mr. BAILEY: A bill (H.R. 9279) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system through the use of the Federal farm-loan system, the Federal Reserve

Banking System, and creating a board of agriculture to supervise the same; to the Committee on Agriculture.

By Mr. McDUFFIE: A bill (H.R. 9280) relating to deposits in the United States of public moneys of the government of the Philippine Islands; to the Committee on Insular Affairs.

By Mr. COLDEN: A bill (H.R. 9281) to apply the quota system to immigration from the Republic of Mexico and the Philippine Islands, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. RANDOLPH: A bill (H.R. 9282) authorizing the establishment and maintenance of an industrial plant at Reedsville, W.Va.; to the Committee on the Post Office and Post Roads.

By Mr. JEFFERS: A bill (H.R. 9283) to provide for the designation of beneficiaries by employees subject to the provisions of the Civil Service Retirement Act of May 29, 1930, as amended, and for other purposes; to the Committee on the Civil Service.

By Mr. HOWARD (by departmental request): A bill (H.R. 9284) to authorize the addition of certain names to the final rolls of the Blackfeet Tribe of Indians in the State of Montana; to the Committee on Indian Affairs.

By Mr. McCORMACK (by request): A bill (H.R. 9285) to provide for the appointment of deputy collectors of the Internal Revenue Service; to the Committee on Ways and Means.

By Mr. CORNING: A bill (H.R. 9286) authorizing the Secretary of the Treasury to convey certain land to the city of Albany, N.Y., for a public park or other municipal purposes; to the Committee on Public Buildings and Grounds.

By Mr. LLOYD: A bill (H.R. 9287) authorizing the county of Pierce, a legal political subdivision of the State of Washington, to construct, maintain, and operate a bridge and approaches thereto across Puget Sound within the county of Pierce, State of Washington, at or near a point commonly known as "The Narrows", and repealing the act approved February 28, 1929; to the Committee on Interstate and Foreign Commerce.

By Mr. FERNANDEZ: A bill (H.R. 9288) to amend the act approved April 13, 1934, known as "Public Law No. 160", and for other purposes; to the Committee on Ways and Means.

By Mr. GILLETTE: A bill (H.R. 9289) to amend paragraph 5 of section 771, title 12, United States Code, supplement VII, United States Code, and subsection (b) of section 1016, title 12, United States Code, supplement VII, United States Code; to the Committee on Agriculture.

By Mr. O'CONNOR: Resolution (H.Res. 350) for the consideration of S. 752; to the Committee on Rules.

By Mr. JOHNSON of Oklahoma: Resolution (H.Res. 351) to appoint a special committee to investigate the proposed textbook code; to the Committee on Rules.

PRIVATE BILLS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRUMM: A bill (H.R. 9290) for the relief of Martha Palitis; to the Committee on Claims.

By Mr. COLLINS of California: A bill (H.R. 9291) for the relief of Bessie L. Fenn; to the Committee on Claims.

By Mr. FULMER: A bill (H.R. 9292) granting a pension to Joseph M. Caughmam; to the Committee on Pensions.

By Mr. LEMKE: A bill (H.R. 9293) for the relief of Otto C. Asplund; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H.R. 9294) for the relief of the Sachs Mercantile Co., Inc.; to the Committee on Claims.

By Mr. WILLIAMS: A bill (H.R. 9295) granting an increase of pension to Hester A. Young; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9296) granting a pension to Frances E. Newton; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9297) granting a pension to Mary A. Lane; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9298) granting an increase of pension to Susan A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9299) granting a pension to Mary Ann Eskew; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9300) granting a pension to Frances E. Tucker; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9301) granting a pension to James E. Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9302) granting an increase in pension to Sarah McGuire; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9303) granting a pension to Famie Kerr; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9304) granting a pension to Mary E. Mecomber; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9305) granting a pension to Ella Strutton; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9306) granting an increase of pension to Sallie A. Nunn; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9307) granting an increase of pension to Ida Nagel; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9308) granting a pension to Ruah L. Martin; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9309) granting a pension to Mary M. Norris; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9310) granting an increase of pension to Jeritha Love Claxton; to the Committee on Invalid Pensions.

Also, a bill (H.R. 9311) granting a pension to Nan A. Benson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4143. By Mr. BEITER: Petition of the Senate and Assembly, State of New York, urging Congress to amend the Securities Act of 1933 by eliminating certain provisions; to the Committee on Interstate and Foreign Commerce.

4144. Also, petition of Genesee-Jefferson Business Men's and Taxpayers' Association, Inc., Buffalo, N.Y., urging enactment of the Cartwright bill; to the Committee on Roads.

4145. By Mr. BLOOM: Petition of the members of St. Joseph's parish, of Ronkonkoma, N.Y., favoring the amendment to section 301 of Senate bill 2910, providing for the insurance of equity of opportunity for educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations seeking licenses for radio broadcasting by incorporating into 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; to the Committee on Merchant Marine, Radio, and Fisheries.

4146. By Mr. BOYLAN: Resolution unanimously adopted by the members of St. Joseph's parish, Ronkonkoma, N.Y., favoring the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4147. Also, letter from the United Umbrella Workers Union, Local No. 19164, American Federation of Labor, New York City, favoring the Wagner-Connery Disputes Act; to the Committee on Labor.

4148. Also, resolution unanimously adopted by the St. Bernard's Branch of the Holy Name Society, New York City, urging an increase of broadcasting time for station WLWL and favoring amendment to section 301 of the Radio Act; to the Committee on Merchant Marine, Radio, and Fisheries.

4149. By Mr. BRUNNER: Petition of Holy Name Society of the department of sanitation, Boroughs of Brooklyn and Queens, room 914, Municipal Building, Brooklyn, N.Y., protesting against the action of the Radio Commission in discriminating against and cutting down the allotment of hours for station WLWL to such an extent that it interferes with its religious, cultural, and educational program; to the Committee on Merchant Marine, Radio, and Fisheries.

4150. By Mrs. CLARKE of New York: Petition of William F. Flagg and family, and Yo Bryn and family, of Springfield Center, N.Y., favoring an amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4151. By Mr. CONNERY: Resolution of the Commonwealth of Massachusetts, opposing the proposed imposition of a 1 day's furlough each month on certain employees in the Postal Service of the United States; to the Committee on the Post Office and Post Roads.

4152. Also, resolution of the City Council of Revere, Mass., favoring House bill 7986, pertaining to radio broadcasting; to the Committee on Merchant Marine, Radio, and Fisheries.

4153. By Mr. DIES: Petition of O. D. Baker, of Orange, Tex., and numerous other citizens of Texas, endorsing the old-age pension bill and urging an immediate vote on this bill; to the Committee on Labor.

4154. By Mr. FITZPATRICK: Petition of the members of the Children of Mary Sodality of St. Mary's Parish of the city of Yonkers, N.Y., signed by Rev. John J. Dyer, pastor, urging the adoption of amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4155. Also, petition of the Westchester County (N.Y.) District Council, United Brotherhood of Carpenters and Joiners of America, signed by John Connelly, secretary, protesting against the United States participating in the League of Nations or in the World Court of the League of Nations, with or without reservations; to the Committee on Foreign Affairs.

4156. By Mr. GOODWIN: Petition of the executive committee Tannersville Chamber of Commerce, Tannersville, Greene County, N.Y., on Tuesday, April 17, 1934, favoring enactment of Senate bill 3171 for Federal regulation of motor carriers, introduced by Senator DILL March 23, 1934; to the Committee on Interstate and Foreign Commerce.

4157. By Mr. IMHOFF: Petition of G. C. Davis and other citizens of Wellsville, Ohio, and surrounding communities, urging passage of the McLeod bill; to the Committee on Banking and Currency.

4158. By Mr. JOHNSON of Minnesota: Resolution by the Minnesota Farm Bureau Federation, urging the immediate passage of legislation to give farm refinancing at a rate of interest not higher than 3 percent; to the Committee on Banking and Currency.

4159. By Mr. KELLY of Pennsylvania: Petition of citizens of the District of Columbia, urging passage of measure for relief of needy blind; to the Committee on the District of Columbia.

4160. Also, petition of 1,018 citizens of Pittsburgh, Pa., protesting against furloughs and curtailed service in the Post Office Department; to the Committee on the Post Office and Post Roads.

4161. By Mr. KRAMER: Resolution adopted by the Los Angeles County Council on April 6, 1934; to the Committee on Immigration and Naturalization.

4162. Also, resolution adopted by the executive committee of the American Legion, Department of California, on March 25, 1934; to the Committee on World War Veterans' Legislation.

4163. By Mr. KVALE: Petition of residents of Freeborn County, Minn., urging emergency relief measures for providing for the unemployed; to the Committee on Ways and Means.

4164. Also, petition of Oscar I. Mongeau Post, No. 742, American Legion, Marshall, Minn., expressing sorrow at the passing of John Simpson, the national president of the Farmers' Union, and urging the enactment of the Frazier bill, which he sponsored; to the Committee on Banking and Currency.

4165. By Mr. LINDSAY: Petition of the Holy Name Society, department of sanitation of Brooklyn and Queens, N.Y., Rev. Leo A. Arcese, spiritual director, favoring the proposed amendment to section 301 of Senate bill 2910 as contained in House bill 8977; to the Committee on Merchant Marine, Radio, and Fisheries.

4166. Also, petition of the United Umbrella Workers Union, Local No. 19164, American Federation of Labor, New York City, favoring the passage of the Wagner-Connery bill; to the Committee on Labor.

4167. Also, petition of Walter Parker, of New Orleans, La., concerning the Fletcher-Rayburn securities bill; to the Committee on Interstate and Foreign Commerce.

4168. Also, petition of the Welfare Association of the Blind, Youngstown, Ohio, urging support of the Dunn bill (H.R. 8751); to the Committee on Labor.

4169. Also, petition of the Central Union Label Council, New York City, favoring the Wagner-Lewis unemployment insurance bill and the Wagner-Connery Disputes Act; to the Committee on Labor.

4170. Also, petition of All Saints Roman Catholic Church, Brooklyn, N.Y., Rev. John M. Mulz, pastor, favoring the proposed amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4171. Also, petition of Upholsterers, Carpet, and Linoleum Mechanics International Union of North America, New York City, favoring the Wagner-Connery bills and the Wagner-Lewis bill; to the Committee on Labor.

4172. By Mr. MILLARD: Petition of the Westchester County (N.Y.) District Council, United Brotherhood of Carpenters and Joiners of America, protesting against the United States participating in the League of Nations and World Court; to the Committee on Foreign Affairs.

4173. By Mr. RICH: Resolutions of St. Bernard Rectory of Bradford, Pa., favoring amendment to section 301 of Senate bill 2910; to the Committee on Interstate and Foreign Commerce.

4174. By Mrs. ROGERS of Massachusetts: Petition of the City Council of the city of Cambridge, Mass., endorsing the Costigan-Wagner antilynching bill; to the Committee on the Judiciary.

4175. Also, petition of the City Council of the City of Cambridge, Mass., endorsing the so-called "McLeod bill"; to the Committee on Banking and Currency.

4176. By Mr. RUDD: Petition of the United Umbrella Workers' Union, Local No. 19164, American Federation of Labor, New York City, favoring the passage of the Wagner-Connery Disputes Act; to the Committee on Labor.

4177. Also, petition of Holy Name Society of the department of sanitation, Boroughs of Brooklyn and Queens, city of New York, Rev. Leo. A. Arcese, spiritual director, favoring the proposed amendment to section 301 of Senate bill 2910 as contained in House bill 8977; to the Committee on Merchant Marine, Radio, and Fisheries.

4178. By Mr. WOLCOTT: Memorial of the Common Council of the City of Detroit, Mich., urging enactment of the McLeod bill (H.R. 8479), providing for the pay-off of depositors in closed banks; to the Committee on Banking and Currency.

4179. Also, petition of H. E. Neal, of Smiths Creek, Mich., and 51 others, urging the enactment of legislation providing for the pay-off of depositors in all closed banks; to the Committee on Banking and Currency.

SENATE

TUESDAY, APRIL 24, 1934

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

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

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Adams	Brown	Copeland	Fletcher
Ashurst	Bulkley	Costigan	Frazier
Austin	Bulow	Couzens	George
Bachman	Byrd	Cutting	Gibson
Bailey	Byrnes	Davis	Glass
Bankhead	Capper	Dickinson	Gore
Barbour	Caraway	Dieterich	Hale
Barkley	Carey	Dill	Harrison
Black	Clark	Duffy	Hastings
Bone	Connally	Erickson	Hatch
Borah	Coolidge	Fess	Hatfield