4637. Also, petition of the Delaware & Hudson Railroad Corporation, office of the president, with reference to House bill 7430, establishing a 6-hour day for railroad employees; to the Committee on Labor.

4638. Also, petition of the Chamber of Commerce of the Borough of Queens, city of New York, favoring necessary legislation authorizing the Home Owners' Loan Corporation to increase its capitalization by issuing an additional $2,000,000,000 in bonds; to the Committee on Banking and Currency.

4639. By Mr. TREADWAY: Resolution adopted by the ministers of Berkshire County, Mass., urging that steps be taken to bring about complete disarmament; to the Committee on Naval Affairs.

4640. By the SPEAKER: Petition of the provincial government of Abra, Bangued, P.I.; to the Committee on Ways and Means.

4641. Also, petition of the provincial government of Zamboanga, Zamboanga, P.I.; to the Committee on Insular Affairs.

4642. Also, petition of the members of the Northvale Holy Name Society, Northvale, N.J., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4643. Also, petition of the Knights of Columbus, Queen City Council, No. 575, Battle Creek, Mich., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4644. Also, petition of Charles Forney, opposing the Senate resolution for an investigation of the American Telephone & Telegraph Co.; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, MAY 15, 1934

(Legislative day of Thursday, May 10, 1934)

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

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, May 14, was dispensed with, and the Journal was approved.

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	Couzens	Johnson	Robinson, Ark.
Ashurst	Cutting	Keyes	Robinson, Ind.
Austin	Dickinson	King	Schall
Bachman	Dill	La Follette	Shipstead
Bailey	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Steiwer
Barkley	Fess	Lonergan	Stephens
Black	Fletcher	McCarran	Thomas, Okla.
Bone	Frazier	McGill	Thomas, Utah
Borah	George	McKellar	Thompson
Brown	Gibson	McNary	Townsend
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Hale	Norbeck	Van Nuys
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Clark	Hatch	O'Mahoney	Walsh
Connally	Hatfield	Overton	Wheeler
Copeland	Hayden	Patterson	White
Costigan	Hebert	Pope	

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from California [Mr. MCADOO] is absent on account of illness; that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from Massachusetts [Mr. COOLIDGE] are absent because of their service as members of the Board of Visitors to the United States Military Academy; and that the junior Senator from Arkansas [Mrs. CARAWAY], the Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. SHEPPARD], and the Senator from Florida [Mr. TRAMMELL] are necessarily detained from the Senate. I ask that this announcement may stand for the day.

Mr. HEBERT. I desire to announce that the Senator from Wyoming [Mr. CAREY] is absent because of his duties as a member of the Board of Visitors to the United States Military Academy at West Point.

I wish further to announce that the senior Senator from Pennsylvania [Mr. REED], the junior Senator from Pennsylvania [Mr. DAVIS], the senior Senator from New Jersey [Mr. KEAN], and the junior Senator from New Jersey [Mr. BARBOUR] are necessarily detained from the Senate.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs:

Concurrent resolution to declare that the final status of Puerto Rico should be statehood and that the people of Puerto Rico desires that Puerto Rico become a State, forming a part of, and associated with, the federation of the United States of America; to petition the Congress of the United States of America for legislation authorizing the people of Puerto Rico to adopt its own State constitution for its approval by the Congress of the United States of America, after it has been ratified by a plebiscite to which it shall be submitted; to demand from the Congress of the United States of America an immediate liberalizing reform, of a political and economic nature, of the autonomic regimen of government at present enjoyed by Puerto Rico, through amendments to the organic act in force, and for other purposes

PART I

Whereas for more than 35 years the people of Puerto Rico, in a state of deep preoccupation, has suffered the disappointments inherent in a regime under which it has been working among difficulties caused by differences in systems, laws, customs, and language, assimilating, however, with clear vision of the future, the fundamental ideals which serve as a basis for the institutions of our government;

Whereas during that interregnum in which the people of Puerto Rico has lived trusting in the justice of the people of the United States of America, the latter, believing the former capable of living a life of equality, dignity, and honor in their relations with each other, granted to the Puerto Ricans, through Congress, American citizenship with all the prerogatives inherent therein;

Whereas the consensus of opinion of the people of Puerto Rico shows that it is advisable to know what is to be the final status of Puerto Rico in its relations with the United States of America, with the understanding that the preservation of its characteristics and other traditions are not in conflict with the principles and ideals of the American Nation, and that the vernacular may subsist in conjunction with the use of the English language, all within the new structure of government within which the people of Puerto Rico will live in dignity in association with the people of the United States of America, under the same flag;

Whereas the people of Puerto Rico has always aspired, and continues to aspire, to the fulfillment of the words which, in the lexicon of liberty of the United States of America, involved the consecration of the principle that "peoples have the right to determine their own destinies": Now, therefore, be it

Resolved by the Legislature of Puerto Rico—

SECTION 1. That the people of Puerto Rico desires that Puerto Rico become a State and be admitted to the Union under the same conditions as the States which integrate the same.

SEC. 2. To request from the Congress of the United States of America, as it is hereby requested, legislation authorizing the people of Puerto Rico to frame its own State constitution in order to submit it for the approval of the Congress of the United States of America after it is ratified by the electoral body of Puerto Rico to which it shall be submitted through a plebiscite for such purpose, the result of which shall be certified by the executive secretary of Puerto Rico; and the Governor of Puerto Rico shall give notice thereof to the President of the United States for the proper purposes.

PART II

Whereas, until the proceedings heretofore referred to in this resolution have been carried out, the people of Puerto Rico needs urgently to improve the conditions of its internal life by protecting its agriculture and promoting the development of its industry by reorganizing its government institutions, by regulating the application to Puerto Rico of certain acts of Congress, and by securing exemption from the effect of certain fiscal acts already enacted in the United States by obtaining Federal aid in temporarily balancing its annual budgets without detriment to essential services, and by securing amendments to the organic act in force in order to attain said ends; and

Whereas, with the enactment of measures of this kind, while the proceedings are being carried out and the obstacles in the way of enjoying the final status of statehood are being overcome, the people of Puerto Rico shall have full political and fiscal autonomy to solve its own problems, and may temporarily enjoy its internal independence and its internal sovereignty: Now, therefore, be it

Further resolved by the Legislature of Puerto Rico:

SEC. 3. That the people of Puerto Rico demands an immediate liberalizing reform, of a political and economic nature, of the autonomic regimen of government which it now enjoys, petitioning the Congress of the United States of America, as it is hereby petitioned, to amend the organic act of Puerto Rico in force, in accord with the following:

1. Recognizing the right of the people of Puerto Rico to elect its own Governor.

2. Granting powers to the Governor of Puerto Rico, so that he may, with the advice and consent of the insular senate, appoint all the heads of department of the insular government of Puerto Rico.

3. Granting authority to the Legislature of Puerto Rico to fix the salaries of the heads of department, their powers and duties, and the number and titles thereof, without exceeding the number now existing.

4. Authorizing the Governor of Puerto Rico to fill the vacancies among senators and representatives without the need of holding partial elections, and on proposal of the directing body of the party to which the legislators whose post is vacant belonged.

5. Granting power to the Legislature of Puerto Rico to revoke the veto of the Executive by the vote of two thirds of the total number of members of each legislative house.

6. Providing that the jurisdiction of the United States District Court for Puerto Rico be limited to the same jurisdiction as that which belongs to courts of like nature in the States of the Union; and likewise providing that the chief justice of the Supreme Court of Puerto Rico or, by delegation, any of the associate justices, shall act as judge of said Federal court.

7. Stating that the decisions of the Supreme Court of Puerto Rico shall be reviewable only by the Supreme Court of the United States through the same procedure as that followed in regard to final judgments of the supreme courts of the States of the Union; adopting, moreover, the remedy of certiorari before said court in those cases in which there is a controversy in regard to the American Constitution or in regard to treaties or Federal laws.

8. Establishing that statutory acts hereafter enacted by the Congress of the United States shall govern in Puerto Rico when made expressly applicable to the island and adopted by the Legislature of Puerto Rico, except when they refer to the organization and operation of the Federal agencies, offices, and departments functioning in Puerto Rico.

9. The modification of all laws preventing competition in the transportation of freight and passengers between the United States and Puerto Rico in order to obtain a low-priced and adequate transportation service, and chiefly to avoid the rise in price of merchandise due to high freight rates.

10. That the Congress of the United States, as a rehabilitation measure, authorize Puerto Rico to establish fiscal tariffs, the object of which shall be:

(1) To provide revenues to meet the expenses of the current budget.

(2) To protect all the products of our agriculture and industry.

(3) To declare free from import duties all such articles of prime necessity for our people as are not produced in Puerto Rico.

And likewise to authorize the Legislature of Puerto Rico to exempt from customs duties and to levy taxes on construction materials and raw materials necessary for the promotion of the industrialization of the island; and likewise to prohibit the importation of all articles injurious to health due to the loss of their food value in the course of their preparation, or otherwise.

SEC. 4. To request the Congress of the United States of America, as it is hereby requested, to enact legislation for the consolidation of the public debt of Puerto Rico as far as it may be possible, to make extensive to Puerto Rico the Federal Reserve Act and any other measures enacted for the benefit of national banking for the benefit of banking in Puerto Rico; likewise making extensive to Puerto Rico all the Federal acts already enacted or to be hereafter enacted for the protection and promotion of the agriculture, industry, and commerce of Puerto Rico.

SEC. 5. To request the Congress of the United States of America, as it is hereby requested, to authorize the Legislature of Puerto Rico to adopt legislation tending to solve the problem of absenteeism and, as a consequence thereof, the concentration of property of nonresidents.

SEC. 6. To request the Congress of the United States of America, as it is hereby requested, for the purpose of improving the health of the people of the island, a work already begun with the amounts appropriated and which are being distributed by the Federal Relief Administration, to appropriate in its annual budgets—as it is accustomed to do as aid to the Federal States—such sum as it may deem fair in order to drain the miasmal mangrove swamps and to combat tuberculosis and uncinariasis in Puerto Rico.

MIGUEL A. GARCÍA MÉNDEZ,
Speaker House of Representatives of Puerto Rico.
RAFAEL MARTÍNEZ NADAL,
President of the Senate of Puerto Rico.

The undersigned secretaries of the House of Representatives and of the Senate of Puerto Rico do hereby certify that the preceding resolution was duly adopted this 15th day of April 1934.

ANTONIO ARROYO,
Secretary House of Representatives of Puerto Rico.
ENRIQUE GONZÁLEZ MENA,
Secretary Senate of Puerto Rico.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Ohio Typographical Conference, assembled at Cleveland, Ohio, favoring the passage of the so-called "Connery 30-hour-week bill", which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the American Society of Mammalogists in convention assembled at New York City, N.Y., protesting against the enactment of legislation removing protection from the sea lions of Alaska, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate telegrams in the nature of petitions from C. H. Smith, Toledo, Ohio; and George E. Lowe, secretary and treasurer of Division No. 369, Brotherhood of Locomotive Engineers, St. Paul, Minn., on behalf of that organization, praying for the passage of the bill (S. 3231) to provide a retirement system for railroad employees, to provide unemployment relief, and for other purposes, which were ordered to lie on the table.

He also laid before the Senate a telegram from Helen P. Beattie, State corresponding secretary, Federation of Women's Clubs, Redlands, Calif., on behalf of 45,000 members of the California Federation of Women's Clubs through their representatives in convention assembled, endorsing Senate Resolution No. 206 (submitted by Mr. NYE and Mr. VANDENBERG, and agreed to on Apr. 12, 1934), appointing a special committee to make certain investigations concerning the manufacture and sale of arms and other war munitions, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (S. 2673) to correct the military record of Carl Lindow, alias Carl Lindo, reported it with amendments and submitted a report (No. 1011) thereon.

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (S. 2499) to define the exterior boundaries of the Navajo Indian Reservation in Arizona, and for other purposes, reported it with amendments and submitted a report (No. 1012) thereon.

Mr. AUSTIN, from the Committee on the District of Columbia, to which was referred the bill (S. 3569) to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes, reported it with amendments and submitted a report (No. 1013) thereon.

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. DILL:

A bill (S. 3615) authorizing the county of Wahkiakum, a legal political subdivision of the State of Washington, to construct, maintain, and operate a bridge and approaches thereto across the Columbia River between Puget Island and the mainland, Cathlamet, State of Washington; to the Committee on Commerce.

By Mr. CAPPER:

A bill (S. 3616) granting a pension to Minnie O. Draper (with accompanying papers); to the Committee on Pensions.

By Mr. VANDENBERG:

A bill (S. 3617) authorizing the city of Sault Ste. Marie, Mich., its successors and assigns, to construct, maintain, and operate a bridge across the St. Marys River at or near Sault Ste. Marie, Mich.; to the Committee on Commerce.

By Mr. THOMAS of Utah:

A bill (S. 3618) to grant a portion of the Fort Douglas Military Reservation to the University of Utah, Salt Lake City, Utah; to the Committee on Military Affairs.

By Mr. ROBINSON of Arkansas (for Mr. REYNOLDS):

A bill (S. 3619) authorizing the attendance of the Marine Band at the reunion of the Thirtieth Division, American Expeditionary Forces, at Asheville, N.C.; to the Committee on Naval Affairs.

By Mr. COPELAND:

A bill (S. 3620) conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the executors of the estate of George F. Morgan against the United States; to the Committee on Claims.

By Mr. BYRNES:

A joint resolution (S.J.Res. 120) authorizing and directing the Federal Trade Commission to investigate and report regarding the piracy, infringement, imitation, or simulation of designs, trade marks, patterns, shapes, forms, and other distinctive marks or dress of goods; to the Committee on Interstate Commerce.

COINAGE OF 3-CENT NICKEL PIECE—AMENDMENTS

Mr. HAYDEN submitted amendments intended to be proposed by him to the bill (S. 3500) authorizing the coinage of a 3-cent nickel piece, which were referred to the Committee on Banking and Currency and ordered to be printed.

POSITION OF SILVER IN THE WORLD—ADDRESS BY SENATOR PITTMAN

Mr. KING. Mr. President, I ask unanimous consent to insert in the RECORD a very able address delivered by the distinguished Senator from Nevada [Mr. PITTMAN]. The address is entitled "The Position of Silver in the World" and was delivered before the American Mining Congress on December 15, 1933, in this city. The Senator from Nevada has taken a leading part in the movement to secure the restoration of silver to the high position which for centuries it occupied, and his views upon what is called the "silver question" are entitled to great weight. In view of the promise in the Democratic platform that silver would be rehabilitated, and in view of pending measures dealing with silver and of the interest this subject has aroused throughout the country, I think the address is most timely.

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

THE POSITION OF SILVER IN THE WORLD—ADDRESS BY HON. KEY PITTMAN, CHAIRMAN SENATE COMMITTEE ON FOREIGN RELATIONS

Mr. Chairman, I understand that I was on the program for the 14th; but through some error in communications I was put down for the 15th instead. I realize that you are now moving to another subject, other than the raw production of minerals, and I shall be as brief as I may, so as not to interrupt your program.

In a short extemporaneous address I find it quite difficult to know how even to approach the silver problem. I think the great trouble about the silver problem is that it is generally written about by those who know nothing about the production and consumption of metals. They know all about the theory of economics. They are perfectly familiar with what we understand as monetary systems.

Another great error that is made is the belief that no one is interested in this subject except the comparatively few producers of silver throughout the world. If that assumption were true, it would be a great waste of time to bring a matter of this kind to the consideration of the American Mining Congress or the Congress of the United States, or a great gathering such as we had in London a few months ago, at which 66 governments were represented. As a matter of fact, those 66 governments did not consider the question as a commodity question only. The United States, Canada, Mexico, Peru, Ecuador, and Australia produce nearly all the silver that is produced in the world. If the matter were of interest solely from the commodity standpoint, we would expect only those governments to be interested and not the rest of the 66 governments that actually were interested.

That in itself is an answer to the unfortunately ignorant discussion of this matter purely from the commodity standpoint.

At London two things were presented, and they were presented on behalf of the United States. The first was a resolution dealing with the whole monetary problem. I had the honor, on behalf of our delegation as a member of the Monetary Commission, to present our monetary resolution. Probably because I presented it, most of the press of the world took note only of the resolution dealing with silver. As a matter of fact, the resolution dealt with both gold and silver and was prepared before we left Washington. It was discussed in the informal conferences held here in Washington between our Government and the representatives of various governments who came here.

The gold part of the resolution was substantially this, as I remember:

"It is the sense of the governments represented at this Conference that governments return to the gold-standard measure of international exchange as soon as practicable."

The question arose as to what the word "practicable" meant. The Japanese delegate said:

"It is not practicable for us to return to the gold standard at the present time, because we have not the gold reserves, and we cannot obtain them. We desire, however, to return to the gold-standard measure of international exchange as soon as possible."

Lord Hailsham arose, representing the delegation from England—he was a member of the Cabinet and, as a member of the Cabinet, the Secretary of War—and said:

"If I understand the delegate from the United States, he means by the word 'practicable' that each government is to determine for itself the time of the return to the gold-standard exchange and the ratio."

As that was my understanding of the matter, I accepted that amendment. It was unanimously adopted by all the 66 governments. As a matter of fact, under the rule of the League of Nations, which governed the Conference, everything must be adopted unanimously.

When that part of the resolution was adopted, it was separated from the portion of it dealing with the silver question. The first issue that arose was whether we should treat silver as a commodity, just as they were trying to treat wheat and cotton, or whether it should be treated from the monetary standpoint, as money. The decision of that would cause it to be referred either to the Economic Commission or to the Monetary Commission. After a very full discussion of the subject they decided to discuss it from the monetary standpoint, and it was referred to the Monetary Commission, and there the questions were considered and determined.

The silver resolution that was adopted by the 66 governments was substantially this: They all agreed, on behalf of their governments, as far as they could bind their governments, that they would no longer permit the debasement of silver coin; that they would replace low-valued paper currency with silver coin; and that they would not enact legislation that could depreciate the value of silver on the market of the world. I think that is a substantial advance for 66 governments to agree to unanimously.

As we know, the depreciation in the value of silver money is due entirely to prejudicial action of governments in the past; and when they agree to stop that, you know that sooner or later the natural law of supply and demand will govern. The supply of silver will then be scarce, and the world silver price will rise. I will get to that question a little later. I may say, just in passing, that the Government of France is now replacing its low-valued paper currency, its 5- and 10-franc notes, little disagreeable shin plasters, with silver coins. This process will greatly increase the demand for silver.

In addition to that, the resolution which we took over to London provided that every effort should be made to bring about an understanding or agreement between countries producing large quantities of silver and countries holding or using large quantities of silver. In fact, that was a condition of the adoption of the main resolution. The reason of that was plain. It was, first, the debasement of the silver coins of Great Britain, France, Belgium, and other countries, and the consequent dumping of the surplus silver derived from such debasement upon the market of the world, that started the downward price of silver. But they said, "Why should we desist from this practice if India, which holds probably a billion ounces of silver in the form of silver rupees, is going on arbitrarily without restriction and possibly without reason to continue to melt up those silver coins and dump them on the market of the world in any quantities, at any price? Therefore we want you to obtain that agreement."

Two days before the conference adjourned we obtained the agreement, signed up. It provided that the Government of China would not sell any silver derived from the debasement or melting up of silver coins; that the Government of Spain would not sell to exceed 5,000,000 ounces a year for a period of 4 years, commencing January 1, 1934, and that at the end of 4 years they would go under the general resolution of never again debasing or melting up silver coin; that the government of India agreed to limit its sales of silver to 35,000,000 ounces of silver annually, commencing on the 1st of January 1934, for a period of 4 years, and that after that they would go under the general resolution, and would sell no more silver derived from the debasement or the melting-up of silver coins.

There was a limitation; there was a certainty that people could count on. On the other hand, the producing governments of the United States, Canada, Mexico, Peru, and Australia were required by these holding governments to offset this limited oversupply by taking from their own mines 35,000,000 ounces of silver a year for 4 years during the same period of time. That neutralized the limited oversupply. That agreement would result in the total supply coming from mines.

The President has full authority to carry out that understanding. India already has carried it out. The Indian Council has passed an order, which is a law in India, prohibiting the sale of over 35,000,000 ounces of silver a year, commencing on the 1st of January 1934, for a period of 4 years. They have acted. Now it is up to us to act. We have the authority to act. The President has the authority to act. In the so-called "Thomas amendment" it was provided that the President of the United States might fix the ratio between gold and silver and that he might coin silver at that ratio. It was also provided in the same act that if an agreement should be reached at the world conference, in which Congress authorized the President to participate, he

should carry out that agreement. He now has this power. If he does not see fit to exert it, Congress undoubtedly will exert it, because it is a moral obligation imposed upon us since our Government, with the authority of Congress, initiated this understanding. I think you will find that it will be carried out either by the President or by Congress. It may be carried out in many ways, either by opening the mint to the coinage of American silver—which would take off the world market 24,000,000 ounces a year, deducting a certain portion of the bullion so deposited as seigniorage and as cost to the Government—or through direct purchase by act of Congress.

What will be the effect upon the world price of silver? In 1932 the total mine production of silver in the world was only 167,000,000 ounces. I have not the figures for 1933, but they probably will be about the same. Conditions indicate that production will not be much larger in 1934. Such production is about 30 percent below normal. When the countries of the world become aware of the situation, they will commence to buy. The United States must bid for American silver above the world price, because it is obligated to take at least 24,000,000 ounces annually from our mine production. Silver may rise to the parity price of $1.29 an ounce.

That is the situation with regard to silver as it stands today.

Now, let me briefly go to the more important phase of the subject for a few minutes.

It is constantly contended by economists of reputation that the price of silver does not in any way, or not materially, affect our export trade; that China, for instance, does not buy from us with silver, but she buys from us with her exports. In theory that is true. If we take as example two well-developed countries, such as Germany and France, the balance of trade probably would limit exports and imports. It was not true in the United States in the early days, when we had this vast territory back of us, with raw resources. We had no money to start with here. It all came in from somewhere else. We finally melted up foreign gold and silver coins and made them into our own money.

A prospector would go out in the hills with a slab of bacon and some beans and a burro and find a mine—a gold mine, a silver mine, a copper mine, a coal mine, or what not. He would sell that mine to a British syndicate for something—$50,000, $100,000, or $1,000,000—and that man had this money with which to buy anywhere in the world. He did not get it from exports. That money did not come in from exports.

We must add to the balance of trade other factors. We must add the invisible income which everyone recognizes, such as money sent back to China from here by the Chinese, back to Italy from here by the Italians, and the income from the tourist trade. To be added to that is still another factor which always exists in the development of a pioneer country, and that is the creation of new wealth by discovery and by making it available for the world. That is the position of China today—a country as large as the United States and nearly all of Mexico combined, with nothing but the fringe of it developed in great cities. There is that vast country waiting for development, 400,000,000 energetic people desiring to have their standards raised, and in the past few years they have made remarkable strides toward the desired result.

When I was in China in 1925 there had been little change. When I was there in 1931 I saw the girls on the street wearing American clothes, American hats, and American shoes, and with their hair bobbed. Our trade commenced to do well with China, and so did Great Britain's trade.

But what happened? There may be some other explanation for it; but since the fall of silver started in 1928, we have lost 75 percent of our manufactured exports to China. "Oh", it will be said, "but we lost it elsewhere." We did; but elsewhere there was poverty and distress such as we have experienced in 3 years, while during that time in China there was a boom going on every minute, and it is going on today. Why? Because China is becoming industrialized. When the exchange value of the Chinese money was so low that it took from four to five of their dollars to exchange for one of ours with which to buy our goods, they ceased to buy anything except what they had to have, and what they are buying is raw material.

I do not want to take your time with figures, but let us see what happened to Great Britain in that period of time.

In 1928 Great Britain exported to China 153,399,100 square yards of cotton piece-goods. In 1929 the export of those goods dropped to 149,000,000 square yards; in 1930 it dropped to 41,000,000 square yards; in 1931 to just a little less than 41,000,000 square yards.

What happened to us? Take our exports of raw cotton to England. In 1928 they were about 1,997,000 bales. In 1931 they were 899,000 bales—less than half. Why? Because Great Britain is our great market for raw cotton, and China was one of her great markets, and India, too, for her cotton piece-goods. She not only lost her cotton piece-goods market to China but she lost it to India and Mexico and South America and everywhere else in tropical countries where cotton piece-goods are used. Why? The economists will say that we lost our market everywhere because of the depression, but that is not a fact. China was prosperous.

Take the report of the great commission which was sent over from London to China in 1930 and 1931 under Sir Ernest Thompson, called the British Economic and Monetary Commission to the Far East. What did they report? They reported these facts, and they gave us the cause. They reported that the low price of silver had lowered the exchange value of Chinese money with the pound sterling to such an extent that the Chinese could not afford to buy British piece-goods. They could not buy them from Japan. What did Japan do? Japan did what the British did. They went into China with their gold. They exchanged it for the cheap silver money on a ratio of 4 or 5 to 1. They bought factories, enlarged factories, built new factories, and put the Chinese to work making cotton piece-goods. That market is gone forever.

Our own exports to that country are quite interesting. Apparently we were all right, but only apparently. In 1929 we exported to China, of raw products, $40,000,000 worth; in 1930, $38,000,000 worth; in 1931, $55,000,000, an increase of 38 percent. Those are raw products, largely cotton. But what happened to our manufactured exports? In 1929 they were $2,531,000; in 1930, $1,898,000; in 1931, $1,119,667. In other words, our exports dropped from the index figure of 100 in 1929 to 43 in 1931. Those are the last exact figures I have.

What happened to silver during that period of time? Silver was around 60 cents an ounce when this movement started, and it dropped in 1931 to 25.5 cents an ounce. The figures are so simple, so plain, as to what is happening to us. The reports of this great commission from Great Britain, under the auspices of the Cabinet member in charge of the board of trade, show what is happening. In their reports they put their finger on it, and they state that it is the duty of Great Britain to take the initiative in removing the obstacles to the natural rise in the price of silver. Great Britain does not produce any silver, except possibly in Canada, and Australia a little bit. They were not interested in the price of silver except as it affected the commerce of the world.

Everyone now is coming to understand the effect of depreciated currency on exports and imports. Everyone who knows anything about exports and imports knows now that a government with depreciated money has an advantage in export trade, and a disadvantage in import trade. People understand that with regard to the currencies of countries that formerly were on the gold standard, but for some mysterious reason they cannot understand that the same law applies to countries that have nothing but silver money. It does not make any difference what kind of money it is. As a matter of fact, today in the world there are few standard moneys. There is no gold standard.

The standard in France or Switzerland or Holland or Italy might be called a gold standard, but it is a managed gold standard, so tied and held in that it is just a little local secret affair among themselves. There is no such thing among the great nations of the world as a gold standard, except that it is the intention of Great Britain and it is the intention of every one of those 66 governments to go back to the use of gold as the measure of the value of currency in international trade and as a limitation of issue. If it were not for that, gold would not be worth much more than iron is worth today. These nations are bidding for gold because they know that gold is scarce, and they believe that in some way, somehow, at some time it will be reestablished as the measure of the value of the currencies of the world in international trade, and I believe it will, too.

Getting down now to bimetallism, there are two different definitions of bimetallism. We have bimetallism in the United States today, but it is not the same kind of bimetallism that we had in the beginning of this Government. It is not the same kind that we had down to 1873. Originally our bimetallism meant that one measure of the dollar was 23.2 grains of gold (it was a little more than that at the start but it is that now), and that the other measure of the dollar was 371.25 grains of silver, and that one could pay his debts in either measure, until 1873, of course, when we adopted the single gold-standard measure.

That, however, has not made any particular difference to us here, except to this extent: Today 12 percent of the currency of this country is silver, and that silver is running on a parity with all gold currencies, and has run on a parity with all gold currencies through this century, and it has run on a parity of 16 to 1. I know that if a person uses the term "16 to 1" somebody will immediately think he is crazy; but the reason the ratio is 16 to 1 is that 371.25 is about 16 times 23.2. In other words, it takes 16 times as many grains of silver as it does of gold to measure a dollar.

Why was that done? That is not just an arbitrary thing that happened. Napoleon, away back in the early days of 1818, established the ratio at 15 to 1, after he had had the greatest statisticians and scholars of that age determine the preciosity of gold and silver. They determined that the production of the two was as 15 to 1, and that the demand being exactly the same for money, the ratio of exchange should be 15 to 1.

Then it is said that the law of supply and demand is working. If there were taken away from gold the possibility of its ever again being used as money, I doubt if it would be as valuable as tin. What would anyone want with it if it were not used for money? Half of it is used for jewelry and the arts and sciences. What would become of the other half if it were not needed for money?

If exactly the same demand existed for silver as for gold for use as money, the law of supply and demand undoubtedly would run right along. Today we have nearly $800,000,000 in silver in circulation in this country, 12 percent of all of our currency. Every one of those dollars today is circulating and paying debts at $1.29 an ounce. Nobody ever questioned it. Our Government since 1873 has made about $265,000,000 in profit from buying the silver from the miner and selling it to the banker and the grocer and the merchant with which to do business. There has not been any strain on our credit. In 1900, 30 percent of all the circulating currency of the United States was silver. We could increase the silver circulation in this country $1,500,000,000 without

reaching the proportion of silver currency to gold currency that existed in 1900.

Why should there be any great fear of inflation even if we should coin the annual production of this country of 24,000,000 ounces of silver a year at a value of $1.29 an ounce? It would add but a little over thirty millions a year to our currency, and we could keep adding to it until we had added $1,500,000,000 before the proportion would be as it was in 1900. What is the meaning of all this talk about being afraid that the ratio and bearing of the currencies of the United States will be disturbed by any of these small acts? It is perfectly absurd.

Why is it that people want gold? It is not a particularly serviceable metal. There are not enough teeth to be filled to use 1 percent of it. Men want it for the same reason they have wanted it throughout the ages—because it is a precious metal, recognized as precious throughout the world. From the time of barter and trade, when men wanted to reach out and have a substitute for exchanging a cow for a horse, they found that a chunk of metal about as big as a match case was scarce, and that if they took that chunk of metal for a cow, another man somewhere else would take the chunk of metal for a horse. It was because of the scarcity of it. The functions of money are to transport things, like a railroad; and not only that but to measure excess labor for the future, to hold it to hand down to one's children and to posterity, to meet the hard times of poverty. Not only that, but it must be so limited in its production that it will be a sound measure of money. It must be found everywhere—not like platinum, which is found in a few places only.

So we find that from the beginning of time people everywhere have recognized that there were two precious metals, gold and silver; that Nature limited their production, and that natural limitation gave them their value as money and made them stable. People not only found that out in the course of time; but even before professors and statisticians existed and roved the country, men found out that there was just about 14, 15, or 16 times as much silver as gold. They established the ratio themselves in their trades with silver before it even had the stamp of a weight or a government on it.

The same thing that causes our most intelligent, educated people—our great bankers, for instance—to long to get gold into their hands is that they do not trust anything else. I do not blame them much. No one who has observed what has happened to the great power governments of Europe and their paper money, which has no intrinsic value, no value whatever outside of their own countries, can help fearing what we call "fiat paper money."

I have read the story of my friend, Barney Baruch, in a magazine about the terrible destruction that follows the issuance of fiat money. I thoroughly agree with him. He does not have to paint the history of Europe, the history of the mark. We all know it. That is the reason why Barney wants gold; and if he could not get gold, he would want silver, just as the Chinese want silver and the Indian wants silver. The Indian has his wife covered with bracelets, anklets, breast plates of silver, because the Indian woman cannot inherit, but she can keep that; and when poverty comes, when drought comes, she cuts off a little piece of that silver and takes it into the bazar and buys food and clothing with it. During good times they have hoarded silver. There are probably 6,000,000,000 ounces of silver hoarded in India. Nothing on earth could drag it out of India save necessity, poverty, famine, distress.

When silver was $1.38 an ounce, the highest in the history of the world—in 1919, I think—the Chinese were buying more silver than they ever bought before. The more valuable it becomes, the more they want it. When there is a bear movement on silver, such as India created, the Chinese speculators know that it is going down, and they join in the selling movement and buy gold and hoard gold; and they have been hoarding gold in India and China to an estimated amount of probably a billion dollars.

As silver starts up, their gold comes out to buy silver, and they buy silver. I should not be afraid now to open the mints of the United States to the coinage of the silver of the world, because my studies of it have convinced me that not over 250,000,000 to 300,000,000 ounces would come in here for coinage. As a matter of fact, if there should be a tendency to draw silver to this country, China would put an embargo upon the exportation of silver, because she does not intend to have her country denuded of silver; and so with other countries.

All we have to do is simply to remove Government restrictions and limitations that have been put on silver money. A rise in the price of silver will not make China buy from us. She can buy somewhere else. Some economist the other day said that in the first 8 months of this year our exports to China fell off 16 percent, and during that time silver was 4 cents higher than it was in 1932. He picks out a little period like that, but he forgets that the price of cotton went up from 5½ to 9 cents during that period of time, and the rise in the price of silver was not nearly so great as the rise in the price of cotton and wheat and other things. That is typical of the statistician. He picks out a little speck, a little section, and says: "Look at that!" instead of taking an average of 3 or 4 years. The price of silver dropped from 65 to 25.5 cents in 3 years. If we measure our exports as did Great Britain, we will find out what has happened.

What I mean is this: Some of the members of the American Mining Congress are engaged in coal mining, others in iron mining, others in silver mining, lead, gold, copper, zinc, what not; and therefore I am discussing the economics of this proposition. Our automobile sales in China went to pieces. We sold 80 percent of all the automobiles used in China, and yet Mr. Soong, the minister of finance, who was educated in this country and is a great banker, testified before the economic conference over in London: "Of course we cannot afford to buy your trucks and your automobiles, because a little truck for which we paid $1,200 in our money 3 years ago we now pay $3,400 for in our money."

They said, "But would not China benefit by cheap silver? Is it not industrializing China?"

He said, "Yes; it is industrializing the coast cities; but my ambition is to develop China, the great resources back of it, and I cannot do it without credit. I cannot keep my credit unless I can pay the foreign service debt on the $500,000,000 of gold that we owe. When we borrowed that gold, one billion Chinese dollars would pay for it. Today it takes two and a half billions of Chinese dollars to pay for it. We can collect $4 on the hundred in taxes, as you might, in silver dollars; but when we go to pay it on the debt, it is only $1. No government can live in China without credit, and no government in China can get credit until it can pay its foreign service debts, and it cannot pay the foreign service debts when you value our money at one fourth or one fifth of your money."

That is a matter of history. If you who are interested in metals would only carry the truth to the country, would answer the foolish articles that are written in the papers, such as the one written by Mr. Robey the other day, your action would help the situation. He said, "Why, there are only four or five States interested in silver. There are only probably 100,000 people directly interested in silver. The gross value of it last year was only about, I should say, $8,000,000. Why should we worry ourselves about that little crop?"

Well, we should not if that were all there is to it; but it has never occurred to Mr. Robey to read the undisputed reports of other countries on these various questions. Our commerce and our exports to China, ever since silver went up above 40 cents, have been increasing right along. Why does he not segregate that period? Of course it was not a fair comparison to take the difference of 4 cents an ounce between 1932 and the 8 months in 1933, when we had raised the cost of everything.

Those are some of the foolish answers to these questions. We are told, "If the Chinese citizen's bank account were doubled, he would not buy any more." Well, it is human nature that if a man's bank account is doubled, he is going to buy just a little more. If my bank account were doubled, I should probably buy a new automobile instead of running the one that I have been running for 5 or 6 years. If the Chinese dollar were given even the purchasing power that it had in 1926, 1927, and 1928, and for years, of 60 to 65 cents an ounce, it would pretty nearly double China's purchasing power in the United States and allow her to pay interest on her national debt. It would allow her to borrow more money. It would allow her to carry out the program that the National Government promised, which was to build railroads and wagon roads and canals. The only reason they could not carry it out and the only reason the National Government of China was under fire was that they could not carry out the promise; and they could not carry out the promise because they had to buy these things outside of their country, where their currency was depreciated.

We are now depreciating the dollar deliberately—there is no use denying that—and for exactly the same reason that Great Britain depreciated the pound and France depreciated the franc, because a country with a depreciated currency compared with other currencies has the best of the export trade. France depreciated her currency first and prospered all during the hard times. Great Britain, when she depreciated the pound, found that the same thing happened, and now we are finding it out. But if we recognize that law with regard to export, if we appreciate the currency of another country instead of depreciating ours, why are we not accomplishing the same thing? We are. Appreciating or reestablishing the value of silver money throughout the world by comparison with our own currency has the same effect that always follows the law of depreciation and appreciation. Over half the people of the world will have their purchasing power in our country—not at home but in our country—doubled, and they will buy from us. There is not any question about that at all, and it is coming.

People are afraid to start coining in the United States the silver of the world, and there is a basis for fear. While I may believe that only 250,000,000 to 300,000,000 ounces would come in here, others may say, "Why not 11,000,000,000 ounces? That much exists in the world. Why will it not come in? There is no proof that it will not." It was that argument that did more to destroy the Bryan movement than any other argument that was ever offered.

The cheap-money argument had not half as much to do with it as did the argument that a flood of silver would flow into our country and drive out gold. It is for that reason that I feel that the logical, natural, and easy step to take, which will get support, will be first to try it out by limiting the coinage to our own silver that is produced in this country. We know how much that is. Our production never has been over 62,000,000 ounces annually. It certainly cannot be that much for a long time, because 80 percent of the silver that is produced in this country is a byproduct of the mining of copper, lead, and zinc; and until there is a demand for copper, lead, and zinc the production of silver cannot increase. It is a safety valve. There can be no such thing as an overproduction of silver. When silver was over $1 an ounce for 3 years, and all the mining companies sent out their scouts and engineers and geologists and took the old pillars out of mines and worked all the old dumps throughout the world, the total increase over the prior period was not over 10 percent, and a part of that

was involved in the natural increase of about 3 percent per annum.

I say to you that the fear of all this is based upon the willful ignorance of economists and statisticians and writers as to the basic facts of production and consumption of these metals. They are not interested. They still preach that there is a great stream of silver flowing somewhere that may be poured in here and drive out the gold. There is not any danger of driving out the gold at present, and in my opinion there never will be. If we should give to the silver of the world the value that we give to our $800,000,000 worth in this country, we should have a basic purchasing power of silver of $15,000,000,000 throughout the world instead of $5,000,000,000. There is not enough gold to reestablish the old gold standard, and every government knows it. There never will be enough gold to reestablish the old gold standard. There may be enough if it is in a closed circuit in central banks, used solely for the purpose of the settlement of the balance of trade between countries; but if we are to have sound local currency we must have it based on metal, and there will not be enough gold to serve the purpose. The logical, the sound, the safe way to do it is to base it on the other precious metal as a supplement to gold. Then we need have no fear of the issue of fiat money in this country or anywhere else throughout the world.

I thank you.

SAVINGS BANK LIFE INSURANCE—ADDRESS BY GOVERNOR ELY, OF MASSACHUSETTS

Mr. WALSH. Mr. President, Mr. Justice Louis D. Brandeis, of the United States Supreme Court, has distinguished himself as a great jurist. Outside of Massachusetts, however, it may not be generally known that he is the founder and chief promoter of a great social institution, authorized under the laws of Massachusetts and known as "savings-bank life insurance."

Recently His Excellency Joseph B. Ely, Governor of Massachusetts, delivered an address on this unique institution, namely, Savings Bank Life Insurance, which I request to be inserted in the CONGRESSIONAL RECORD.

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

SAVINGS BANK LIFE INSURANCE—A UNIQUE INSTITUTION

By His Excellency Joseph B. Ely, Governor of Massachusetts

Many years ago President Eliot, at a dinner given to Booker T. Washington, told a story of men adrift many days off the coast of Brazil. Their supply of fresh water became exhausted and sighting another vessel they signaled their distress, "Bring us fresh water. We are dying of thirst." The other vessel signaled back, "Dip down where you are." You see, the ship in distress had been for several days in the Amazon River, the delta of which is so wide that the shores were not visible from the ship. They were dying of thirst with many fathoms of fresh water beneath their keel. This story illustrates the fact that frequently we cry for relief from afar when help is near at hand.

I wish to call your attention to an agency of Massachusetts of which few people have any knowledge. It is savings-bank life insurance. I think I am correct in saying there is no other such agency in any other State in the Union. It is an insurance organization which has no solicitors, and therefore no cost imposed upon it for acquiring the business. That is the secret of its rates. If you want the insurance you voluntarily walk into a savings bank and ask for it. There are 21 savings banks in Massachusetts issuing it, and 130 banks where you may obtain it. No bank can write a policy in excess of $1,000, but you may take a policy from any of the 21 banks writing it or from all of the 21 banks.

MILLIONS IN PREMIUMS

Last year the working people of Massachusetts paid out nearly $55,000,000 for weekly premium life insurance. This amount is almost as much as the entire budget appropriation for the Commonwealth, which for 1933 was $57,000,000. There are 5,000,000 of these weekly premium policies in force in the State, averaging about $200 each and representing over a billion dollars of insurance. Most of this is carried by people of small means.

In this phase of the life-insurance business, which is a great and honorable business, those who can least afford it, of necessity, pay the highest price. Weekly premium insurance, written through the recognized companies, costs more than the same amount of protection would cost on the ordinary basis in the same companies, and costs about three times what the same amount of protection would cost in the savings-bank life-insurance system. Approximately three quarters of these 5,000,000 policies of Massachusetts workers have no cash value until after 10 years' premiums have been paid. The remainder have a cash surrender value only after 5 years. Savings-bank life insurance gives a cash surrender value on every policy after 6 months. When it is recognized that such a large percentage of men and women, for one reason or another, let their policies lapse—each year a number equal to about 80 percent of the entire number written—you get an idea of the enormous amounts of money forfeited by the workers of Massachusetts under the weekly premium plan. The lapse ratio in savings-bank life insurance is only about 2 percent. Every policy has a cash surrender value after 6 months' premiums have been paid, and thereafter no forfeiture can occur.

ASSOCIATED INDUSTRIES' ATTITUDE

The Massachusetts Commission on Stabilization of Employment, in a release by its chairman, Mr. Stanley King, now president of Amherst College, under date of September 23, 1932, stated that in 1931 the payments for weekly premium life insurance in Massachusetts were more than $55,000,000, and that fully $24,000,000 of that amount could have been saved had these workers been insured in the savings-bank life-insurance system. The Associated Industries of Massachusetts, after a thorough study of savings-bank life insurance, decided that this method of insurance warranted the cooperation of all employers in the State. Under their direction, surveys have been made in many manufacturing plants, indicating that at least 90 percent of the weekly wage earners of Massachusetts carry this most expensive weekly premium insurance and demonstrating that about one half of the sum so paid could be saved if savings-bank life insurance had been taken instead.

These surveys indicate that the average payment of each industrial wage earner in Massachusetts for this form of life insurance is $1.60 a week. The officers of the Plymouth Cordage Co. estimate that each of 300 families in Plymouth is saving $100 a year, or a total saving of $30,000, in that single plant by the substitution of savings-bank life insurance for the usual weekly premium plan.

The $24,000,000 which could be saved to the workers of Massachusetts each year is an important sum of money. It is nearly as much as all the people in Massachusetts paid for shoes in 1933. It is 20 percent more than the entire direct debt of the Commonwealth. It is five times as much as the annual interest on both the direct and contingent public debt of the State. The savings which would thus be effected amount to more than 5 percent of the total earnings of the workers in manufacturing industries in Massachusetts for the year 1931. A saving of an amount equal to more than 5 percent of the manufacturers' pay roll is a very real advantage, available to Massachusetts and not available in any other State in the Union.

PURCHASING POWER

Not only would the saving of this amount of money to the wage earners materially ease the burdens of those directly making these savings but it would have another very important result for the industries of Massachusetts generally, not only the particular industries in which the wage earner making such saving is employed but those which produce goods for his use. We may have learned a number of lessons from the depression. One thing we certainly have learned, and that is that to have any real prosperity we must have wide-spread purchasing power; we have learned that it is the purchasing of goods by the millions of people and not by the few which keeps the factories running.

Twenty-four million dollars saved to the wage earners of Massachusetts in the purchase of this one very real necessity of life would make that amount available for the purchase by them of other necessities. That would be a much-needed help to the producing industries of Massachusetts. We need purchasing power for consumer goods on the part of the masses and the saving of $24,000,000 or more each year to the wage earners of Massachusetts by the purchase of savings-bank life insurance would release that sum of money for use in the purchase of boots and shoes, coats and hats, eggs and butter and milk, and other necessities of life which many working people are doing without or buying in such small amounts as to leave the producers with a restricted market.

Savings-bank life insurance is unique as an insurance institution. The investment and payment of money are handled by the savings bank. The medical supervision necessary to the safety of a life-insurance institution is in the hands of an officer of the Commonwealth. The actuary, constantly deciding questions affecting the insurance bank on one hand and the policyholders on the other hand, is an officer of the Commonwealth, and, besides the supervision of the commissioner of banks and the commissioner of insurance, the general management of the system is in the hands of an officer of the Commonwealth. It now has about $96,000,000 of insurance in force.

Savings-bank life insurance has demonstrated not only the vision of its founders but their wisdom and the soundness of their economics. The trustees of the Massachusetts savings banks handling the people's money in their insurance departments restricted to the best class of investments, still earn a better return on it than has been the case of the large life-insurance companies, illustrating that size does not always indicate returns and that the trustee of a small savings bank in Massachusetts may be, and often is, a better financier than many who are handling billions.

STOOD THE TEST

This method of insurance has stood all the tests. Its opponents contended that an epidemic in Massachusetts would be fatal to it. But it came through the "flu" epidemic of 1918 with a mortality record much better than any of the companies. Through the present hard times it has made liberal loans to its policyholders, but in spite of the unusual demands in that regard has not at any time been obliged to use but a small fraction of its new premium income for that purpose. Through the 4 years of the depression, from October 31, 1929, to October 31, 1933, it increased its reserve and surplus by more than 35 percent. On the fourth day of March a year ago, when every bank in America was closed, the insurance departments of the savings-and-insurance banks in Massachusetts were open doing business, receiving premium income, making policy loans, and paying death losses.

If properly utilized, this method of insurance could be made of great advantage to the manufacturing interests of the State where group insurance plays an important part in factory operation. I would not advise any individual to take it unless he is prepared to meet the test of carrying his premium to the bank or sending it by mail, because no one calls for it. But to one who wishes to save money and is willing to tend to it, it is an important bit of saving.

MASSACHUSETTS ACCOMPLISHMENT

This advantage to Massachusetts is not an unfair one in any way. The system was the product of the statesmanship of a Massachusetts man, long one of our leading citizens and now for many years an honored and respected member of the Supreme Court of the United States, the Honorable Louis D. Brandeis. Massachusetts employers and industrialists were prominent among those who assisted him in laying the groundwork for this great system of savings-bank life insurance and in bringing about its adoption by the Legislature of Massachusetts. Leaders of industry here, such as ex-Governor Douglas, the late Charles H. Jones, Elmer J. Bliss, James L. Richards, Henry S. Dennison, and many others are among those who helped Mr. Brandeis in the fight for the establishment of this system and defended it against its enemies for many years. Massachusetts industry then is fairly entitled to reap the great benefits which are ready at hand from the operation of this system.

I point this out to you as a unique accomplishment of Massachusetts. It is one of the many things that show the progressive tendencies of this State—a sanely progressive State. It is one of those things carried out after careful deliberation, thought out to the end, which is a compliment to the great mind of a great jurist.

REGULATION OF COMMUNICATIONS BY WIRE OR RADIO

The Senate resumed the consideration of the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

Mr. DILL. Mr. President, the communications bill is a bill of 104 printed pages. That, of course, is rather a large legislative document. I call attention, however, in the beginning to the fact that probably 70 to 75 pages of it comprise a rewriting of existing radio law and its amendments and of the Interstate Commerce Act and its amendments, and that the other parts of the bill which are new are the parts which create the new commission and provide for certain additional powers which the committee thought were necessary for the newly created commission to have for effective regulation.

There are a few sections in the bill which adapt certain provisions of the Interstate Commerce Act heretofore applying only to railroads, making them applicable to telephone and telegraph regulation. There are some sections in regard to radio regulation which were in H.R. 7716, a bill passed by both Houses of Congress in 1933, which did not receive the signature of the President and died with the end of the session.

Briefly, the bill creates a new commission to be known as the "Communications Commission." It abolishes the Radio Commission and transfers all radio regulation to one division of the Communications Commission. It also repeals the radio laws which now exist and substitutes the provisions of this bill. It also transfers all powers over telephone and telegraph communications from the Interstate Commerce Commission and the Postmaster General to the Communications Commission.

I invite attention as to why it seemed important to us that we should enact new legislation rather than merely transfer the existing powers in present law. The Interstate Commerce Act has been evolved over a period of about 50 years. I have in my hand a book of 242 pages and a supplement of 59 pages comprising the Interstate Commerce Act and amendments to it written primarily for the control of transportation. In 1910 an amendment was adopted which applied certain provisions of the then Interstate Commerce Act to telephone and telegraph companies and added certain new provisions. Since that time the Interstate Commerce Commission has given what might be called cursory attention to the regulation of telephone and telegraph matters, but in practical operation the regulation of the telephone and telegraph companies has been really nothing effective. It has amounted to very little. The Interstate Commerce Commission has been so busy with railroad questions that it has never given much attention to telephone and telegraph companies, and the latter business has grown only recently to such proportions that there have been sufficient complaints on the part of the public to seem to justify a separate organization to regulate and control them.

The Radio Act had in it certain provisions which have become obsolete. When written it referred to the Commerce Department certain powers for certain purposes. It also had a number of amendments made to it, and it seemed desirable to collect all those provisions in the new bill.

Then, too, there should be a regulation of the rates of radio telephone and radio telegraph if we are to have regulation of the rates of wire telephone and wire telegraph. I shall not today take the time of the Senate to enlarge at any length upon the size of the industry or all that it involves. I do want to call attention, however, to just a few facts.

The telephone monopoly and associated corporations have a capitalization and a tentative valuation of more than $5,000,000,000. There are more than 20,000,000 individual telephones in the United States. Last year it was reported there were 27,000,000,000 individual telephone calls made by the people of the United States and more than 200,000,000 written messages over telegraph and cable. That is the largest use of communications service of any part of the world; in fact, I think it is as large as all the rest of the world combined.

Before I attempt to analyze the bill in detail, permit me to say that the bill has been prepared with great care. After rather lengthy hearings, a subcommittee of five members was appointed. I then secured the assistance of a representative of the Interstate Commerce Commission, Mr. Stough, who is an examiner; a representative of the Radio Commission; the acting chief counsel, Mr. Porter; and a representative from the State Department, Mr. Stewart, who handles communications. We had also Mr. Boots, of the legislative counsel of the Senate. In addition I had assisting me in connection with the legislation Mr. Stephan, who is an examiner of the Interstate Commerce Commission, and who was loaned to the committee for this work. These gentlemen went over the bill, not once but again and again, line by line, to see that it covered so far as possible all the existing law that is in the statutes which we are proposing to repeal, and also to see that it did not seriously conflict. I am safe in saying, therefore, it is one of the most carefully prepared bills that have been reported for some time, at least by this committee.

After the subcommittee had gone over it with great care and revised it repeatedly, it was reported to the full committee and given some consideration there. Like any other piece of legislation, it may have its mistakes and weaknesses; but from a drafting standpoint, I maintain it is a very carefully prepared bill.

Mr. COUZENS. Mr. President——

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

Mr. DILL. I yield.

Mr. COUZENS. May I ask if my understanding is correct that there is no authority in the bill to permit any consolidation of radio, telegraph, and telephone companies?

Mr. DILL. There is not. The bill reenacts section 17 of the present radio law of 1927, which specifically prohibits any merging of radio, telegraph, and cable services. It reenacts, however, that provision of the Interstate Commerce Act which permits the continuation of the merging of telephone companies which has been going on for many years.

Mr. COUZENS. But it would not permit the consolidation of the Postal and the Western Union?

Mr. DILL. No; it would not permit that, primarily because of the fact that the Postal and the Western Union are tied up with radio and cables in such a manner that a union of their subsidiary corporations would bring about a union which is forbidden by section 17 of the existing radio law.

Mr. COUZENS. Mr. President, will the Senator yield further?

Mr. DILL. I yield to the Senator.

Mr. COUZENS. Assuming that all these holding companies and consolidations and affiliations should be segre-

gated, and the Postal and the Western Union should become separate entities, would they, under the proposed law, be permitted to consolidate?

Mr. DILL. No; I think not. There is no special statute permitting it, and therefore the antitrust statute probably would apply.

Now, taking up the bill, title I, containing the general provisions of the bill, creates a commission for the regulation of all radio and telephone and telegraph communications. We have attempted in title I to reserve to the State commissions the control of intrastate telephone traffic. We have kept in mind the fact that the Interstate Commerce Commission, through the Shreveport decision and the decisions in other similar cases, has gone so far in the regulation of railroads that the so-called "State regulation" amounts to very little.

We have attempted, in this proposed legislation, to safeguard State regulation by certain provisions to the effect that where existing intrastate telephone business is being regulated by a State commission, the provisions of the bill shall not apply. We have in mind, for instance, cases where a city has telephone service connecting into a number of States, such as we have right here in Washington, running out into Maryland and out into Virginia, and in New York the service runs into New Jersey, and I think perhaps into Connecticut, though I am not sure about that. There are many cases in the country where, without some saving clause of that kind, the State commissions might be deprived of their power to regulate; and the State commission representatives were jealous, in the preparation of this bill, that those rights should be protected; and we have attempted to do that.

Most of the definitions—and there are a considerable number of definitions—are taken from the present Radio Act, from the Interstate Commerce Act, and from the International Convention on Radio that is in force throughout the world.

This bill creates a commission of five members. They are appointed for terms of 2, 3, 4, 5, and 6 years, and then are to be appointed for terms of 6 years, the salary being $10,000 per year. I think the usual provisions relating to commissions are pretty well followed in the bill, with one exception. The bill sets up in the commission two divisions—one the radio division, the other the telephone and telegraph division—and attempts to prescribe the jurisdiction of these divisions, and provides that the action of a division shall be the action of the commission; each division to have two members, with the chairman acting as the chairman of each division when it is necessary for him to serve in that capacity.

That is a variation from the method that has been previously used, and I desire to say frankly that some members of the committee were doubtful about the wisdom of the provision; but it was kept in the bill, I think, because of this fact: When the commission is created, if the action of a division is allowed to be appealed to the full commission, as is the case in the Interstate Commerce Act, so many applications for changes of power and frequency and allotments of time by radio stations are likely to come to the commission, and whatever may be the decision of a division those decisions will be appealed to the full commission, that the danger is that the full commission will become a body giving all its time or the major part of its time to radio only, and that the regulation, study, and investigation of telephones and telegraphs will not receive the full time and attention that is believed necessary if there is to be any effective regulation.

It may be that the jurisdictional provision which attempts to say what each division shall handle will prove unworkable, or prove somewhat inflexible in operation; but, if that be the case, the commission is specifically directed to report back to the Congress next February any recommendations it may desire to make for new legislation, and the Congress can easily remove the provision that sets up the divisions as I have stated.

I desire to say that the subcommittee and the full committee gave considerable consideration to this provision, recognizing that it is a departure from the ordinary method. It was adhered to in the report of the bill primarily in the hope that a certain number of members of the commission would give their entire time to a study of the telephone and telegraph question, which never has been studied, and because of which there never has been any effective regulation.

I call attention in that connection to the report of Dr. Splawn, who was employed by the Committee on Interstate and Foreign Commerce of the House of Representatives to study the tariff question. His report indicated that there is a tremendous amount of work to be done if the facts are to be secured that are necessary to effective telephone regulation.

Title II——

Mr. COUZENS. Mr. President, before the Senator reaches that title, I should like to ask him a question. I was not able to follow the bill all through the committee. May I ask why the committee left out all reference to civil service as it appears on page 9?

Mr. DILL. I think the bill provides for civil service with the exception of certain employees.

Mr. COUZENS. That is what I wanted to draw to the Senator's attention. There is a very long list of exceptions, much longer than usually appears where exceptions are made to civil-service regulations.

Mr. DILL. I think not, with the exception that we have provided for a director of each division, and for a clerk to each commissioner. I think one of the weaknesses of the commission system in the civil service is that a commissioner is not able to pick his own clerk; and it seemed to the committee that a commissioner ought to have the right to select one confidential clerk outside the civil service.

Mr. COUZENS. I am not out of harmony with the committee's view in that respect, but I wish to draw the Senator's attention to the particular language at the top of page 9, which says:

> Without regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer and one or more assistant chief engineers, a general counsel and one or more assistants, experts, and special counsel—

It seems to me the word "experts" includes the whole category.

Mr. DILL. No; those are the provisions, I think, that are now in the Radio Act and, I think, to a limited extent in the Interstate Commerce Act. The second provision, providing for a clerk, is new, and also the provision for a director of the division. The director of the division was provided for the reason that it was believed that a great many purely administrative acts requiring no particular discretion can be performed by a director if he is authorized by the commission to perform them, his acts, of course, always being subject to revision, modification, reversal, or appeal to the commission. That is especially true in the radio division, where there are so many thousand amateur applications presented and licenses to be issued; and I think there will be a great deal of work in the telegraph and telephone division that can be done in that way.

Title II is the common-carrier section, and provides for the regulation of telephones and telegraphs, both wire and wireless. Under this title most of the sections are taken from the Interstate Commerce Act; but section 201 is an adaptation of a provision of the Interstate Commerce Act now applying to railroads. It provides that the commission may set up through routes by physical connections if it finds it necessary to do so, just as may be done now with railroads. The committee believed that was a power the commission should have if it was to be effective in its regulation.

Section 202, paragraph (b), is new, and covers the regulation of the charges for chain broadcasting. That section was thought to be desirable because the charges for the use of wires for chain broadcasting have been without any control whatsoever.

Section 203 is a requirement for the publication and filing of schedules and is taken from the Interstate Commerce Act,

which at the present time applies only to railroads. It was the thought that that provision should be applied to telephone and telegraph schedules.

Section 204 gives power to suspend new rates, just as is done by section 15 of the Interstate Commerce Act, relating to railroads.

Section 211 expands the interstate commerce provisions so that the communications commission may require copies of all contracts by communication companies instead of only contracts with other carriers, as the law now requires. This was recommended by the Radio Commission.

Section 212 extends the prohibition against interlocking directorates to the communication companies—that is, extends it to the point that the directorates must be approved by the Commission.

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

Mr. DILL. I yield to the Senator.

Mr. BLACK. The Senator has passed over section 207.

Mr. DILL. That section is copied from the Interstate Commerce Act. The sections I am not mentioning have been copied from the Interstate Commerce Act practically verbatim.

Mr. BLACK. Section 207 provides that a suit can be filed either before the commission or before any district court of the United States of competent jurisdiction. That is not intended to deprive the State court of jurisdiction?

Mr. DILL. I do not know that it deprives it of jurisdiction, but it provides specifically that the suit may be brought in that way. The section is copied from the Interstate Commerce Act now applying to telephones and telegraphs. It is the existing law.

Section 213 makes the valuation of communication company properties permissive instead of mandatory, as section 19 (a) of the Interstate Commerce Act does as to railroads.

Section 214 provides for certificates of necessity for communication companies, such as are required for railroads, although there are inserted provisions giving the commission power to be quite liberal in its interpretation of the section.

Section 215 is the investigation section; and I desire to say something about that.

When the bill was originally introduced, we provided that the commission should have control over what are known as "interservice contracts" between the parent and the subsidiary company. The language was quite broad. Mr. Gifford, of the telephone company, was insistent that it would wreck the telephone company's business and make it impossible for the company to do business, and painted a very black picture.

In light of the fact that it was an entirely new power, the committee struck out that provision and substituted, instead, a direction to the commission to make a study of these interservice contracts, and report to Congress regarding them, and to recommend to Congress whether there should be legislation controlling the contracts between the parent and its subsidiaries and affiliates.

I think it is generally well known by those who know anything about the set-up of the telephone monopoly, that under the present arrangement the parent telephone company, the American Telephone & Telegraph, not only owns the operating companies in the principal cities in the United States—I understand there are some 71 companies—but it owns the manufacturing company, the Western Electric, which supplies the operating companies with the equipment of the telephone business, and there is no competitive bidding on the part of those who would sell equipment to the operating companies.

Charges have been made—and they have been quite free and quite broad—that there is a tremendous spread of profit between the cost to the Western Electric of manufacturing the equipment and the prices paid by the operating companies which buy the equipment from Western Electric, the result being not only that there is an enormous profit on the operating equipment but the investment of the operating companies in equipment becomes part of the rate base in the various States, upon which the subscribers must pay a sufficient amount to give a return of a reasonable percentage.

How much of these charges are true I cannot say, but it seemed to the committee that it was highly desirable that the commission should investigate that whole situation and report back to Congress as to whether or not the commission should be given authority to control such contracts and to control competitive bidding.

It is a policy which has developed not only in the telephone business, but we are all familiar with the way it has worked with all corporations which own subsidiaries and affiliates. Particularly is that true in the power business, where they build bridges, dams, and plants through the means of subsidiaries, and pad the costs of the projects.

On page 32 the committee added an amendment providing that the commission should investigate the methods by which the wire-telephone companies are furnishing wire-telegraph service and wire-telephone companies are furnishing wire-telephone service. In the code hearings recently many charges have been made back and forth as to the practices of these companies. The committee, not knowing the facts, felt that this was something the commission should investigate, and that it should make a report to Congress with its recommendations.

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

Mr. DILL. I yield.

Mr. BLACK. Looking at section 215, which the Senator was just discussing, does the Senator construe that section as giving authority to the commission to investigate the profits, for instance, of the company which supplies the equipment?

Mr. DILL. That is the intent. It may be that it is not broad enough. If the Senator thinks the language needs broadening, I should be very glad to have him suggest an amendment. The intent is to give the commission power to find all the facts and report back to the Congress as to whether the commission should be given power to control the contracts.

Mr. BLACK. I assumed that was the intent, and I doubt whether the language is broad enough.

Mr. DILL. I shall be very glad to have the Senator offer an amendment, if he thinks it is not sufficiently broad, and I will be glad to consider it.

The sections I am not reading are sections which are copied practically verbatim from the Interstate Commerce Act, and are existing law. Section 219 provides for the reports of subsidiaries and affiliates and requires the naming of stockholders who own more than 5 percent of the stock. Whether that will be particularly effective or not is doubtful. I understand that there is nobody who owns 5 percent of the stock in the telephone business. The telephone company has put on a campaign to have its subscribers buy a share of stock, and in that way make them interested, of course, in the perpetuation of the financial system of the telephone company. But certainly it is not a burdensome requirement, to say the least. We also require reports on the salaries and bonuses of the officers and directors, and that is new as compared with the existing law, as it is provided in the Interstate Commerce Act.

Title III refers to the radio division, and is largely a rewriting of the provisions of the radio law of 1927, which are, in effect, of amendments which have been adopted, and of provisions of H.R. 9716, which passed both Houses, but was not signed by the President, and did not become a law because of the expiration of the Congress on March 4, 1933.

There are one or two new sections in that title which I desire to mention. Section 307 provides for a study of the question of the allocation of facilities for educational and religious broadcasting. I think perhaps every Senator here has had one or more telegrams or letters urging support for an amendment which is pending, offered by the Senator from West Virginia [Mr. HATFIELD] and the Senator from New York [Mr. WAGNER], seeking to allocate by statute 25 percent of the radio facilities to those engaged in broadcasting on a nonprofit basis.

I may say that the committee considered that amendment, voted on it, and rejected it, but felt that this ques-

tion was of such importance, and that there was so much public sentiment in this country for a larger use of radio facilities for educational and religious and other nonprofit purposes, for broadcasting on a nonprofit basis, that it would be well to have the commission make a study of the subject and report to Congress as to whether or not Congress should actually legislate on it, or whether the Commission should handle it, and what its plans might be. I shall not discuss that further at this time but will probably have something to say about it when the amendment is presented to the Senate.

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

Mr. DILL. I yield.

Mr. BONE. I have in my hand a copy of the so-called "Wagner-Hatfield amendment", and I gather from a hasty reading of it that it provides for the allocation of a certain percentage of licenses to be issued to broadcasting stations. Is that to be confined to new stations, or is it to apply to old stations to be set over to that type of work, or is it to apply to part of the time on present stations?

Mr. DILL. The Senator will have to judge that language, and I would rather not discuss the amendment now, because it will be offered at a later time.

Mr. BONE. I have not had time to read it carefully.

Mr. DILL. We will have time to discuss it later.

I call attention also to section 310, which considerably changes the present law relating to foreign ownership of communication companies and makes these requirements apply to the holding companies.

The holding-company system has made such legislation necessary. A private corporation comes to the Radio Commission and secures a license to do business, and then we find that that private corporation is merely a subsidiary of some big company that is interested in a great many other organizations, perhaps communication companies and organizations of another nature, and is in reality the power that determines what use shall be made of those radio facilities.

The committee gave very careful consideration to this provision. It is a controversy which is not new. It has been before the committee and has been brought up on the floor of the Senate, repeatedly. No doubt Senators who have given any study to the subject are familiar with the fact that the officials of the Navy Department insist that we should have 100-percent-owned foreign communications, and that there should be 100-percent American directorates. At first thought, that appeals to many who study the question, but in practical operation, it is found that it is too rigid a requirement, and that it would not be necessary to have such a provision in order to protect our communications system in case of trouble with a foreign country. So, after much consideration and study, the committee has written into the bill a provision that none of the officers of the company shall be foreigners, that not more than one fifth of the capital stock shall be owned and voted by foreigners, and that not more than one fourth of the directors shall be foreigners, and have extended the time for these requirements to go into operation until June 1, 1935.

We did that for the reason that one of the companies thinks it is necessary to go to the legislature of the State in which it was incorporated and secure some change of law in order that it may change its charter. I personally do not think that is necessary, but not desiring to be unjust in any manner to any of these companies, we agreed to this provision.

I think we have amply safeguarded the protection of the American communications service, because, after all, if an emergency shall arise and the country shall go to war, the President will have power under the law to seize all communication companies, and have absolute control of all communication companies with facilities in the United States. So that really I think the law fully protects American rights, and, at the same time, will permit our international communication companies to compete with companies in foreign countries with whom they must compete to establish facilities in those countries.

Title IV is the procedural and administrative section. Most of this title is taken from the existing law, but I wish to speak particularly of section 402, which is the section relating to appeals.

Before I do that, however, I think I ought to say something about sections 313 and 314, which relate to the prohibition against monopoly and to conviction by courts.

We change the law slightly there, so that if the court which has the power to take away the license of a licensee because it has violated the antitrust law, finds the licensee guilty but does not take away that license, then the commission will not be compelled to revoke the license, but, of course, if the court takes away the license, the commission will be prohibited from granting another license. The change was one which was insisted upon by certain organizations, and it seemed fair to the committee to do that.

Section 402, concerning which I started to speak, is what is known as the appeals section relating to the courts. There was considerable difference of opinion in the committee, and especially in the subcommittee, regarding this appeals section. We were confronted with a difficult problem. The Interstate Commerce Act provides for appeals from its orders and appeals from its actions in what are known as the "three-judge" district courts of the country. The Radio Act provides for all appeals under that act in the courts of the District of Columbia.

If we shall have one commission handling the entire wire and wireless system, it would seem rather incongruous to have two systems of appeal. In any case it would hardly be proper that the appeals from the decisions of the commission relating to the common carriers engaged in wire communications should go to one set of courts and those relating to common carriers engaged in wireless communications should go to another set of courts. So we wrote this provision providing that certain of the decisions of the commission should be appealed in the three-judge district courts and that certain exceptions should be made relating to decisions of the commission affecting radio. It provides that the three-judge court appeal provision may apply to orders of the commission "applicable to suits to enforce, enjoin, set aside, annul, or suspend any order of the commission under this act (except any order of the commission granting or refusing an application for a construction permit for a radio station, or for a radio station license, or for renewal of an existing radio station license, or for modification of an existing radio station license."

Those exceptions are to be prosecuted in the district courts as under the existing Radio Act, and we have followed the language of the appeal section of existing radio law as to those particular appeals.

I desire to call attention to what I think is an important fact to consider in this appeal provision. Those owners of radio broadcasting stations living long distances from the District of Columbia should not be required to come to Washington to prosecute an appeal from a decision for which they were not responsible. When I say "were not responsible" I mean a decision which was granted against them or affecting them when they did not bring the case into court. A station owner who lives in the Rocky Mountain area, or who lives in the far West, and who is compelled to come to the District of Columbia to prosecute his appeal, finds himself faced with an expense of from $400 to $500 for the mere trip of coming here, an equal amount for his attorney, if he brings one, and then the attorney fees in addition. I say of personal knowledge that some of the station owners have found it almost impossible to finance appeals in that way. So we provide that where the decisions of the commission are made in cases wherein the stations took no part in beginning the suits, appeal may be taken in the three-judge district courts in the jurisdictions where the stations are located. But in the case where the applicant for the license or the permit, or whatever it may be, comes to the commission and asks for a change in his license or asks for a new license, or asks for something to be done by the commission, then if the commission makes a decision from

which he desires to appeal he must make his appeal in the courts of the District of Columbia.

In other words, if the station owner has money enough to come here in the beginning to prosecute his case before the commission, it is fair to assume that he has money enough to continue the appeal here. Not only that, but the refusal of the commission to grant an application is a decision from which no appeal can be taken in the Federal district courts. It must be taken in the courts of the District of Columbia. So we have worked out this amendment, which is not satisfactory to all members of the committee, but which I think is fair, and which I believe will be found to be practicable and to work in a satisfactory manner.

Title V is the penal section, and combines the provisions of the Interstate Commerce Act and of the Radio Act as to penalties and forfeitures, although we have reduced the amounts of the penalties and the forfeitures considerably from that they are in the Interstate Commerce Act, for the reason that we felt that not so much money being involved and not so large interest being involved it was not fair to make the penalties so severe.

In title VI will be found the miscellaneous provisions which are to provide for the transfer of employees and the records and the property of the Radio Commission, and the unexpired appropriations, and the provisions that the new commission may change, of course, the compensation and classification of the employees.

I have made this general statement. I have omitted discussing many parts of the bill for the reason that they are copied directly from existing law or acts which have been previously passed by both Houses. If any Senator desires to ask any question I shall be glad to answer them. If not I shall ask to take up the committee amendments first.

Mr. President, I ask unanimous consent that the bill may be read and that the amendments of the committee may first be considered.

The PRESIDING OFFICER (Mr. MURPHY in the chair). Is there objection? The Chair hears none, and it is so ordered.

The first amendment was, in section 3, paragraph (r), page 6, line 15, after the word "exchange", to insert a comma and the words "and which is covered by the exchange service charge", so as to make the paragraph read:

(r) "Telephone-exchange service" means service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge.

The amendment was agreed to.

The next amendment was, in section 5, paragraph (c), on page 14, line 4, after the word "exceed", to strike out "$8,000" and to insert in lieu thereof "$7,500", so as to make the paragraph read:

(c) Each division may (1) appoint a director, without regard to the civil service laws or the Classification Act of 1923, as amended, at an annual salary which shall not exceed $7,500 per annum; and (2) hear and determine, order, certify, report, or otherwise act as to any matter under its jurisdiction, and in respect thereof the division shall have all the jurisdiction and powers conferred by law upon the commission, and be subject to the same duties and obligations. Any action so taken by a division and any order, decision, or report made or other action taken by either of said divisions in respect of any matters assigned to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the commission. The secretary and seal of the commission shall be the secretary and seal of each division thereof.

The amendment was agreed to.

The next amendment was, in section 5, paragraph (d), on page 14, line 16, after the word "prescribe", to insert a comma and—

And may be affirmed, modified, or reversed: *Provided, however,* That the authority of a director to make orders shall not extend to investigations instituted upon the commission's own motion nor, without the consent of the parties thereto, to contested proceedings involving the taking of testimony at public hearings.

So as to make the paragraph read:

(d) The director for each division shall exercise such of the functions thereof as may be vested in him by the division, but any order of the director shall be subject to review by the division under such rules and regulations as the commission shall prescribe, and may be affirmed, modified, or reversed: *Provided, however,* That the authority of a director to make orders shall not extend to investigations instituted upon the commission's own motion nor, without the consent of the parties thereto, to contested proceedings involving the taking of testimony at public hearings.

The amendment was agreed to.

The next amendment was, in section 202, paragraph (a), page 16, line 8, after the word "discriminate", to insert the word "unjustly"; and on line 10, after the word "with", to strike out the word "such" and to insert in lieu thereof the word "like", so as to make the paragraph read:

SEC. 202. (a) It shall be unlawful for any common carrier to discriminate unjustly in charges, practices, classifications, regulations, facilities, or services for or in connection with like communication service, directly or indirectly, by any means or device, or to make or give any undue or unreasonable preference or advantage to any particular person, class of persons, or locality, or to subject any particular person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage.

Mr. COUZENS. May I ask just why the word "unjustly" is inserted? Will the Senator from Washington please interpret that?

Mr. DILL. There was some thought on the part of some members of the committee that possibly the word "unjustly" was necessary so that there could not be any doubt as to discrimination. I do not think it is particularly important. Has the Senator any objection to it?

Mr. COUZENS. It seems to me that it would put a restriction on the commission which is hardly necessary in the act.

Mr. DILL. There might be minor variations which it was felt ought to be overlooked and that it would make the provision a little stronger.

Mr. COUZENS. I have always assumed that a discrimination was unjust per se.

Mr. DILL. I presume that is true.

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

The amendment was agreed to.

The next amendment was, in section 214, paragraph (a), on page 29, line 7, after the word "service", to insert "or the supplementing of existing facilities", so as to make the paragraph read:

SEC. 214. (a) No carrier shall undertake the extension of any line, or the construction of a new line, or shall acquire or operate any line, or extension thereof, or shall engage in transmission over or by means of such additional or extended line, unless and until there shall first have been obtained from the commission a certificate that the present or future public convenience and necessity require or will require the construction, or operation, or construction and operation, of such additional or extended line: *Provided,* That the authority conferred upon the commission by this section shall not extend to the construction, operation, or extension of (1) a line within a single State, unless said line constitutes part of an interstate line, or (2) local, branch, or terminal lines not exceeding 10 miles in length: *Provided further,* That the commission may, upon appropriate request being made, authorize temporary or emergency service, or the supplementing of existing facilities, without regard to the provisions of this section.

The amendment was agreed to.

The next amendment was, in section 215, on page 32, line 9, to insert a new subsection, as follows:

(b) The Commission shall investigate the methods by which and the extent to which wire telephone companies are furnishing wire telegraph service and wire telegraph companies are furnishing wire telephone service, and shall report its findings to Congress, together with its recommendations as to whether additional legislation on this subject is desirable.

The amendment was agreed to.

The next amendment was, in section 307, paragraph (b), on page 50, line 11, after the word "located", to strike out "*Provided further,* That no frequency used for broadcasting shall be reserved for the use of one station for a distance of more than 2,200 miles, airline, if any person, capable of rendering radio service in the public interest, make application to operate broadcasting apparatus on any frequency so reserved, at a point beyond the distance of 2,200 miles, airline, from the station or stations already licensed and

operating on said frequency, and all applications and licenses considered and granted under this provision shall not be counted as a part of the quota of the zone in which said additional stations are located"; on line 23, after the word "may", to strike out "without regard to quota restrictions"; and on line 25, after the word "exceeding", to strike out "250" and to insert in lieu thereof "100", so as to make the paragraph read:

(b) It is hereby declared that the people of all the zones established by this title are entitled to equality of radio broadcasting service, both of transmission and of reception, and in order to provide said equality the Commission shall as nearly as possible make and maintain an equal allocation of broadcasting licenses, of bands of frequency, of periods of time for operation, and of station power, to each of said zones when and insofar as there are applications therefor; and shall make a fair and equitable allocation of licenses, frequencies, time for operation, and station power to each of the States and the District of Columbia, within each zone, according to population. The Commission shall carry into effect the equality of broadcasting service hereinbefore directed, whenever necessary or proper, by granting or refusing licenses or renewals of licenses, by changing periods of time for operation, and by increasing or decreasing station power, when applications are made for licenses or renewals of licenses: *Provided*, That if and when there is a lack of applications from any zone for the proportionate share of licenses, frequencies, time of operation, or station power to which such zone is entitled, the Commission may issue licenses for the balance of the proportion not applied for from any zone, to applicants from other zones for a temporary period of 90 days each, and shall specifically designate that said apportionment is only for said temporary period. Allocations shall be charged to the State or District wherein the studio of the station is located and not where the transmitter is located: *Provided further*, That the Commission may also grant applications for additional licenses for stations not exceeding 100 watts of power if the Commission finds that such stations will serve the public convenience, interest, or necessity, and that their operation will not interfere with the fair and efficient radio service of stations licensed under the provisions of this section.

The amendment was agreed to.

Mr. WHITE. Mr. President, I think I appreciate the strength of the sentiment in favor of an amendment of this sort. Certainly that sentiment was indicated in the last Congress. Yet I think we are making a serious mistake when we undertake in this respect to depart from the practice which has heretofore been followed and from the spirit of the present law.

The so-called "Davis allocation amendment" provided for an equal distribution of these facilities among the zones which were set up in the 1927 act, and provided for their distribution among the States within the zones according to the population thereof. This proposal lifts out from under that equalization amendment stations of 100 watts.

I myself have felt very strongly that the wise thing for us to do was either to adhere to the Davis amendment, so-called, adopted in 1930, which provides for equality among the zones and for equality of service among the States, based on population, or that we should repeal the Davis amendment in its entirety and lodge in the licensing authority the jurisdiction and power to make allocations wherever it might seem possible to do it technically without undue interference with other services.

I simply want these views of mine to be a matter of record at this point. I think we are doing an unwise thing.

Mr. DILL. Mr. President, I want to say in justification of the amendment, especially for the benefit of some Senators who were not here at the time the Radio Act was passed, that the provision is designed to make it possible to have small stations, not exceeding a hundred watts in power, located in small communities far removed in many cases from existing stations. It is especially needed in those zones of large area, particularly in the western section of the country. We have found that a station of a hundred watts is heard only a short distance, and the Commission has established the policy of requiring most of the hundred-watt stations to be of the same frequency, because they cannot interfere with one another at very far distances.

Yet when applicants from different small communities have come to Washington and made application for a hundred-watt station to supply service to their particular communities, while the evidence might show that such a station could not possibly interfere with the service of any other station, yet because of the quota restriction, that State or that zone having exhausted its quota facilities so that a new station would exceed what is called the "quota" of the zone or State, the application must be denied.

So it seemed to the committee in the bill that was passed a year ago, and it seemed to the committee, I think, again that no serious harm could result in the equality of service by permitting the Commission, in its discretion, when it would not interfere with existing facilities, to violate that equality provision to the extent of a hundred watts, and allow many of the lonely communities of the country to have a radio station which could never have it otherwise. That is why the provision was put in the amendment.

Mr. O'MAHONEY. Mr. President, may I ask the Senator why the language in lines 23 and 24 on page 50, "without regard to quota restrictions", is stricken out?

Mr. DILL. Primarily because the law has never mentioned quotas. That is a device of the Radio Commission. The law says "equality of service and facilities", and we did not think it wise to give legal sanction to the word "quota." Many of us believe that the method of the present Radio Commission in arriving at this equality is not a sound method, and we did not want to give legal sanction to that method.

Mr. O'MAHONEY. Is not the word "quota" used to denominate the restrictions imposed by the Davis amendment?

Mr. DILL. No; it is not. It says "equality of radio service and radio facilities." The Commission invented the quota system and arbitrarily set up a certain value. I shall not go into that, for it would take too long; but it set up certain values for certain stations with certain power, and proceeded to charge, according to their own arbitrary figures, districts or zones and States and communities with what they called a "quota." We do not want by this legislation to bind the new commission to that kind of an interpretation of "equality of service and facilities" provided by law.

Mr. O'MAHONEY. Did the Senator explain why, in the judgment of the committee, it was wiser to make a limitation of a hundred watts instead of 250 watts?

Mr. DILL. I think it was because the bill that passed in 1933 had that provision, and then I think that a 250-watt station might be so large as seriously to interfere with service.

Mr. O'MAHONEY. Would we not be safe in giving the commission complete discretion?

Mr. DILL. That was what the Senator from Maine [Mr. WHITE] suggested. We debated in committee the wisdom of abolishing the Davis amendment and as to whether or not the whole matter should not be left to the commission. I think I speak for the Senator from Maine as well as for myself when I say that neither of us felt strongly enough about it to propose a change or to make much of a fight. So we just concluded that this legislation should be enacted, and then later if the new commission thinks it ought to be changed or Congress thinks it ought to be changed, we can consider that question.

Mr. O'MAHONEY. It is a fact, is it not, that under the Davis amendment there are certain Western States which are in areas not overquotaed, so to speak, and which cannot receive any new licenses although they themselves have very few licenses.

Mr. DILL. The Senator's statement is correct. I think it may be said in justification of those of us who wrote the original radio law that when we created the zones we did not create them with any thought of the division of facilities, but we created them for the purpose of representation on the then radio commission. Later we found there was such a tremendous concentration of radio stations in a few centers of population that the wisest way to meet that situation was to use the zones and provide for equality of service.

The Senator from Wyoming was not in the Senate at that time, but there was a very strong feeling about it, and the fight was rather heated. So the creation of the zones

was made not on the basis of radio facilities but on the basis of having a representation largely by the population of the country.

I think there is much to be said for the abolition of zones, and yet our experience with the concentration of great stations in a few communities was so unsatisfactory and aroused such bitter feeling that I have hesitated to move at this time to strike it out. It was my thought, and the thought of the committee, I think, that we might experiment to the extent of 100 watts and see whether or not it would cause any serious interference, and that possibly that would result in a sentiment to abolish the entire Davis provision.

Mr. O'MAHONEY. As I understand the Senator, the language which is now proposed is such that it will clothe the Commission with the power to establish new stations of 100 watts regardless of zones?

Mr. DILL. Yes; if the Commission finds that they will not interfere with other services.

Mr. NORRIS. Mr. President, I should like to ask the Senator how close in miles two stations of 100 watts may be located without interference?

Mr. DILL. I think generally they try to separate them by a hundred miles, and certainly not much more than that is required, although they might interfere with one another, but the service range of a 100-watt station is quite small; it is only a few miles.

Mr. NORRIS. How many miles?

Mr. DILL. Five, ten, or fifteen miles, at most, and it is not reliable at all beyond that distance. Probably 5 miles is all that it can actually be counted upon, although, in many cases, such a station can be heard for longer distances, and may oftentimes be heard for 15 or 20 miles.

Mr. WHITE. Mr. President, the interfering effect of these 100-watt stations, however, may be very great. It is the carrier wave which interferes and this may extend over a very appreciable distance, whereas the receptive quality of the transmission may be very much limited.

Mr. DILL. The Commission, however, tried to remedy that by placing these 100-watt stations with a view to wave lengths, letting them interfere with one another if they interfere at all.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, in section 307, paragraph (c), page 51, line 8, after the word "of", to insert the word "nonprofit"; in line 10, after the word "of", to insert "nonprofit"; and at the beginning of line 11 to insert "not later than February 1, 1935", so as to make the paragraph read:

(c) The Commission shall study the proposal that Congress by statute allocate fixed percentages of radio broadcasting facilities to particular types or kinds of nonprofit radio programs or to persons identified with particular types or kinds of nonprofit activities, and shall report to Congress, not later than February 1, 1935, its recommendations, together with the reasons for the same.

The amendment was agreed to.

The next amendment was, in section 310, page 55, line 22, after the word "foreign", to strike out "country: *Provided, however,* That nothing herein", and insert the word "country"; and at the beginning of line 24, to insert "nothing in this subsection", so as to make the section read:

LIMITATION ON HOLDING AND TRANSFER OF LICENSES

SEC. 310. (a) The station license required hereby shall not be granted to or held by—

(1) Any alien or the representative of any alien;

(2) Any foreign government or the representative thereof;

(3) Any corporation organized under the laws of any foreign government;

(4) Any corporation of which any officer or director is an alien or of which more than one fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country;

(5) Any corporation directly or indirectly controlled by any other corporation of which any officer or more than one fourth of the directors are aliens, or of which more than one fourth of the capital stock is owned of record or voted, after June 1, 1935, by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country.

Nothing in this subsection shall prevent the licensing of radio apparatus on board any vessel, aircraft, or other mobile station of the United States when the installation and use of such apparatus is required by act of Congress or any treaty to which the United States is a party.

(b) The station license required hereby, the frequencies authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of, or indirectly by transfer of control of any corporation holding such license, to any person, unless the Commission shall, after securing full information, decide that said transfer is in the public interest, and shall give its consent in writing.

The amendment was agreed to.

Mr. WAGNER. Mr. President, may I inquire whether under the procedure adopted in connection with the consideration of this bill the committee amendments are first to be disposed of, and that then we will be at liberty to offer individual amendments to the bill?

The PRESIDING OFFICER. The Senator is correct in his understanding. The clerk will state the next amendment reported by the committee.

The LEGISLATIVE CLERK. In section 311, page 56, line 15, after the word "station", it is proposed to strike out "to any person, or to any person directly or indirectly controlled by such person" and to insert "to any person (or any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313, and is hereby authorized to refuse such station license and/or permit to any other person (or to any person directly or indirectly controlled by such person)", so as to make the section read:

SEC. 311. The Commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313, and is hereby authorized to refuse such station license and/or permit to any other person (or to any person directly or indirectly controlled by such person) which has been finally adjudged guilty by a Federal court of unlawfulfully monopolizing or attempting unlawfully to monopolize, after this act takes effect, radio communication, directly or indirectly, through the control of the manufacture or sale of radio apparatus, through exclusive traffic arrangements, or by any other means, or to have been using unfair methods of competition. The granting of a license shall not estop the United States or any person aggrieved from proceeding against such person for violating the law against unfair methods of competition or for a violation of the law against unlawful restraints and monopolies and/or combinations, contracts, or agreements in restraint of trade, or from instituting proceedings for the dissolution of such corporation.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. WAGNER. Mr. President, I offer an amendment which I ask the clerk to read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 51, to strike out lines 6 to 12, inclusive; on page 51, line 13, to strike out "(d)" and insert in lieu thereof "(c)"; on page 52, line 1, to strike out "(e)" and insert in lieu thereof "(d)"; and on page 52, after line 3, to insert the following:

(e) To eliminate monopoly and to insure equality of opportunity and consideration for educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations, seeking the opportunity of adding to the cultural and scientific knowledge of those who listen in on radio broadcasts, all existing radio broadcasting licenses issued by the Federal Radio Commission, and any and all rights of any nature contained therein, are declare null and void 90 days following the effective date of this act, anything contained in this act to the contrary notwithstanding.

(f) The Commission shall, prior to 90 days following the effective date of this act, reallocate all frequencies, power, and time assignments within its jurisdiction among the five zones herein referred to.

(g) The Commission shall reserve and allocate only to educational, religious, agricultural, labor, cooperative, and similar nonprofit-making associations one fourth of all the radio broadcasting facilities within its jurisdiction. The facilities reserved for, or allocated to, educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations shall be equally as desirable as those assigned to profit-making persons, firms, or

corporations. In the distribution of radio facilities to the associations referred to in this section, the Commission shall reserve for and allocate to such associations such radio broadcasting facilities as will reasonably make possible the operation of such stations on a self-sustaining basis, and to that end the licensee may sell such part of the allotted time as will make the station self-supporting.

Mr. WAGNER. Mr. President, the amendment is a very simple one. I believe that it is in accord with the sentiment of Congress and I am sure that it is in accord with the sentiment of the country. It simply provides that when the new communications commission reallocates time, power, and frequencies among the different stations 25 percent shall be allotted to cultural, educational, religious, agricultural, labor, cooperative, and similar non-profit-making organizations.

Mr. LONERGAN. Mr. President, will the Senator from New York yield to enable me to suggest the absence of a quorum?

Mr. WAGNER. I yield for that purpose.

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

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

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

Adams	Couzens	Johnson	Robinson, Ark.
Ashurst	Cutting	Keyes	Robinson, Ind.
Austin	Dickinson	King	Schall
Bachman	Dill	La Follette	Shipstead
Bailey	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Steiwer
Barkley	Fess	Lonergan	Stephens
Black	Fletcher	McCarran	Thomas, Okla.
Bone	Frazier	McGill	Thomas, Utah
Borah	George	McKellar	Thompson
Brown	Gibson	McNary	Townsend
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Hale	Norbeck	Van Nuys
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Clark	Hatch	O'Mahoney	Walsh
Connally	Hatfield	Overton	Wheeler
Copeland	Hayden	Patterson	White
Costigan	Hebert	Pope	

Mr. LEWIS. I beg to reannounce the absence of my colleague [Mr. DIETERICH] occasioned by a call from the State of Illinois on official business.

I also reannounce the absence of the Senator from Oklahoma [Mr. GORE] and the Senator from Louisiana [Mr. LONG] on official business.

I regretfully announce the absence of the Senator from California [Mr. MCADOO] occasioned by illness.

I also announce the necessary absence of the Senator from Arkansas [Mrs. CARAWAY], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. SHEPPARD], the Senator from Florida [Mr. TRAMMELL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Massachusetts [Mr. COOLIDGE].

I ask to have these announcements stand for the day.

Mr. HEBERT. I wish to announce that the following Senators are necessarily detained from the Senate: The senior Senator from Pennsylvania [Mr. REED], the junior Senator from Pennsylvania [Mr. DAVIS], the senior Senator from New Jersey [Mr. KEAN], the junior Senator from New Jersey [Mr. BARBOUR], and the Senator from Wyoming [Mr. CAREY].

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment of the Senator from New York [Mr. WAGNER].

Mr. WAGNER. Mr. President, as I was about to state when I yielded for a quorum call, we must consider that the privilege to use the air is allotted to radio stations without any compensation being paid the Federal Government. Commercial stations enjoying the free use of the air have captured 98 percent of the broadcasting today, while nonprofit-making stations, devoted to educational, religious, cultural, agricultural, and labor purposes have secured only 2 percent.

This amendment does not in any way interfere with the larger stations. They may continue to use all their time for purely profit-making purposes. But when they have these great privileges certainly we ought to insure that a part of radio time shall be used for the public purposes I have indicated. To me the proposition that at least 25 percent should be allocated to nonprofit ventures seems so fair that I cannot understand the opposition to it. I desire to emphasize that at present they get only 2 percent of the time while 98 percent is allotted by our Government, without charge or tax or regulation, to the large stations which have secured a practical monopoly of the air.

I do not need to go into the question of the power of radio stations to disseminate information and to influence opinion, because that is something which we all understand.

Unless there are questions to be asked, that is all I have to say about the amendment.

Mr. BORAH. Mr. President——

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

Mr. BORAH. I am very much in sympathy with the objective which the Senator's amendment contemplates; but the amendment provides:

All existing radio broadcasting licenses issued by the Federal Radio Commission, and any and all rights of any nature contained therein, are declared null and void 90 days following the effective date of this act, anything contained in this act to the contrary notwithstanding.

Is there nothing in these radio licenses in the way of a right that must be respected when we come to terminate them?

Mr. WAGNER. Not so far as I know, Mr. President. Let me indicate to the Senator the conditions upon which frequencies are now allotted. They are allotted for a period of 6 months, at the end of which time the Government can say to them, "Your license is at an end, and we are going to give the use of the air on this frequency to some other station."

Mr. BORAH. Yes; I understand that, and I think that is a wise thing to do; but prior to that time have the stations holding licenses no rights which the Government is bound to respect in any way when it comes to terminate them?

Mr. WAGNER. None, except that I suppose termination must be in accordance with public convenience and necessity. I know of no other rights which the stations acquire. Let me read to the Senator the condition of the application:

Applicant waives any claim to the use of any particular frequency, or of the ether, as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests a station license in accordance with this application.

Mr. BORAH. It is true that the stations get no vested right; but during the time the license is in existence do they not enter into obligations with people for the use of the stations?

Mr. WAGNER. Yes; but they cannot make their obligations for longer than a period of 6 months, because that is the limit of their grant from the Government.

Mr. BORAH. If this provision were to the effect that upon the termination of the several contracts, and so forth, the time should be allotted differently, it would be perfectly clear to me that it was a proper thing to do. It seems rather extraordinary that Congress shall declare null and void contracts which have been let under authority of Congress.

Mr. WAGNER. The Senator does not mean the contracts between these commercial stations and individuals whom they serve. He has in mind, rather, the length of the license granted to the stations by the Government.

Mr. BORAH. Certainly.

Mr. WAGNER. As a matter of fact, no license extends beyond a period of 6 months; so, if the time prescribed in this amendment were lengthened to 6 months, perhaps that would take care of the situation.

Mr. BORAH. I think it would.

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

Mr. WAGNER. Yes.

Mr. DILL. There is not any doubt at all in my mind that Congress does not have the power to cut off these licenses. The decision of the Supreme Court, written by Chief Justice

Hughes last year, while it is broad and sweeping in its declarations that there were no rights beyond the date of the expiration of the license, was equally decisive, I think, that the Commission could not take away the license unless it could be shown that the station had violated the terms of the license, or had violated the law, and a hearing had been held and the license revoked. I think there is no question at all about that.

Mr. WAGNER. Does the Senator mean that the Government which gives a license to a station for a period of 6 months, cannot revoke it at the end of the 6 months?

Mr. DILL. Oh, no; but the Senator is saying "3 months."

Mr. WAGNER. Very well. I will consult the co-author of the amendment upon that proposition. If there is any fear that 90 days is too short a time, I am quite willing to make it extend to the expiration of the particular license in existence when the act takes affect. May I ask the co-author of the amendment his view in that respect?

Mr. HATFIELD. Mr. President, I think that adjustment should be made. I agree with the Senator.

Mr. WAGNER. Yes; I am quite willing to have that done, and I thank the Senator for the suggestion.

Mr. FESS. Mr. President, I do not like the kind of legislation that the amendment carries, and yet at the same time it seems to me that it is quite essential that something of this sort should be done.

Ever since the radio has been an agency of communication there has been complaint about the slight attention given to matters of an educational character, cultural, as well as religious. I very much dislike to write into the law any compulsion. It is rather antagonistic to my way of thinking of things; and yet I believe everyone must be impressed with the pollution of the air for commercial purposes until it is actually nauseating. The practice is to turn off the radio about as quickly as one gets to it, because so much of the matter broadcast is offensive. Whether or not the extent to which we are going here is justifiable is still a question in my mind.

The Senator from New York probably will recall that some time ago I offered an amendment to the Radio Act allocating not less than 15 percent of the time for educational purposes. I never could get any reaction in favor of it. As soon as it was offered, the stations began a propaganda against it; just why I do not know; and the same thing would be true here.

Whether or not this is the way to place a greater emphasis on the things that are really worth while than merely matters of trade and barter is still a matter of doubt in my mind. I like the suggestion that the Commission shall be authorized to make a study of the subject, but I rather feel inclined to vote for this amendment.

Mr. DILL and Mr. WAGNER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. FESS. I yield to the chairman of the committee.

Mr. DILL. Mr. President, I call the attention of the Senator to the fact that this amendment does not propose at all what the Senator proposed in the amendment to which he refers. He proposed that the time allotted should be used by educational stations, presumably for educational purposes; but subsection (g) of this amendment provides that the so-called "religious, educational, or agricultural nonprofit stations" are to sell time in the commercial field sufficient to pay for the maintenance of the stations.

I am informed by those who ought to know about the radio business that probably two thirds of the existing radio stations are not able to do more than pay for their own maintenance now. Thus, it is proposed by this amendment to grant 25 percent of the radio facilities to those who call themselves educational, religious, nonprofit stations, but who in reality are planning to enter the commercial field and sell a tremendous amount of their time for commercial purposes. That is not what the people of this country are asking for.

Mr. FESS. That is not quite what I had in mind.

Mr. DILL. That is not what the Senator from Ohio proposed; but this amendment is in effect a proposal to transfer the control of 25 percent of the radio facilities to organizations or individuals who say that they desire to broadcast for nonprofit purposes, but who are allowed to sell time to commercial purchasers; and if time is sold to a commercial purchaser, he is going to advertise. He is not going to pay for time unless he does advertise.

In my judgment, therefore, this amendment falls of its own weight.

Mr. COUZENS and Mr. CLARK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

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

Mr. COUZENS. Mr. President, may I point out that section (g) of this amendment does not require any one of these stations to broadcast any religious or educational programs at all. After having once gotten a license under the provisions of this amendment, the whole time allotted to the station can be used for commercial purposes. That is permissible under the provisions of the last few lines on page 2 of the amendment.

Mr. FESS. I could hardly support a proposition of that kind.

Mr. KAGNER. Mr. President, of course I deny that statement. There certainly is a difference. I think we must be candid about that—between being able to use for commercial purposes a sufficient time to have the station self-sustaining and making a profit out of it. There is a tremendous difference between the two things.

I am willing that the matter should be safeguarded in any other way, except that I think it is fair that the station should be permitted to do sufficient business to make it self-sustaining. We might put in the amendment, if desired, a stipulation that shall not include wages and salaries paid to anybody, because the people who are interested in this proposal represent the type of station which was in existence earlier in this whole adventure, people who used the air for educational and religious purposes, and who time after time since then—because I myself know something about one instance—made application to the Radio Commission for a little more time to use for such purposes. Instead of that, however, they were set aside, and the large commercial stations, as we know, practically secured a monopoly of the air, because apparently they were more persuasive than the small stations conducted by churches and religious institutions.

It is those institutions which I say we should help. If the Senator wants to safeguard the amendment in any other way, I am quite willing to accept an amendment; but I have had some experience in this matter, and I know exactly what I am talking about.

Let us not be too solicitous for the large stations, commercial stations, which, through the favor of the Government, without giving to it a dollar in return, have secured practically a monopoly of the air. This is just an entering wedge to have the Congress declare that at least part of the time shall be used for other purposes. If there is any safeguard the Senator wants to provide, I am sure that my colleague, who is offering this amendment with me, and I will be glad to accept it.

Mr. CLARK. Mr. President, will the Senator from Ohio yield?

Mr. FESS. I yield.

Mr. CLARK. I am familiar with the instance to which the Senator from New York has referred, and in which I think an injustice was done by the Federal Radio Commission to a very worthy radio station operated by a religious order. But the Senator from New York has drawn an amendment, having in mind that one particular case, which would open the door and allow many stations, under the guise of religious and educational enterprises, to come in to compete with commercial companies. I happen to know something about that matter myself, as the Senator from New York says he knows about the case of the Paulist Fathers.

In Missouri there were several stations ostensibly organized for religious purposes or for educational purposes, but

which, as a matter of fact, were profit-making institutions. As the Senator from Washington said a moment ago, they were simply organized under the guise of religious or educational institutions for the purpose of competing with ordinary radio stations.

Mr. WAGNER. Mr. President, will the Senator from Ohio yield to me?

Mr. FESS. I yield.

Mr. WAGNER. The Radio Commission would have power to inquire whether a station represented a profit-making or a non-profit-making institution, and the former would be denied the privileges granted by the amendment. I am quite willing to accept any language which any Senator might offer to insure that only non-profit-making organizations would be encompassed. I hold no brief against the commercial stations, but I do not believe they are entitled to 98 percent of the time. Under the amendment, they will still have 75 percent of it.

Mr. COPELAND. Mr. President, will the Senator from Ohio yield?

Mr. FESS. I yield.

Mr. COPELAND. I take it that this matter never would have reached the floor of the Senate if there had been some elasticity and yielding on the part of the Radio Commission. I tried, and I have no doubt my colleague has tried, from what he said here today, to get the Commission to make certain concessions which, it seems to me, might have been done; but those concessions were not made. So this particular station has no other means of relief except to come here.

Mr. WAGNER. Mr. President, will my colleague permit me to say a word?

Mr. COPELAND. I yield.

Mr. WAGNER. I hope my colleague will not create the impression that this amendment is offered to help one particular station. I believe thoroughly in the principle underlying the amendment. I am one of those public officials who is tired of a few radio stations having a complete monopoly of the air, and using it purely for commercial purposes.

Mr. DILL. Mr. President——

Mr. FESS. I have yielded to the senior Senator from New York.

Mr. COPELAND. Mr. President, I venture to say that this matter would not have reached the floor of the Senate except for the need of the particular station at the moment, but, nevertheless, the need of that station has emphasized the need of other stations.

I can see no reason why we should not pass a general law which would make it possible for these educational and religious radio stations to broadcast the material they have to broadcast. Why should they not be given the opportunity to sell a part of their time in order to pay the costs of the station? Of course, the commercial stations are making tremendous sums out of the sale of radio time, and, personally, I am glad of that; nevertheless, there is no reason why church bodies and educational institutions should not have the opportunity of taking some of the channels and making use of them for educational and religious purposes primarily, and, incidentally, selling some of the time in order that they may recoup the great expenses involved, because the cost of radio broadcasting is very high. Certainly, as I view it, the amendment offered by my colleague is a perfectly proper one, and should be adopted.

Mr. HATFIELD. Mr. President, will the Senator from Ohio yield?

Mr. FESS. I yield.

Mr. HATFIELD. I may say to the Senator from New York that the amendment is here, in my judgment, because of the support given it by the National Education Association of America.

Mr. FESS. Mr. President, I must confess that no particular institution, outside of the educational movement, actuated me in introducing the amendment 4 years ago, and in pressing it, though not unduly, because I had the hope that the reform would ultimately be made without any legislation. Nothing that has been said in reference to any particular interest has had any effect upon my mind. My only concern is that the air should not be polluted, as is permitted to be done, and when we know that it is the profit element that is back of that pollution and makes it possible, it occurs to me that we ought to correct the situation, if that is injurious to the public thinking of the country.

I should hesitate to have Congress do anything that would lead to prescribing what could go over the radio and what could not go over the radio. I would not vote for anything of that sort; I would not want to censor the air; but I do think that there ought to be some assurance that there should be some reform of the present situation, with which everybody is now acquainted. For that reason I have been more or less inclined to vote for some measure that will insure to the country some relief along the line that has been urged so long by the National Education Association. The amendment which I offered was to carry out the wishes of a great body of our people. As I said, I have not pressed it, because I had hoped that under pressure of public opinion the correction would be made without any legislation.

Mr. DILL. Mr. President——

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

Mr. FESS. I yield to the chairman of the committee.

Mr. DILL. I wish to call the attention of the Senator in that connection to a resolution adopted by the Committee on the Use of Radio as a Cultural Agency in a Democracy, which met here in Washington on May 7 and 8 under the auspices of the National Committee on Education by Radio at the Interior Building. Among the various paragraphs they adopted in their resolution I call attention to one. I may say that this amendment was called to the attention of that body. I read:

IMPARTIAL STUDIES

Thorough, adequate, and impartial studies should be made of the cultural implications of the broadcasting structure to the end that specific recommendations can be made for the control of that medium to conserve the greatest social-welfare values. These studies should also include an appraisal of the actual and potential cultural values of broadcasting; the effective means for the protection of the rights of children, of minority groups, of amateur radio activities, and of the sovereignty of individual States; the public services rendered by broadcasting systems of other nations; international relationships in broadcasting.

In other words, they do not recommend the adoption of this amendment. They recommend, rather, a study. While they set out some things which are not in the provision of the bill as to studies, it is clear that they are not ready to recommend that 25 percent of the facilities be set aside for educational and religious institutions.

Let me call to the attention of the Senator why what they say is so. It costs a tremendous amount of money to build large radio stations. The religious and educational and cultural organizations do not have the money necessary, and they are trying to work out some system whereby existing stations may be used, probably in addition to the 63 stations which already are in operation, of an educational and nonprofit nature, and still not be burdened with the great expense of building stations.

Mr. WAGNER. Mr. President, will the Senator from Ohio yield to me?

Mr. FESS. For a moment.

Mr. WAGNER. May I suggest that the Radio Commission has been studying this question since its formation. And while all this study has been going on, application after application for educational purposes has been denied, while the commercial radio stations have kept growing, growing, growing, growing until they have obtained 98 percent of the total facilities. What is the good of this kind of study, and how much more of it do we need? It seems to me it is now time for a congressional declaration of policy.

Mr. FESS. Mr. President, the Senator from New York makes rather a strong statement, and it is very impressive. He states that during all the period when there was opportunity for study, we end up with a slight 2 percent of the

use of the time for culture. That is a very strong statement, and it is persuasive on the minds of us all.

Since we are creating a specific commission which has to deal with this problem, along with others, and this one, it seems to me, is commanding, I still am concerned about whether it would not be better for the Congress to definitely instruct the proposed commission to report, on this particular subject, rather than for us to write the provision into statute law at this time. In fact, Mr. President, it was my thought that in reporting the bill we ought to confine the bill to the recommendations of the President. It was thought in the committee that we would have to go further than that. My thought was that if we confined the bill to the recommendations of the President, then the commission could go into all these subjects and make their recommendations as a commission to Congress for any needed legislation, in the same way as we look to the Interstate Commerce Commission for recommendations for such amendments to the transportation act as they deem wise.

I should have much preferred to have limited the legislation in such manner. I could have voted for it with much more freedom than I will vote for this provision, because it goes considerably further than I wanted to go.

My only purpose in rising is to state that I am disgusted, as I know a great portion of our people are disgusted, with the pollution of the air for mere commercial purposes. How to correct the situation is a problem. I should prefer to leave it to the study of a select group, which ought to be able to tell us the possibilities of correcting the situation, rather than to write it into the law at the present time, and yet I have an open mind on this subject.

Mr. HATFIELD. Mr. President, as a member of the Interstate Commerce Committee, I join with Senator WAGNER in the presentation of the amendment which directs the communication commission created by this bill to allocate and assign to educational, religious, labor, farm, fraternal, cooperative, and other institutions dedicated to human welfare and higher education, 25 percent of the radio facilities under control of the Government.

Mr. President, this amendment is offered with the hope that Members of the Senate interested in retaining private initiative in business, with a greater knowledge of the past than is indicated by those in control of commercial radio stations of today, will benefit by past experiences.

Education has been carried to a greater degree in our country than any country in the world. The aim and the object of almost every family is to secure a better education for the children than the parents themselves were permitted to secure. Untold sacrifices have been made by millions of parents of our country to provide a higher education for their offspring.

My State, as many others, provides a State university, at the expense of the taxpayer, for higher education of those who will give the time to secure it.

Despite, Mr. President, the $636,000,000 which the citizens of our country give toward education privately, despite the $2,822,000,000 spent by the National, State, and other political subdivisions of government, at the expense of the taxpayer, for education, we find that radio is today so commercialized that less than 2⅕ percent of radio time is controlled by educational institutions.

The annual report of the Federal Commissioner of Education indicates that there are some 30,000,000 of our people attending day schools and colleges. These schools employ more than 1,300,000 teachers.

Yearly we spend some $3,000,000,000 on education, 88 percent of which is raised by taxation and the balance is contributed for the support of private schools and colleges in the form of tuition and donations.

Education is, or was, a State function, but is supported chiefly by local taxation. Education was a State function until our schools developed extension courses and radio became an interstate rather than a State or a local matter.

Education is defined in Webster's International Dictionary as—

> The process of developing mentally or morally; to cultivate, develop, or expand the mind; the impartation of or acquisition of knowledge, skill, or discipline of character.

The Federal Commissioner of Education states:

> Human education is a process of individual growth and development beginning with birth and ending only with death, requiring at the outset much effort on the part of others in discovering, nourishing, and directing inherent potentialities, but, at every stage, demanding increasing, self-reliance and self-control.

The interest of the American people in education may be judged from the fact that the value of public-school properties in 1920 were less than $3,000,000,000, while in 1930 our schools carried a value of more than $6,000,000,000, or an increase in 10 years of more than 100 percent. These figures do not include colleges or schools for higher education.

The question has been raised as to who is interested in promoting the adoption of the amendment offered by Senator WAGNER and myself. The answer could well be that every parent, every one of our 1,300,000 teachers, every one of the 30,000,000 attending our schools and colleges seeking an education is interested. And, we might well add, every thoughtful American who realizes that an educated people is an asset of more value than either wealth or physical power.

Indeed, Mr. President, the boys and girls of today are the greatest assets that the American people possess for America.

Naturally, were it possible for all of these many millions to make their demands heard, there would be but little, if any, hesitancy in the speedy adoption of the amendment which has been presented.

The educational, religious, labor, and other groups, however, realizing how this wonderful instrument for education—radio—has been monopolized for private profit, have organized, and they have unanimously demanded that legislation whereby the Radio Commission will be directed to assign a fair portion of the radio facilities to educational and other non-profit-making bodies be enacted by the Congress.

The National Education Association, the National Association of State Universities, the National University Extension Association, the National Association of Parents and Teachers, the National Association of Land Grant Colleges and Universities, among others, have petitioned for this legislation through which the radio can be made available for the purpose of spreading education and culture among our millions of radio listeners.

The Reverend John B. Harney, superior general of the Paulist Fathers, appeared before the Interstate Commerce Committee and made a valiant plea for radio facilities to be assigned to educational institutions and other human-welfare, non-profit-making groups.

The National Committee on Education by Radio, sets forth the following:

> That colleges and universities, with radio broadcasting stations, have in their possession one of the most powerful and effective tools for popular education which exists at the present time.
>
> That the broadcasting activities of educational institutions should be looked upon as major educational enterprises within these institutions, comparable in service and importance with other major departments.
>
> That the officers of these institutions, their boards of control, and legislative bodies to which they look for appropriations should regard their services to individual students and the general public rendered by means of radio as an important and appropriate extension and supplement to similar services rendered within the classrooms of the institution.
>
> That such services have a valid claim to public support and justify expenditure for equipment and personnel.
>
> That the use of radio broadcasting as a constructive educational procedure is in its infancy, and, Mr. President, education by radio will remain in its infancy unless the Congress of the United States takes a hand and apportions a part of the vast radio opportunity, supposedly controlled by the Government, which can be sent broadcast throughout the country.
>
> That the radio channels which are now in the possession of institutions are immensely valuable; that they should be retained and their use further developed, looking toward the growth of adult education which is now taking place throughout the country.
>
> That this development of programs of adult education by radio stations associated with educational institutions will help to offset the present tendency toward centralization and network monopoly.

The National Committee on Education by Radio looks upon the service of radio stations associated with educational institutions as a service of the whole people. Such service is one of the highest uses to which this national resource can be put. Because such service concerns the entire body of citizens, it should be given first place when the question of assigning radio channels is before legislative bodies, the Federal Radio Commission, or the courts.

I have been reading from the report on Education by Radio, volume 2, nos. 1–27, inclusive, January 7–December 8, 1932, National Committee on Education by Radio.

Mr. President, it may be contended that commercial radio stations present educational programs or offer their facilities to educational institutions and other bodies for the presentation of such programs. The graciousness of these commercial stations may well be gaged by the time allotted such organizations as the American Farm Bureau Federation, the National Grange, the 4-H Clubs, and several other farm groups who collectively receive 1 hour each Saturday noon from the National Broadcasting Co. or the American School of the Air, promoted by the Columbia Broadcasting System, on weekdays about noon. A recent survey reveals that of the time assigned by commercial stations to educational or cultural programs, 80 percent is known as "sustaining time", when these stations would be presenting some programs at their own cost because of the inability to sell this time for advertising programs. Such is the attitude of those who are in control of the radio stations of this country toward those who are interested in educational movements by use of the air.

Educational institutions possessing radio stations are assigned mainly daytime operation, when it is common knowledge that the great mass of our people listen in after 6 o'clock at night.

The United States possesses 444 radio quota units, and the Federal Radio Commission has graciously assigned 9.61 units to educational institutions, or less than 2.2 percent of the radio facilities at their disposal.

As an example of how the Federal Radio Commission has treated our educational institutions that wish to operate radio stations, I might add that one of the pioneer educational institutions found itself on a channel with 51 stations broadcasting advertising and amusements.

The Senator from Washington [Mr. DILL], one of the radio experts of the Congress, is quoted in Education by Radio, issue of February 4, 1932, on his return from Europe, in part as follows:

American radio is weakest on the educational side. Education over the radio should be free from commercial interests. It should be independent and free, just as our systems of public education are free and independent.

Mr. President, when, may I ask, are we going to have freedom for the educational institutions of America in the use of the radio, unless the Congress of the United States shall undertake at this time to direct the commission which is soon to be in control of radio to do something that will give educational opportunities to the boys and girls who are now suffering from the lack of such opportunities?

Representative E. L. Davis, at the time Chairman of the House Committee on Merchant Marine, Radio, and Fisheries, is quoted in the CONGRESSIONAL RECORD of February 10, 1932, as stating:

All the broadcasting stations in America combined only have $28,000,000 invested in their stations and all of their equipment and apparatus, whereas the great listening public of America has $100,000,000 invested in receiving sets.

That is a remarkable statement.

A national conference held May 7 and 8, 1934, on the use of radio as a cultural agency in a democracy, was called by the National Committee on Education by Radio. The conference consisted of the following members, whose names I ask to have inserted in the RECORD at this point as a part of my remarks. The members of the conference of the committee are representative men in the educational movement, and are connected with colleges, universities, and State institutions throughout the country.

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

(The names referred to are as follows:)

MEMBERS OF THE CONFERENCE[1]

Merle J. Abbett, superintendent of schools, Fort Wayne, Ind.
Mrs. Kate Trenholm Abrams, League of Nations Association, Inc., Washington, D.C.
Rev. M. J. Ahern, S.J., Jesuit Colleges and High Schools of New England, Weston, Mass.
Albert W. Atwood, Washington, D.C.
Mrs. William T. Bannerman, National Congress of Parents and Teachers, Washington, D.C.
Dean Thomas E. Benner, College of Education, University of Illinois, Urbana, Ill.
Maurice Bisgyer, Jewish Community Center, Washington, D.C.
Mrs. Chester C. Bolton, Washington, D.C.
Dr. George F. Bowerman, librarian, Public Library, Washington, D.C.
Mrs. Hugh Bradford, president National Congress of Parents and Teachers, Sacramento, Calif.
Dean F. W. Bradley, University of South Carolina, Columbia, S.C.
Miss Heloise Brainerd, Pan American Union, Washington, D.C.
Fred. Brenckman, National Grange, Washington, D.C.
Ralph P. Bridgman, National Council of Parent Education, New York, N.Y.
Mrs. F. Donald Carpenter, Vermont Congress of Parents and Teachers, Burlington, Vt.
Dr. William G. Carr, National Education Association, Washington, D.C.
Dean W. G. Chambers, School of Education, Pennsylvania State College, State College, Pa.
Hon. Hector Charlesworth, Canadian Radio Broadcasting Commission, Ottawa, Canada.
Dr. W. W. Charters, the Ohio State University, Columbus, Ohio.
Dr. Harwood L. Childs, Princeton University, Princeton, N.J.
Rev. Russell J. Clinchy, Mount Pleasant Congregational Church, Washington, D.C.
President Eugene J. Coltrane, Brevard College, Brevard, N.C.
James F. Cooke, Presser Foundation, Philadelphia, Pa.
Dr. William John Cooper, George Washington University, Washington, D.C.
Dr. F. G. Cottrell, Washington, D.C.
Miss Ella Phillips Crandall, New York, N.Y.
President Arthur G. Crane, University of Wyoming, Laramie, Wyo.
Mrs. E. E. Danly, National Board, Young Women's Christian Association, Washington, D.C.
B. H. Darrow, State Department of Education, Columbus, Ohio.
Dr. Jerome Davis, Yale University Divinity School, New Haven, Conn.
Dr. John Dickinson, Assistant Secretary of Commerce, Washington, D.C.
Mrs. Clinton Locke Doggett, General Federation of Women's Clubs, Washington, D.C.
Dean Henry Grattan Doyle, Junior College, George Washington University, Washington, D.C.
Dr. Walter C. Eells, Stanford University, Stanford University, Calif.
S. Howard Evans, New York, N.Y.
Rt. Rev. James E. Freeman, Bishop of Washington, Washington, D.C.
John P. Frey, American Federation of Labor, Washington, D.C.
Mrs. M. E. Fulk, Ohio Radio Education Association, Columbus, Ohio.
Dr. Sidney B. Hall, superintendent of public instruction, Richmond, Va.
Miss Florence Curtis Hanson, American Federation of Teachers, Chicago, Ill.
Rev. John B. Harney, C.S.P., superior, Paulist Fathers, New York, N.Y.
Fred Hewitt, editor Machinists' Monthly Journal, Washington, D.C.
Capt. S. C. Hooper, Navy Department, Washington, D.C.
Mrs. Harriet Ahlers Houdlette, American Association of University Women, Washington, D.C.
Dean C. A. Ives, Teachers College, Louisiana State University, Baton Rouge, La.
Prof. J. Marinus Jensen, Brigham Young University, Provo, Utah.
Howard P. Jones, National Municipal League, New York, N.Y.
Wallace L. Kadderly, United States Department of Agriculture, San Francisco, Calif.
Prof. J. O. Keller, Pennsylvania State College, State College, Pa.
Dr. Fred J. Kelly, United States Office of Education, Washington, D.C.
Dr. W. M. Leiserson, Petroleum Labor Policy Board, Washington, D.C.
Charles N. Lischka, National Catholic Educational Association, Washington, D.C.
Dr. F. H. Lumley, the Ohio State University, Columbus, Ohio.
Dr. John H. MacCracken, American Council on Education, Washington, D.C.
Dr. C. R. Mann, American Council on Education, Washington, D.C.
President J. F. Marsh, Concord State Teachers' College, Athens, W.Va.

[1] The list includes only those who at the time of printing had definitely accepted the invitation to participate in the conference.

President Cloyd H. Marvin, George Washington University, Washington, D.C.
Mrs. Leslie R. Mathews, Connecticut Congress of Parents and Teachers, Bridgeport, Conn.
H. B. McCarty, Director WHA, Wisconsin State Station, Madison, Wis.
Dr. Kathryn McHale, American Association of University Women, Washington, D.C.
J. S. McMurry, Tennessee Educational Commission, Nashville, Tenn.
Mrs. William Brown Meloney, New York Herald Tribune, New York, N.Y.
R. D. Michael, Virginia Polytechnic Institute, Blacksburg, Va.
Dean Justin Miller, school of law, Duke University, Durham, N.C.
Rev. Vincent Mooney, C.S.C., director Catholic Youth Bureau, Washington, D.C.
Dr. Arthur E. Morgan, Tennessee Valley Authority, Knoxville, Tenn.
Joy Elmer Morgan, National Education Association, Washington, D.C.
Miss Sidney K. Moulsdale, University of Virginia, Charlottesville, Va.
Dr. James A. Moyer, Massachusetts State Department of Education, Boston, Mass.
Walter E. Myer, Civic Education Service, Washington, D.C.
Dr. L. J. O'Rourke, United States Civil Service Commission, Washington, D.C.
Weaver W. Pangburn, National Recreation Association, New York, N.Y.
Dean C. E. Partch, School of Education, Rutgers University, New Brunswick, N.J.
Armstrong Perry, National Committee on Education by Radio, Washington, D.C.
Herbert L. Pettey, Federal Radio Commission, Washington, D.C.
Dr. Maurice T. Price, Washington, D.C.
Harris K. Randall, Civic Broadcast Bureau, Chicago, Ill.
Rev. Charles A. Robinson, S.J., St. Louis University, St. Louis, Mo.
Elmer E. Rogers, Washington, D.C.
Dr. L. S. Rowe, Pan American Union, Washington, D.C.
Dr. James N. Rule, State superintendent of public instruction, Harrisburg, Pa.
Most Rev. James H. Ryan, Bishop of Modra, and rector, Catholic University of America, Washington, D.C.
Morse Salisbury, United States Department of Agriculture, Washington, D.C.
S. D. Shankland, department of superintendence, National Education Association, Washington, D.C.
Dean W. S. Small, College of Education, University of Maryland, College Park, Md.
Dr. Irvin Stewart, Department of State, Washington, D.C.
William T. Stone, Foreign Policy Association, Washington, D.C.
Rev. George F. Strohaver, S.J., College of Arts and Sciences, Georgetown University, Washington, D.C.
Miss Katharine Terrill, Congregational Education Society, New York, N.Y.
Rev. E. P. Tivnan, S.J., Boston College, Boston, Mass.
Dr. H. W. Tyler, American Association of University Professors, Washington, D.C.
Dr. Tracy F. Tyler, National Committee on Education by Radio, Washington, D.C.
Dr. Levering Tyson, National Advisory Council on Radio in Education, New York, N.Y.
Dean H. Umberger, Kansas State College of Agriculture and Applied Science, Manhattan, Kans.
Charles V. Vickrey, the Golden Rule Foundation, New York, N.Y.
L. W. Wallace, W. S. Lee Engineering Corporation, Washington, D.C.
Rev. Edmund A. Walsh, S.J., regent, School of Foreign Service, Georgetown University, Washington, D.C.
Dr. Henry B. Ward, American Association for the Advancement of Science, Washington, D.C.
Otis T. Wingo, Jr., National Institution of Public Affairs, Washington, D.C.
Arthur D. Wright, the John F. Slater Fund, Washington, D.C.
Jos. F. Wright, University of Illinois, Urbana, Ill.
Dr. George F. Zook, United States Commissioner of Education, Washington, D.C.

Mr. HATFIELD. Mr. President, if this amendment should be rejected, it would simply mean that the educational institutions of our country, and those who seek programs of a cultural type, will be forced to support government ownership and control of all radio facilities, which will be their only means of providing the people of this country with the type of programs which the average man or woman will welcome into his or her home.

I think, Mr. President, that those who control the radio industry, if we may call it such, are short-sighted. I think they ought to be willing to concede to the educational institutions of America an opportunity to go upon the air and at seasonable hours, which will give those who wish to listen in an opportunity to hear what some of our great educators have to say.

Mr. President, we are the only important country in the world that places control of radio facilities in the hands of those who seek private profit. Canada and England, as well as most other countries, own and control their radio facilities, and, unless this amendment, or some legislation of similar type shall soon be enacted into law, the Congress of the United States will find it essential and necessary to possess and to operate all radio facilities for the benefit of the people as a whole. The retort of those who now operate commercial radio stations to this suggestion may be that we would be placing a tremendous power politically in the administration which happens to be in power. I admit that such may be true, but I do not know of any administration which might be in power which would have a greater control over the radio facilities of this country than is possessed at the present time by an administration which is not held responsible for its own acts.

At this point, Mr. President, I ask that there be inserted as a part of my remarks an article printed in the May 13, 1934, issue of the Chicago Tribune.

RADIO CHAINS SEEK "STAND-IN" AT WHITE HOUSE—THEY FACE PERIL OF BEING CRACKED-DOWN ON

By Arthur Sears Henning

WASHINGTON, D.C., May 13 (special).—The significant and often amusing scramble of the great radio-broadcasting chains for the "inside track" at the White House and the Radio Commission prophetically illuminates the predicament in which the telegraph and telephone systems, the news agencies, and the newspapers will find themselves if Congress places them under the control of the proposed Government commission.

With the White House dictating decisions of the Radio Commission and cracking down on radio interests in disfavor, it has become a matter of vital importance for them to stand in with the powers that be.

During the Hoover administration it was the National Broadcasting Co., with 15 broadcasting stations, itself a subsidiary of the Radio Corporation of America with several thousand licenses at stake, that enjoyed preferential favor at the White House.

ENCOUNTERS ROUGH GOING

For the past year, under the Roosevelt administration, the Columbia Broadcasting System, with eight broadcasting licenses at stake, has been closer to the throne than its rival has been. Columbia has had little difficulty in getting anything it wanted from the White House and the Commission, while N.B.C. has encountered a lot of rough going.

With all communications under control of a Government commission, the wire services, the news-gathering agencies, and the newspapers undoubtedly would be scrambling in like manner for White House favor to promote their interests and avert official cracking down. The newspapers particularly would be at the mercy of the power of the White House to direct a censorship of telegraphic news dispatches.

The Columbia Broadcasting System, having been less fortunate than N.B.C. under the Hoover regime, set out to change its luck when the Roosevelt administration came into power. It placed in charge of its Washington headquarters Henry A. Bellows, vice president of the system, who previously had been in charge of the system's northwestern territory with headquarters at Minneapolis. Mr. Bellows is a Democrat, a former member of the Radio Commission, and a friend of President Roosevelt, their friendship dating from their youth at Harvard, where Mr. Roosevelt was in the class of 1904 and Mr. Bellows in the class of 1906.

NEVER GOES BEYOND SECRETARY

Mr. Bellows, who is a man of great ability and of the highest character, says he never has presumed upon the friendship to get favors from the White House. He never has gone higher than a secretary to the President to get what he wanted. As chairman of the legislative committee of the National Association of Broadcasters Mr. Bellows also comes into close contact with the legislative branch of the Government.

The Roosevelt administration was no sooner established in power than Mr. Bellows on March 18, 1933, announced:

"Assurance of full and complete cooperation has been given directly to the President, to all the members of his Cabinet, and to the leaders of the Senate and House of Representatives. Furthermore, as a matter of public policy during the present emergency, we limit broadcasts of public events and discussions of public questions by ascertaining that such programs are not contrary to the policies of the United States Government."

COLUMBIA HAS INSIDE TRACK

The word soon went forth that Columbia had the inside track at the White House and it later appeared that equally close relations had been established between the Washington staff of the broadcasting system and officers of the radio committee.

At this juncture the National Broadcasting Co. began to betray signs of anxiety. It was bruited about that N.B.C. was in disfavor because its president, Merlin Hally Aylesworth, not only was a dyed-in-the-wool Republican but had asserted during the 1932 campaign that if Roosevelt were elected he would leave the coun-

try. Of course this placed Mr. Aylesworth poles asunder from Mr. Bellows, who was an F.R.B.C. [for Roosevelt before Chicago].

The Washington representative of N.B.C. in a personal interview sought to convince the President that Mr. Aylesworth never uttered the damning statement attributed to him. Mr. Roosevelt told the emissary he was sure Mr. Aylesworth never said it, but the President gave the assurance to the accompaniment of a hilarity that did not altogether allay anxiety. Presently, however, N.B.C. made a move calculated to curry favor at the White House. It replaced its Washington news commentator, William Hard, close friend of former President Hoover, with the brother-in-law of one of the President's secretaries.

HIGH SALARY, LONG-TERM CONTRACT

Columbia has a long record of unusual favors from the Radio Commission going back several years, but becoming more pronounced since the advent of the Roosevelt administration. Another of its vice presidents is Sam Pickard, a former member of the Commission, who resigned February 1, 1929, and went directly to Columbia at a high salary on a long-term contract.

While Mr. Pickard was a member of the Commission, WKRC, a Cincinnati (Ohio) broadcasting station, was able to procure from the Commission an exceedingly favorable wave length, which was transferred from an inferior assignment. It was charged that this was done in violation of all sound engineering considerations, for it immediately caused destructive interference with other stations on the same wave length at St. Louis and Buffalo.

On June 15, 1929, the Commission, without a hearing or a notice to anyone, increased WKRC's hours of operation to unlimited time, and on December 16 increased the power of the station from 500 to 1,000 watts on an "experimental" basis. The power has never been reduced, although at a subsequent hearing interference was conclusively shown by the stations affected. Mr. Bellows says that since the installation of a directional antenna by WKRC there has been no interference and the protests have been withdrawn. This is disputed by representatives of the complaining stations.

TRANSFER OF OWNERSHIP

In the summer of 1929 there was a formal transfer of the ownership of WKRC to Mr. Pickard and J. S. Boyd, a lawyer who frequently had handled radio cases before the Radio Commission and had been in particularly close contact with Mr. Pickard while the latter was a member of the Commission. It is not known when Messrs. Pickard and Boyd purchased the station or how much they paid for it.

It is known, however, that soon after the Commission granted WKRC the 100-percent increase in power they sold the station to WKRC, Inc., which is virtually a 100-percent subsidiary of the Columbia Broadcasting System. Columbia is said to have paid approximately $300,000 for the interest in the station of Messrs. Pickard and Boyd.

What I stand for is the placing of responsibility in the administration of radio facilities and fixing that responsibility so that those who represent our educational system may know where to go in order to get what they are entitled to in the way of recognition on the air.

Mr. President, I have no criticism to make of the personnel of the Radio Commission, except that their refusal literally to carry out the law of the land warrants the Congress of the United States writing into legislation the desire of Congress that educational institutions be given a specified portion of the radio facilities of our country.

As was pointed out so ably by my colleague from New York [Mr. WAGNER], the Radio Act and the amendments thereto specifically provide that the holder of a broadcasting franchise shall obtain no property or vested right in the air. Yet the rules of the Radio Commission are such that those who possess clear-channel stations under the rules of the Radio Commission are vested with the right to prevent the Radio Commission itself from placing any other broadcasting station, no matter how many hundreds or thousands of miles apart any of these clear-channel stations may be, on the same wave length. This is a clear violation of the letter and the intent of the Radio Act and the amendments thereto.

When the radio trusts sought to deprive the Chicago Federation of Labor, which operates Station WCFL, about a year and a half ago, of the right to operate after 6 p.m. days, I had no hesitancy in introducing a bill in this body compelling the Radio Commission to respect the rights of the representatives of the American Federation of Labor and the Chicago labor organization. Before the committee was through hearing the evidence which was presented by the representatives of the American Federation of Labor and the Chicago labor organization a concession was made, and WCFL, the broadcasting station which had been erected by that organization at an expense to the labor group of some four hundred or five hundred thousand dollars, was allowed to broadcast and is now being operated and enjoyed by the American Federation of Labor and the Chicago labor movement.

This amendment, presented jointly by Senator WAGNER and myself, is not at all cumbersome, as it simply directs the new Communications Commission to allocate 25 percent of the radio facilities to stations devoted to education and human welfare. As my colleague, in offering this amendment, pointed out a while ago, if there is any thought upon the part of anyone in this body that these groups may undertake to overcommercialize their stations, we will agree to an amendment which will safeguard for all time what this amendment proposes, which is that this 25-percent allocation shall be made for the sole purpose of providing educational facilities and permitting the radio stations to be self-sustaining only.

This is not class legislation, as no one class of our people will secure any gain by this legislation. The gain will be that of all our people, as I believe all our people are interested in education and human welfare.

Mr. President, during the past 3 years education has suffered more acutely as a result of the depression than has any other department or activity of our Government. Many thousands of our schools have been closed and many hundreds of our colleges have been forced to continue on greatly curtailed appropriations. In many sections of my own State teachers went for months, almost for a period of a year, without any compensation for the services rendered by them in instructing the boys and girls of different communities.

Time after time have representatives from outstanding institutions come to Washington and insisted that those who had the authority to negotiate loans should grant them a loan, but so far as I know, up to the present time, no relief has been granted to any such institution.

Radio broadcasting reaches many millions of our people daily. The educators and others in our country who are seeking to build a higher standard for all Americans are denied opportunities which they should have. To my mind, these worthy organizations should be accorded the facility which they can so effectively use for the common good, and, I sincerely trust that the Senate will insist on the adoption of the pending amendment which is beneficial to so many and which is harmful to but few. And I might add that unless legislation of this type is soon enacted the few who might be injured by the amendment may find themselves bereft of the business they are now engaged in as the Congress will find it essential and necessary to take over all radio facilities and operate them for the common good.

Mr. President, in closing I ask to have inserted in the RECORD an article published in the Forum of February 1934 by an outstanding writer who was formerly connected with one of the great political organizations of the country and who has had personal experience in dealing with the subject of radio.

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

The article is as follows:

[From the Forum, February 1934]

RADIO NEEDS A REVOLUTION

By Eddie Dowling

The state of radio today is one of legal chaos. It is a chaos that has been perpetuated indefinitely by the congressional act of 1927—an act founded on accident and ignorance and jealously guarded by the powerful monopoly that today wields an iron mace over the entire radio field.

It has never been fully realized that radio is a public utility—a public utility whose existence is not yet vital in the public welfare (though it is rapidly becoming so), but which is nevertheless capable, if properly organized and operated, of being a tremendous influence for the general good. At the same time, radio has one organic characteristic which sets it apart from the industries we ordinarily regard as public utilities and makes desirable a somewhat different organization and treatment of it; it partakes very distinctly of the nature of journalism. In view of this fact, both Government ownership and regulated monopoly lose the attractiveness they have as a plan of operation for the average public utility. Nobody wants the great newspapers of the country to be controlled by the Government, nor is their control by one great

pool of ownership and interest a happy prospect from the standpoint of vigorous, disinterested journalism. Thus it becomes evident that we must seek a solution for the problems of radio in another quarter.

II

Let us go back for a moment. It is not our purpose here to discuss how the radio business came, or rather grew, into the hands of the electrical business. Probably it was because radio developed with such stunning speed that nobody realized what it would be good for when perfected. It is our concern, however, to ask why radio broadcasting today should be in the hands of electrical combines. The invention of the linotype did not turn the policy and practice of journalism over to mechanics and machinery salesmen. Nor did the invention of talking pictures turn the film industry over to sound engineers or apparatus salesmen. And yet radio, already as great a factor in our national life as one of these and rapidly becoming a serious rival of the other, is and always has been dominated absolutely by the close-knit industries of its technical manufacturing and production branches.

If this domination had advanced the best interests or raised the standards of either public or radio, we might say that the end justified the means and allow it to continue for the sake of the results it was producing. The contrary, however, has been only too true. The public has been ignored in the frantic rush to obtain contracts from the advertisers, who are not always as closely in touch with public sentiment as they think. And what has been done with the income from the fat advertising fees? Their recipients have built up an impregnable monopoly that has crushed enterprise, originality, and profit uniformly in the small, local station. It is a talent monopoly, possible because theatrical or any other talent gravitates naturally to a few great centers; and by giving the local station as little as 20 percent of its regular card rate for a place in the network program, its holders force the independent station to string along or go out of business. Usually it has chosen the former.

The result of all this is that the two dominating factors in radio receive from advertising and from artist's bureau commissions an income of $40,000,000 a year, and at the same time it is an economic impossibility to operate profitably more than a fraction of the 600 radio stations in the country.

And what of the programs sponsored by the advertisers who are pouring this wealth into the coffers of the monopoly? Let me quote a comment by "Aircaster", well-known radio critic for the daily newspapers: "All radio programs have two points in common: one is lack of originality, the other is banality of commercial announcements."

In my opinion the unfortunate truth in this statement is the result of radio's utter neglect of both theatrical experience and editorial judgment. Absence of showmanship and lack of theater-sense are conspicuous over the air. And whereas journalism realizes that value to advertisers of commercial material cannot continue to increase if news, entertainment, or other interest value decreases, radio in its mad quest for profits has not stopped to realize anything of the sort. Hence it has never exercised normal editorial supervision of programs in the interest of listeners. It has sold its front page, sold its editorial page, sold anything and everything without reservation to keep that rich income rolling in. I will not pause to quote a certain proverb concerning a goose and an egg. I will repeat, however, one more comment by "Aircaster": "Radio advertising is at a point where it is possible to claim anything, deny everything, and prove nothing."

III

On two further points has the radio industry in its present state failed to come up to a reasonable standard. The first of these is presentation of that type of program best known as cultural or educational. Many people will insist that the inclusion of material of this type is a duty, a positive obligation of radio to the public. Now this is at best a debatable point if radio is to be operated under private ownership and on a profit basis. But no matter what one's personal conclusions on the subject, there is still good ground for argument that in neglecting nearly all but the most trivial, most banal sources of entertainment the radio and its advertisers are blind to an opportunity for capturing the valuable interest of that portion of the public which is capable of appreciating better program standards. It is a small portion, to be sure, but let it be remembered that there are newspapers which make a conscious editorial effort to maintain standards above those of the average, and that newspapers are run on advertising revenue. And why cannot the radio raise its standards? Simply because of the present network system, on which any sponsored program, because there are but a very few channels in which to put it on the air, must suit its material to the average of millions of listeners.

Judicious division of networks and more local autonomy in program selection would enable the comparatively small audience of intelligence to be reached by programs of a higher standard. No advertising sponsor is going to pay the inflated rates of large-network time when he suspects that half the audience is tuning off because the program is highbrow. And no private broadcasting company is going to substitute cultural (and unsponsored) programs for lowbrow sponsored time because somebody has told him it is his duty.

Finally we come to a consideration which to me, because of my long association with the theatrical world and those whose life work lies in it, is the strongest of all. The fact is that the present radio monopoly based on the existing grouping of talent centers is working a tremendous handicap on the actors, musicians, and vaudevillians of the country. The radio and the talking pictures have thrown into unemployment many thousands of them—thousands who have never been trained for other means of livelihood.

It is true that none can expect to escape the inevitable law of changing conditions. But this is nevertheless a serious problem, and certain management methods in radio are detrimental to talent and public alike. Not only has the closed-corporation situation been heavily responsible for producing the present disastrous unemployment, but it is also continually aggravating it. It is becoming increasingly difficult for artists without national reputations to obtain radio trials at all; virtually impossible for those not close to one of the very few centers of broadcasting. Not only that, but such artists as do obtain radio employment are completely at the mercy of the financial and other policies dictated by the advertisers and broadcasters together. Taken all in all, the sum of complaints against the present organization and operation of radio is a heavy one.

IV

Let me say now that I am emphatically opposed to the so-called "European system" of broadcasting. As I have already stated, I am convinced that radio is becoming too nearly a branch of journalism to warrant any form of Government ownership or operation. My proposal is as follows:

Five million dollars is ample revenue for a year's operation of a network of moderate size. The two dominating networks of today have an annual income of about $40,000,000. Let us have, instead of three principal networks, six or more. Each will be smaller, but these will be able to cover all or very nearly all the territory previously covered by the larger networks. This is because the present pattern of allocation has taken no competent regard of waste in wave-length privilege. Let us organize regional chains of broadcasting stations, grouping high-powered outlets and low-powered separately. For the former let us have the national coverage in the six or more chains suggested above; for the latter let us have local coverage, giving privilege to more talent and program variation of nonnational interest—variation which would nevertheless carry advertising value as long as it were kept on a local basis.

It is, I think, indisputable that more cultural and educational programs than exist at present are desirable. The problem under private ownership is how to obtain sponsorship for them, since they carry less popular entertainment value than the stuffs the average advertiser puts on the air. I have already suggested that with the creation of twice as many national networks than there are today and with the additional program autonomy available to local stations and chains, certain advertisers will find a new field of coverage concentrated in various parts of the country and eager in response to a higher standard of broadcasting. Furthermore, under such a system, the advertiser will be able to reach this group without paying the prohibitive rates of a tremendous network, much of whose coverage is wasted for this purpose anyway.

There is one more point I wish to raise in connection with cultural and educational broadcasting. This is the matter of electrical transcriptions. These the present monopoly has consistently opposed—because of unwelcome competition and for no other reason. But modern recorded programs are technically perfect, and they are economical. They should most certainly be made available in library form for the use of local stations, where they would in most cases be the ideal form for the educational type of broadcast. But first we must get rid of network monopoly.

V

Do not let it be thought that this will be an easy task. The present radio interests are quite pleasantly satisfied with the status quo and quite content with the unlimited franchise granted them by the 1927 act of Congress. Radio is credited with one of the strongest of the swarming lobbies in Washington—one with substance behind it. Members of Congress are dominated by tactics that are constantly under the direction of private interests. Official bodies respond quickly to pressure from corporate organizations as large, as widely distributed, and with so many interlocking interests as some of those maintaining lobbies in the Capital.

The radio monopoly has wide ramifications in the electric-power field—a not insignificant circumstance. The utility method of handling a political grant is based on long practice and proven experience. Small opposition is mashed with an iron fist. More formidable opposition is met with flattery, publicity, and financial and other rewards.

I speak from my own experience. During the last national political campaign I was chairman of the stage, screen, and radio division of the Democratic National Committee. At Warm Springs after the election it was said that I would be consulted in radio matters after the President took office. Another "campaign" resulted. For weeks I was the recipient of obvious attention by executives of broadcasting groups, whose motives I am sure were not based on personal admiration for me.

But I was not able to forget that those behind the scenes in radio had been distinctly unfriendly to Mr. Roosevelt throughout his campaign. Twice he was shut off the air in the midst of an address. Democratic campaign songs and the efforts of stage and screen sources on behalf of the Democratic Party were treated with marked contempt. Political commentators allied with the networks were strong in support of another candidate; peculiarly enough the radio monopoly had been erected and barricaded through three Republican administrations.

Late in the campaign, however, in fact, but a few days before election, the networks decided that the country was to have a new President. A new policy came into existence, remained after Mr. Roosevelt's election, and continued until March. The radio moguls were readjusting their political fences and digging for new foundational contacts with the incoming administration.

The dispensation of radio privilege offers many opportunities for favors. I was offered a vice presidency with a prominent radio chain. Others thought to possess political influence had tempting opportunities put in their paths. Executive positions, profitable contracts on sponsored programs, and the publicity of Nation-wide hook-ups were among these. Congressmen receive broadcasting time for Nation-wide hook-ups. All this is conclusive enough evidence that there is here a private monopoly of immense power intent on playing both ends against the middle and subject to no authority or control except a purely technical supervision of wave-length assignments.

VI

The complicated deals and all the interrelated processes by which money is extracted from the apportionment of radio "in the public interest" are beyond my understanding. Why our Government should be burdened with actual expense as a result of the supervision of this industry is more than I can comprehend. It has cost nearly a million dollars a year of the taxpayers' money to keep in operation the present system of radio control—and look at the control!

Consider, too, a phase of radio as a source of income that is little understood and seldom mentioned. The average electric receiving set consumes current which costs the owner about 75 cents a month, or $12 a year, and adds to a national total of millions of dollars of revenue annually. Where does it go? None, certainly, is credited to the costs of radio operation or development.

Rather we have a situation often duplicated in other fields and very typical of radio itself. Beyond question this electric-power income, or much of it, arrives through interlocking directorates, holding companies, and related corporations literally in the same pockets to which find their way the millions in radio-advertising revenue. And the artist's bureau commissions. And the lion's share of every commercial advertiser's budget for advertising through so-called independent stations all over the country. Indeed, a most effectively organized system!

Our Nation faces more pressing problems than the reorganization of radio, but none more in need of attention when the proper time arrives. And it is reasonably sure that the great and good man in the White House will take some constructive steps when his calendar permits. The President's attitude in the matter of public utilities is well known, and radio is a public utility, with proper emphasis on each descriptive word. It is neither right nor proper that radio should be given into the hands of electrical combines which are permitted to extract every dollar of income, every measure of opportunity, to the exclusion of groups with as much or greater right to editorial, entertaining, and cultural development in the art and industry of broadcasting.

In the meantime the public, the theater, the newspapers, and any others who may have the ill fortune to acquire an interest or a vital concern in the operation of the radio field are permitted to enjoy whatever good luck rather than good management may provide in their interest or for their cooperation. Until we have a new deal—a complete reorganization—of the radio business, this is the situation that prevails.

Mr. COPELAND. Mr. President, as the Senate well knows, for the past year I have been acting as chairman of a special committee on the investigation of crime. If one thing has been brought home to me more than any other, it is the problem of juvenile delinquency. There can be no question, I believe, that every effort in the direction of the prevention of juvenile delinquency is in the interest of good government, good citizenship, and the progress of the Nation.

I have been distressed at the failure of certain branches of the moving-picture industry, and I do not say this in general, because when we regard the moving-picture industry by and large, we must conclude, I am sure, that it has done well in its self-censorship. But in some quarters there is a lamentable failure to appreciate the high place the moving pictures might hold in American life.

So, too, I have been impressed with the importance of the various agencies like the Boy Scouts, the Girl Scouts, and other similar organizations which have to do with the improvement of the life of American youth. As I view the problem we must find ways, too, to make more effective and direct the religious training of our children. Here it is, in my opinion, that the radio can do a much larger part than it has done in the past. I would not wish to disturb the radio industry as it is now organized. But if there is such failure as has been indicated here, to make use of the educational and religious instruction which might be given through this agency, certainly it is time the Senate gave consideration to the subject.

I cannot see why the amendment offered by my colleague the junior Senator from New York [Mr. WAGNER] and the Senator from West Virgina [Mr. HATFIELD] may not be appropriate for adoption by the Senate. I think it would be wise for us to adopt it. If there had been greater readiness on the part of the Radio Commission to deal with the problem it would not have reached us.

The Radio Commission have done a fine job. They have done a splendid work. My sympathies are with them. But there are certain activities which somehow or other have not been taken care of by that body, and this is one of them. If there is no other or better way to deal with it than by the adoption of the amendment, I think the matter should be given this consideration. This appears necessary in order that there may be such use of the radio as to impress upon the American public those ideas in education and religion which are so important to the building of character and to the development of good behavior.

Mr. DILL. Mr. President——

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

Mr. COPELAND. I yield.

Mr. DILL. I wish to call the Senator's attention to the fact that from the organization of the Radio Commission down to January 1, 1932, only 81 applications were presented to the Commission for educational stations. Of this number 32 were granted in full, 27 in part, 10 were denied, and 10 dismissed at the request of the applicants. Thus there were only 71 who would have taken a license if they could have gotten it. Has the Senator stopped to consider the fact that it is financially impossible for these institutions actually to build and operate these stations without becoming commercial and advertising stations?

Mr. COPELAND. Yes; I may say I realize that to be a fact. To operate a radio station costs a lot of money. But if we find a religious or educational body willing to take the chance of disposing of certain commercial time in order that the main objective may be reached, which is the dissemination of religion or education, I think certainly we should give consideration to their willingness to do so.

Mr. DILL. Does not the Senator think a much more practical result might be obtained by working out some system of requiring stations to permit a certain part of their time to be used for these purposes and requiring that in the licenses of existing stations?

Mr. COPELAND. No; I do not think so.

Mr. DILL. That is the only way the religious and educational broadcasts can ever be gotten out to the people generally, because they are the only stations which can get those broadcasts out in that way.

Mr. COPELAND. There is no question that the existing stations have done a great work along the line suggested by the Senator from Washington. For example, in disseminating the sermons which are broadcast every Sunday, there is no doubt that very great good has been done and much happiness brought to the American people. But there are institutions which have definite programs of character building and definite programs in educational development or progress where it is not possible for the casual use of a station now and again to accomplish what the originators of the various programs have in mind. Therefore I believe that where there are educational and religious bodies willing to assume the responsibility of carrying on the work we might well give consideration to permitting them to have the radio channels in order that they may do the work in question.

THE FALSE CRY ON FOREIGN DEBTS

Mr. LEWIS. Mr. President, I rise at this moment to address myself not to the measure before the Senate but to a subject that is somewhat akin to the spirit of the discussion; I mean truthful communication. I allude to the situation of the foreign debts and the new attitude disclosed by the debtors to the United States.

I am able to inform this honorable body, patient to hear some views from me, that this morning there is in two of the debtor countries of Europe the circulated statement

that there is to come to us as the Senate a message from the President of the United States dealing with the foreign debts. It is asserted in foreign lands that in this message there will be expressions that the representatives of two of our great debtors would have us understand they have been arranged for. This is to take the form of a direction of new adjustment of the debts and a new concession of advantages to the debtors.

Mr. President, I am authorized to say, and by the record to declare, that there is no such arrangement existing between the President of the United States, or those speaking for him, and any foreign debtor, as to what may be the content of the message which will be sent to Congress or to the Senate on the subject of the debts. I am able to go further, upon my own authority, and to say that had there been an effort on the part of any debtor or its representative to dictate to the President of the United States expressions demanded to be contained in his message, such action would have been deeply resented as a violation of good manners, in statesmanship, and flouted as an assumption of insolence.

Mr. President, the public cables bring us the information that one of our great debtors, France, which had previously announced through its official spokesmen that it would pay not one cent, and would take the position of default, now appears through its statesmen to express a wish to send a delegation to the United States for further conference with the Government of our country looking to a new alignment of the obligations, either as to amount or as to the relative dates when the amounts are to be paid. This is a commendable gesture. We are also informed that on the part of one of the other debtors, England, there is a move to reverse the position it had previously announced, which was that it would pay nothing in what was called a token payment or that it would tender one sum of some nature, saying at the time of the tender that we could "take it or leave it", as it would be the only thing that would be proffered us as an acknowledgment of the obligation, or a recognition of the responsibility. This particular debtor, our eminent friend abroad, England, now announces, if we are to accept as authoritative statements from sources on which we ought to be able to rely, that it is willing to make its payment, or at least to assert that the previous declaration of intention not to make payment would not be adhered to; but a tender would be made in some form that would satisfy what is called the oppression of the circumstances.

In other words, boldly our honorable debtors, through their statesmen, assert that the President is being forced to demand recognition of the debt and its acknowledgment, or to assert the debtor to be in default—not because of the justice of the claim but, as proclaimed, because the President is alarmed at what might follow in the coming congressional elections should any attitude of his appear to be in favor of granting to the debtor concessions—and, to use the words of the statesmen of our honorable debtors, all done, when it is done, to serve the exigencies of the coming congressional elections. It is announced that the President is called on to make some show and demonstration of an intent to press the collection and to carry out the law of Congress proclaiming "default" wherever the circumstances are within the law justifying such declaration—all as politics.

Mr. President, I have been constantly attracted during these latter months by the course of our honorable friends abroad in pronouncing that they know each motive that inspires conduct on the part of this Government, and are advised of every influence which they assert impels us to action. I am moved to a spirit of amusement by the daring of the statesmen of these former honorable allies in ever conceiving and accusing that every course of our Government is moved only by what might be called "political expediency" whenever it demands its rights or presumes to demand its justice.

Mr. President, the call by our Nation for the payment of the debts is the expressed demand to have the laws of Congress executed as provided in their terms and directions. We ask that the will of the people, as expressed, be fulfilled.

We are now confronted with a statement from England, through its distinguished representatives, boldly declaring that at the time the moratorium was granted by President Hoover, and at the same time a moratorium was granted by England to Germany, there was an agreement with the then President of the United States that in return for the moratorium granted Germany the debt due to the United States was to be canceled. To use the words coming to us now from the cable, as reported from the expressions of the statesmen of England, it is asserted that in consideration of the moratorium granted no further demand was ever to be made by the United States for payment of the foreign debt by the foreign debtors.

Mr. President, I have on previous occasion stated from this floor that such rumors have been coming to us of this body for some considerable time. Eminent Senators on both sides of the Chamber have both alluded to that shadow and depreciated the sinister shade cast upon honor and fidelity to America. I cannot believe that President Hoover would have made such an agreement. I will not assume that the honorable predecessor of the present President of the United States could have so violated his obligation to his oath and to the Constitution as to have entered, upon his own will and volition, into such a contract without any information to his coadjutor, the Senate, or without consulting in any way the representatives of the American public.

But, Mr. President, it is a matter of very keen concern to us if England really believes that there was such an agreement. Then, sir, we should be put in the position of violating it by demanding payment, and violating the agreement without any knowledge on the part of the present administration or of the representatives on either side of this honorable body of what that agreement was, its terms, and its nature.

I boldly tendered here, but a short time ago, a resolution asking that we might obtain from the State Department information as to whether there is any record of such an arrangement, if such had been reduced to any note of writing. My resolution remains before the appropriate body, the Foreign Relations Committee. The committee has not had opportunity properly to consider the matter and possibly has not found it appropriate to make a report upon such resolution until the information from the State Department could reach the committee in due course and there rightfully be considered. But, Mr. President, if there is in the minds of our honorable debtors the belief that such an arrangement was made which exempted them from any further payment, either by France of her debt or by England of what is called her "token" partial payment, we now demand that these two countries shall please express, through their proper agency, exactly what they claim the agreement was which they profess to have been entered into by the President of the United States in our behalf and by their representatives who visited here in the United States in their behalf.

We ask that the details of it be made clear and, whatever they have in the way of a document that discloses such, that the content be exposed; and we will know, in its disclosure, exactly upon what they stand. Otherwise we are being placed in the position of violating an honorable agreement which they assume was made with the President of the United States in the discharge of his privilege of being something of the voice of our country in international matters; and this in consideration, as is intimated, that if they gave, to wit, England relief and moratorium to Germany, our President would trade them exemption from their obligation owed the United States.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER (Mr. BACHMAN in the chair). Does the Senator from Illinois yield to the Senator from Missouri?

Mr. LEWIS. I yield gladly.

Mr. CLARK. I know that when my distinguished colleague says that we would be put in the position of having violated an honorable agreement, he does not mean to convey the impression that the President of the United States has any right to make an agreement reducing the foreign debts due the United States, or that the responsible ministers of foreign countries are not chargeable with notice of our system of Government and do not know that the President of the United States had no right to make any such agreement—a thing which I very much doubt.

Mr. LEWIS. My able friend from Missouri correctly construes our situation. It is not that we would be put in the position as of ourselves violating an agreement, for we recognize that no such agreement could rightfully be made; but I did assert that, unhappily for us, in the countries of Europe, where the charge is being made, we are there put in the light of a country violating an honorable agreement.

I therefore ask for some evidence of the agreement. I ask the content of the paper. I ask for the repeating of the conversation or colloquy upon which those who make the intimation rest the charge.

Mr. President, I say, agreeing with the Senator from Missouri, that everyone in this body recognizes that there never was such an authority in any President; and I cannot conceive, with great respect to the honor of the distinguished predecessor of our present President, that such an agreement really was ever made. I cannot but bring myself to the conclusion that the administrations in power of certain of our honorable debtors are presenting this claimed fact to their own people as an apparent excuse for not having done that which would be called honorable in government, the discharge of the obligations, or, sir, of acknowledging the obligation, in any effort to discharge it or ameliorate it, by whatever term they could present and we could accept.

Mr. President, we are charged with seeking the collection of a debt which, it is said, is unfair for us to do. At this point I ask consideration of a bit of history now being applied to our country.

The Government of Monaco, little government as it is, but stimulated by the political agencies of France, and encouraged and endorsed by the political agency of England, is now asserting that it is bringing a suit in a court and asks the privilege of suing before that "court", as it is called, the League of Nations Court, as it now exists, by proceeding against the State of Mississippi, on the ground that the State of Mississippi of the United States is a defaulter in not paying the bonds which, it is contended, the Government of Monaco owns and which came to it by purchase from either of these other governments to which I have alluded. These bonds were issued in the era of the late Civil War between the States.

They cry out against us that we will not pay our debts for that the United States, as they have it, will not make the State of Mississippi pay its debt, unconscious of the theory of our Government, by which no such authority on the part of the Federal Government over a State is ever indulged. Nevertheless, Mr. President, at the same time, we are being held up as defaulters and unworthy of the confidence of mankind and the endorsement of the financial world upon the basis of honor. These distinguished debtors hold us up before the world as defaulters while at the same time withholding their payments of the debts due the United States. I am compelled to call attention to these records and let all nations behold the situation and judge by comparison.

Mr. President, here I now ask, Who is it that is seeking to have these debts canceled, diminished, reduced through forgetfulness, ignored by inaction, that the result may come forth a little later in the expression that the debts are an obstruction to the harmony of nations and therefore should be abolished?

Mr. President, we have certain eminent financiers in the United States who have certain claims upon either the business houses of our debtors or upon the governments as debtors. If they should succeed in having this principal debt of these war nations wiped out, promptly their debts, instead of being a second mortgage and a second area of bondholders, become, sir, the first, and promptly rise in value, and, in the rising of value, could be floated in the lands of the world, particularly in the form of bonds or certificates of indebtedness here in the United States. Then, in addition to such, a new area of bonds could be issued upon these countries and upon their business houses upon the theory that, the old debt being wiped out, there is room and opportunity for a new debt to be incurred.

Here, Mr. President, I would invite the thought of the Senate to this peculiar situation which, before a court or a jury, would be presented as the evidence of the inconsistency of conduct carrying with it great hypocrisy joined with the trick of dishonor. These eminent financiers, and those who are supporting them in the effort to wipe out this debt and leave us with nothing of stable measure that either recognized the debt or from which we could draw a revenue, are busy crying out to the soldiers of the United States how badly they have been treated. These financiers are having their emissaries go through the land telling every post of soldiers of the Legion and of the Spanish-American War how this administration, under the name of economy, has wrenched from them their rights, and that we should be punished by these eminent officers here and there of the different posts and commanders by bringing their men into organization against their own Commander in Chief, dishonoring him before the world by denouncing him as dishonorable and persecuting the patriots. To this they add their effort to have the rank and file of these posts follow their vengeance as a duty and in the coming election oust from power a majority of the House, which is now the supporter of the President.

Now, at a time when they are doing this, they are likewise paying out of their pockets a financial contribution to organizations which are denouncing the soldier as a looter, denouncing his claim for relief, and holding him and his advocates up to the country as those who filch from the Treasury, and who would pillage the Government of its rights in order to accomplish for themselves the deliberate robbery of the finances of their Nation; and this these master intriguers charge at a time when, I assert, the President of the United States and the Government of the United States, both political parties and all political alliance, are desirous of paying every penny, and have the intention of paying every dollar, to every soldier, anywhere, who was a soldier of the United States, of all that which it may appear he has lost, but which in truth as a debt is merely postponed.

But how can we pay the sum due the soldier? Sirs, we must pay it out of the money we will collect of the debts that are due us. These eminent masters of finance in what might be called the "strategy of trickery", who are holding us up as only worthy of condemnation, and in no wise as deserving of any praise for anything, are crying out against us on the ground that we are soon to levy a tax upon them, and that such a tax by us is to be laid for the purpose of meeting the expenditures we have assumed in order to give the hungry bread, to give cover to the shelterless, to give employment to those who are longing for opportunity of living, to give some restoration to the miserable and oppressed, and rescue the Government from dismemberment. These Janus-faced marplots who cry out against paying any part of their millions and billions to go, sir, as a contribution to this noble cause, are willing to cheat the Nation out of the fund which, when paid in, could be applied to offset the necessity of taxes; and while it would pay the Government debt which we have been compelled to incur to give relief where it was needed, and restoration, made necessary for the preservation of the Government, these manipulators would have us shifted to a position where they could defeat the debt due us by the foreign nations.

In the meantime inciting the animosity and the enmity of the soldier, that they might use it in the election. First they could denounce the soldier in the effort to obtain what he feels is right, and in the meantime cheat us of the opportunity which could be ours to pay the burdens of taxes and

discharge every obligation to the soldier. These eminent masters of international jugglery have conceived the plan of whispering treachery and desertion to the soldier, and, sir, inciting by their organization the overthrow of the administration through these false purposes.

I come, in conclusion to the object for which I arose. It is, sir, that this honorable body shall express to these distinguished debtors that they must make no mistake in assuming that these moves on the part of this Government to collect the debts due are mere gestures for the purpose of politics. They must understand that we are but fulfilling the law of the land. To use the words of ex-President Coolidge, "They borrowed the money; they have enjoyed the loan; they should return it." And we wish to inform them that we propose stressing in a proper and legitimate way the collection of the debts, and the fulfillment of the contract, in order that justice may be done to our Nation, as well as honor maintained between ourselves and those with whom we have borne this kindly relation for years.

Mr. President, the President of the United States has never doubted that these nations would at a proper time do that which honor called for, and that their statesmen, whatever they assert for political purposes in their own partisan sections, as called for by any emergency or exigency in their own midst, would, at the proper time, yield to that which decency between governments of Christianity would exact and impel.

Our President hopes that such will be fulfilled. We deplore that these slanders of our purpose are being circulated abroad and reflected by the press, misled by the false propaganda.

Mr. President, gentlemen of the Senate, all may rely on the President of the United States, in peaceful, in calm, and harmonious method, to reach a conclusion between ourselves and our debtors that will not be unsatisfactory to that sense of friendship with which we are with all our debtors in fraternal accord.

I describe the attitude of our President in his graciousness of hope, in his spirit of encouragement, in his patient, persevering patriotism. I apply the picture from Browning of our President in all the vicissitudes as—

> One who never turned his back, but marched breast forward,
> Never doubted clouds would break,
> Never dreamed, though right were worsted, wrong would triumph,
> Held we fall to rise, are baffled to fight better, sleep to wake.

And in walking, walk with God in our dreams and live with our fellow mankind in trust and faith.

I thank the honorable chairman of the committee for yielding to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 696) to authorize Frank W. Mahin, retired American Foreign Service officer, to accept from Her Majesty the Queen of the Netherlands the brevet and insignia of the Royal Netherland Order of Orange Nassau.

The message also announced that the House had passed the bill (S. 3364) for the relief of G. T. Fleming, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H.Con.Res. 32) authorizing and directing the Federal Trade Commission to investigate conditions with respect to the sale and distribution of milk and other dairy products in the United States, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 194. An act to refund to Caroline M. Eagan income tax erroneously and illegally collected;

H.R. 206. An act for the relief of Pierre E. Teets;

H.R. 1769. An act for the relief of Jeannette S. Jewell;

H.R. 2326. An act for the relief of Emma R. H. Taggart;

H.R. 3353. An act to provide a preliminary examination of Stillaguamish River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3354. An act to provide a preliminary examination of Snohomish River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3362. An act to provide a preliminary examination of the Nooksack River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3363. An act to provide a preliminary examination of Skagit River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 4272. An act for the relief of Annie Moran;

H.R. 4460. An act to provide for the payment of compensation to George E. Q. Johnson;

H.R. 4666. An act for the relief of Jerry O'Shea;

H.R. 4932. An act for the relief of Judd W. Hulbert;

H.R. 4957. An act for the relief of F. M. Peters and J. T. Akers;

H.R. 5175. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H.R. 5344. An act granting a franking privilege to Grace G. Coolidge;

H.R. 5357. An act for the relief of Alice M. A. Damm;

H.R. 5639. An act for the relief of Harriet V. Schindler;

H.R. 5736. An act for the relief of Shelby J. Beene, Mrs. Shelby J. Beene, Leroy T. Waller, and Mrs. Leroy T. Waller;

H.R. 6238. An act for the relief of M. R. Welty;

H.R. 6781. An act to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions;

H.R. 6847. An act providing for the acquisition of additional lands for the naval air station at Hampton Roads Naval Operating Base, Norfolk, Va.;

H.R. 7023. An act to amend section 213, United States Penal Code, as amended;

H.R. 7212. An act to remove the limitation upon the extension of star routes;

H.R. 7301. An act to authorize the Postmaster General to charge an additional fee for effecting delivery of domestic registered, insured, or collect-on-delivery mail, the delivery of which is restricted to the addressee only, or to the addressee or order;

H.R. 7317. An act to provide for the final construction, on behalf of the United States, of postal treaties or conventions to which the United States is a party;

H.R. 7343. An act to remove inequities in the law governing eligibility for promotion to the position of chief clerk in the Railway Mail Service;

H.R. 7348. An act to amend section 3937 of the Revised Statutes;

H.R. 7670. An act relating to conveyance of letters by private hands without compensation or by special messenger employed for the particular occasion only;

H.R. 7759. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H.R. 7982. An act to establish a national military park at the battlefield of Monocacy, Md.;

H.R. 8234. An act to provide a preliminary examination of the Paint Rock River in Jackson County, Ala., with a view to the control of its floods;

H.R. 8541. An act to provide for the enrollment of members of the Menominee Indian Tribe of the State of Wisconsin;

H.R. 8562. An act to provide for a preliminary examination of the Connecticut River with a view to the control of its floods and prevention of erosion of its banks in the State of Massachusetts;

H.R. 8779. An act to authorize the Secretary of Agriculture to adjust claims to so-called "Olmstead lands" in the State of North Carolina;

H.R. 9002. An act to provide relief to Government contractors whose costs of performance were increased as a

result of compliance with the act approved June 16, 1933, and for other purposes;

H.R. 9046. An act to discontinue administrative furloughs in the Postal Service;

H.R. 9064. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Grand Calumet River near Clark Street, in Gary, Ind;

H.R. 9141. An act granting the consent of Congress to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., or to any two of them, or to either of them, to construct, maintain, and operate a bridge, and approaches thereto, across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala., suitable to the interests of navigation;

H.R. 9313. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H.R. 9371. An act to authorize the incorporated town of Douglas City, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system; and construction, reconstruction, enlargement, extension, and improvements to sewers, and for such purposes to issue bonds in any sum not exceeding $40,000;

H.R. 9392. An act to reclassify terminal railway post offices;

H.R. 9394. An act to authorize the Federal Radio Commission to purchase and enclose additional land at the radio station near Grand Island, Nebr.;

H.R. 9402. An act to authorize the incorporated town of Fairbanks, Alaska, to undertake certain municipal public works, including construction, reconstruction, and extension of sidewalks; construction, reconstruction, and extension of sewers, and construction of a combined city hall and fire-department building, and for such purposes to issue bonds in any sum not exceeding $50,000;

H.R. 9526. An act authorizing the city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, to construct, maintain, and operate a bridge over Lake Sabine at or near Port Arthur, Tex.; and

H.R. 9567. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 3235. An act to amend an act entitled "An act providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration) to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes", approved February 8, 1932, to provide for participation in A Century of Progress in 1934, to authorize an appropriation therefor, and for other purposes; and

H.J.Res. 317. Joint resolution requesting the President of the United States of America to proclaim May 20, 1934, General La Fayette Memorial Day for the observance and commemoration of the one hundredth anniversary of the death of General La Fayette.

A CENTURY OF PROGRESS EXPOSITION AT CHICAGO, ILL.

Mr. LEWIS. Mr. President, in the message just received from the House of Representatives is a bill that relates to the matter of the exposition at Chicago. Having been signed by the Speaker of the House, it is now necessary that it shall be signed by the Vice President. I beseech you, sir, that with such convenience as will not interfere with the business before the Senate, steps be taken to have signature by the Vice President facilitated in order that the bill may be hastened to the President whose signature is required before the fair can be opened.

The PRESIDING OFFICER (Mr. MURPHY in the chair). The Chair will advise the Senator from Illinois that the bill is in the hands of the Vice President for signature.

ENROLLED BILL PRESENTED

Mr. LONERGAN, from the Committee on Enrolled Bills, reported that on today, May 15, 1934, that committee presented to the President of the United States the enrolled bill S. 3235, to amend an act entitled "An act providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration) to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes", approved February 8, 1932, to provide for participation in A Century of Progress in 1934, to authorize an appropriation therefor, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

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

On May 11, 1934:

S. 285. An act to authorize the addition of certain lands to the Ochoco National Forest, Oreg.;

S. 1506. An act to amend the United States mining laws applicable to the Mount Hood National Forest within the State of Oregon; and

S. 3099. An act authorizing the city of Wheeling, a municipal corporation, to construct, maintain, and operate a bridge across the Ohio River at Wheeling, W.Va.

On May 14, 1934:

S. 618. An act to amend the act of May 25, 1926, entitled "An act to provide for the establishment of the Mammoth Cave National Park in the State of Kentucky, and for other purposes";

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;

S. 1810. An act to amend the act authorizing the issuance of the Spanish War Service Medal;

S. 2681. An act authorizing the Secretary of the Navy to make available to the municipality of Aberdeen, Wash., the U.S.S. *Newport;* and

S. 2901. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H.R. 194. An act to refund to Caroline M. Eagan income tax erroneously and illegally collected;

H.R. 206. An act for the relief of Pierre E. Teets;

H.R. 4272. An act for the relief of Annie Moran;

H.R. 4460. An act to provide for the payment of compensation to George E. Q. Johnson;

H.R. 4666. An act for the relief of Jerry O'Shea;

H.R. 4932. An act for the relief of Judd W. Hulbert;

H.R. 4957. An act for the relief of F. M. Peters and J. T. Akers;

H.R. 5639. An act for the relief of Harriet V. Schindler;

H.R. 5736. An act for the relief of Shelby J. Beene, Mrs. Shelby J. Beene, Leroy T. Waller, and Mrs. Leroy T. Waller; and

H.R. 6238. An act for the relief of M. R. Welty; to the Committee on Claims.

H.R. 1769. An act for the relief of Jeannette S. Jewell;

H.R. 2326. An act for the relief of Emma R. H. Taggart;

H.R. 5357. An act for the relief of Alice M. A. Damm; and

H.R. 6781. An act to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions; to the Committee on Foreign Relations.

H.R. 3353. An act to provide a preliminary examination of Stillaguamish River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3354. An act to provide a preliminary examination of Snohomish River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3362. An act to provide a preliminary examination of the Nooksack River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 3363. An act to provide a preliminary examination of Skagit River and its tributaries in the State of Washington, with a view to the control of its floods;

H.R. 5175. An act to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods;

H.R. 8234. An act to provide a preliminary examination of the Paint Rock River in Jackson County, Ala., with a view to the control of its floods;

H.R. 8562. An act to provide for a preliminary examination of the Connecticut River with a view to the control of its floods and prevention of erosion of its banks in the State of Massachusetts;

H.R. 9064. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Grand Calumet River near Clark Street, in Gary, Ind.;

H.R. 9141. An act granting the consent of Congress to the State of Alabama, its agent or agencies, and to Colbert County and to Lauderdale County in the State of Alabama, and to the city of Sheffield, Colbert County, Ala., and to the city of Florence, Lauderdale County, Ala., or to any two of them, or to either of them, to construct, maintain, and operate a bridge and approaches thereto across the Tennessee River at a point between the city of Sheffield, Ala., and the city of Florence, Ala., suitable to the interests of navigation;

H.R. 9313. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H.R. 9526. An act authorizing the city of Port Arthur, Tex., or any commission designated by it, and its successors and assigns, to construct, maintain, and operate a bridge over Lake Sabine at or near Port Arthur, Tex.; and

H.R. 9567. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.; to the Committee on Commerce.

H.R. 5344. An act granting a franking privilege to Grace G. Coolidge;

H.R. 7023. An act to amend section 213, United States Penal Code, as amended;

H.R. 7212. An act to remove the limitation upon the extension of star routes;

H.R. 7301. An act to authorize the Postmaster General to charge an additional fee for effecting delivery of domestic registered, insured, or collect-on-delivery mail, the delivery of which is restricted to the addressee only, or to the addressee or order;

H.R. 7317. An act to provide for the final construction on behalf of the United States, of postal treaties or conventions to which the United States is a party;

H.R. 7343. An act to remove inequities in the law governing eligibility for promotion to the position of chief clerk in the Railway Mail Service;

H.R. 7348. An act to amend section 3937 of the Revised Statutes;

H.R. 7670. An act relating to conveyance of letters by private hands without compensation, or by special messenger employed for the particular occasion only;

H.R. 9046. An act to discontinue administrative furloughs in the Postal Service; and

H.R. 9392. An act to reclassify terminal railway post offices; to the Committee on Post Offices and Post Roads.

H.R. 6847. An act providing for the acquisition of additional lands for the naval air station at Hampton Roads Naval Operating Base, Norfolk, Va.; to the Committee on Naval Affairs.

H.R. 7982. An act to establish a national military park at the Battlefield of Monocacy, Md.; to the Committee on Military Affairs.

H.R. 8779. An act to authorize the Secretary of Agriculture to adjust claims to so-called "Olmstead lands" in the State of North Carolina; to the Committee on Public Lands and Surveys.

H.R. 9002. An act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes; to the Committee on the Judiciary.

H.R. 9394. An act to authorize the Federal Radio Commission to purchase and enclose additional land at the radio station near Grand Island, Nebr.; to the Committee on Interstate Commerce.

H.R. 9371. An act to authorize the incorporated town of Douglas City, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system; and construction, reconstruction, enlargement, extension, and improvements to sewers, and for such purposes to issue bonds in any sum not exceeding $40,000; and

H.R. 9402. An act to authorize the incorporated town of Fairbanks, Alaska, to undertake certain municipal public works, including construction, reconstruction, and extension of sidewalks; construction, reconstruction, and extension of sewers, and construction of a combined city hall and fire-department building, and for such purposes to issue bonds in any sum not exceeding $50,000; to the Committee on Territories and Insular Affairs.

H.R. 7759. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin; and

H.R. 8541. An act to provide for the enrollment of members of the Menominee Indian Tribe of the State of Wisconsin; to the calendar.

SALE AND DISTRIBUTION OF MILK AND OTHER DAIRY PRODUCTS

The concurrent resolution (H.Con.Res. 32) authorizing and directing the Federal Trade Commission to investigate conditions with respect to the sale and distribution of milk and other dairy products in the United States, was referred to the Committee on Agriculture and Forestry.

REGULATION OF COMMUNICATIONS BY WIRE OR RADIO

The Senate resumed the consideration of the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. WAGNER].

Mr. DILL obtained the floor.

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

Mr. DILL. I yield.

Mr. WHITE. I suggest the absence of a quorum and ask for a roll call.

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Couzens	Johnson	Robinson, Ark.
Ashurst	Cutting	Keyes	Robinson, Ind.
Austin	Dickinson	King	Schall
Bachman	Dill	La Follette	Shipstead
Bailey	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Steiwer
Barkley	Fess	Lonergan	Stephens
Black	Fletcher	McCarran	Thomas, Okla.
Bone	Frazier	McGill	Thomas, Utah
Borah	George	McKellar	Thompson
Brown	Gibson	McNary	Townsend
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Hale	Norbeck	Van Nuys
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Clark	Hatch	O'Mahoney	Walsh
Connally	Hatfield	Overton	Wheeler
Copeland	Hayden	Patterson	White
Costigan	Hebert	Pope	

Mr. HEBERT. I wish to announce that the Senator from Pennsylvania [Mr. REED], the Senators from New Jersey [Mr. KEAN and Mr. BARBOUR], the Senator from Pennsylvania [Mr. DAVIS], and the Senator from Wyoming [Mr. CAREY] are necessarily detained from the Senate.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. DILL. Mr. President, I shall not detain the Senate at any great length, but in light of the statements which have been made by the proponents of the amendment I feel that I should make some explanation of the reason why this amendment was rejected.

The amendment was presented by Father Harney, of the Paulist Fathers, representing station WLWL in New York. Full hearings were had, and the committee considered it carefully and rejected the amendment by an overwhelming vote, but adopted instead a provision in the bill requiring the Commission to make a study of the question of educational broadcasting, and to submit recommendations to Congress.

It might be concluded from the arguments made here by those who propose this amendment that the committee and I are not anxious for educational and religious broadcasts. I think the record of my activities in radio will show that I have always been one of the most insistent among those who wanted to see a larger use of radio for educational, religious, and fraternal purposes and for nonprofit purposes generally. I am extremely anxious now that some plan may be worked out for a larger use of radio for educational and religious purposes; but the amendment presented by the Senators from New York and West Virginia does not suggest the proper method, in my judgment, to bring about such a result.

In the first place, the amendment proposes to wipe out all existing allocations. It did propose to allow 3 months, which now has been changed, I understand, to 6 months, because it would be impossible under the law to wipe out the licenses before they had expired except for violation of the law.

In the second place, it compels a reallocation by the new commission of all the stations in the United States within a period, as the amendment has been changed, of 6 months. I think that is impracticable. I do not believe the new commission will be able to reallocate all the stations in that short period of time.

The third and strongest objection which I have is that these stations are not to be what we understand as educational and religious stations merely, but they are to be stations that are to sell time on the air to advertisers who will make use of the stations for advertising purposes. Thus we are simply changing the ownership of these stations from the present commercial owners to owners who call themselves nonprofit organizations.

The records show that a large percentage of stations are not making any money as it is. It is safe to say that even if these nonprofit organizations could borrow money—and I do not know where they could borrow it, but if they could borrow money with which to build these stations and maintain them, it would require the sale of between 60 and 75 percent of their valuable time to maintain the stations and pay back the money which it would cost to build the new stations.

I remind the Senate that it costs a large sum of money to build a high-power radio station and to employ the engineers that may be necessary, and so to handle the station that its broadcasts may be heard throughout the country.

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

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Washington yield to the Senator from Kentucky?

Mr. DILL. I yield.

Mr. LOGAN. The Senator says it requires a large sum of money to build and operate a radio station. For my own satisfaction, I should like to know approximately what one of these large radio stations costs?

Mr. DILL. Anywhere from one hundred to two hundred thousand dollars.

Mr. LOGAN. So an educational or religious or nonprofit association would have to provide some such sum as that in order to establish a station?

Mr. DILL. They would have to, if they established a high-powered station. I am told that it costs practically as much each year to operate and maintain a station as it does to build it in the first place.

This is not a new subject. I myself, with the Senator from Michigan, in 1931, induced the Senate to pass a resolution to investigate the question, particularly of educational stations. A series of questions was propounded to the Radio Commission. I have here the answers to some of those questions, and I particularly call attention to the reply to the question—

> What applications by public educational institutions for increased power and more effective frequencies have been granted since the Commission's organization? What refused?
>
> Answer. In the period—
>
> Since the organization of the Commission—
>
> from February 23, 1927, to January 1, 1932, the Commission considered 81 applications from educational institutions for additional and more effective radio facilities, 52 of which were from public educational institutions and 29 from private educational institutions.
>
> * * * Thirty-two of these applications were granted in full; 27 were granted in part; 10 were denied; * * * 10 were dismissed at the request of the applicant.

So, out of 71, all but 10 were granted either in full or in part.

There are today some 63 stations operated in the United States by educational, agricultural, religious, or nonprofit organizations, but none of them exceeds 5,000 watts. There is one 5,000-watt station, and I think there are one or two 1,500-watt stations and one or two 1,000-watt stations, but the large percentage of them are small stations. They are used only for a few hours a day and some of them for only a few hours a week.

It is the conviction on the part of those who have made a study of this subject that this question must be solved in some other way. I am not prepared to say what is the best method. I may say, however, that the owners of large radio stations now operating have suggested to me that it might be well to provide in the license grant that a certain percentage of the time of a radio station shall be allotted to religious, educational, or nonprofit users by their paying the actual cost of operation for the hours which they actually use such station.

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

The PRESIDING OFFICER. Does the Senator from Washington yield further to the Senator from Kentucky?

Mr. DILL. I yield.

Mr. LOGAN. I should like to ask the Senator who is going to determine how much of the total time allotted shall be allocated to labor, how much to education, and how much to religion?

Mr. DILL. I was coming to that very point in just a moment and I will answer it now. If we should provide that 25 percent of time shall be allocated to nonprofit organizations, someone would have to determine—Congress or somebody else—how much of the 25 percent should go to education, how much of it to religion, and how much of it to agriculture, how much of it to labor, how much of it to fraternal organizations, and so forth. When we enter this field we must determine how much to give to the Catholics probably and how much to the Protestants and how much to the Jews.

Mr. LOGAN. And to the Hindus.

Mr. DILL. Yes; and probably the infidels would want some time.

Mr. LOGAN. Yes; there is a national association of atheists. They perhaps would want their part of the time.

Mr. DILL. Yes; and when we go into the field of the educational institutions, it must be determined how much time shall be given to State institutions, how much to private institutions, how much to land-grant colleges, and so forth. So we find ourselves right back in the same maze of difficulties in which we now are. We must go to the Commission to subdivide the time; so that the difficulty today is not in the law; the difficulty probably is in the failure of the present Commission to take steps that it ought to take to see to it that a larger use is made of radio facilities for

education and religious purposes. However, it should be said in defense of the Commission that religious and educational institutions do not have the money with which to build and maintain radio stations. The Senator from North Dakota [Mr. FRAZIER] said to me a few moments ago that the educational radio station in his State has been compelled to close, not because the commission took away its time or restricted it, but because it did not have the money with which to operate. I myself have long believed that we ought to charge fees from commercial stations for the use of these frequencies and that such fees might well be put into a fund and used to establish a Government educational station. I hope something of that kind may be done, but just in what direction we should go, or how we should solve the problem, I am unable to say. I feel certain, however, that it would be a mistake for Congress by statute to fix absolutely 25 percent, 20 percent, 15 percent, 10 percent, or any other fixed percentage; but rather this discussion and this provision should cause the new commission to realize the importance of some serious, careful study of this question with a view to submitting recommendations to the Congress as to what, if anything, should be done by Congress.

Mr. OVERTON. Mr. President——

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

Mr. OVERTON. What is considered to be educational? Has that term any well-defined meaning? Is music educational; is song educational; is the drama educational?

Mr. DILL. Undoubtedly there is an element of education in all of them. I want to say in that connection, in answer to the Senator from New York, who said that only 2 percent of our radio time is used for educational and religious purposes, that he was speaking of the 63 stations which I have mentioned and not of the 550 or 600 other stations that continually put on educational and religious programs. I dare say that many of the speeches of the Senator from New York, as well as those of other Senators, would be considered partly educational, at least. They are put out by the large radio chains which furnish the American people the great radio programs.

I recognize the objection on the part of educational organizations to accepting free time from a commercial station. That objection is that they feel themselves handicapped; they feel themselves limited in the freedom they would like to have to present educational subjects because they may be offensive to the station from which they receive time. I recognize that as an objection, and because of that I think some plan should be worked out which would enable them to make some payment and have the free right to the use of the air; but I cannot believe, with the present financial status of the educational and religious organizations of this country, that there is any hope of their using 25 percent of our radio facilities effectively, even if we gave them the right under this bill. They have not the money and there is nowhere they can secure money except they go into the commercial field and themselves become commercial stations.

Mr. WAGNER. Mr. President——

Mr. DILL. I yield to the Senator from New York.

Mr. WAGNER. I should like to ask the Senator whether the Commission, in granting licenses to any of the larger purely commercial stations, ever made it a condition for granting the license that any part of the time be used for religious, cultural, or educational purposes?

Mr. DILL. I think not; and I suggest that that is one of the possibilities that might be worked out.

Mr. WAGNER. They have had a long time in which to think about it.

Mr. DILL. I am not defending the Radio Commission; Heaven knows, I do not hold any brief for the present Radio Commission; I am glad it is going to be abolished and that new policies will be established by the Radio Commission.

Mr. BORAH. Mr. President——

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

Mr. BORAH. I understood the Senator to state some time ago that his construction of this amendment was to the effect that those taking the allocation for religious, agricultural, and education and labor, and so forth, could turn the station into a commercial one.

Mr. DILL. The amendment specifically so provides, as the Senator will see if he will read subsection (g).

Mr. BORAH. I have read it.

Mr. DILL. Beginning in line 16, it reads:

> The facilities reserved for, or allocated to, educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations shall be equally as desirable as those assigned to profit-making persons, firms, or corporations. In the distribution of radio facilities to the associations referred to in this section, the Commission shall reserve for and allocate to such associations such radio broadcasting facilities as will reasonably make possible the operation of such stations on a self-sustaining basis.

The only way they could be "self-sustaining" would be by selling time; the only people to whom they could sell time would be advertisers, and the only use advertisers could make of the time would be to advertise their products on the air, just as they now do.

Mr. BORAH. The Senator then construes "self-sustaining" to mean that they must necessarily become "self-sustaining" from the commercial field?

Mr. DILL. I do not see any other method. Why would they sell time if they were self-sustaining?

Mr. BORAH. There would not be a sufficient demand from the religious, educational, and other uses to utilize all the time.

Mr. DILL. I will read the remainder of the subsection (g)—

> And to that end the licensee may sell such part of the allotted time as will make the station self-supporting.

Mr. BORAH. Is that the construction of the Senator from New York?

Mr. WAGNER. I do say that organizations which exist for the purpose of making a profit are distinctly excluded from the use of this time.

Mr. DILL. But they do not make a profit until they make enough to more than pay for the cost of the station and the maintenance of the station. There would be no profit until they have paid those expenses.

Mr. HATFIELD. The Senator is now proposing an amendment, is he not?

Mr. WAGNER. I am quite willing to add, so there may be no question about it, "educational, religious, agricultural, labor, and cooperative associations which are not organized for profit and which do not directly or indirectly provide a source of profit for their members or employees or anyone else." That is as all-embracing as I can make it.

Mr. DILL. But the Senator proposes to leave the right to sell time and make the station self-supporting.

Mr. WAGNER. That is quite a different thing from profit. Such patronage may come, and undoubtedly will come, from the very educational institutions which will ask for time on these stations.

Mr. DILL. If the Senator is going to limit it to selling time to educational and religious organizations who will buy it, that is a different proposition. I do not know of more than one or two religious organizations which buy time. They are all given the time free.

Mr. WAGNER. They have their own stations.

Mr. DILL. A few of them have, but they have not the money with which to buy time. I feel that it would be absolutely impracticable, if we do not allot the time to commercial stations, to hope for them to raise any money.

Mr. BONE. Mr. President, will my colleague yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to his colleague?

Mr. DILL. I yield.

Mr. BONE. As I read the proposed amendment, it would require the Radio Commission arbitrarily to destroy, or what would amount to destroying, 25 percent of the radio facilities now existing in any community where anyone else sought to take advantage of the facilities. They simply would be permitted to use the wave length or the power in watts of existing stations. Is that correct?

Mr. DILL. At the end of the license period they would have a right to allocate to new stations, but they have that right under existing law.

Mr. BONE. I understand; but it is a right which, I assume, has not been exercised.

Mr. DILL. Yes; it has been exercised.

Mr. BONE. I am trying to get some light on the matter. Suppose in the State of Washington the Radio Commission should decree that out of 100,000 watts of power now employed by radio stations there should be a reduction to 75,000 watts. That would mean, if I understand the amendment aright, that stations now operating with 25,000 watts of power would be summarily cut off and, of course, that value would be destroyed.

Mr. DILL. The commission would decide whether it would reduce all stations or certain stations, or would delete and take out of operation certain stations. There is no limit as to the method. Under the law, of course, the public interests would have to be considered in that connection.

Mr. President, I do not want to take the time of the Senate any further. I hope the amendment will be defeated. I believe it would be an extremely bad policy for Congress to begin the allocation of wave lengths. I believe we will do more for educational and religious progress by having the new commission study the matter and let it come back to Congress with some practical plan that will make use of existing facilities, rather than attempt to grant an arbitrary 25 percent and then allow those stations to be turned into commercial stations.

Mr. WAGNER. Mr. President, I should like to perfect my amendment in this manner: On page 2, line 5, strike out the words "90 days" and substitute therefor "6 months", and in line 8, strike out "90 days" and insert in lieu thereof "6 months."

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. WHITE. Mr. President, the pendency of the amendment and the discussion to which we have listened confirm me in the view I have always had as to the unwisdom of offering this legislation in its entirety at this time. I have felt strongly that the wise thing for us to have done would have been to follow the recommendation of the President, as I understood it to be, to enact legislation creating a new commission, to transfer to that commission the present authorities of law, and to enjoin upon the commission the obligation to study the problem of communications during the summer and fall, and to report to the Congress of the United States, when we convene in January next, its recommendations as to comprehensive communications legislation.

I believed when the legislation was first suggested, and I believe now that that is the sound course for Congress to pursue. A majority of the committee were decidedly of the contrary opinion, and I bowed to the judgment of the majority.

One of the particular things to which it seems to me the commission might have given its attention during the summer is the study of the precise problem presented by the pending amendment. The amendment in its substance basically is not new, for even back in 1927, when the present radio law was written, there was pending before the committees of Congress and before the Congress itself and before the conferees the question of giving legislative preference or legislative priority to some particular user of radio communication.

I recall very well when the bill passed the Senate in 1927 there was embodied in it a provision that land-grant colleges should have a preference or priority in the use of frequencies. That provision was dropped in conference. It was dropped because depending upon that provision was a string of applications for special recognition in the law. At that time, when it was being urged that special recognition should be given to land-grant colleges, there were religious organizations or institutions asking that they be given the same legislative preference which was proposed to be given to the land-grant colleges. There were all sorts of groups and organizations throughout the United States asking that if we gave statutory preference to land-grant colleges, we should accord similar recognition to them.

At that time it was the judgment of the Congress that we had to adopt one of two courses. We either had to strike from the legislation special consideration for land-grant colleges and grant to the regulatory body full power and authority with respect to the granting of licenses, or the Congress faced the obligation of making a complete allocation to services.

I object to the pending amendment for the considerations suggested by the Senator from Washington [Mr. DILL]. I object also more strongly because it seems to me it flies in the face of a sound principle. We must, as I said, do one of two things. We must here in the Congress make a complete allocation of the radio spectrum to services, or we must leave it entirely alone. I have long been a believer, and I believe now, that commercial activities occupy too much of the time and use too many of the radio facilities of the country.

I recall very definitely I urged, in legislation which I introduced in the House a number of years ago, that we should give to the regulatory body the power, and we should lay upon them the express duty of establishing priorities in the character of service. That is precisely what the pending proposal is, but it only takes one step in that direction. It proposes that we shall take only 25 percent of the radio facilities, and that we shall give them to a somewhat indefinite group, religious, educational, non-profit-making organizations. They are indefinite almost in number. How many of them there are I do not know. As a practical result, we have all of these non-profit-making organizations contending among themselves not for a place in the entire radio spectrum but for a part of only 25 percent of the radio spectrum. If that shall be granted the controversy will be intensified, and the situation will not be cured at all.

Manifestly, we should either go ahead as a Congress and divide up the entire spectrum among persons and organizations for uses here in the United States or we should leave it alone in its entirety and place the responsibility of allocation where it already is—upon the Federal Radio Commission.

It seems to me that if this amendment should be adopted it would go through the entire radio structure of the United States like a tornado, leaving destruction and chaos in its wake.

I join with the Senator from Washington [Mr. DILL] in expressing the earnest hope that the amendment may not have the approval of this body.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. WAGNER] and the Senator from West Virginia [Mr. HATFIELD].

Mr. WAGNER. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Copeland	Johnson	Pope
Ashurst	Couzens	Keyes	Robinson, Ark.
Austin	Cutting	King	Schall
Bachman	Dill	La Follette	Shipstead
Bailey	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Steiwer
Barkley	Fess	Lonergan	Stephens
Black	Fletcher	McCarran	Thomas, Utah
Bone	Frazier	McGill	Thompson
Borah	George	McKellar	Townsend
Brown	Gibson	McNary	Tydings
Bulkley	Goldsborough	Metcalf	Vandenberg
Bulow	Hale	Murphy	Van Nuys
Byrd	Harrison	Norris	Wagner
Byrnes	Hastings	Nye	Walcott
Capper	Hatch	O'Mahoney	Walsh
Clark	Hatfield	Overton	Wheeler
Connally	Hebert	Patterson	White

Mr. LEWIS. I announce the absentees as announced by me upon the previous roll call.

The PRESIDING OFFICER. Seventy-two Senators have answered to their names. A quorum is present.

The question is on the amendment offered by the Senator from New York [Mr. WAGNER] and the Senator from West Virginia [Mr. HATFIELD]. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BULKLEY (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. CAREY], who is absent from the city on official business. He has advised me that if present he would vote as I intend to vote. Therefore I am at liberty to vote, and vote "nay."

Mr. McNARY (when his name was called). On this question I have a pair with the junior Senator from Oklahoma [Mr. GORE]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. STEPHENS (when his name was called). I have a general pair with the Senator from Indiana [Mr. ROBINSON], who is absent. I therefore withhold my vote.

Mr. VANDENBERG (when his name was called). On this question I have a pair with the senior Senator from Nevada [Mr. PITTMAN]. Not knowing how he would vote, I withhold my vote.

Mr. WALCOTT (when his name was called). I have a general pair with the Senator from California [Mr. McADOO], who is detained from the Senate by sickness. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. BONE. I wish to announce the unavoidable absence of the Senator from West Virginia [Mr. NEELY].

The roll call was concluded.

Mr. LOGAN. I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. I transfer that pair to the junior Senator from North Carolina [Mr. REYNOLDS], and will vote. I vote "nay."

Mr. ROBINSON of Arkansas. I transfer my general pair with the Senator from Pennsylvania [Mr. REED] to the Senator from Illinois [Mr. DIETERICH], and will vote. I vote "nay."

Mr. FESS (after having voted in the negative). I have a general pair with the senior Senator from Virginia [Mr. GLASS], who is detained from the Senate; but I am advised that if he were present he would vote as I have already voted. Therefore I shall permit my vote to stand.

Mr. BARKLEY (after having voted in the negative). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON], who is absent. I transfer that pair to the junior Senator from Georgia [Mr. RUSSELL], and will allow my vote to stand.

Mr. LEWIS. I announce the absence of my colleague [Mr. DIETERICH], and desire to state that were he present and voting he would vote "yea" on this question.

I beg to announce the absence of Senators as previously announced by me on previous roll calls.

I announce the following special pairs on this question:

The Senator from Arkansas [Mrs. CARAWAY] with the Senator from New Jersey [Mr. BARBOUR];

The Senator from Texas [Mr. SHEPPARD] with the Senator from New Jersey [Mr. KEAN]; and

The Senator from Texas [Mr. CONNALLY] with the Senator from South Dakota [Mr. NORBECK].

I am not advised how these Senators would vote if present.

I also announce a special pair on this question between the Senator from Massachusetts [Mr. COOLIDGE] and the Senator from South Carolina [Mr. BYRNES]. If present the Senator from Massachusetts would vote "yea" on this question, and the Senator from South Carolina would vote "nay."

I also announce that the Senator from South Carolina [Mr. BYRNES], the Senator from Texas [Mr. CONNALLY], the Senator from Colorado [Mr. COSTIGAN], the Senator from Virginia [Mr. GLASS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Arizona [Mr. HAYDEN] are detained from the Senate on official business.

Mr. HEBERT. I wish to announce that the Senator from New Jersey [Mr. BARBOUR], the Senator from Wyoming [Mr. CAREY], the Senator from South Dakota [Mr. NORBECK], the Senator from Pennsylvania [Mr. DAVIS], the Senator from Iowa [Mr. DICKINSON], the Senator from New Jersey [Mr. KEAN], the Senator from Pennsylvania [Mr. REED], and the Senator from Indiana [Mr. ROBINSON] are necessarily detained from the Senate.

The result was announced—yeas 23, nays 42, as follows:

YEAS—23

Ashurst	Frazier	McCarran	Shipstead
Borah	Hatfield	Metcalf	Townsend
Copeland	Hebert	Norris	Wagner
Cutting	La Follette	Nye	Walsh
Duffy	Lewis	Patterson	Wheeler
Erickson	Lonergan	Schall	

NAYS—42

Adams	Byrd	Hastings	Pope
Austin	Clark	Hatch	Robinson, Ark.
Bachman	Couzens	Johnson	Smith
Bailey	Dill	Keyes	Steiwer
Bankhead	Fess	King	Thomas, Utah
Barkley	Fletcher	Logan	Thompson
Black	George	McGill	Tydings
Bone	Gibson	McKellar	Van Nuys
Brown	Goldsborough	Murphy	White
Bulkley	Hale	O'Mahoney	
Bulow	Harrison	Overton	

NOT VOTING—31

Barbour	Davis	McAdoo	Russell
Byrnes	Dickinson	McNary	Sheppard
Capper	Dieterich	Neely	Stephens
Caraway	Glass	Norbeck	Thomas, Okla.
Carey	Gore	Pittman	Trammell
Connally	Hayden	Reed	Vandenberg
Coolidge	Kean	Reynolds	Walcott
Costigan	Long	Robinson, Ind.	

So the amendment of Mr. WAGNER and Mr. HATFIELD was rejected.

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

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 2, to strike out lines 20 to 25, inclusive, and to insert in lieu thereof the following:

(b) Nothing in this act shall be construed to apply or to give the commission jurisdiction with respect to charges, classifications, practices, or regulations for or in connection with intrastate communication service of any carrier, or to any carrier engaged in interstate or foreign communication solely through physical connection with the facilities of another carrier not directly or indirectly controlling or controlled by such carrier, or under direct or indirect control with such other carrier.

Mr. CLARK. Mr. President, the only purpose of this amendment is to clarify the language contained in the original bill with regard to small independent telephone companies. These independent telephone companies are located in small communities. They are entirely local affairs. I know there are nearly 700 in Missouri, and in a great many instances they are family enterprises; that is, a man will own the local independent telephone company, have the central office located in his own home, and the plant will be operated by the man and his family.

There are 700 independent telephone companies in Missouri. I think that without exception they are located in towns of less than 1,500 inhabitants. Nevertheless, under the terms of the bill, they probably would be subjected to the jurisdiction of the Interstate Commerce Commission, because nearly invariably they have a physical connection with a toll line, for long-distance calls, which would make them engage in interstate commerce.

Every one of these independent telephone lines throughout the United States is already subjected to local regulation by the State public-service commission, and to subject them to further regulation, with a duplication of a system of accounting, would simply mean an intolerable burden on these little companies, who have had a hard time existing anyway.

Mr. DILL. Mr. President, I am familiar with the Senator's proposed amendment. I do not believe the amendment is necessary, but I do not think it would do any harm,

because its purpose is to accomplish that which we have tried to do throughout the bill; that is, to protect the independent companies. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WHEELER. Mr. President, on page 56, section 311, I notice this language is used:

SEC. 311. The commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313, and is hereby authorized to refuse such station license and/or permit to any other person (or to any person directly or indirectly controlled by such person) which has been finally adjudged guilty by a Federal court of unlawfully monopolizing, or attempting unlawfully to monopolize, after this act takes effect.

I move to strike out the words "after this act takes effect." Otherwise it would bring it down, in my judgment, to the present date, and if they have been monopolizing up to the present time, the commission would not be able to act.

Mr. DILL. Mr. President, this wording, "after this act takes effect", was copied from existing law, and I think there may be some merit in the Senator's contention. At first I did not think there was, but on further consideration I believe there may be. I do not see that it would do any good to keep the language in, and I have no objection to it being stricken out, because there might be some question, it seems to me, of relieving somebody violating the law at this time.

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

Mr. WHEELER. I yield.

Mr. WHITE. I was in the far reaches of the Chamber and I could not hear the amendment as the Senator stated it.

Mr. WHEELER. I am moving to strike out, on line 24, page 56, section 311, the words "after this act takes effect."

Mr. WHITE. Will not the Senator explain just what the effect of the amendment would be?

Mr. WHEELER. Assuming that someone has been violating the provisions set forth up to the present time, the commission may want to go ahead and act, and it seems to me that they could not act if that language remained in the measure. The purpose of this section is simply to reenact the present law.

Mr. DILL. In other words, as I understand, the Senator's contention is that this might exempt those who had been convicted between 1927 and this time. I cannot see that it would do any harm, and I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WALSH. Mr. President, I request the Senator to turn to page 9, line 1, where the bill reads, "Without regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the commission may appoint", and so forth; and again on page 14, where it reads, "Each division may (1) appoint a director, without regard to the civil-service laws or the Classification Act of 1923."

I should like to ask the Senator the reason for exempting the operations of the Classification Act in the payment of salaries of these officials, other than the commissioners.

Mr. DILL. Mr. President, it is because practically all of the commissions now do that.

Mr. WALSH. It is true that all of the emergency commissions which were created do that, but the fact is that the Federal Trade Commission and the Interstate Commerce Commission and other permanent departments comply with the provisions of the Classification Act. I, for one, protest against these new permanent commissions being allowed to fix salaries outside of the stipulations of the Classification Act, and exempt themselves from the general policy fixed.

Mr. DILL. We have fixed a maximum above which they may not go.

Mr. WALSH. That does not meet the situation. The same question is before the Committee on Education and Labor, of which I am chairman, in connection with the Wagner labor bill. A very similar provision was drafted, leaving employees out of the Classification Act and the civil service. It is one thing leaving them out of the civil service, where experts are needed, but it is an entirely different thing to put lawyers and other various employees outside of the Classification Act. It means that they may get any salary the commission may see fit to fix. Let us have a uniform policy. Let us have all these positions under the Classification Act.

Mr. DILL. The Radio Commission has been operating under this kind of a provision, and I think they have found it reasonably satisfactory.

Mr. WALSH. It is time to stop it if they have been operating under it. One of the criticisms we hear generally as to the N.R.A. and some of the temporary commissions is that the salaries are out of all proportion to salaries in other fixed bureaus.

Mr. DILL. That would not apply in this case.

Mr. WALSH. Lawyers and experts doing exactly the same work which is being performed by lawyers and other employees in the permanent commissions are underpaid in comparison with the salaries being paid by the new commissions.

Mr. DILL. I remind the Senator that there is a limit fixed for salaries to be paid by this commission; they cannot go above a certain amount.

Mr. WALSH. Why should they be taken from under the Classification Act, anyway?

Mr. DILL. Because I think there ought to be a specific amount in the case of the chief counsel of a great commission like this. I think he ought to have a substantial salary.

Mr. WALSH. That may be so of the chief counsel; but how about these other lawyers?

Mr. DILL. I think the same should apply to the chief engineer. It applies only to the chief counsel and the chief engineer. The special counsel are not included.

Mr. WALSH. It provides for one or more assistants, experts, and special counsel. It means that the assistant counsel may receive $7,500 per annum. I think that is an excessive salary for attorneys today, in view of conditions in this country.

I am not one who favors low salaries. I have the same question coming up in connection with a bill that will be before us in a few weeks, and if such a policy is to be adopted in regard to the commission to be created under this bill, I want it to apply to the one to be created in the bill to come up later. I am against designating salaries in these bills, because I think these employees and officials should be under the Classification Act. I cannot see any reason for exempting in this case.

Mr. DILL. I think one of the worst things about the civil service today in regard to these commissions is the fact that a commissioner cannot choose his own confidential clerk, that he must take someone who is on the civil-service list. If I were the member of a commission I would want my own confidential clerk, and I think the Senator from Massachusetts would want his, and I have purposely inserted in this bill a provision that each Commissioner might have one clerk. I think that is a provision that is highly desirable. I think every man has a right to have one clerk in an organization of this kind.

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

Mr. WALSH. I yield.

Mr. COUZENS. Let me ask the Senator whether this would be satisfactory to him. I intend to offer an amendment on page 9, beginning with line 4, to cut out the words "and one or more assistant chief engineers and one or more assistants, experts, and special counsel." That would leave free the secretary, the general counsel and the chief engineer.

Mr. DILL. I would have no objection to that amendment.

Mr. WALSH. As I understand the Senator's amendment it would strike out of this bill the provision "Without regard to the Classification Act of 1923."

Mr. COUZENS. Only as applied to the chief engineer and secretary and the general counsel. All the rest would be under civil service.

Mr. WALSH. If that is the purpose which the Senator from Michigan has in mind, I would agree to it.

Mr. COUZENS. I move, Mr. President, that that amendment be agreed to.

Mr. DILL. I have no objection to it.

Mr. WALSH. Let us see if we understand it. I understand that with the exception of the few positions named in the amendment, every other employee of this commission shall be subjected to the Classification Act. Am I correct?

Mr. DILL. That still leaves this one clerk, about whom I have made explanation, and I appeal to the Senator not to strike him.

Mr. WALSH. Who?

Mr. DILL. I provided that each commissioner should have one clerk.

Mr. COUZENS. On what page?

Mr. DILL. Page 9, lines 6 to 8.

Mr. WALSH. At a salary of $7,500 per annum?

Mr. KING. No, Mr. President; a salary of $4,000 per annum.

Mr. DILL. That "each commissioner may appoint and prescribe the duties of an assistant at an annual salary not to exceed $4,000 per annum."

Mr. KING. I think that ought to go out.

Mr. DILL. I think the Senator from Utah, if he were a commissioner, would desire to have his own clerk.

Mr. WALSH. It is quite easy to get one's own clerk from the civil-service list. All that is necessary is to write to the Civil Service Commission asking for a clerk of the type that one designates, who would answer the qualifications, and one can be assigned.

Mr. President, I object to this promiscuous fixing of salaries outside the Classification Act. I gather that the Senator from Michigan is in accord with my views. In connection with these new commissions we are running wild in the matter of salaries, and it is not fair to the old, steady employees in commissions like the Federal Trade Commission, the Post Office Department, or the Interstate Commerce Commission, or other departments. If lawyers and experts are entitled to these substantial salaries in the new commission, those in the old departments and commissions are entitled to the same salaries, and we will have a move here to boost their salaries to a level with the new high salaries.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. O'MAHONEY. It has been my experience that the remarks of the Senator from Massachusetts are fully borne out by conditions in the various departments. Even the assistants in the Post Office Department and the Assistant Secretaries in the Department of Commerce and the Department of Labor are governed by the Classification Act. I know of no reason why, for example, an Assistant Secretary of the Treasury or an Assistant Secretary of Labor should be under the Classification Act while an assistant in any new commission should be exempt from it. It would mean, just as the Senator from Massachusetts has said, that these commissions could fix the salaries as they pleased for their particular assistants, with no more responsibility, nor no greater amount of work to be performed than those in the old departments and commissions. I believe the objection is very well founded.

Mr. DILL. The salary can be limited.

Mr. WALSH. I am pleased the Senator from Wyoming agrees with me.

Mr. O'MAHONEY. I am in perfect accord in limiting the salary.

Mr. WALSH. May I ask the Senator if the Assistant Secretary of Labor and the assistant secretaries of the major departments are under the Classification Act?

Mr. O'MAHONEY. Yes, certainly.

Mr. WALSH. Then if the assistant secretary to a Cabinet officer is under the Classification Act, why put experts and attorneys and lawyers and other people outside the Classification Act?

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

Mr. WALSH. I yield.

Mr. BARKLEY. I think it must be inaccurate to say that all the Assistant Secretaries of Labor and so forth are under the Classification Act.

Mr. O'MAHONEY. That is another matter.

Mr. BARKLEY. I recall at least one Assistant Secretary of Labor whom I happen to have known for many years, whose name was sent here and who was confirmed by the Senate. I do not know of any Assistant Secretary of Commerce or State or Labor who is in the classified service.

Mr. O'MAHONEY. Mr. President, I think the Senator is laboring under a misapprehension. This had no reference whatever to the classified service. This refers only to the Classification Act, which as I understand, fixes the salaries. This is not a question of exempting persons from the civil service.

Mr. WALSH. It is not exempting them from high salaries. It is putting their salaries above the salaries of those doing comparable work in other departments.

Mr. BARKLEY. I am entirely in sympathy with that, but I understand we are talking here about a provision which allows each one of these new commissioners to appoint a private secretary at a salary not to exceed $4,000 a year. I think the real test in a matter of this sort is whether we would be willing to go to the civil-service list and pick our private secretary from that list. I am frank to say that I would not.

Mr. WALSH. I am not requiring that this be under the civil service, but I am asking that the classified salary be the salary which is received by those performing the same class of work in other departments, whether it be $3,500 or $4,000. I am not asking that the commissioner go to the civil service, but I am asking that the salary be under the classified act, in order that the secretaries to these commissioners will be paid the same salary as paid to the secretary to the Postmaster General and the Secretary of Labor.

Mr. O'MAHONEY. I might call the attention of the Senator from Kentucky to the language of this section, page 9, line 1:

> Without regard to the civil-service laws, or the Classification Act of 1923, as amended.

Those are two different laws. The Senator from Massachusetts is objecting to eliminating the provisions of the Classification Act from this special commission, and I think he is correct.

Mr. WALSH. It is an attempt to deceive us for those who are drafting these new acts to come here and sneak in exemptions of this type. I would not have discovered it, and no member of my committee would have discovered it except for the Secretary of Labor's Department calling our attention to what that classification elimination would mean. We did not realize that by using that exception to the Classification Act they were leaving employees in this new commission out of the regular classified act, and I want to protest and ask the Senators, when these proposals are brought before us, to watch for such things as I have indicated.

Mr. BARKLEY. To what extent does the Classification Act conflict with the provision here limiting the salary of secretaries of two commissioners to $4,000?

Mr. WALSH. The Classification Act, I understand, fixes the salary of every Government employee, except those salaries which are fixed by law, and it is fixed on the basis of duties performed in the various departments, so that there shall be relationship in the salary of an employee of one

department to the salary received by an employee in another department performing the same duty.

Mr. BARKLEY. So, if the same language is retained in the bill, then the commissioner could pick his own private secretary, and could fix the salary the same as the salary of an employee engaged in similar work in any other department.

Mr. WALSH. The point I am making is, why should the status of the secretary of a member of this new commission be different from that of the secretary to the Postmaster General, for example, so far as his relationship to the Classification Act is concerned?

Mr. BARKLEY. I am making no contention about that, but I am asking whether the retention of this language in the bill, while giving the commissioner a right to appoint his own secretary, would mean that the secretary would get the same salary as other employees engaged in the same line of duty would get?

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

Mr. WALSH. I yield.

Mr. LOGAN. It is not often that I disagree so emphatically with the Senator from Massachusetts, but I draw his attention to the fact that, in view of the difference in the situation between the civil-service employee under the classification service and the secretary who is brought in from the outside, who is not on the Civil Service, there ought to be recognition by a difference in salary. The civil-service employee, subject to the Classification Act, has a lifetime job, or cannot be removed except upon charges. He is safe in the position which he has. When an official goes out to employ someone as his secretary, who is not under Civil Service, that employee gives up his work back home and comes to Washington. He has no fixed tenure of office. He can be told to take his hat and coat and leave at any time. When the official goes out, he goes out. And if we undertake to classify him as a civil-service employee and require him to accept the same salary, we are not treating him fairly.

Mr. WALSH. I agree with what the Senator says, but I understand that the Classification Act fixes the salary of other than civil-service employees.

Mr. LOGAN. That is very true.

Mr. WALSH. I think it fixes the salary of the secretary, for example, to the Secretary of Labor, the secretary to the Secretary of Commerce, and the secretary to the Postmaster General. Such secretary is subject to all the conditions we fix, and his salary is fixed by the Classification Act. Why should the secretaries to these new commissioners have a different status as far as their relationship to the Classification Act is concerned?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. O'MAHONEY. Perhaps I may add a word of explanation. The system which is now in vogue permits most of the heads of departments, and most of the assistants, and, I believe, most of the commissioners, to appoint their own personal secretaries free from the civil-service laws, and the salaries paid to those secretaries, occupying what are known as exempt positions, are somewhat greater than the salaries paid similar persons in the civil service, under the circumstances which the Senator has referred to.

Mr. WALSH. Are they fixed under the Classification Act?

Mr. O'MAHONEY. They are.

Mr. WALSH. Why should these secretaries be treated any differently than the other secretaries of whom the Senator spoke?

Mr. O'MAHONEY. It is one thing to exempt certain positions from the Civil Service Act. That may and should properly be done in many cases. But to exempt them also from the Classification Act would result in great discrimination between the departments.

Mr. WALSH. Even the important officials and experts in the Interstate Commerce Commission, one of the most important independent organizations in the Federal Government, are subject to the Classification Act, every one of them. And yet here we are proposing to exempt certain employees in this new department.

I call attention to what is proposed on page 14.

> Each division may (1) appoint a director, without regard to the Civil Service laws or the Classification Act of 1923, as amended, at an annual salary that shall not exceed $7,500 per annum.

Why should not that director be subject to the classification act the same as a director in the Interstate Commerce Commission?

Mr. DILL. For the reason that this is the creation of a new kind of position. We do not know exactly what he is going to do, and we have made the limit of salary $7,500.

I think the Senator from Massachusetts is unduly exercised about these limitations of salary for the reason——

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

Mr. DILL. I should like first to answer the question of the Senator from Massachusetts. For the reason that we are providing for the creation of a new kind of position and we do not know exactly what the officer is going to have to do, but we have provided a limit of $7,500. I think the Senator is unduly exercised about these limitations of salaries. They are not fixed; they are limitations.

Mr. WALSH. I am exercised simply because a bill handed to my committee contains exactly the same provisions in the same language, and that all these bills are now being drafted with the idea of lifting these employees out of the civil service in some cases and in all cases out of the Classification Act. There may be some justification for it in the N.R.A. and the Public Works Administration, but in the case of a permanent board such as the one now proposed or the labor board such as is proposed in the bill pending before my committee, I propose that the salaries shall be uniform, that they shall be subject to the terms of the general Classification Act, and that the same salaries shall be paid for the same kind of work performed as are paid in other departments, no more and no less. If that is not a fair proposition, then, I do not know what is fair.

Mr. WHEELER. Mr. President——

Mr. WALSH. I yield.

Mr. WHEELER. It seems to me also that the language that is used on page 9 places no limitation on the amount the commission might pay its secretary, for it is there provided:

> (f) Without regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer and one or more assistant chief engineers, a general counsel and one or more assistants, experts, and special counsel.

Mr. WALSH. What do the words "and one or more assistants" mean? They may mean a hundred, to be appointed without regard to the Classification Act.

Mr. WHEELER. In addition to that, there is no limitation on the salary of the secretary. The commission may fix the salary of the secretary at $10,000 or $5,000, or any other sum that it sees fit, without any limitation of any kind or character.

Mr. WALSH. I suggest to the Senator from Washington, who, I know, is desirous of conforming to the usual practice, and who, undoubtedly, has not had this matter called to his attention, because it was called to the attention of my committee only by mere chance, that this is an attempt to lift a large number of employees out of the salary groups of the Classification Act. The salaries under the Classification Act run up to eight or nine thousand dollars in some cases. I will ask the Senator from Wyoming [Mr. O'MAHONEY] if that is not a correct statement?

Mr. LOGAN. Mr. President, some salaries may reach that figure in the course of time, but what salaries are paid when the employees enter the service? If the Senator were to be appointed a member of this commission, which, of course, he will not be, because he is not eligible under the Constitution, and he wanted to take his secretary with him and his secretary had to come under the Classification Act, what would he get on going into the service in the beginning?

He would probably get $1,600 a year, with a reduction on account of the Economy Act.

Mr. WALSH. The Senator is mistaken. He would get the same salary that is paid to the secretary of the Secretary of Labor; he would get the same salary as paid to the secretary to the Attorney General.

Mr. LOGAN. Unless he had been in the service for a number of years he could not get the same salary. I had this experience with the Classification Act in Kentucky, as my colleague will bear me witness: Deputy collectors had been receiving $2,200, $2,400, $2,600 up to $3,000, because they had been in the service a good while under a previous administration. New ones were appointed recently; every one of them, under the ruling of the Department, had to go in at $1,800, less 15-percent reduction under the Economy Act; and that is what the Senator's secretary would receive if the Senator were appointed a member of the commission and he selected his present secretary to be his secretary in the new office. Unless he were placed in grade 8 or grade 9, or something of that kind, he would go in at grade 4, and would not be able to get the salary which should be paid. I do not know much about the civil-service laws now, and do not expect to know much about them, but that is my idea of what would happen.

Mr. WALSH. I am sure the Senator from Kentucky does not want this bill to provide for salaries for employees of this commission that are different from the salaries paid by other commissions. The only difference between the Senator and me is that he is willing to have all the subordinate employees, all the clerks and stenographers and filing clerks, and all the lesser employees come under the Classification Act, but he is not willing to let the attorneys, the experts, the directors, and those who are under the Classification Act in other bureaus of the Government come in under the Classification Act under the new commissions. That is the only difference between us.

Mr. LOGAN. I should have no objection to their going under the Classification Act if there were not a rule in the classification law which requires that a new employee shall be appointed in a certain grade and which provides a salary that will not enable the commission to get the best men to do the work. I think it would be a mistake to make the salaries so low that the commission would have to take incompetent persons.

Mr. O'MAHONEY. Mr. President——

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

Mr. O'MAHONEY. I may say to the Senator from Kentucky that that is not the way the law operates. To cite my own case, on the 6th of March 1933 I became First Assistant Postmaster General and I appointed my own secretary. She assumed her office at the same salary as that which was paid to the secretary of my predecessor, except that she suffered the reduction that was required of all employees under the Economy Act, which, of course, has nothing whatever to do with the question now being considered.

Mr. LOGAN. I will say to the Senator that perhaps many of us have not been so fortunate as he has been. I have not been able to secure anything of that kind. I do know that in Kentucky when new employees are appointed they have to go in at a certain grade, and they do not get very much salary. That may be just a discrimination against my State.

Mr. DILL. Mr. President, I want to say to the Senator from Massachusetts that this provision is not drawn by accident; it is not here without consideration. The only point raised in this connection here today which I overlooked is that the bill fails to limit the salary of the secretary. I think that ought to be limited, and I am also entirely willing to strike out the provision relating to the assistants; but I submit that when a commission of this kind is being created the majority party, having 3 of the 5 members, should have the right, without regard to the civil-service law, to change its chief counsel.

Mr. WALSH. I am not objecting to that.

Mr. DILL. Or to change its chief engineer.

Mr. WALSH. I am not objecting to that, either.

Mr. DILL. And to appoint their individual assistants and have them paid a proper salary. If $4,000 is too much, make it $3,600. I do not see anything to be gained by taking advantage of civil-service methods by which one clerk is dismissed and another clerk is appointed who, it is thought, may be a little better. I think that is just a matter of juggling. We ought to be frank about this matter and say that the members of the commission should appoint their own clerks; I think they are entitled to do so; I think we will thereby get better results from the commission.

Mr. WALSH. Does the Senator suggest that the only office created in this bill that leaves the salary unsettled is that of the secretary of the commission?

Mr. DILL. I say the one which I had overlooked was the salary of the secretary.

Mr. WALSH. I call attention to what the Senator from Montana stated, quoting from page 9 of the bill, which provides that—

> The commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer, and one or more assistant chief engineers, a general counsel, and one or more assistants, experts, and special counsel.

Mr. DILL. And the general counsel and the chief engineer are limited with regard to salaries to $9,000; their assistants and experts to $7,500.

Mr. WALSH. Yes; but why limit them to that? I want to have them all come under the Classification Act as to employees doing comparable work in other departments.

Mr. DILL. For the simple reason that I do not believe it possible always to get the kind of men required under the salaries provided by the Classification Act.

Mr. WALSH. Then let us agree that in the case of all future bills we will put the same language in and leave to the commissioners all questions of salary, and take that power away from Congress which has fixed the policy in adopting the Classification Act.

Mr. DILL. The Senator from Michigan has suggested an amendment which I think meets reasonably the objections of the Senator from Massachusetts, and which I think will not seriously interfere with the purpose of the commission.

Mr. WALSH. Mr. President, I should like to have the amendment of the Senator from Michigan stated.

Mr. COUZENS. Mr. President, I have not written it out, but I should like, with the consent of the chairman of the committee, to amend what I think ought to be amended in paragraph (f). What I suggested, I think, does not go far enough, and I have since talked to the assistant to the chairman of the committee, pointing out to him the part that I thought ought to be amended; and, without having written it out, if he will follow me, I will read what I offer as an amendment. It will read thus:

> (f) With regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer, and a general counsel, and (2) each commissioner may appoint and prescribe the duties of an assistant and pay him in accordance with the Classification Act of 1923, as amended.

Then on line 9:

> The general counsel, the secretary, and the chief engineer shall receive an annual salary of not exceeding $7,500.

Then I eliminate the following language:

> And no assistant or expert shall receive an annual salary in excess of $7,500.

That is eliminated because those officers will come under the Classification Act of 1923, as amended.

Mr. DILL. Does the Senator think that $7,500 is a sufficient salary for the chief counsel of a great commission such as this?

Mr. COUZENS. I put that provision in largely at the suggestion of the Senator from Utah, but I did not intend to amend that; and if there is any objection to that particular suggestion, I will leave it at $9,000. Then, we may discuss that later. But I should like to have the other provisions of my amendment agreed to.

Mr. DILL. It seems to me that $7,500 is a pretty low salary for a general counsel.

Mr. WALSH. Is not that the salary of the Assistant Attorneys General? Is not that the salary the chief counsels get for every bureau and department of the Government?

Mr. DILL. A good many of them get $10,000.

Mr. COUZENS. I think that is true. I will withdraw that provision; and then, if the Senate wants to amend my amendment, and adopt it, we can discuss the other matter separately.

Mr. WALSH. The amendment of the Senator from Michigan is infinitely better than the bill as drafted. Yet he adheres to the belief that certain officers should be taken out of the Classification Act. If the Classification Act did not allow substantial salaries, I would agree with what he says, but under that act salaries may be paid up to eight or nine thousand dollars. It does not provide merely for salaries of $2,000, $3,000, $4,000, or $5,000, but provides for the very salaries that are proposed to be paid by this bill. Why make a distinction? Why let the bars down in this case? If we do it in this case, why not do it in other cases and let the various departments and bureaus fix the salaries of those they employ?

Mr. O'MAHONEY. Mr. President, I might add that the President within a few months past delegated to the Director of the Budget the duty of examining all the new bureaus and attempting to classify all the salaries there in accordance with the Classification Act for the purpose of maintaining a uniform system throughout the Government service.

Mr. WALSH. Yes; and we are proposing, by passing this bill, to undo what the President is trying to do, namely, to create a uniform system. Why not, I will ask the Senator from Michigan, merely strike out the exempting words "the Classification Act of 1923, as amended"?

Mr. DILL. Mr. President, I think there are some other amendments to be offered, and I therefore suggest that we pass over this amendment and consider the other amendments, and we may recur to this question later, and, in the meantime, the amendment may be perfected.

Mr. COUZENS. I withdraw my amendment for the time being.

Mr. WHITE. Mr. President, I desire to offer two amendments to which I think there will be no objection and which will lead to no controversy. The first amendment is, on page 43, in line 11, before the word "of", to insert the words "within the jurisdiction"; so as to read:

Or (e) upon any vessel or aircraft within the jurisdiction of the United States.

That simply harmonizes the language with similar language appearing elsewhere.

Mr. DILL. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine.

The amendment was agreed to.

Mr. WHITE. I offer another amendment, on page 58, at the end of line 8, to insert the following—and probably I had better read the amendment, because it is in my own handwriting:

(b) Any station license hereafter granted under the provisions of this act, or the construction permit required hereby and hereafter issued, may be modified by the commission either for a limited time or for the duration of the term thereof, if in the judgment of the commission such action will promote the public interest, convenience, and necessity, or the provisions of this act or of any treaty ratified by the United States will be more fully complied with: *Provided, however,* That no such order of modification shall become final until the holder of such outstanding license or permit shall have been notified in writing of the proposed action and the grounds or reasons therefor, and shall have been given reasonable opportunity to show cause why such an order of modification should not issue.

I may say to the Senator from Washington that the only purpose of the amendment is to put affirmatively into the bill the express authority for modification. We have referred in various places to modification of licenses, but I fail to find any definite and express and affirmative authority to make a modification. I suggest that if this amendment be adopted and is found not to be in proper form, it may be worked out in conference.

Mr. DILL. Mr. President, I may say that the Senator from Maine previously called my attention to the amendment. It simply is a method of harmonizing differences that may arise and, as I understand, it provides for hearing before action. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine.

The amendment was agreed to.

Mr. DILL. Mr. President, the Senator from Alabama [Mr. BLACK] asked me to offer in his behalf an amendment, to which I have no objection. I now offer the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed on page 31, line 14, before the period to insert the following:

And in order to fully examine into such transactions the commission shall have access to and the right of inspection of all accounts, records, and memoranda, including all documents, papers, and correspondence now or hereafter existing, of persons furnishing such equipment, supplies, research, services, finances, credit, or personnel.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington in behalf of the Senator from Alabama [Mr. BLACK].

The amendment was agreed to.

Mr. DILL. I have another amendment of my own which I should like to offer and which I think is desirable.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 52, after line 3, to insert the following new paragraph:

(f) In granting applications for licenses or renewal of licenses for frequencies to be used for broadcasting, the commission shall so distribute such licenses that no one licensee nor organization of licensees, whether effected by purchase, lease, chain broadcasting, or other method, shall be able to monopolize or exercise dominant control over the broadcasting facilities of any community, city, or State, or over the country as a whole; and the commission shall, so far as possible, by its distribution of licenses, provide for broad diversification and free competition in broadcast programs to be presented to radio listeners.

Mr. DILL. The purpose of the amendment is to make it impossible for any one man or organization to have control of the broadcasting facilities of a community, State, or the country if there are other applications from responsible applicants. At the present time there is growing up in many cities the practice of the owner of an important station leasing the facilities of another important station and then organizing a corporation to control a third station, and as a result the one station gets complete control of the broadcasting of the community. The purpose of the amendment is to give the commission a reason, if there be a suitable applicant, for granting a license to another applicant and to break up that kind of practice if the commission shall find it necessary. It is a permissive amendment.

Mr. FESS. Mr. President, may I ask the Senator a question?

Mr. DILL. Certainly.

Mr. FESS. This would not interfere with WLW?

Mr. DILL. Only if WLW reached out and undertook to get control of all the other stations in Cincinnati.

Mr. FESS. After that station has been given the frequency it would not be interfered with if operating within the law?

Mr. DILL. No; but if it went out and secured all the other stations in Cincinnati, then someone else might get a license.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. DILL. Mr. President, that is all the amendments I have to offer.

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

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 50, line 23, after the first comma, to strike out the remainder of the paragraph and to insert in lieu thereof the following:

That the commission may, without regard to the requirements of this subsection, grant applications for additional licenses for stations if the commission finds that such stations are required in order to furnish adequate radio broadcasting service and that their operation will not interfere with the fair and efficient radio service of licensed stations.

Mr. KING. Mr. President, this follows practically the language of the bill, striking out "250 watts" and leaving it in the discretion of the commission to grant a license if the needs of the public so require.

Mr. DILL. Mr. President, this is an amendment which has been much discussed. I do not have any strong opposition to it, though I hardly feel that I want to endorse it. I will leave it to the Senate to vote upon it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

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

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

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

Adams	Cutting	Keyes	Robinson, Ind.
Ashurst	Dickinson	King	Schall
Austin	Dill	La Follette	Shipstead
Bachman	Duffy	Lewis	Smith
Bailey	Erickson	Logan	Steiwer
Bankhead	Fess	Lonergan	Stephens
Barkley	Fletcher	McCarran	Thomas, Okla.
Black	Frazier	McGill	Thomas, Utah
Bone	George	McKellar	Thompson
Borah	Gibson	McNary	Townsend
Brown	Glass	Metcalf	Tydings
Bulkley	Goldsborough	Murphy	Vandenberg
Bulow	Hale	Norbeck	Van Nuys
Byrd	Harrison	Norris	Wagner
Byrnes	Hastings	Nye	Walcott
Capper	Hatch	O'Mahoney	Walsh
Clark	Hatfield	Overton	Wheeler
Connally	Hayden	Patterson	White
Copeland	Hebert	Pope	
Couzens	Johnson	Robinson, Ark.	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. WALSH. Mr. President, carrying out the views expressed by the Senator from Michigan [Mr. COUZENS], myself, and other Senators upon the floor, we have agreed to the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out from line 1 page 9 to the words "per annum" on line 12, and in lieu thereof to insert the following:

(f) Without regard to the civil-service laws or the Classification Act of 1923, as amended, the commission may appoint and prescribe the duties and fix the salaries of a secretary, a chief engineer, and a general counsel; and each commissioner may, without regard to the civil-service laws, appoint and prescribe the duties of an assistant whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. The general counsel and the chief engineer shall each receive an annual salary of not to exceed $9,000. The secretary shall receive an annual salary not to exceed $7,500.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Massachusetts.

Mr. WALSH. Mr. President, in explanation of the amendment, I desire to state that I have obtained the published pamphlet of the civil service retirement and salary classification laws. I find on page 19 of that pamphlet, among the various employees who are classified for the purpose of fixing salaries, a group known as "professional and scientific service." The classification board has classified this group into seven grades; and it is provided that the annual rate of compensation for positions in grade 7 "shall be $7,500, unless a higher rate is specially authorized by law."

I find that all through this compilation of laws an attempt is made by the classification board to establish various classifications of salaries, in some instances salaries which reach as high as $9,000, providing for every official in the Government other than those designated by law.

I understand that this amendment is acceptable to the Senator from Washington.

Mr. DILL. I have no objection to the amendment.

Mr. KING. Mr. President, I should like to inquire as to the meaning of the word "assistant." That may mean much, and it may mean little. It may mean that an assistant is to have a grade slightly below the principal, at a very large salary.

If the assistant is to fall within the category of secretary, that is one thing.

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

Mr. KING. I yield.

Mr. COUZENS. In drafting this amendment in cooperation with the Senator from Massachusetts, it was understood that the assistant in this case means a commissioner's secretary, and the assistant falls within the salary fixed by the Classification Act.

Mr. KING. If it is understood that the word "assistant" does not mean an assistant commissioner, or an "under secretary", such as it is now so common to call officials, or some other high position in the Government, that is one thing. However, I shall accept the explanation made by the able Senator from Michigan and give to the word "assistant" the meaning ascribed to it; but I am afraid that when the commission attempt to interpret the word "assistant" they will attribute to it quite a different meaning and insist that it calls for one who has large experience and has ability to deal with practical questions in connection with radio, and so forth, and claim for the "assistant" compensation greatly in excess of that indicated or which would be required for a secretary.

If the Senator understands that it is really a secretary who is meant, that is a different matter.

Mr. DILL. It is really a secretary.

Mr. KING. I ask the clerk to read again the compensation provided for the attorney and the engineer. Meanwhile I may say, Mr. President, that I think we have been unwise in fixing the salaries and compensation for many of these new organizations. I think we have gone wild, to use the language of the street, and I know that we are bringing upon ourselves considerable criticism by reason of the fact that some of these new agencies, new bureaus, and new organizations are permitted to pay compensation in excess of that given to many employees in regular organizations and departments of the Government. That common policy results in discontent. When persons working in the Treasury Department or in some other department who have been there for many years, receiving four, five, or six thousand dollars per annum, find that individuals, perhaps with less ability and less qualifications, in some of these new organizations are getting two or three or four thousand dollars more per annum than they get, obviously there will be resentment and a feeling of discrimination.

Mr. President, I think we have gone too far in providing the large salaries in new organizations which have been set up. Notwithstanding the speech made by the Senator from Kentucky, these new organizations ought to come within the Classification Act. We ought to treat all alike. There is no trouble in getting individuals to come here and accept jobs. They come here in myriads seeking them. I have from 25 to 50 callers every day from various parts of the United States who are here seeking positions—lawyers, engineers, accountants, men who have received large salaries and have been employed in responsible positions, and who would be glad now to get $150 or $200 a month; yet when we come to fix the compensation of officials in some of these new organizations we do not take into account the condition of the country, the burdens imposed upon the Government, and the demands made upon the Treasury of the United States.

Mr. WALSH and Mr. DILL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I yield to my friend from Massachusetts.

Mr. WALSH. Mr. President, as I understand the amendment that has been offered, when we get through setting up this commission we shall have 5 commissioners, 5 assistant commissioners, and 5 private secretaries.

Mr. KING. Yes.

Mr. DILL. Oh, no!

Mr. WALSH. We shall have a private secretary to each commissioner.

Mr. DILL. But not five assistants.

Mr. WALSH. Each commissioner is to have an assistant.

Mr. DILL. That is his clerk or secretary.

Mr. COUZENS. That is what it is intended for.

Mr. WALSH. There is quite a difference between an assistant to the commissioner and a secretary to the commissioner.

Mr. ROBINSON of Arkansas. Mr. President, this employee has been dignified with the title of assistant commissioner, but he is expected to serve as secretary.

Mr. DILL. There will be no assistant commissioners.

Mr. KING. May I ask the chairman of the committee what is meant by the provision on page 14—

> Each division may * * * appoint a director, without regard to the Civil Service laws or the Classification Act * * *, at an annual salary—

It was $8,000, and it has been reduced to $7,500. What is a director?

Mr. DILL. A director is a man to be appointed to try to carry out the administrative work of these divisions, to save the commissioners from doing the detail work they now have to do. It is believed that they can avoid employing a great deal of additional help which otherwise would have to be chosen if these directors can be provided. I do not know how the plan will work; it is an experiment; but there are 17,000 amateur licenses in this country, and they are renewed every 6 months. There ought to be somebody handling that work besides the chairman of the Commission.

Mr. KING. Mr. President, we find the engineer and the other assistants——

Mr. DILL. The Senator was talking about the salary of the engineer and the attorney.

Mr. KING. Yes.

Mr. DILL. The present chief counsel of the Radio Commission gets $10,000.

Mr. KING. That is too much.

Mr. DILL. The chief engineer gets $10,000.

Mr. KING. That is too much.

Mr. DILL. We are cutting it to $9,000, and I think that when we are putting both the great telephone monopoly and the radio, with all the ramifications, under one commission, $9,000 is not an exorbitant salary. Certainly as to the engineer, with the responsibility on him that is coming with the development of radio, $9,000 is not an exorbitant salary.

Mr. KING. I will ask that the clerk read the salary to be paid the engineer and the salary to be paid the counsel.

The PRESIDING OFFICER. The clerk will read.

The LEGISLATIVE CLERK (reading):

> The chief enginer shall receive an annual salary not to exceed $9,000, and the secretary shall receive an annual salary not to exceed $7,500.

Mr. KING. Mr. President, I move to strike out "$7,500" and to insert in lieu thereof "$6,000." I think that is sufficient for the secretary of the commission.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment offered by the Senator from Massachusetts.

The amendment to the amendment was rejected.

Mr. FESS. Mr. President, I am in favor of the movement that is being made to require, so far as possible, that the civil-service law shall be followed, although I do agree, and have agreed all along, that in the case of experts we really ought to keep the way open, so that special talent may be selected without the requirement of an examination, which would not be the best method for getting the highest talent.

On the question of salaries, I do not see how we can very well classify this commission with other commissions. It will have a duty to perform probably as complicated as that of most of the other commissions. As to the counsel, we ought to realize that where the counsel of this commission will be called in to prosecute a case he will be up against the best talent money can buy, and while I believe legal talent could be found which would lend itself to the service of the Government at a smaller salary, I doubt very much whether it would be wise to cut the salary below what the bill has suggested, for the legal counsel at least. I do not care so much about the engineer or the examiners, but as to the legal counsel, I think that is quite essential.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts as modified.

The amendment as modified was agreed to.

Mr. WHEELER. Mr. President, there is a provision on page 14 with reference to directors. I am frank to say that I feel it is absolutely wrong to appoint two directors. I think it would result in dividing up the responsibility of the commission. The commissioners are to be appointed, and they are to be paid good salaries, and there are to be lawyers and engineers and assistants and secretaries, and then they are to appoint directors. When those directors are appointed the responsibility which ought to be placed upon the commissioners will be divided.

Mr. DILL. Mr. President, I call attention to the fact that in the Interstate Commerce Commission there are nine directors, their salaries ranging from $7,500 to $10,000 a year. The Interstate Commerce Commission has found that they are so important and so valuable that they have nine of them. I do not think it is unreasonable, in a commission of the kind to be appointed under this measure, that there should be two directors, and that their salaries should be $10,500.

Mr. WHEELER. My own view about the matter is, as I said a moment ago, that we are loading these commissions up with many high-salaried employees who are not necessary. We talk about getting experts in these commissions, and every Senator knows that, as a matter of fact, they are not experts at all; that we are filling some of the commissions with politicians.

Mr. WALSH. May I inquire of the Senator, or, through him, of the Senator from Washington, whether the bill contains a provision taking over the present Radio Commission?

Mr. DILL. Yes.

Mr. WALSH. So that, in addition to the present personnel of the Radio Commission, we are creating all these new jobs. Has the Senator any conception of what the pay roll will be?

Mr. DILL. There is no requirement to keep the employees of the Radio Commission. The new commission are simply empowered to take it over.

Mr. WALSH. Those who are now employed in the Radio Commission are under the civil service?

Mr. DILL. Not all of them. Quite a number of them are. The assistants who are to be stricken out are not under the civil service today.

Mr. WALSH. Does the Senator know what the salaries of the present employees are?

Mr. DILL. In the Radio Commission the chief engineer gets $10,000, the chief counsel gets $10,000, and the salaries range below that. I do not know the salaries of the assistants.

Mr. WALSH. What are the salaries of the directors?

Mr. DILL. There are no directors in the Radio Commission.

Mr. WALSH. The Senator is proposing to provide for directors?

Mr. DILL. Two are provided for. The Interstate Commerce Commission has 9, and has found it necessary to have that number of directors; so I do not think it is unreasonable to ask for 2 in this bill.

Mr. KING. Mr. President, what information does the Senator expect the Government to get that will be of any benefit based upon the information which we have respecting the activities of the I.C.C., where the duty is devolved upon the commission to ascertain the value of the property?

Mr. DILL. The commission is given permissive power, not mandatory power, to determine valuations, if it finds it advantageous to do so in the determination of the returns and rates.

Mr. KING. The Senator knows that many years ago the so-called "La Follette Act" was passed under which we have expended more than $50,000,000.

Mr. DILL. It is to avoid that sort of thing that we have made this permissive.

Mr. KING. The Interstate Commerce Commission was to determine the valuation of the railroads. The valuation of the railroads 10, or 20, or 25 years ago furnishes no information or data now satisfactory as a basis for the fixing of rates. I was just wondering what value there would be if we are to duplicate the work of the Interstate Commerce Commission with respect to a different subject.

Mr. DILL. The Senator realizes that there must be some power somewhere to find out what the valuation is, if they are to fix rates; but it is not mandatory.

Mr. WHEELER. Mr. President, I call attention to the fact that in the paragraph providing for the two directors is this language:

> Any action so taken by a division and any order, decision, or report made or other action taken by either of said divisions in respect of any matters assigned to it shall have the same force and effect, and may be made, evidenced, and enforced in the same manner as if made or taken by the commission.

In other words, they will appoint two directors, who will have the same force and effect as commissioners.

Mr. DILL. No; anything a director does may be set aside on objection.

Mr. WHEELER. But, unless it is set aside——

Mr. DILL. If it is satisfactory to everybody, there is no reason why it should be set aside.

Mr. WHEELER. The bill provides that—

> The director for each division shall exercise such of the functions thereof as may be vested in him by the division, but any order of the director shall be subject to review by the division under such rules and regulations as the commission shall prescribe.

Mr. DILL. It may be affirmed, or set aside. The duties of the directors are merely routine.

Mr. COUZENS. There are dozens of them in the Interstate Commerce Commission.

Mr. WHEELER. Even if there are, it seems to me it is foolish to provide for a number of directors, and a number of other officers, on this commission. I shall not move to strike the provision out, however, although I think it is unnecessary.

Mr. WALSH. Mr. President, I do not mean anything personal toward the Senator from Washington [Mr. DILL] in what I am about to say, but, in view of what I myself have observed before the Committee on Education and Labor, of which I have the honor to be chairman, as to the agitation for new commissions, and in view of the discussion here today, I wish to say that in the future I intend to inquire, when a bill is reported creating a new commission, whether or not the salary list and the number of employees and the amounts to be paid have been referred to the Budget for report. Let the administration take the responsibility of piling up these big salary lists.

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

Mr. WALSH. I yield.

Mr. KING. I hope the Senator is not prophesying that there are to be new commissions created. I hope the day has come when we will not create any more.

Mr. WALSH. There are four or five in sight, developed here during the last few days.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

The PRESIDING OFFICER. The question now is, Shall the bill pass?

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Adams	Couzens	Johnson	Robinson, Ark.
Ashurst	Cutting	Keyes	Robinson, Ind.
Austin	Dickinson	King	Schall
Bachman	Dill	La Follette	Shipstead
Bailey	Duffy	Lewis	Smith
Bankhead	Erickson	Logan	Steiwer
Barkley	Fess	Lonergan	Stephens
Black	Fletcher	McCarran	Thomas, Okla.
Bone	Frazier	McGill	Thomas, Utah
Borah	George	McKellar	Thompson
Brown	Gibson	McNary	Townsend
Bulkley	Glass	Metcalf	Tydings
Bulow	Goldsborough	Murphy	Vandenberg
Byrd	Hale	Norbeck	Van Nuys
Byrnes	Harrison	Norris	Wagner
Capper	Hastings	Nye	Walcott
Clark	Hatch	O'Mahoney	Walsh
Connally	Hatfield	Overton	Wheeler
Copeland	Hayden	Patterson	White
Costigan	Hebert	Pope	

The VICE PRESIDENT. Seventy-nine Senators having answered to their names, a quorum is present.

The question is, Shall the bill pass?

The bill was passed.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 8. An act to add certain lands to the Boise National Forest;

S. 696. An act to authorize Frank W. Mahin, retired American Foreign Service officer, to accept from Her Majesty the Queen of the Netherlands the brevet and insignia of the Royal Netherland Order of Orange Nassau;

S. 1541. An act for the relief of Mucia Alger;

S. 1807. An act to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.;

S. 1997. An act to compensate Harriet C. Holaday;

S. 2379. An act to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona;

S. 2568. An act granting a leave of absence to settlers of homestead lands during the years 1932, 1933, and 1934; and

S. 3144. An act to legalize a bridge across the St. Louis River at or near Cloquet, Minn.

G. T. FLEMING

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3364) for the relief of G. T. Fleming, which was, on page 1, line 12, after "1923", to insert:

> *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. BYRNES. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

THE BUDGET AND APPROPRIATIONS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Appropriations, as follows:

To the Congress of the United States:

In my Budget message to the Congress of January 3, 1934, I said to you:

> It is evident to me, as I am sure it is evident to you, that powerful forces for recovery exist. It is by laying a foundation of

confidence in the present and faith in the future that the upturn which we have so far seen will become cumulative. The cornerstone of this foundation is the good credit of the Government.

It is, therefore, not strange nor is it academic that this credit has a profound effect upon the confidence so necessary to permit the new recovery to develop into maturity.

If we maintain the course I have outlined, we can confidently look forward to cumulative beneficial forces represented by increased volume of business, more general profit, greater employment, a diminution of relief expenditures, larger governmental receipts and repayments, and greater human happiness.

The Budget which I submitted to the Congress proposed expenditures for the balance of this fiscal year and for the coming fiscal year which, in the light of expected revenues, called for a definite deficiency on June 30, 1935, but, at the same time, held out the hope that annual deficits would terminate during the following fiscal year.

It is true that actual expenditures since January have proceeded at a slower rate than estimated; nevertheless, it must be borne in mind that, even though the actual deficit for the year ending June 30, 1934, will be below my estimate, appropriations are still in force and the amounts actually to be expended during the following fiscal year will therefore be increased over and above my estimate for that fiscal year. In this connection it is relevant to point out that during the fiscal year 1935 it is estimated that there will be actually expended on public works $1,500,000,000 out of appropriations heretofore made.

In my Budget message of January 3, 1934, it was pointed out that there could be no abrupt termination of emergency expenditures for recovery purposes, that the necessity for relief would continue, and that appropriations amounting to $3,166,000,000, in addition to the appropriations contained in the Budget itself, would be requested for the 2 fiscal years ending June 30, 1935.

The present Congress has already made appropriations out of which, for the 2 fiscal years in question, it is estimated there will be expended the following sums:

Relief	$950,000,000
Crop loans	40,000,000
Farm mortgages	40,000,000
Reconstruction Finance Corporation	500,000,000
Veterans' benefits	22,000,000
Army Air Corps	5,000,000
Flood control, Mississippi River, etc	29,000,000
Independent offices act	228,000,000
Miscellaneous supplemental estimates	30,000,000
Total	1,844,000,000

This leaves a balance of $1,322,000,000 to be appropriated.

Out of this balance it is necessary first to take the specific items to be appropriated for:

Federal land banks:	
Subscription to paid-in surplus	$75,000,000
Reduction in interest payments	7,950,000
Emergency Bank Act and gold transfer	3,000,000
Internal Revenue Service	10,000,000
Salaries, Office of the Secretary of the Treasury	100,000
Secret Service	45,000
Total	96,095,000

This leaves $1,225,905,000 available for the following purposes: Civilian Conservation Corps camps, Public Works, and relief work, in addition to amounts already appropriated, and including aid to the dairy- and beef-cattle industries.

It is estimated that the minimum requirements for the Civilian Conservation Corps will be $285,000,000, and that the amount available, therefore, for Public Works and relief will be $940,905,000. A very simple check-up of these figures shows that they total $3,166,000,000, to which reference was made in my Budget message of January 3, 1934.

It was my thought in January and is my thought now that this sum should be appropriated to me under fairly broad powers, because of the fact that no one could then or can now determine the exact needs under hard and fixed appropriation headings. In furtherance of this thought it seems appropriate to provide that any savings which can be effected out of certain appropriations made for emergency purposes shall be available for emergency-relief purposes.

In my judgment an appropriation in excess of the above amount would make more difficult, if not impossible, an actual balance of the Budget in the fiscal year 1936, unless greatly increased taxes are provided. The present estimates should be sufficient, as a whole, to take care of the emergencies of relief and of orderly reemployment at least until the early part of the calendar year 1935. If at that time conditions have not improved as much as we today hope, the next Congress will be in session and will have full opportunity to act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 15, 1934.*

PREVENTION OF CRIME

Mr. THOMAS of Oklahoma obtained the floor.

Mr. ASHURST. Mr. President, if the able Senator from Oklahoma will be so kind as to indulge me for just a moment, I respectfully ask that the conference reports on the so-called "antigangster" bills be laid before the Senate.

Mr. THOMAS of Oklahoma. I yield.

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

There being no objection, the Vice President laid before the Senate the following conference reports:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2080) to provide punishment for killing or assaulting Federal officers 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 disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Page 1, line 3, of the Senate bill strike out the words "murder or otherwise", and in lieu of the matter proposed to be inserted by the House amendment insert the following: "kill, as defined in sections 273 and 274 of the Criminal Code, any United States marshal or deputy United States marshal, special agent of the Division of Investigation of the Department of Justice, post-office inspector, Secret Service operative, any officer or enlisted man of the Coast Guard, any employee of any United States penal or correctional institution, any officer of the customs or of the internal revenue, any immigrant inspector or any immigration patrol inspector, while"; and the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2249) applying the powers of the Federal Government, under the commerce clause of the Constitution, to extortion by means of telephone, telegraph, radio, oral message, or otherwise, 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 disagreement to the amendments of the House numbered 1, 2, 3, and 4, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
TOM D. MCKEOWN,
A. J. MONTAGUE,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2252) to amend the act forbidding the transportation of kidnaped persons in interstate commerce 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 disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2253) making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2, 4, and amendment to the title.

That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment strike out on page 1, line 3, of the Senate bill the word "flee" and insert in lieu thereof "move or travel in interstate or foreign commerce"; and the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
TOM D. MCKEOWN,
A. J. MONTAGUE,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2575) to define certain crimes against the United States in connection with the administration of Federal penal and correctional institutions and to fix the punishment therefor 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 disagreement to the amendments of the House numbered 1 and 2, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2841) to provide punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System 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 disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, and 7, and agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,
Managers on the part of the House.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2845) to extend the provisions of the National Motor Vehicle Theft Act to other stolen property 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 disagreement to the amendments of the House numbered 1, 3, 4, and 5, and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: In the matter proposed to be inserted by the House amendment strike out, beginning in line 13, on page 1, down through line 9, page 2, of the House engrossed amendments and insert in lieu thereof the following:

"SEC. 4. Whoever shall receive, conceal, store, barter, sell, or dispose of any goods, wares, or merchandise, securities, or money, of the value of $5,000 or more, or whoever shall pledge or accept as security for a loan any goods, wares, or merchandise, or securities, of the value of $500 or more which while moving in or constituting a part of interstate or foreign commerce, has been stolen or taken feloniously by fraud or with intent to steal or purloin, knowing the same to have been stolen or taken, shall be punished by a fine of not more than $10,000 or by imprisonment of not more than 10 years, or both."

And on page 1, line 7, of the House engrossed amendments insert a comma after "money."

And the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. MCKEOWN,
RANDOLPH PERKINS,
Managers on the part of the House.

Mr. ASHURST. Mr. President, it will be observed that the reports relate to seven different bills. In frankness, I ought to say that the able Senator from Montana [Mr. WHEELER] has indicated opposition to the conference report on one of the bills. Therefore, I think I should send for him and defer for a few minutes the consideration of the particular report until I can confer with him. I should like to have action, however, on the other six reports, leaving unacted for the time being the conference report on Senate bill 2253.

The VICE PRESIDENT. Without objection, the reports, with the exception of the one on the bill mentioned by the Senator from Arizona, will be agreed to.

Mr. MCNARY. Mr. President, just a moment. I should like to inquire of the Senator from Arizona if he has conferred with the various Members of the Senate to ascertain if the reports are acceptable to them?

Mr. ASHURST. I have conferred with as many Members of the Senate as it has been practicable for me to reach.

The conferees were the Senator from Utah [Mr. KING], the Senator from Idaho [Mr. BORAH], and myself. The Senate receded from its disagreement to the amendments of the House in many, if not most, cases, save and except with respect to the bill on the subject of fleeing witnesses. An amendment was made to that bill by the House of Representatives, and it will be remembered that the Senator from New York [Mr. COPELAND] and the Senator from Michigan [Mr. VANDENBERG] served notice that they would oppose any report which struck from the bill the provisions adopted by the Senate as to penalizing persons who flee the jurisdiction of the courts and cross State lines in order to avoid giving testimony in criminal cases. That is the bill to which the able Senator from Montana [Mr. WHEELER] is opposed.

Mr. McNARY. What I am particularly interested in knowing is whether the members of the Judiciary Committee are familiar with the conference reports and agree to their provisions?

Mr. ASHURST. I believe I can say that a majority of the members of the Committee on the Judiciary are familiar with the reports. Of course, I cannot say that all of them are.

Mr. McNARY. I understand that. I have, then, no objection to the consideration of the reports first enumerated.

Mr. ASHURST. Of the six?

Mr. McNARY. Yes.

The VICE PRESIDENT. Is there objection to agreeing to the reports en bloc, with the exception of the report on Senate bill 2253? The Chair hears none, and the reports are agreed to.

Mr. ASHURST. Mr. President, if later it shall be convenient for the Senator from Montana to be present, he being out of the Chamber at the moment, I should like to secure consent to consider the conference report on the fleeing-witness bill. I will not detain the Senate now, however; but if I may secure permission in a few moments to recur to that report, I shall endeavor to do so.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. THOMAS of Oklahoma. I move that the Senate proceed to the consideration of House bill 9061, being the District of Columbia appropriation bill.

There being no objection, the Senate proceeded to consider the bill (H.R. 9061) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1935, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the formal reading of the bill may be dispensed with, that it be read for amendment, and that the amendments of the committee and those authorized to be offered by the committee be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will state the first amendment.

The first amendment of the Committee on Appropriations was, on page 2, line 4, after the word "addition", to strike out "$4,364,295" and insert "$5,700,000", so as to read:

Be it enacted, etc., That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1935, any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the District of Columbia, and, in addition $5,700,000 is appropriated, out of any money in the Treasury not otherwise appropriated, to be advanced July 1, 1934, and all of the remainder out of the combined revenues of the District of Columbia, namely:

The amendment was agreed to.

The next amendment was, under the heading "General expenses—Executive Office", on page 3, line 17, after the word "services", to strike out "$31,851" and insert "$33,651", and at the end of line 18, to strike out "$32,121" and insert "$33,921", so as to read:

Plumbing inspection division: For personal services, $33,651; two members of plumbing board at $135 each; in all, $33,921.

The amendment was agreed to.

The next amendment was, under the subhead "Care of the District Building", on page 3, line 25, after the words "per hour", to strike out "$84,672" and insert "$86,130", so as to read:

For personal services, including temporary labor, and service of cleaners as necessary at not to exceed 48 cents per hour, $86,130.

The amendment was agreed to.

The next amendment was, under the subhead "Alcoholic Beverage Control Board", on page 4, line 23, after the word "service", to insert "not exceeding $500 for the purchase of samples", and in line 24, after the word "expenses" to strike out "$28,352" and insert "$55,900", so as to read:

For personal services, advertising, printing and binding, streetcar and bus transportation, telephone service, not exceeding $500 for the purchase of samples, and other necessary contingent and miscellaneous expenses, $55,900.

The amendment was agreed to.

The next amendment was, under the subhead "Office of superintendent of weights, measures, and markets", on page 5, line 13, to increase the appropriation for personal services under that office from $39,654 to $41,760.

The amendment was agreed to.

The next amendment was, on page 5, after line 21, to insert:

For the construction of shelters, paving, and for such other improvements as the Commissioners may deem necessary at the Farmers' Produce Market, $22,500.

The amendment was agreed to.

The next amendment was, under the subhead "Public Utilities Commission", on page 6, line 15, after the word "services", to strike out "$50,000" and insert "$86,823", so as to read:

For two commissioners, people's counsel, and for other personal services, $86,823, of which amount not to exceed $5,000 may be used for the employment of expert services by contract or otherwise and without reference to the Classification Act of 1923, as amended.

The amendment was agreed to.

The next amendment was, on page 6, line 21, after the word "newspapers", to strike out "$1,000" and insert "$1,500", so as to read:

For incidental and all other general necessary expenses authorized by law, including the purchase of newspapers, $1,500.

The amendment was agreed to.

The next amendment was, under the subhead "Free Public Library", on page 10, line 3, after the word "vehicle", to strike out "$25,000" and insert "$32,500", so as to read:

For maintenance, alterations, repairs, fuel, lighting, fitting up buildings, care of grounds, maintenance of motor delivery vehicles, and other contingent expenses, including not to exceed $700 for purchase and exchange of one motor delivery vehicle, $32,500.

The amendment was agreed to.

The next amendment was, on page 10, line 8, after the figures "$150,000", to insert a comma and "of which $4,500 shall be immediately available for the preparation of plans and specifications", so as to read:

For a building for a Georgetown branch library, including necessary furniture and equipment, and improvement of grounds, $150,000, of which $4,500 shall be immediately available for the preparation of plans and specifications.

The amendment was agreed to.

The next amendment was, under the subhead "Register of wills", on page 10, line 11, to increase the appropriation for personal services under that office from $63,531 to $64,827.

The amendment was agreed to.

The next amendment was, on page 10, line 18, after the word "periodicals", to strike out "$9,000" and insert "$10,000", so as to read:

For miscellaneous and contingent expenses, telephone, bills, printing, typewriters, photostat paper and supplies, including

laboratory coats and photographic developing room equipment, towels, towel service, window washing, street-car tokens, furniture and equipment and repairs thereto, and purchase of books of reference, law books, and periodicals, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Recorder of deeds", on page 10, line 20, after the word "services", to strike out "$75,754" and insert "$100,000", so as to read:

For personal services, $100,000, of which $6,000 shall be available only for recopying old land records of the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 11, line 6, after the word "expenses", to strike out "$7,500" and insert "$10,000", so as to read:

For miscellaneous and contingent expenses, including telephone service, printing, binding, rebinding, repairing, and preservation of records; typewriters, towels, towel service, furniture and equipment and repairs thereto; books of reference, law books and periodicals, street-car tokens, postage, not exceeding $100 for rest room for sick and injured employees and the equipment of and medical supplies for said rest room, and all other necessary incidental expenses, $10,000.

The amendment was agreed to.

The next amendment was, under the heading "Contingent and Miscellaneous Expenses", on page 11, line 14, after the word "exceed", to strike out "$1,000" and insert "$1,250"; and in line 22, after the word "offices" and the semicolon, to strike out "$35,000" and insert "$36,000", so as to read:

For checks, books, law books, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; repairs to pound and vehicles; traveling expenses not to exceed $1,250, including payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia; expenses authorized by law in connection with the removal of dangerous or unsafe and insanitary buildings, including payment of a fee of $6 per diem to each member of board of survey, other than the inspector of buildings, while actually employed on surveys of dangerous or unsafe buildings; and other general necessary expenses of District offices; $36,000.

The amendment was agreed to.

The next amendment was, on page 12, line 3, after the word "binding", to strike out "$35,000" and insert "including personal services, $40,000", so as to read:

For printing and binding, including personal services, $40,000.

The amendment was agreed to.

The next amendment was, under the subhead "Central garage", on page 12, line 8, after the word "services", to strike out "$52,000" and insert "$56,806", and at the end of line 12, to strike out "$60,000" and insert "$64,806", so as to read:

For maintenance, care, repair, and operation of passenger-carrying automobiles owned by the District of Columbia, including personal services, $56,806; for exchange of such passenger-carrying automobiles now owned by the District of Columbia as, in the judgment of the Commissioners of said District, have or shall become unserviceable, $8,000; in all, $64,806.

The amendment was agreed to.

The next amendment was, on page 13, line 14, after the word "equipment", to strike out "$20,000" and insert "$25,000", so as to read:

For postage for strictly official mail matter, including the rental of postage meter equipment, $25,000.

The amendment was agreed to.

The next amendment was, under heading "Street and road improvement and repair", on page 16, line 7, before the word "personal" to strike out "all", so as to read:

For personal services, $161,550, payable from the special fund created by section 1 of the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924 (43 Stat. 106), and accretions by repayment of assessments.

The amendment was agreed to.

The next amendment was, on page 17, line 20, after the word "vehicles", to strike out "$65,000" and insert "and including not to exceed $9,000 for surveys, engineering investigations, and preparation of plans for a viaduct or bridge in the line of Franklin Street NE., over the tracks of the Baltimore & Ohio Railroad, $74,000", so as to read:

For construction, maintenance, operation, and repair of bridges, including maintenance of non-passenger-carrying motor vehicles, and including not to exceed $9,000 for surveys, engineering investigations, and preparation of plans for a viaduct or bridge in the line of Franklin Street NE., over the tracks of the Baltimore & Ohio Railroad, $74,000.

The amendment was agreed to.

The next amendment was, on page 20, line 5, after the word "exceed", to strike out "$2,090,000" and insert "$2,099,000", so as to read:

In all, not to exceed $2,099,000, to be immediately available; to be disbursed and accounted for as "Gasoline tax, road, and street improvements and repairs", and for that purpose shall constitute one fund.

The amendment was agreed to.

The next amendment was, on page 21, line 15, after the name "District of Columbia", to strike out the colon and "*Provided further*, That the amount expended hereunder shall not exceed $50,000", so as to read:

To carry out the provisions of existing law which authorize the Commissioners of the District of Columbia to open, extend, straighten, or widen any street, avenue, road, or highway, except Fourteenth Street extension beyond the southern boundary of Walter Reed Hospital Reservation, in accordance with the plan of the permanent system of highways for the District of Columbia, there is appropriated such sum as is necessary for said purpose, including the procurement of chains of title, during the fiscal year 1935, to be paid wholly out of the revenues of the District of Columbia: *Provided*, That this appropriation shall be available to carry out the provisions of existing law for the opening, extension, widening, or straightening of alleys and minor streets and for the establishment of building lines in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 22, after line 12, to strike out:

No part of the appropriations contained in this act shall be used for the operation of a testing laboratory of the highways department for making tests of materials in connection with any activity of the District government.

The amendment was agreed to.

The next amendment was, on page 23, line 24, after the word "sewers", to strike out "$20,094" and insert "$65,094, together with the unexpended balance of the appropriation for this purpose, contained in the District of Columbia Appropriation Act for the fiscal year 1933", so as to read:

For assessment and permit work, sewers, including not to exceed $1,000 for purchase or condemnation of rights-of-way for construction, maintenance, and repair of public sewers, $65,094, together with the unexpended balance of the appropriation for this purpose, contained in the District of Columbia Appropriation Act for the fiscal year 1933.

The amendment was agreed to.

Mr. FESS. Mr. President, I should like to ask the Senator from Oklahoma what progress is being made toward connecting Rock Creek Park with East Potomac Park?

Mr. THOMAS of Oklahoma. Mr. President, if I remember correctly, that matter was not mentioned during the hearings on the pending bill. No request was submitted, and there was nothing introduced in the hearings in relation to that particular project.

Mr. FESS. It has just been suggested to me that that work will be suspended until the bridge over P Street shall have been finished.

Mr. THOMAS of Oklahoma. There was no estimate submitted and no request was made for a hearing on the subject.

Mr. KING. Mr. President, I should like to say to the Senator from Ohio that the Park and Planning Commission, of which I am ex officio a member, have been giving a great deal of attention to the park system and to the plan to connect the parks with a number of old forts in the vicinity of Washington. I can assure the Senator that if we can secure a little more money from the Public Works Administration the work contemplated under surveys heretofore made will be speedily carried forward.

Mr. FESS. Mr. President, not to detain the Senate at all—and I will not do so—I have been greatly interested in the possibility of connecting Rock Creek Park, which of itself is as fine as it can be, and East Potomac Park. There seem to be some insurmountable obstacles that have been

existing for 4 or 5 years. One is the difficulty of getting under Massachusetts Avenue; another is the construction of the P Street Bridge. It would seem that those obstacles would not be difficult to overcome, but I was told that the great difficulty is that Congress has not made the necessary response in the way of appropriations, and I wonder whether there is any obstacle in the way of lack of money at the present time?

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

Mr. FESS. I yield.

Mr. COPELAND. The Senator is doubtless familiar with the fact that this body has passed a bill authorizing the District Commissioners to apply to the Public Works Administration for a loan of $20,000,000, and the measure specifically states that two millions of that amount shall be for the parks. So if that bill shall pass the House, as those of us who are interested in it hope it may, there will be ample money to carry forward the very desirable project suggested by the Senator from Ohio.

Mr. FESS. That is the answer to my question.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment of the Committee on Appropriations was, under the heading "Collection and disposal of refuse", on page 24, line 4, to increase the appropriation for personal services from "$124,335" to "$126,900."

The amendment was agreed to.

The next amendment was, on page 24, line 25, after the word "expenses", to strike out "$700,000" and insert "$732,400", so as to read:

To enable the Commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia, including inspection; fencing of public and private property designated by the Commissioners as public dumps; and incidental expenses, $732,400.

The amendment was agreed to.

The next amendment was, under the heading "Public play grounds", on page 25, line 20, to strike out "$30,000" and insert "$33,600", so as to read:

For general maintenance, repairs, and improvements, equipment, supplies, incidental and contingent expenses of playgrounds, including labor and maintenance, and not to exceed 500 for purchase and exchange, of one motor truck, $33,600.

The amendment was agreed to.

The next amendment was, under the heading "Electrical department", on page 26, line 23, to strike out "$15,000" and insert "$20,500", so as to read:

For placing wires of fire alarm, police patrol, and telephone services underground, extension and relocation of police-patrol and fire-alarm systems, purchase and installing additional lead-covered cables, labor, material, appurtenances, and other necessary equipment and expenses, $20,500.

The amendment was agreed to.

The next amendment was, on page 27, line 14, after the word "controls", to strike out "$700,000" and insert "$837,400", so as to read:

Lighting: For purchase, installation, and maintenance of public lamps, lampposts, street designations, lanterns, and fixtures of all kinds on streets, avenues, roads, alleys, and public spaces, part cost of maintenance of airport and airway lights necessary for operation of the air mail, and for all necessary expenses in connection therewith, including rental of storerooms, extra labor, operation, maintenance, and repair of motor trucks, this sum to be expended in accordance with the provisions of sections 7 and 8 of the District of Columbia Appropriation Act for the fiscal year 1912 (36 Stat., pp. 1008–1011, sec. 7), and with the provisions of the District of Columbia Appropriation Act for the fiscal year 1913 (37 Stat., pp. 181–184, sec. 7), and other laws applicable thereto, and including not to exceed $27,000 for operation and maintenance of electric traffic lights, signals, and controls, $837,400.

The amendment was agreed to.

The next amendment was, at the top of page 28, to insert:

For the purchase and installation of fire-alarm transmitting apparatus and operator's pedestal storage batteries, storage-battery rectifiers, alarm gongs, master telegraph key with relays and terminal switchboard, necessary wiring materials, labor, and other necessary items, to replace worn and defective fire-alarm equipment and apparatus in fire-alarm headquarters and fire stations, $28,000.

The amendment was agreed to.

The next amendment was, under the heading "Public schools", on page 28, line 15, after the word "superintendents", to strike out "$579,600" and insert "$583,380", so as to read:

For personal services of administrative and supervisory officers in accordance with the act fixing and regulating the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, approved June 4, 1924 (43 Stat., pp. 367–375), including salaries of presidents of teachers colleges in the salary schedule for first assistant superintendents, $583,380.

The amendment was agreed to.

The next amendment was, on page 28, line 18, to increase the appropriation for personal services of clerks and other employees under the public schools from $146,115 to $164,421.

The amendment was agreed to.

The next amendment was, on page 29, line 5, after the words "class 12", to strike out "$5,728,500" and insert "$5,763,960", so as to read:

For personal services of teachers and librarians in accordance with the act approved June 4, 1924 (43 Stat., pp. 367–375), including for teachers colleges assistant professors in salary class 11, and professors in salary class 12, $5,763,960.

The amendment was agreed to.

The next amendment was, under the subhead "Night schools", on page 30, line 20, after the words "day schools", to strike out "$79,407" and insert "$85,246", so as to read:

For teachers and janitors of night schools, including teachers of industrial, commercial, and trade instruction, and teachers and janitors of night schools may also be teachers and janitors of day schools, $85,246.

The amendment was agreed to.

The next amendment was, under the subhead "Community center department", on page 32, line 10, after the word "fixtures", to strike out "$36,664" and insert "$50,000", so as to read:

For personal services of the director, general secretaries, and community secretaries in accordance with the act approved June 4, 1924 (43 Stat., pp. 369, 370); clerks and part-time employees, including janitors on account of meetings of parent-teacher associations and other activities, and contingent expenses, equipment, supplies, and lighting fixtures, $50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous", on page 32, line 20, after the word "pupils", to strike out "$8,000" and insert "$9,000", so as to read:

For the maintenance of schools for tubercular and crippled pupils, $9,000.

The amendment was agreed to.

The next amendment was, on page 32, line 22, after the word "pupils", to insert "for pupils attending sight-saving classes", and in line 23, after the word "pupils", to strike out "$18,500" and insert "$21,500", so as to read:

For transportation for pupils attending schools for tubercular pupils, for pupils attending sight-saving classes, and for pupils attending schools for crippled pupils, $21,500.

The amendment was agreed to.

The next amendment was, on page 33, at the end of line 9, to increase the appropriation for fuel, gas, and electric light and power for the public schools from $225,000 to $250,000.

The amendment was agreed to.

The next amendment was, on page 33, line 17, after the word "labor", to strike out "$119,500" and insert "$129,500", so as to read:

For contingent expenses, including United States flags, furniture and repairs of same, stationery, ice, paper towels, and other necessary items not otherwise provided for, and including not exceeding $8,000 for books of reference and periodicals, not exceeding $1,500 for replacement of pianos at an average cost of not to exceed $300 each, not exceeding $5,000 for labor, $129,500, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 33, after line 21, to insert:

For the necessary reequipping, including repair and refinishing of suitable existing equipment, of the Shaw Junior High School, $15,000.

The amendment was agreed to.

The next amendment was, at the top of page 34, to insert:

For furniture and equipment, including pianos and window shades, for the Woodrow Wilson Senior High School, $175,000.

The amendment was agreed to.

The next amendment was, on page 34, line 14, after the word "available", to strike out the colon and "*Provided*, That no part of this appropriation shall be available for the purchase of such books for the free use of nonresident pupils", so as to read:

For textbooks and other educational books and supplies as authorized by the act of January 31, 1930 (46 Stat., p. 62), including not to exceed $7,000 for personal services, $180,000, to be immediately available.

The amendment was agreed to.

The next amendment was, under the subhead "Buildings and grounds", on page 36, at the end of line 6, to strike out "$400,000" and insert "$600,000", so as to read:

For continuing the construction of the Woodrow Wilson High School, $600,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 6, to insert:

For an additional amount for the erection of an 8-room building on a site now owned by the District of Columbia in the vicinity of the Logan School, $5,500.

The amendment was agreed to.

The next amendment was, on page 36, after line 9, to insert:

For completing the construction of a junior-high-school building on a site already purchased for that purpose at Nineteenth Street and Minnesota Avenue S.E., in Anacostia, $180,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 14, to insert:

For the construction of a four-room addition to the Phelps School, including the necessary remodeling of present building, $65,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 16, to insert:

For the construction of an addition to the Deal Junior High School, including 10 classrooms and 1 gymnasium, $166,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 19, to insert:

For the extension of the auto repair shop and the construction of a gymnasium at the Armstrong High School, $70,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 22, to insert:

For the construction of a four-room addition to the Bunker Hill School, including necessary alterations to the present building, $75,000.

The amendment was agreed to.

The next amendment was, on page 37, line 7, after the words "In all", to strike out "$568,000" and insert "$1,329,500", so as to read:

In all, $1,329,500, to be immediately available and to be reimbursed and accounted for as "Buildings and grounds, public schools", and for that purpose shall constitute one fund and remain available until expended: *Provided*, That no part of this appropriation shall be used for or on account of any school building not herein specified.

The amendment was agreed to.

The next amendment was, on page 37, after line 12, to insert:

For the purchase of additional land at the Phelps Vocational School for elementary school purposes, $55,000.

The amendment was agreed to.

The next amendment was, on page 37, after line 14, to insert:

For an additional amount for the purchase of a site for the Jefferson Junior High School, $150,000.

The amendment was agreed to.

The next amendment was, on page 37, after line 16, to strike out the following:

No part of the foregoing appropriations for public schools shall be used for instructing children under 5 years of age except children entering during the first half of the school year who will be 5 years of age by November 1, 1934, and children entering during the second half of the school year who will be 5 years of age by March 15, 1935: *Provided*, That this limitation shall not be considered as preventing the employment of a matron and the care of children under school age at the Webster School whose parent or parents are in attendance in connection with Americanization work.

The amendment was agreed to.

The next amendment was, under the heading "Metropolitan Police—Salaries", on page 39, line 18, to increase the appropriation for personal services under the Metropolitan Police from $109,980 to $113,400.

The amendment was agreed to.

The next amendment was, under the heading "Fire department—Miscellaneous", on page 42, at the end of line 24, to strike out "$21,000" and insert "$23,000", so as to read:

Uniforms: For furnishing uniforms and other official equipment prescribed by department regulations as necessary and requisite in the performance of duty to officers and members of the fire department, including cleaning, alteration, and repair of articles transferred from one individual to another, $23,000.

The amendment was agreed to.

The next amendment was, on page 43, after line 14, to insert:

For 3 combination hose wagons and 1 pumping engine, triple combination, all motor-driven, $30,000.

The amendment was agreed to.

The next amendment was, under the heading "Health department", on page 45, line 11, after the word "supplies", to insert "equipment, purchases, and maintenance of three passenger-carrying motor vehicles", and in line 12, after the word "expenses", to strike out "$34,398" and insert "$91,718", so as to read:

For the maintenance of a dispensary or dispensaries for the treatment of indigent persons suffering from tuberculosis and of indigent persons suffering from venereal diseases, including payment for personal services, rent, supplies, equipment, purchases, and maintenance of three passenger-carrying motor vehicles, and contingent expenses, $91,718.

The amendment was agreed to.

The next amendment was, on page 46, line 4, after the word "clinics", to strike out "$84,554" and insert "$152,096", so as to read:

Hygiene and sanitation, public schools, salaries: For personal services in the conduct of hygiene and sanitation work in the public schools, including the necessary expenses of maintaining free dental clinics, $152,096.

The amendment was agreed to.

The next amendment was, on page 47, line 15, after the word "supplies", to strike out "$45,834" and insert "$91,078", so as to read:

Child welfare and hygiene: For maintaining a child-hygiene service, including the establishment and maintenance of child-welfare stations for the clinical examinations, advice, care, and maintenance of children under 6 years of age, payment for personal services, rent, fuel, periodicals, and supplies, $91,078.

The amendment was agreed to.

The next amendment was, under the heading "Courts and prisons", on page 47, line 24, to increase the appropriation for personal services under the juvenile court from $52,938 to $53,946.

The amendment was agreed to.

The next amendment was, under the subhead "Juvenile court", on page 48, line 7, after the word "for", to strike out "$2,000" and insert "$2,750", so as to read:

For fuel, ice, gas, laundry work, stationery, books of reference, periodicals, typewriters and repairs thereto, preservation of records, mops, brooms, and buckets, removal of ashes and refuse, telephone service, traveling expenses, meals of jurors and prisoners, repairs to courthouse and grounds, furniture, fixtures, and equipment, and other incidental expenses not otherwise provided for, $2,750.

The next amendment was, under the subhead "Police court", on page 48, line 18, to increase the appropriation for

personal services under the police court from $85,000 to $90,000.

The amendment was agreed to.

The next amendment was, on page 49, line 3, after the figures "$5,100", to strike out the comma and "of which not exceeding $400 shall be available for telephone and telegraph service", so as to read:

For law books, books of reference, directories, periodicals, stationery, preservation of records, typewriters and repairs thereto, fuel, ice, gas, electric lights and power, telephone service, laundry work, removal of ashes and rubbish, mops, brooms, buckets, dusters, sponges, painter's and plumber's supplies, toilet articles, medicines, soap and disinfectants, lodging and meals for jurors and bailiffs when ordered by the court, United States flags and halyards, and all other necessary and incidental expenses of every kind not otherwise provided for, $5,100.

The amendment was agreed to.

The next amendment was, under the subhead "Municipal court", on page 49, line 10, after the word "grade", to strike out "$63,000" and insert "$68,166", so as to read:

Salaries: For personal services, including compensation of five judges without reference to the limitation in this act restricting salaries within the grade, $68,166.

The amendment was agreed to.

The next amendment was, on page 49, line 11, after the word "jurors", to strike out "$4,000" and insert "$6,165", so as to read:

For compensation of jurors, $6,165.

The amendment was agreed to.

The next amendment was, on page 49, line 24, after the word "supplies", to strike out "$2,750" and insert "$3,000", so as to read:

For contingent expenses, including books, law books, books of reference, fuel, light, telephone, lodging and meals for jurors, and for deputy United States marshals while in attendance upon jurors, when ordered by the court; fixtures, repairs to furniture, building and building equipment, and all other necessary miscellaneous items and supplies, $3,000.

The amendment was agreed to.

The next amendment was, under the subhead "Supreme Court, District of Columbia", on page 50, line 5, to strike out "$125,575" and insert "$129,380", so as to read:

Salaries: For the chief justice, 8 associate justices, 9 stenographers (1 for the chief justice and 1 for each associate justice), and other personal services, $129,380.

The amendment was agreed to.

The next amendment was, on page 50, line 11, to strike out "$85,000" and insert "$100,000", so as to read:

Fees of jurors and witnesses: For mileage and per diem of jurors, for mileage and per diem of witnesses and for per diem in lieu of subsistence, and payment of the expenses of witnesses in said court as provided by section 850, Revised Statutes (U.S.C., title 28, sec. 604), $100,000.

The amendment was agreed to.

The next amendment was, on page 50, line 23, after the name "District of Columbia", to strike out "$30,000" and insert "$31,761", so as to read:

Courthouse: For personal services for care and protection of the courthouse, under the direction of the United States marshal of the District of Columbia, $31,761, to be expended under the direction of the Attorney General.

The amendment was agreed to.

The next amendment was, under the heading "Public Welfare", on page 5, line 7, to increase the appropriation for personal services under the Board of Public Welfare from $96,000 to $101,646.

The amendment was agreed to.

The next amendment was, on page 54, line 3, after the word "board", to strike out "$230,000" and insert "$250,000", so as to read:

For board and care of all children committed to the guardianship of said board by the courts of the District, and for temporary care of children pending investigation or while being transferred from place to place, with authority to pay not more than $1,500 each to institutions under sectarian control and not more than $400 for burial of children dying while under charge of the board, $250,000.

The amendment was agreed to.

The next amendment was, under the subhead "Jail", on page 55, line 13, to increase the appropriation for personal services at the jail from $68,823 to $77,823.

The amendment was agreed to.

The next amendment was, under the subhead "General administration, workhouse and reformatory, District of Columbia", on page 55, line 23, to increase the appropriation for personal services under the workhouse and reformatory, etc., from $280,000 to $337,770.

The amendment was agreed to.

The next amendment was, on page 56, line 7, to strike out "$320,000" and insert "$335,000", so as to read:

For maintenance, care, and support of inmates, rewards for fugitives, discharge gratuities provided by law, medical supplies, newspapers, books, books of reference, and periodicals, farm implements, tools, equipment, transportation, expenses, purchase and maintenance of livestock and horses, purchase, exchange, maintenance, operation, and repair of non-passenger-carrying vehicles and motor bus; fuel for heating, lighting, and power, and all other necessary items, $335,000.

The amendment was agreed to.

The next amendment was, on page 57, line 10, after the word "including" to strike out "not exceeding $500 for", and at the end of line 12, to strike out "$50,000" and insert "$52,000", so as to read:

For construction of a permanent water supply filtration system, including the purchase of land on Occoquan Creek and Elkhorn Run, to be immediately available, $52,000.

The amendment was agreed to.

The next amendment was, under the subhead "Medical charities", on page 59, at the end of line 3, to increase the appropriation for the Children's Hospital from $10,000 to $30,000.

The amendment was agreed to.

The next amendment was, on page 59, at the end of line 6, to increase the appropriation for the Washington Home for Incurables from $10,000 to $25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Tuberculosis Hospital", on page 59, line 12, to increase the appropriation for personal services at the Tuberculosis Hospital from $77,823 to $81,567.

The amendment was agreed to.

The next amendment was, on page 60, line 6, after the word "items", to strike out "$25,000" and insert "$35,000" so as to read:

For provisions, fuel, forage, harness, and vehicles, and repairs to same, maintenance and purchase of horses and horse-drawn vehicles, gas, ice, shoes, clothing, dry goods, tailoring, drugs and medical supplies, furniture and bedding, kitchen utensils, medical books, books of reference, and periodicals not to exceed $200, temporary services not to exceed $1,000, maintenance of motor truck, and other necessary items, $35,000.

The amendment was agreed to.

The next amendment was, on page 60, line 8, after the word "sidewalks", to strike out "$500" and insert "$2,000"; so as to read:

For repairs and improvements to buildings and grounds, including roads and sidewalks, $2,000.

The amendment was agreed to.

The next amendment was, on page 60, after line 8, to insert:

DISTRICT OF COLUMBIA TUBERCULOSIS SANATORIA

For the construction of additions to the Children's Unit, and the preparation of plans and specifications for the District of Columbia Tuberculosis Sanatoria at Glenn Dale, Md., including not to exceed $100,000 for the employment of professional and other personal services without reference to the Classification Act of 1923, as amended, and section 3709 of the Revised Statutes of the United States, $500,000.

The amendment was agreed to.

The next amendment was, under the subhead "Gallinger Municipal Hospital", on page 60, line 20, after the word "labor", to strike out "$323,928" and insert "$372,528", so as to read:

Salaries: For personal services, including not to exceed $2,000 for temporary labor, $372,528.

The amendment was agreed to.

The next amendment was, on page 61, at the end of line 16, to strike out "$262,000" and insert "$290,000", so as to read:

For completing construction at Gallinger Municipal Hospital of an additional ward building for contagious diseases, including necessary equipment, $290,000.

The amendment was agreed to.

The next amendment was, under the subhead "District Training School", on page 61, line 19, after the word "labor", to strike out "$79,272" and insert "$81,486", so as to read:

For personal services, including not to exceed $1,000 for temporary labor, $81,486.

The amendment was agreed to.

The next amendment was, on page 61, line 25, to strike out "$75,000" and insert "$80,000", so as to read:

For maintenance and other necessary expenses, including the maintenance of non-passenger-carrying motor vehicles, the purchase and maintenance of horses and wagons, farm machinery and implements, and not to exceed $200 for the purchase of books, books of reference, and periodicals, $80,000.

The amendment was agreed to.

The next amendment was, on page 62, line 3, after the word "one", to strike out "1½-ton motor truck, $650" and insert "2-ton motor truck, $1,000", so as to read:

For the purchase and exchange of one 2-ton motor truck, $1,000.

The amendment was agreed to.

The next amendment was, under the subhead "Industrial School for Colored Children", on page 62, line 6, after the word "services", to strike out "$30,575" and insert "$32,373", and at the end of line 7, to strike out "$31,000" and insert "$32,823", so as to read:

Salaries: For personal services, $32,373; temporary labor, $425; in all, $32,823.

The amendment was agreed to.

The next amendment was, on page 62, line 12, after the word "materials", to strike out "$24,000" and insert "$25,000", so as to read:

For maintenance, including purchase and maintenance of farm implements, horses, wagons, and harness, and maintenance of non-passenger-carrying motor vehicles, and not to exceed $1,250 for manual-training equipment and materials, $25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Home for Aged and Infirm", on page 62, line 24, after the word "services", to strike out "$51,696" and insert "$53,100", and at the end of line 25, strike out "$53,496" and insert "$54,900", so as to read:

Salaries: For personal services, $53,100; temporary labor, $1,800; in all, $54,900.

The amendment was agreed to.

The next amendment was, on page 63, at the end of line 8, to strike out "$4,500" and insert "$6,000", so as to read:

For repairs and improvements to buildings and grounds, such work to be performed by day labor or otherwise in the discretion of the Commissioners, $6,000.

The amendment was agreed to.

The next amendment was, on page 63, line 10, to strike out "$650" and insert "$750", so as to read:

For the purchase and exchange of station wagon-truck, $750.

The amendment was agreed to.

The next amendment was, on page 63, after line 10, to insert:

For the construction of addition to colored women's ward, such work to be performed by day labor or otherwise, as in the judgment of the Commissioners may be most advantageous to the District of Columbia, $11,000.

The amendment was agreed to.

The next amendment was, under the subhead "Emergency relief", on page 64, line 2, after the name "District of Columbia", to strike out "$1,300,000" and insert "$3,000,000", and, in line 3, after the word "available", to strike out the colon and "*Provided*, That not to exceed 8 percent of such amount shall be available for administrative expenses, including necessary personal services", so as to read:

For the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia by employment and/or direct relief, in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the board and without regard to the provisions of any other law, payable from the revenues of the District of Columbia, $3,000,000, to be immediately available.

The amendment was agreed to.

The next amendment was, under the heading "Militia", on page 67, line 24, after the word "services", to strike out "$18,270" and insert "$19,080"; in line 25, after the word "labor" to strike out "$5,000" and insert "$5,220"; and, on page 68, line 25, after the word "service", to strike out "$8,730; in all, $32,000" and insert "$9,000; in all, $33,300", so as to make the paragraph read:

For the following, to be expended under the authority and direction of the commanding general, who is hereby authorized and empowered to make necessary contracts and leases, namely:

For personal services, $19,080; temporary labor, $5,220; for expenses of camps, including hire of horses for officers required to be mounted, and for the payment of commutation of subsistence for enlisted men who may be detailed to guard or move the United States property at home stations on days immediately preceding and immediately following the annual encampments; damages to private property incident to encampment; reimbursement to the United States for loss of property for which the District of Columbia may be held responsible; cleaning and repairing uniforms, arms, and equipment; instruction, purchase, and maintenance of athletic, gymnastic, and recreational equipment at armory or field encampments, not to exceed $500; practice marches, drills, and parades; rent of armories, drill halls, and storehouses; fuel, light, heat, care, and repair of armories, offices, and storehouses; machinery and dock, including dredging alongside of dock; construction of buildings for storage and other purposes at target range; telephone service; printing, stationery, and postage; horses and mules for mounted organizations; maintenance and operation of passenger and non-passenger-carrying motor vehicles; street-car fares (not to exceed $200) necessarily used in the transaction of official business; not exceeding $400 for traveling expenses, including attendance at meetings or conventions of associations pertaining to the National Guard; and for general incidental expenses of the service, $9,000; in all, $33,300.

The amendment was agreed to.

The next amendment was, under the heading "National Capital Parks", on page 69, line 3, to increase the appropriation for personal services under the Public Parks of the District of Columbia from $300,000 to $314,880.

The amendment was agreed to.

The next amendment was, under the heading "National Capital Park and Planning Commission", on page 71, at the end of line 10, to strike out "$31,000" and insert "$33,096", so as to read:

For each and every purpose, except the acquisition of land, requisite for and incident to the work of the National Capital Park and Planning Commission as authorized by the act entitled "An act providing for a comprehensive development of the park and playground system of the National Capital" approved June 6, 1924 (U.S.C., title 40, sec. 71), as amended, including personal services in the District of Columbia, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, not to exceed $1,500 for printing and binding, not to exceed $500 for traveling expenses and car fare of employees of the Commission, and not to exceed $300 for professional, scientific, technical, and reference books, and periodicals, $33,096.

The amendment was agreed to.

The next amendment was, under the heading "Water service—Washington Aqueduct", on page 73, line 11, after the word "motor", to strike out "trucks" and insert "vehicles", and in line 21, after the word "maintenance", to strike out "$300,000" and insert "$323,950", so as to read:

For maintenance of the water department distribution system, including pumping stations and machinery, water mains, valves, fire and public hydrants, and all buildings and accessories, and motor vehicles, and the replacement by purchase and/or exchange of the following motor-propelled vehicles: One 1½-ton special truck not to exceed $1,800, and one 4-ton truck not to exceed $2,000; purchase of fuel, oils, waste, and other materials, and the employment of all labor necessary for the proper execution of this work; and for contingent expenses, including books, blanks, stationery, printing and binding not to exceed $2,500, postage, purchase of technical reference books and periodicals not to exceed $275, and other necessary items, $7,500; in all for

maintenance, $323,950, of which not exceeding $5,000 shall be available for operation of pumps at Bryant Street pumping station upon interruption of service from Dalecarlia pumping station.

The amendment was agreed to.

The next amendment was, on page 74, line 3, after the word system", to strike out "$142,000" and insert "$213,750", so as to read:

For extension of the water department distribution system, laying of such service mains as may be necessary under the assessment system, $213,750.

The amendment was agreed to.

The next amendment was, on page 74, line 8, after the name "District of Columbia", to strike out "$50,000" and insert "$85,500", so as to read:

For installing and repairing water meters on services to private residences and business places as may not be required to install meters under existing regulations, as may be directed by the Commissioners; said meters at all times to remain the property of the District of Columbia, $85,500.

The amendment was agreed to.

The next amendment was, on page 74, line 14, after the word "pavements", to strike out "$75,000" and insert "$117,900", so as to read:

For replacement of old mains and divide valves in various locations, on account of inadequate size and bad condition of pipe on account of age, and laying mains in advance of pavements, $117,900, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 77, line 4, after the word "thereof", to insert "including rental of storage space", so as to read:

The Commissioners, or their duly designated representatives, are further authorized to employ temporarily such laborers, skilled laborers, drivers, hostlers, and mechanics as may be required exclusively in connection with sewer, water, street, and road work, and street cleaning, or the construction and repair of buildings, and bridges, furniture and equipments, and any general or special engineering or construction or repair work, and to incur all necessary engineering and other expenses, exclusive of personal services, incidental to carrying on such work and necessary for the proper execution thereof, including rental of storage space, said laborers, skilled laborers, drivers, hostlers, and mechanics to be employed to perform such work as may not be required by law to be done under contract, and to pay for such services and expenses from the appropriations under which such services are rendered and expenses incurred.

The amendment was agreed to.

The next amendment was, on page 80, after line 13, to strike out:

SEC. 7. No part of the funds appropriated in this act for any activity shall be available for transfer to any other activity or between subheads of the same activity.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. THOMAS of Oklahoma. Mr. President, as authorized by the committee, I submit the following amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 32, after line 2, it is proposed to insert:

For aid in the education of children (between the ages of 16 and 21 years, inclusive, who have had their domicile in the District of Columbia for at least 5 years) of those who lost their lives during the World War as a result of service in the military or naval forces of the United States, including tuition, fees, maintenance, and the purchase of books and supplies, $3,600: *Provided*, That not more than $200 shall be available for any one child during the fiscal year 1935: *Provided further*, That this appropriation shall be expended for such children while attending educational institutions of a secondary or college grade under rules and regulations prescribed by the Board of Education.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I am authorized to submit another amendment on behalf of the committee.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 57, line 12, after the figures "$52,000", to insert the following proviso:

Provided, That in case a satisfactory price cannot be agreed upon for the purchase of said land, the Attorney General of the United States, upon the request of the Commissioners of the District of Columbia, is directed to acquire said land by condemnation, title to be taken directly to and in the name of the United States, and the expenses of condemnation shall be paid out of the appropriation herein made.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. I am authorized to submit a third amendment on behalf of the committee.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 75, at the end of line 20, to insert the following proviso:

Provided, That the assessment rate herein prescribed shall be applicable to assessments for sewer and water mains constructed and laid subsequent to January 1, 1923, in the subdivision of Barry Farm, as said subdivision appears on the records of the Surveyor of the District of Columbia.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. The committee authorized a fourth amendment, which will be submitted by the Senator from North Dakota [Mr. NYE].

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

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 20, after line 4, to insert:

Michigan Avenue viaduct: For the construction of a viaduct or bridge and approaches thereto in line of Michigan Avenue NE., as now located on the permanent system of highways of the District of Columbia, between Brookland Avenue and Perry Street NE., over the tracks of the right-of-way of the Baltimore & Ohio Railroad Co., in accordance with plans and profiles of said work to be approved by the Commissioners of the District of Columbia, including the purchase and/or condemnation, under subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, and amendments thereto, of necessary land in accordance with the highway plan, construction of, and changes in sewer and water mains, personal services and engineering and incidental expenses, $450,000: *Provided*, That one half of the total cost, excepting land, of constructing said viaduct or bridge and approaches shall be borne and paid by the said railroad company, its successors and assigns, to the collector of taxes of the District of Columbia, and the same shall be a valid and subsisting lien against the franchises and property of the said railroad company and shall constitute a legal indebtedness of said company in favor of the District of Columbia, and the said lien may be enforced in the name of the District of Columbia by a bill in equity brought by the said Commissioners in the Supreme Court of the District of Columbia, or by any other lawful proceeding against the said railroad company: *Provided further*, That from and after the completion of the said viaduct and approaches, the highway grade crossing over the tracks and right-of-way of the said Baltimore & Ohio Railroad Co. in line of present Michigan Avenue shall be forever closed against further traffic of any kind.

And in line 5, to strike out "$2,099,000" and insert "$2,549,000."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, at the request of the Board of Education and on my own responsibility, I submit the following amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 28, line 15, after the word "superintendents", to insert "including also compensation to be fixed by the Board of Education and the traveling expenses of educational consultants employed in character education."

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

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

The bill was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. THOMAS of Oklahoma, Mr. GLASS, Mr. COPELAND, Mr. KING, Mr. NYE, and Mr. KEYES conferees on the part of the Senate.

RETURN OF MACE OF PARLIAMENT OF UPPER CANADA

Mr. ROBINSON of Arkansas. Mr. President, I introduce a joint resolution; and if there be no objection, I should like to have it considered at this time.

The VICE PRESIDENT. The clerk will report the joint resolution for the information of the Senate.

The Chief Clerk read the joint resolution (S.J.Res. 121) authorizing the President to return the mace of the Parliament of Upper Canada to the Canadian Government, the first time by its title and the second time at length, as follows:

Whereas the mace of the Parliament of Upper Canada, or Ontario, has been the symbol of legislative authority at York (now Toronto) since 1792; and

Whereas the mace then in use was taken at the battle of York, April 27, 1813, by the United States forces and since has been preserved in the United States Naval Academy at Annapolis; and

Whereas on July 4, 1934, there is to be unveiled in Toronto a memorial tablet erected by the United States Daughters of 1812, to the memory of General Pike and others of the United States forces who were killed in action:

Resolved, etc., That the President be, and he is hereby, authorized to return said mace to the Canadian Government in token of the mutual friendship and good will existing between the people of the United States and those of Canada.

Mr. McNARY. Mr. President, may I ask the Senator from Arkansas if this is the matter referred to in the President's message a few days ago?

Mr. ROBINSON of Arkansas. It is. The President sent to the Senate some days ago a message setting forth the facts, namely, that at the Battle of York in 1813 the mace, which was the symbol of legislative authority in upper Canada, Toronto being the capital, was taken possession of by United States troops. Since that time it has been in the Naval Academy at Annapolis as a trophy.

On July 4 of this year the Daughters of 1812 will erect in Toronto a tablet to the memory of General Pike and others who fell in that war. The city of Toronto has provided the site for the memorial. It is in recognition of the friendly relations that have long existed between Canada and the United States, and which it is hoped will continue to exist, that the President proposes to return the mace to the Canadian Government.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceed to consider the joint resolution, which was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

PREVENTION OF CRIME

Mr. ASHURST. Mr. President, I now feel constrained to ask for action on the conference report on Senate bill 2253, making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases. I have sent messengers for the able Senator from Montana [Mr. WHEELER], and I should like to secure action, with the understanding, of course, that, if the Senator from Montana feels that precipitate action has been taken, I shall consent to a motion to reconsider.

Mr. KING. Mr. President, I regret to interpose any objection to what the chairman of the committee of which I am a member requests in regard to this matter; but I know the attitude of the Senator from Montana. I have been trying to find him. He left his office some little time ago. I suggest that the Senator let the conference report go over until tomorrow morning.

Mr. ASHURST. Very well. I withdraw the request.

Mr. VANDENBERG subsequently said: Mr. President, if I may recur to the conference report which the Senator from Arizona [Mr. ASHURST] submitted, and to the consideration of which objection was made because of the absence of the Senator from Montana [Mr. WHEELER], I should like to say that I have conferred with the Senator from Montana; and he authorizes me to state that, while he is in opposition to the legislation, he is not in opposition to the present consideration and acceptance of the conference report.

Therefore, joining with the Senator from Arizona, I ask that the conference report be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2253) making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution in certain cases having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2, 4, and amendment to the title.

That the Senate recede from its disagreement to the amendment of the House numbered 3; and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, strike out on page 1, line 3, of the Senate bill the word "flee" and insert in lieu thereof "move or travel in interstate or foreign commerce"; and the House agree to the same.

HENRY F. ASHURST,
WILLIAM H. KING,
WM. E. BORAH,
Managers on the part of the Senate.

HATTON W. SUMNERS,
TOM D. MCKEOWN,
A. J. MONTAGUE,
RANDOLPH PERKINS,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Arizona a question about Senate bill 2252, to amend the act forbidding the transportation of kidnaped persons in interstate commerce. I observe that the period of time which may be considered evidence of an interstate kidnaping was changed by action of the conference committee to 7 days. In our bill it was 3 days. Was that matter given study?

Mr. ASHURST. Yes, Mr. President. It was given very careful consideration; and after hearing all the arguments it was agreed that 7 days would be a more appropriate period.

The original bill carried with it a provision that if the kidnaped person should not be returned within 3 days the presumption should be that he was moved in interstate commerce. That period was extended to 7 days. It is, however, a rebuttable presumption. Is that the provision to which the Senator refers?

Mr. COPELAND. Yes. I am sorry I did not make some reference to the matter before the conference was held. I have no disposition at all to hold up the bill; but I desire to point out the fact that the Senate committee, in fixing the time at 3 days, did so deliberately. We first talked about 2 days, because if a case is to be considered an interstate case, a Federal case, it is important that the Federal officials shall have the clues while they are fresh. On that account it was desired that the time should be made as short as possible; but I can readily see that for other reasons it might be wise to extend it somewhat.

Mr. ASHURST. Let me say to the able Senator that, as he knows, some of the States, especially in the Southwest, are very large; and Members of the House—if I may be permitted to refer to what was said there—felt that the 3-day period was too short, in view of the severity of the punishment, and that 7 days would not be an unreasonable time in which the presumption should arise.

Mr. COPELAND. Of course, in the case of my particular State, if the kidnapers were from New York City, in 7 days they could have the victim down in South America.

Mr. ASHURST. I recognize that as creating a very difficult situation.

Mr. ROBINSON of Arkansas. Mr. President, before passing to another matter I wish to say that I think the amend-

ment agreed to in conference on the kidnaping bill with reference to the presumption referred to is unfortunate. I do not know why anyone should be tender concerning the feelings of a kidnaper. If any presumption at all is to be indulged for men of the type who constitute the outlaws, who are dashing from limit to limit of this country, violating every right of our citizens, terrifying helpless mothers and children, 3 days is ample time. It is incomprehensible to me why anyone should insist upon extending the time to 7 days.

I wish to register my protest against the arrangement that was entered into in conference. I do not know what the conditions were which prompted the agreement, but I have not the slightest sympathy with it.

Mr. ASHURST. Mr. President, the Senator from Arkansas, in language which well becomes him, has expressed, I believe, the opinion of the Senate, and I trust I am not violating parliamentary law when I say that the Senate conferees used all the power they had to prevent increasing the time of the presumption. We did the best we could. We were acting with a view of obtaining some legislation. It is not proper for me to say what took place, but it was a question of getting legislation at all.

Personally I agree with the view of the Senator from Arkansas.

Mr. President, in connection with one of the antigangster bills, so called, to wit, the bill extending the provisions of the National Motor Vehicle Theft Act to other stolen property, I am about to introduce a concurrent resolution to permit a change. The numerals "1929" are used in the Senate bill. They should be "1919." I am not going to do the conventional thing of blaming the mistake on the stenographer. I lay the blame on myself. The National Motor Vehicle Act was passed in 1919.

I ask for the present consideration of the concurrent resolution which I send to the desk.

The VICE PRESIDENT. Without objection, the concurrent resolution will be received and read.

The concurrent resolution (S.Con.Res. 16) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is authorized and directed, in the enrollment of the bill (S. 2845) entitled "An act to extend the provisions of the National Motor Vehicle Theft Act to other stolen property", to strike out "1929" where it appears in section 7 thereof and insert in lieu thereof "1919."

Mr. COPELAND. Mr. President, if I may say a word to the Senator in charge of the crime bills, I have the greatest sympathy for him and the committee. I know that it is not possible for us to get everything we want. I did not get everything I wanted about many of these bills. In that connection I desire to call attention to Senate bill 2845, amending the National Motor Vehicle Theft Act, just referred to in the concurrent resolution. To my mind, it is unfortunate that the security and money value in that case was changed to $5,000 instead of $1,000.

My reason for saying that is because experience shows that the amounts carried away in the manner referred to in the bill are usually small amounts. They rarely reach $5,000; but, of course, what the racketeers will do now will be to break up their stolen goods into smaller quantities.

Mr. ASHURST. Oh, no; that is guarded against, Mr. President. Care is taken so that if there be repeated violations of the law tending to show a system or continuity, and the amounts aggregate $5,000, the punishment prescribed in the act can be inflicted. That matter is taken care of. Although the individual acts may be far apart, where a system is shown, the value of the property involved in a particular violation need not be $5,000 so long as in the aggregate the value reaches $5,000.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 4253) for the relief of Laura Goldwater, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLACK, Mr. RAMSPECK, and Mr. GUYER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed severally to the amendments of the Senate to the following bills of the House:

H.R. 916. An act for the relief of C. A. Dickson;

H.R. 4533. An act for the relief of the widow of D. W. Tanner for expense of purchasing an artificial limb; and

H.R. 4973. An act for the relief of G. C. Vandover.

The message further announced that the House had agreed severally to the amendments of the Senate to the following bills of the House:

H.R. 211. An act for the relief of John A. Rapelye;

H.R. 276. An act to authorize the placing of a bronze tablet bearing a replica of the Congressional Medal of Honor upon the grave of the late Brig. Gen. Robert H. Dunlap, United States Marine Corps, in the Arlington National Cemetery, Va.;

H.R. 328. An act for the relief of E. W. Gillespie;

H.R. 473. An act for the relief of Irene Brand Alper;

H.R. 1197. An act for the relief of Glenna F. Kelley;

H.R. 1211. An act for the relief of R. Gilbertsen;

H.R. 1212. An act for the relief of Marie Toenberg;

H.R. 4516. An act for the relief of B. Edward Westwood;

H.R. 5284. An act for the relief of the Playa de Flor Land & Improvement Co.; and

H.R. 5405. An act for the relief of Nicola Valerio.

MEMORIAL SERVICES FOR HON. JOHN B. KENDRICK, LATE A SENATOR OF THE UNITED STATES FROM THE STATE OF WYOMING

Mr. O'MAHONEY. Mr. President, on April 27 there were held in the House of Representatives the annual memorial exercises, at which the Members of Congress pay honor to the memory of those Members who have passed away during the preceding year.

One of the Members to whom that tribute of respect was paid was the late distinguished Senator whom I had the honor to succeed in this body; and it has seemed to me to be my duty to say in this Chamber, where he served so long, at least a few words in his honor.

Mr. President, for almost 17 years JOHN B. KENDRICK, of Wyoming, was a Senator of the United States. He was not only a man of unusual ability and sterling integrity, but a man of vision, of courage, and of common sense. I count it one of the most fortunate circumstances of my own experience that I had the privilege, at the outset of his senatorial career, to serve him for 3 years as his secretary, and to learn from intimate daily contact with him that the greatest rewards of life are still reserved for those who serve with industry, unselfish devotion, and dauntless courage.

He was elected and reelected by the people of his State, because they knew him for what he was, a man of character, whose course was charted by conscience. Personal or partisan interests meant nothing to him where public interest was concerned. The one test for all his acts was the public good.

Modest of mien, gentle of speech, sympathetic of nature, with an indomitable will that nothing could overcome, he inspired respect, confidence, and love among all who knew him. He had an uncommon understanding of human motives, and to this penetrating insight he added patience, tolerance, and an all-embracing sense of kindly humor.

Indeed, in JOHN B. KENDRICK were mingled in an unusual degree all those high qualities which have been found in the greatest Americans. He could stand in the market place or in the court and lend dignity to either. All men found in him something in common with themselves. Small wonder that in his own State none could be found who could compete with him for public favor.

He was more than a Senator from Wyoming. He was a Senator from the West. No public man in the last 50 years more perfectly typified the spirit of the West than he. Born in Cherokee County, Tex., September 6, 1857, he saw the settlement of the whole intermountain region. He was a part of the movement that transformed the great area between Texas and the Canadian border from an unin-

habited wilderness into a populous group of States. In 1879, when driving a herd of cattle over the historic Texas Trail, he first went to what is now Wyoming, he traversed hundreds of miles of prairie in which was to be found neither a human habitation nor even a fence.

It was only natural that he understood the West and that the West understood him. Throughout his service in Washington the people of that entire region looked to him for counsel and advice. No man ever served in Congress who more accurately represented it, its ideals, its aspirations, its independence, its courage, and its loyalty.

The story of Senator KENDRICK's life should be written in detail, not only because it would give an intimate picture of the conquest of the last frontier but because in its personal phases it would be an American biography of note. KENDRICK made himself. He knew what he wanted to be. He knew what he wanted to do. Nothing would he permit to divert him from the path he had chosen. Like Lincoln, studying by candlelight in the cabin, KENDRICK, in camp, on the range, beside the bunk wagon, applied himself to the improvement of his mind. He saved the small wages of a cow hand that he might start his own herd. Industry and thrift, coupled with sound judgment and foresight, built a great cattle herd and a great career.

In his public life he left an indelible stamp upon the politics of his State. Both his high estimate of the duties of a public servant and his consummate skill as a political leader drew men to him.

Senator KENDRICK was drafted for public service. When, in 1910, he was elected to the Wyoming Legislature as a member of the senate, it was not of his own choice. It was because his people wanted him. For more than a decade at that time no major office in the State had been held by a Democrat. The party went through the motions of nominating candidates, but the election of the Republican aspirant was a foregone conclusion. In that year Senator KENDRICK brought about the nomination of a great Republican leader, the Honorable Joseph M. Carey, as the Democratic candidate for Governor. Running as a Republican, though on the Democratic ticket, Carey, himself a former United States Senator, and the father of the present senior Senator from Wyoming, was elected. Four years later, Governor Carey having decided to retire, Senator KENDRICK was elected to succeed him. In the meantime, however, in the campaign of 1912, JOHN B. KENDRICK was the Democratic choice for United States Senator against the Honorable Francis E. Warren. That was in the days when Senators were elected by the legislatures. Though, after a protracted deadlock lasting for weeks, Senator Warren was finally chosen, a larger popular vote had been cast for the legislators pledged to Mr. KENDRICK than for those who were pledged to Senator Warren.

In 1916 the Democrats of the State again drafted Mr. KENDRICK, by writing in his name on the primary ballot. He was then serving the second year of a 4-year term as Governor, and declined to become a candidate for the Senate. But though he had not announced, there was not to be found in the whole State a man who would file, so that he was the unanimous choice of his party. Elected in November 1916, he began his fruitful career in the Senate on March 4, 1917. From the very beginning of his public life he possessed the faith and confidence of the people. Year by year it grew; and had he not been untimely cut down by his own unremitting application to the service of his people, he would have been the almost unanimous choice of his State this year, for party lines in Wyoming had effectually disappeared so far as he was concerned.

The Senator—for to me he will always be "the Senator"—understood that political parties are instrumentalities to be used for the public good rather than for personal or partisan advantage. Because they knew this to be the fact, men of all parties flocked to his standard. The leader of many a bitter battle, he kept them all upon the high plane of public service. No calumny could cloud his character. No attack could dim the luster of his name. Perhaps the greatest tribute to his worth as a man is the fact that every opponent whom he vanquished became his devoted friend.

Senator KENDRICK was a gifted man, gifted not only with ability and personal charm, but also with that quality which is said to be the essence of genius—the infinite capacity for taking pains. He was never content with less than the best of which he was capable. Whether it was the building of a bunk house on the ranch, or the writing of a letter, he applied himself with concentrated energy. There was nothing superficial about him. Everything was thorough. Two words come to mind as I think now of those 3 years when I worked daily under his direction—"diligence" and "consecration." He was diligent to the utmost in every task he ever undertook, and he served his State and his country with a consecrated devotion that will never be excelled.

There is, however, a third word which to me will always be inseparable from him—"courage." He was a man of courage, not of physical courage alone, but of that much rarer and more noble quality, moral courage. Where the path of duty and conviction led, there he followed, and nothing could deter him.

He was an honor to Wyoming. He was an honor to the West. He was an honor to the Senate of the United States. While America produces men like him, its destinty is secure.

Mr. President, I have here tributes paid to Senator KENDRICK by the Senator from Nevada [Mr. PITTMAN], by the Senator from Kansas [Mr. CAPPER], and by the Senator from Oregon [Mr. MCNARY]. I ask that they may be printed in the RECORD as a part of my remarks.

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

TRIBUTE BY SENATOR KEY PITTMAN, OF NEVADA

Senator JOHN B. KENDRICK was one of my beloved friends. He was a remarkable man. I have known few men who could act with the independence and courage of JOHN B. KENDRICK and yet maintain at all times the confidence even of his opponents.

No man, in my opinion, better typified the highest ideals of the great West—a cowboy herding longhorns over the trail made famous by Emerson Hough from Texas to Wyoming in those primitive and dangerous days of the Old West, without taking the life of an enemy or losing a life of those who depended upon or worked under him. Even in those days, as a young man, he was kindly and tolerant, although he possessed the courage and firmness of a leader. His character, even then, gave promise of his great future.

In a State overwhelmingly controlled by the party opposing the one to which he belonged, the citizens, notwithstanding party affiliations, for the love that they bore him and the respect they had for his sincerity, ability, and courage, elected him governor, the highest office in their State. Wyoming was proud, and justly proud, of JOHN B. KENDRICK. Then, having served his people to the full extent that their office of Governor permitted, the people of Wyoming unhesitatingly and with enthusiasm elected him as their representative in the United States Senate, that he might have a wider field of opportunity for service, not only to his State but to the Nation.

I had the honor and the great happiness to serve with him 16 years in the Senate. I am sure that he did not have an enemy in the United States Senate. He held the respect and friendship of every Member. He was loyal to his party, and yet he had that remarkable faculty of acting for his State against his administration where he felt that the welfare of his State required it, but always in such a kindly manner that no bitterness or criticism ensued.

How wonderful it is for a man to have lived his active and stirring life, on the plains, in the capital of his State, and in the great legislative Chamber, in health and vigor of mind and body, in complete happiness in all of his domestic, private, and public relations.

His name will never be forgotten in Wyoming, and it will live long in the history of his country.

TRIBUTE BY SENATOR ARTHUR CAPPER, OF KANSAS

During the 14 years that I had the pleasure of serving in the Senate, as a member of the Committee on Agriculture and Forestry, with the late JOHN B. KENDRICK, I came to have a deep affection for the man himself, as well as a high regard for his ability and his conscientious and effective work as a Senator and as a member of that committee.

Senator KENDRICK was a member of that committee, which to my mind is one of the most important committees of the Senate, when I first came to the Senate in 1919. In the years that followed we were thrown much together, in spite of the fact that he and I were of different political faiths. But when it came to matters affecting agriculture, the welfare of the great West, and the general welfare of the Nation, I soon found that he measured legislation proposed on its merits, and not from any narrow partisan viewpoint.

Senator KENDRICK was a man of much practical information and knowledge. He knew what was good for his people and his State, and worked for those things. Withal he was a sensible, kindly, and fair-minded man; one who earned liking and respect, and who held that liking and respect to the end.

His departure deprived me of a personal friendship that had meant much to me. That sense of personal loss was augmented by the knowledge that Wyoming and the Nation lost the experienced leadership of a faithful public servant.

But we friends of Senator KENDRICK can and do take pride in the fact that he lived a useful and worthwhile life, and that its usefulness will long outlive the brief span of years that he and we are allowed to do the allotted tasks.

I could not allow this opportunity to pass to pay this tribute to a good man, a true friend, and a loyal public servant, who has gone to his reward. His memory will remain with us who knew him, an inspiration and a benediction.

TRIBUTE BY SENATOR CHARLES L. M'NARY, OF OREGON

UNITED STATES SENATE,
CONFERENCE OF THE MINORITY,
April 26, 1934.

Hon. JOHN H. MOREHEAD,
United States House of Representatives, Washington, D.C.

MY DEAR MR. MOREHEAD: Many friends will bring to the memorial service for Senator KENDRICK an affectionate remembrance of a colleague universally loved.

As former Chairman of the Senate Committee on Agriculture and Forestry, of which he was a member, I recall many instances of his helpfulness and his gallant courtesy, which expressed itself unfailingly toward those who differed from as well as those who shared his views.

He had a rare and generous sympathy toward all whom he believed to be oppressed. His legislative record was honorable and effective. Up to the day of his passing he was active in his most cherished duty, service to his State and to his people.

I felt a personal loss in his passing.

Sincerely,

CHAS. L. MCNARY.

Mr. ROBINSON of Arkansas. Mr. President, it is inexplicable why some, in the face of hardship and difficulty, achieve notable success, while others, enjoying equal or better opportunities, fail in almost every cherished enterprise. Whatever may be the effects on human character of early surroundings and associations, one accustomed to observing closely his fellow beings cannot escape the conviction that some are born with reserves of moral power which may be drawn upon in times of trial, while others inherit deficiencies which handicap them in the race of life.

Senator KENDRICK, throughout a long and active career, inspired his associates with respect and confidence. His capacity for clear thinking and firm decision enabled him to overcome the disadvantages inseparably connected with the period of his early life in the West—a period which antedated highways and railroads, and which marked the beginnings of development in measureless areas where only the hardy spirit of the pioneer could successfully combat the forces of nature.

It was my privilege in the summer of 1931, while a guest in his beautiful home in Sheridan, Wyo., to hear from him the story of his early life and labors. They were enveloped in an atmosphere of romance. Passing over long trails, across plains inhabited only by wild Indian tribes, he sought an attractive place in which to make his home. When he beheld the tableland on which Sheridan is located and looked upon the distant Big Horn Mountains, he said: "There is no lovelier place on earth than this."

From that time to the end of his days he gave his thought and energy to enterprises which in the course of time yielded both comforts and profits. He learned by experience every phase of the cattle business; drove great herds for winter pasturage into the remote Southwest, and returned with the herds to Wyoming ranges in the spring. Gradually he acquired and increased his livestock, until he became known as a "cattle king." There is a song, with an almost-unlimited number of stanzas, which his cowboys used to sing. It is illustrative of the esteem in which he was held, and discloses that he was recognized by them as their leader and fellow workman.

JOHN B. KENDRICK, the O W man,
Sits in the saddle like any other man.

The "O W" brand and the "O W" ranch have existed and have been well known among cattlemen for perhaps a half century. Meantime highways and railroads came and living conditions in Wyoming were greatly changed.

It was inevitable that one so prominently connected with the advancement of the State should be drawn into politics. In 1910 Mr. KENDRICK became a member of the State senate, serving with such honor and distinction that in 1914, notwithstanding the State was overwhelmingly Republican, he, a Democrat, was elected Governor. In February 1917 he resigned from the position as chief executive of Wyoming to accept a seat in the United States Senate, of which body he remained a Member until his death, the 3d day of November 1933.

The same disposition and elements of character which brought him success in business, established for him an enviable reputation as a Member of the Congress. Those who knew him will bear witness to his remarkable capacity for attention to details, his painstaking performance of duty, and his broad-minded grasp of public problems and issues. His disposition was kindly, his character irreproachable. No other Senator displayed foresight equal to that which Senator KENDRICK demonstrated in the performance of his duties. Moreover, his ability to deliberate and to reach decisions on subjects of public consequence made him one of the most valuable advisers respecting both executive and legislative affairs.

Senator KENDRICK was faithful in every relation of life. He was generous and devoted to his family and his friends. Tolerant of the views of others, responsive to sound argument, he also exemplified an independence of judgment and a freedom of action which made him admirable as a man and notable as a legislator.

He died in the harness, working until the last hour, under the burden of a great responsibility.

JOHN B. KENDRICK was a useful citizen, an incorruptible lawmaker. More than that, he was to me as loyal a friend as any man ever had.

Mr. MCNARY. Mr. President, I desire to say a word in addition to the tender sentiments expressed by the Senator from Arkansas [Mr. ROBINSON] and the Senator from Wyoming [Mr. O'MAHONEY] concerning our departed friend, Senator KENDRICK—sentiments which are shared by every Member of the Senate.

I served with Senator KENDRICK for nearly 16 years. He was a Senator when I came here 17 years ago this month. I served with him on the Committee on Agriculture and Forestry and on some minor committees. I always found him courageous, independent, dependable, and, above all, always reliable. His word was as good as the very life he cherished.

Mr. President, we on this side of the Chamber join with the Democrats in mourning the loss of so fine a character as former Senator KENDRICK.

Mr. LEWIS. Mr. President, I am permitted by the able Senator from Wyoming [Mr. O'MAHONEY], at his request, to contribute a sentiment in behalf of the one whose life and character have just been beauteously described. He is one with whom I served in public life, and I delight to pay him the honor of a tribute, slight it may be in the duration of words, but deep in my sincere feelings.

Mr. President, we are inclined to look upon obituaries as a mere matter of form, and oftentimes we regard them a great burden if not a loss of time for these exercises to take place in the body of the House. We are moved to the thought that we consume time which should be applied to more immediate and practical uses.

Let it be remembered that these contributions, reciting a man's record and holding it up before the world about us, are not to pay tribute to the dead but are to let the living know the compensations there are to a noble life, if lived truly and carried to the end in a spirit of honor and justice.

The tributes inspire the young to undertakings of high purpose. They encourage our fellow mankind to feel that in their sacrifices in life of something material, of value, that which can be recounted in dollars and cents, the losses are offset by the consciousness of the affection mankind will

give them, of honor that will be bestowed upon them, and the tribute, sir, of respect and praise that will be vouched them by their fellow mankind.

We here in these observations fulfill the office in endowing those about us with the knowledge that there are great rewards to a faithful life if it is lived in the service of our fellow men.

Mr. President, I am very much moved at this time to invite the honorable Senate to recall with some degree of seriousness how many of us have passed the Great Divide, since, may I say, sir, when I first came to this body under the administration we speak of as that of President Wilson. How many there were of flaming brilliancy, of unblemished character, of renown in capacity, sir, of sublime talents in execution of office. Yet they have moved from the arena of action. We turn to contemplate them. How few are remembered!

Sir, we live in an era when there are no honors in honor, when there is seemingly in many only the aspiration for mere material possession, that which for want of any other name is described with the vulgar suggestion of riches. We do not inquire as to the manner in which they have been filched from the defenseless in the sordid schemes through which they have been secured and held by those remorseless in conscience, unhesitating in offense to their fellow mankind as they enjoy the possession of this so-called "wealth", but are themselves poor in merit or virtue.

But when we can turn for a moment to contemplate a man such as just described by the able Senator from Wyoming, whose soft and richly framed tribute, conjoining with those other tributes, one from the eminent Senator from Arizona—I refer to Mr. ASHURST, whose contribution to this eminent deceased is in language of such beauty as will not be excelled and rarely equaled by any contribution the honorable Senator may afford upon any subject. We who speak are those who served with this distinguished deceased. We ask ourselves, After all, which of us, when we reach the western end, when the sun glides low to gild the surface of the little mound which sometime must embrace us—who of us would not prefer the love of our fellow men cherished in the heart, perpetuated in enduring speech, rather than the riches held around them by such as all virtue scorns, all honesty scoffs? Who would not choose that which we have here as an illustration, if we could choose the endowment which is the tribute to tenderness of heart, graciousness of manner, and glory of sacrifice, the lofty grandeur of a life that was lived in the fullness of the service to his fellow men?

Mr. President, I think it is in In Memoriam we have the tribute of Tennyson on that public man who, from his public place, returns on visit to the little village where his life began and looks about himself in strangeness, and, as we have it from the great poet, asking:

> Dost thou look back on what hath been,
> As some divinely gifted man,
> Whose life in low estate began
> And on a simple village green;
>
> Who breaks his birth's invidious bar,
> And grasps the skirts of happy chance,
> And breasts the blows of circumstance,
> And grapples with his evil star?—

Muses, do my old friends remember me?

When I heard the Senator from Arkansas, the distinguished leader of the majority, define for the moment the poetic place which in sublimity our tender deceased chose as his home, the spot of earth where the sun rose on the mountain peak that leans as a fitting monument to illustrate the strength of character defined in the life of this distinguished Senator; how his home, in silent supremacy of mount and vale, described the quiet, calm, unruffled nature of our patriot, scorning the practices of the hypocrite, the pretense of superior virtue, ever fast and firm in his convictions, and serving his office in splendor of achievement after rising from the estate of humility to eminence of first a great merchant, then an eminent leader, Governor of his State, Senator of the United States, a friend, counselor, and confidant of five Presidents of the United States—Presidents Wilson, Harding, Coolidge, Hoover, and Roosevelt—I reflected that one could not ask to rise to grander heights, nor could one ask for more by which to attain fame or be remembered.

Mr. President, I should like to allude to a personal experience. I served, not in any distinguished capacity, in the Spanish-American War. It fell to me to know of this gentleman, Mr. KENDRICK, in that which I now recite to this body.

He was the author and creator of that legion of force known as the Rough Riders. I at that time, sir—may I be pardoned for this more personal extension—represented in Congress at large the State of Washington; and passing from that State coming East with a part of the troops that I was then commanding, I passed through Wyoming. It was there in Wyoming this honorable deceased conceived the idea of bringing the men whom we speak of as cowboys to the great consciousness of their capacity in service of their country in the hour of its peril. It was he who organized that class of valiant fellows to whom life was only that item of humanity which was to be given for a great cause. It was after this organization that there came the request from him to his old friend who had camped for some years before just on the other side from where he lived, to gather his health—Mr. Roosevelt. Theodore Roosevelt had summoned his fatigued force for rest and recuperation; and, resting a while in that country, gave evidence of capacity which his old friend—then Mr. KENDRICK—summoned as aid, and together, with joint efforts, brought, sir, this great organization of valor and courage to its life.

I had the fortune to serve at San Juan, where the best service of this honorable organization, I dare say, was recorded. This modest man KENDRICK—let this be remembered, fellow Senators—sat here day after day and listened to tributes to the distinguished dead, the former colonel, the former Governor and former President of the United States, Theodore Roosevelt. Allusion after allusion would be made to his splendid career, both military as well as civil. Where is the man who can say that he ever heard this man KENDRICK call attention to the fact that he was the creator of this great band of brave and valued fellow patriots? Not one. It was a true mark of his character—service and silence.

I am honored, sir, to pay the tribute along with these others to that capable man whose life was an inspiration to the young, whose achievements are an encouragement to mankind, and who in his existence becomes a first model to an American.

COUNSEL IN PROCEEDINGS AGAINST ELECTRO-METALLURGICAL CO., ET AL.

Mr. STEPHENS. Mr. President, I invite the attention of the Senate to Calendar 926, being Senate bill 3436. This is a bill which was prepared by the Attorney General, Mr. Cummings, introduced by the Senator from Arizona [Mr. ASHURST], and referred to the Committee on the Judiciary. It was considered by that committee and favorably reported. I say that in order that Senators may understand why I am asking for its present consideration. The Attorney General has informed the Chairman of the Committee on the Judiciary that he is very anxious to have prompt action. Therefore, I ask unanimous consent for the immediate consideration of the bill.

Mr. MCNARY. Let the title of the bill be stated.

The PRESIDING OFFICER. The title of the bill will be stated for the information of the Senate.

The CHIEF CLERK. A bill (S. 3436) limiting the operations 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.

Mr. MCNARY. Is the bill to which the Senator refers on the calendar?

Mr. STEPHENS. Yes; it is on the calendar.

Mr. MCNARY. What is the necessity for taking it up out of order when we have not the calendar before us? I do

not approve, as the Senator may know, of legislating in this way unless there is some emergency situation which suggests the merit of such procedure.

Mr. STEPHENS. I understood from the Chairman of the Committee on the Judiciary that he had conferred with the Senator from Oregon.

Mr. McNARY. Yes; but I am asking the Senator from Mississippi, who reported the bill, why the urgent necessity for its immediate consideration?

Mr. STEPHENS. I shall be glad to explain the bill.

Mr. McNARY. I do not want the bill explained. What emergency exists that we should take it from the calendar and consider it at this time?

Mr. STEPHENS. The reason for the request is that the Attorney General desires to employ Mr. Huston Thompson to act as counsel in the prosecution of certain cases. Mr. Thompson now represents some parties who have claims against the Government.

Mr. McNARY. Very well; I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 10, to strike out "Electro-Metallurgical" and insert the words "Electro Metallurgical", and in line 11 to strike out "Carbon & Carbide Co." and insert "Union Carbide & Carbon Co.", so as to make the bill read:

Be it enacted, etc., That nothing in sections 109 and 113 of an act entitled "An act to codify, revise, and amend the penal laws of the United States", approved March 4, 1909, as amended (U.S.C., title 18, secs. 198 and 203), or in section 190 of the Revised Statutes of the United States (U.S.C., title 5, sec. 99), or in any other act of Congress forbidding officers or employees or former officers or employees of the United States from acting as counsel, attorney, or agent for another before any court, department, or branch of the Government or from receiving or agreeing to receive compensation therefor, shall be deemed to apply to attorneys or counselors to be specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the prosecution of any case or cases, civil or criminal, to be brought by the United States against the Electro Metallurgical Co., New-Kanawha Power Co., or the Union Carbide & Carbon Corporation, or all or any of said companies and/or their officers or agents, and/or any litigation involving hydroelectric power, navigation, or water rights or claims upon the New and Kanawha Rivers, or either of them, under the Federal Water Power Act or the River and Harbor Appropriation Act of March 3, 1899, chapter 425, or any other act or acts.

The amendments were agreed to.

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

The title was amended so as to read: "A bill limiting the operations 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 Union Carbide & Carbon Corporation."

EXECUTIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

WITHDRAWAL OF A NOMINATION

The PRESIDING OFFICER (Mr. McGILL in the chair) laid before the Senate a message from the President of the United States, which was read and ordered to lie on the table, as follows:

THE WHITE HOUSE,
Washington, May 11, 1934.

To the Senate of the United States:

I withdraw the nomination sent to the Senate on March 9, 1934, of Alfred B. Spinks to be postmaster at Los Altos, in the State of California.

FRANKLIN D. ROOSEVELT.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the calendar.

THE CALENDAR

The PRESIDING OFFICER. The calendar is in order.

Mr. ROBINSON of Arkansas. I ask that the first nomination on the calendar be passed over.

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

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON of Arkansas. I ask that nominations of postmasters be confirmed en bloc.

Mr. VANDENBERG. Mr. President, I ask that an exception be made in the case of the nomination of Sidney Reynolds to be postmaster at Howard City, Mich. The matter is in conference between the Senator from Tennessee [Mr. McKELLAR] and the Postmaster General.

Mr. ROBINSON of Arkansas. I modify my request accordingly; that nominations of postmasters be confirmed en bloc with the exception of the one specified by the Senator from Michigan.

The PRESIDING OFFICER. Without objection, and with the exception mentioned, the nominations of postmasters are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, May 16, 1934, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of May 10), 1934

POSTMASTERS

FLORIDA

William D. Jones, Jacksonville.
Robert B. Terrell, North Miami.

KENTUCKY

Gertrude Owens, Brodhead.
Donald B. Hughes, Hardin.
Vego E. Barnes, Hopkinsville.

MICHIGAN

Samuel J. Davison, Alpena.
Thomas Earl Barry, Baraga.
Alice M. Wolohan, Birch Run.
Eva A. Starback, Breedsville.
Robert J. McCormick, Carleton.
Robert C. Jacoby, Caro.
Frank D. McCaren, Carsonville.
Mortimer W. Olds, Coldwater.
Charles S. Carland, Corunna.
John P. Kelley, Deckerville.
Charles L. Burns, Eau Claire.
Lea M. Griffith, Flat Rock.
Ray J. Halfmann, Fowler.
Philip O. Embury, Grand Blanc.
Clayton J. Hart, Gwinn.
William J. Field, Hastings.
John M. Maloney, Hopkins.
Patrick J. Scanlan, Hubbell.
Eugene E. Hubbard, Hudsonville.
Charles M. Dillon, Iron Mountain.
John E. Rengo, Kaleva.
Harry A. Saur, Kent City.
John E. Hogan, Linden.
Lyle M. Wheeler, Mackinaw.
Frederick J. Erwin, Marlette.
Floyd T. King, Marysville.
Edwin Boyle, Milford.
Anna C. Kulish, Minden City.
William D. Leach, Montrose.
Earl M. LaFreniere, Norway.
Merrill Hillock, Pickford.

John G. Buerker, Pigeon.
George A. Ruddy, Plainwell.
Fred Cavill, Rapid River.
William F. Cunningham, Rockwood.
Percy Cecil Carr, Rudyard.
George Arthur Blanchard, Sand Lake.
Mary A. Ripley, Sault Ste. Marie.
Robert Miller, Sr., Sawyer.
James W. Henry, Sturgis.
Joseph R. Haferkorn, Vulcan.

NEW YORK

John N. Currier, Piercefield.

NORTH DAKOTA

Francis Oscar Johnson, Hillsboro.
Clinton C. Howell, Sheldon.

RHODE ISLAND

Edward F. Carroll, Providence.

SOUTH DAKOTA

John Evans, Agar.
Mary A. Hornstra, Avon.
George B. Brown, Clark.
Edward L. Fisher, Eureka.
Edward H. Bruemmer, Huron.
Ena C. Erling, Raymond.
Philip McMahon, Salem.
William P. Smith, Stickney.
Joseph S. Petrik, Tabor.

VIRGINIA

Mary F. Cunningham, Fort Myer.
Austin C. Tyree, Millboro.

WEST VIRGINIA

Whiting C. Faulkner, Martinsburg.

WISCONSIN

Roman W. Stoffel, Allenton.
John S. McHugh, De Pere.
James A. Stewart, Lac du Flambeau.
Frank M. Doyle, Ladysmith.
Edward F. Butler, Mosinee.
Lillian N. Hughes, New Richmond.
Frank J. Horak, Oconto.
Gladys M. Suter, Plum City.
Walter H. Sprangers, Waldo.
James W. Carew, Waupaca.

WYOMING

William H. Watson, Dubois.
Althea E. Rollins, Lyman.
John T. Jones, Worland.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 15 (legislative day of May 10), 1934

POSTMASTER

Alfred B. Spinks to be postmaster at Los Altos, in the State of California.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 15, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

The Lord God is a Sun—the Source of all good; and the Lord God is a Shield—the Defense from all peril. Therefore, we wait before Thee. O Spirit of God, summon us to acts of generosity couched in understanding and make us true and strong to conquer. In every situation lead us to do the things we know we ought to do. Heavenly Father, may thought and purpose be translated into terms of life that spells uprightness, determination, and conviction. Merciful Lord, in these hectic days fortify us with serenity, assurance, and penetrating insight that shall bear lasting fruitage and appeal to the patriotic sentiment of our country. Each day let goodness, kindliness, and charity arise from characters that are altogether worthy, and unto Thee be praise forever. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed bills of the House of the following titles:

On May 14, 1934:

H.R. 3900. An act authorizing the Secretary of the Treasury to pay subcontractors for material and labor furnished in the construction of the post office at Las Vegas, Nev.; and

H.R. 5299. An act for the relief of Orville A. Murphy.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendment to the bill (H.R. 9323) entitled "An act to provide for the regulation of securities exchanges and of over-the-counter markets operating in interstate and foreign commerce and through the mails, to prevent inequitable and unfair practices on such exchanges and markets, and for other purposes", disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FLETCHER, Mr. BARKLEY, Mr. BYRNES, Mr. GOLDSBOROUGH, and Mr. COUZENS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3487. An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes.

ADJOURNMENT OVER

Mr. BYRNS. Mr. Speaker, we are up with the business of the House, and I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday, and when it adjourns on Thursday it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit during sessions of the House for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that at the expiration of the time to be used by the gentleman from California [Mr. HOEPPEL] I may be allowed to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes following the special orders already granted.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AN EMPIRE WITHIN AN EMPIRE

Mr. STUBBS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. STUBBS. Mr. Speaker, the counties of Kern, San Luis Obispo, Santa Barbara, Tulare, and Ventura constitute the Tenth Congressional District of California, an area of

vast natural resources, great agricultural industries, and the home of approximately 320,000 souls. This territory, literally an empire within an empire, lies in the lower central part of the State, borders on the placid Pacific Ocean for almost 200 miles, and also includes a large sector in the lower part of the San Joaquin Valley, with a range of mountains separating the valley and the coastal counties. I would be remiss in a proper sense of appreciation and pride which I feel in this great district if I did not relate, at every opportunity, the wealth of its countryside and the character of the fine people who reside there. I like to report that the Tenth Congressional District of California is larger than four of our Eastern States combined and has more people residing within its borders than the combined population of several States of the far West.

This district is a new one under the reapportionment program, and I am proud to be the first Member of Congress from this new congressional area. Some have wondered why three coastal counties were joined with two valley counties in the creation of this district.

DISTRICT REAPPORTIONMENT HISTORY

The subject of congressional reapportionment arose before the State Legislature of California during the fiftieth session in 1931. One of the important questions was a fair division between the north and south congressional districts of the State. The counties composing the southern part of the State were entitled to 11.02 Members in the United States Congress, it was determined, and it therefore appeared to be a fair division between the northern and the southern part of the State to give 11 members to the southern part and 9 members to the counties north of San Luis Obispo, Tulare, and San Bernardino Counties. The lines were drawn as they were with two thoughts in mind—first, the fair division between the north and the south; and, second, creation of a district in southern California which would be north of Los Angeles County and which would preserve an equal balance between the coast and the valley counties. It is noted that the population of San Luis Obispo, Santa Barbara, and Ventura Counties on the coast by the 1930 census was almost the same as the population of Tulare and Kern Counties.

Those who represented Tulare and Kings Counties were anxious that Kings County be kept with Tulare, and proposed an amendment to the State legislature which would add Tulare to the proposed Tenth Congressional District, but this amendment was defeated principally because the coast counties objected on the ground that it would give the valley counties a preponderance of the population. There was some thought of joining Kern with San Bernardino, but this was distasteful to Kern County, as citizens in the latter county felt they would be a tail to San Bernardino's kite. Tulare County desired to remain with Fresno County, its neighbor on the north, but such a plan would have necessitated an elongated district along the coast with the valley county of Kern tied to it. The bill, introduced in the assembly, and which passed the assembly but died in the State senate, made one less district in Los Angeles County and provided that the Tenth Congressional District contain the counties of Santa Clara, San Benito, Santa Cruz, Monterey, and San Luis Obispo, and would have made the Eleventh Congressional District consist of Santa Barbara, Ventura, Kern, Tulare, Mono, and Inyo Counties, but this arrangement, besides being objectionable on the ground that it did not provide southern California with the number of Members of Congress to which it was entitled, was also under objection by the citizens of Ventura and Santa Barbara Counties, who felt that such an arrangement would have given the inland counties a preponderance of the district's population.

And thus came about the compromise which joined 2 valley counties with 3 counties on the coast, and I am happy to report that this new arrangement has proved very satisfactory, and that the citizens of these areas, separated by a mountain wall, are finding their interests coincide largely, and a remarkable neighborliness is springing up there which did not exist heretofore when they were not joined legislatively in Congress. Without the marvelous highway system of California, which permits the annihilation of time in traveling, I do not believe these distant counties could have been knitted into a solid unit which would have give us the satisfaction we enjoy together today.

This great district in California, located between the northern and the southern parts of the State, not only joins these ends of our elongated State, but, because of its representation in Congress, provides a balance wheel or balance of power in the event the State's entire representation should become alined against one another in a legislative maneuver with a conclusion designed to benefit or harm one particular end. It is a happy arrangement and attests the thought which the State legislators gave to a difficult problem.

There are many remarkable places, and interesting activities in Kern, San Luis Obispo, Santa Barbara, Tulare, and Ventura Counties, and today I take occasion to point out a few of the vast natural resources we possess there, particularly those associated with our governmental system, and tell you something about the more romantic feature of our locality, for the Tenth Congressional District is a land fashioned by the hands of the pioneers, and is shrouded in historical romance.

FOREST RESERVES

More than 375,000 visitors, principally tourists, spent vacations in the Santa Barbara National Forest and the Sequoia National Forest of the Tenth Congressional District during the past year, bringing to the communities which border them millions of dollars in added business. The two great forest reserves, Sequoia, located principally in Tulare and Kern Counties, and the Santa Barbara Reserve, situated in San Luis Obispo, Santa Barbara and Ventura Counties, comprise an aggregate area of 3,104,753 acres of Government land, with an aggregate of 351,875 acres of patented land, for a total of 3,456,628 acres. Sequoia boasts a total of 1,437,814, and the Santa Barbara Reserve 2,018,814 acres.

History of the Santa Barbara National Forest shows that the Pine Mountain and the Zaca Lake Forest Reserves, created by proclamation of March 2, 1898, and the Santa Ynez National Forest, proclaimed October 2, 1899, by President McKinley, were united December 22, 1903, by President Theodore Roosevelt, into the institution now known as the Santa Barbara National Forest.

TENTH DISTRICT FOREST RESERVES

The Executive order of President Taft, July 1, 1908, added to the Santa Barbara National Forest all of the San Luis Obispo National Forests, in all 355,990 acres, and on August 18, 1919, President Wilson added the Monterey National Forest, which is now a separate unit administered as a ranger district of the parent institution. September 30, 1925, the reserve lost 265,538 acres, when President Coolidge, by proclamation, added that acreage to the Angeles National Forest.

Communities affected by the principal body of the Santa Barbara National Forest extend from the city of San Luis Obispo, through Santa Barbara County, and into Ventura County as far as Piru. The population directly and indirectly affected is approximately 50,000 persons, residing in six towns and many smaller communities, along the western and southern boundary.

The principal forest activities are protection of the watersheds, recreation, and grazing. The forest was used by 125,000 persons in the last year for recreational purposes. Camps dot its entire area. Santa Barbara National Forest has 526,700 acres suitable for the grazing of livestock, and the Secretary of Agriculture has authorized the grazing of 8,700 cattle and 4,950 sheep. Two stock associations cooperate with the United States Forestry Service in regulation and management of grazing resources.

Sequoia National Forest originally was part of the Sierra Forest Reserve, first proclaimed by President Harrison on February 14, 1893. It was made a separate forest by proclamation of President Theodore Roosevelt on July 2, 1908.

The southern half, mainly in Kern County, was proclaimed the Kern National Forest by President Taft, July 1, 1910,

but was restored as part of the Sequoia National Forest by President Wilson on July 1, 1915. President Coolidge struck 109,542 acres from the Sequoia National Forest, on July 3, 1926, and added them to the Sequoia National Park.

The district affected by this great reserve lies from Fresno on the north, through Tulare and Kern Counties, and into the Tehachapi Mountains on the south. Nine large towns and many smaller communities are located along the western boundary. More than 150,000 residents are affected by the resources of this forest system.

Seven licenses for water-power permits and four licenses for transmission lines have been issued by the Federal Power Commission for projects within the forest reserve. There are eight irrigation districts embracing 246,256 acres of irrigated land, 9,270 holdings and 52,000 persons dependent on water resources protected by the Sequoia National Forest.

Grazing of livestock is authorized by the Secretary of Agriculture for 17,200 cattle and 4,200 sheep on 807,900 acres of land. There are six livestock associations cooperating with the United States Forestry Service in the Sequoia National Forest in the management of the national forest range resources.

Recreation is gaining in importance. More than 250,000 persons were visitors there during the past year. More than 163,000 acres are reserved for recreational purposes.

OLD MISSIONS

Priceless beyond measure, enveloped in a halo of historical romance, and mecca for many thousands of visitors annually, the six old missions of the coastal territory of the Tenth Congressional District of California shed a soft influence which eradicates the element of time, and brings the past, the present, and the future together. Incalculably valuable as historic monuments, and as increasing attractions for tourists, they share honors with no other landmark of all California.

Santa Barbara County, heart of the great Tenth Congressional District and a land of milk and honey, possesses 3 of the 6 old missions. Mission Santa Barbara was established December 4, 1786, by Father Lasuen, at the same time the Presidio of Santa Barbara was founded. It was damaged by an earthen tremor in 1925. It had been preserved in all its grandeur through the century and a half since its establishment. The church that now stands was begun in 1815 and dedicated September 10, 1820, to replace one damaged in an earthquake of 1812.

The second mission of importance in Santa Barbara County is Mission Santa Ynez, originally known as Mission Santa Ynez (St. Agnes, the Virgin and Martyr), and was one of three missions erected in the nineteenth century. It was founded by Fathers Tapis and Cipres, September 17, 1804, in the valley not far from La Purisima. The earthquake of 1812 did serious damage to the buildings of this mission, and a new church was begun in 1815 and dedicated on July 4, 1817. Mission Santa Ynez stands on the outskirts of the bustling community of Solvang (Valley of the Sun), settled by folks of Danish ancestry.

Not the least important but perhaps the least known of Santa Barbara County missions is Mission La Purisima Concepcion, founded December 8, 1787, by Father Lasuen. Its first site was about 2 miles farther south. The church building which survived the mission period was dedicated in November of 1818. Mission La Purisima Concepcion was the first mission abandoned after 1812.

Mission San Buenaventura, located near Ventura in Ventura County, was founded March 31, 1782, and was the first of the Franciscan missions to be established among the natives of the Santa Barbara Channel. It was the last of the missions founded by Father Junipero Serra, original mission builder among the padres. A church constructed in 1811 was badly damaged by the earthquake of 1812 but was rebuilt about 1815 and is still in use.

Mission San Luis Obispo, located in the city of San Luis Obispo, in the county of the same name, originally was named "Mission San Luis Obispo de Tolosa" (St. Louis, the bishop of Tolouse), and was established by Father Junipero Serra, September 1, 1772, long before the Declaration of Independence, and was the fifth of the mission chain. Changes in recent years have almost obliterated the Spanish atmosphere which pervaded early photographs of the historic dwelling of God.

A second mission of San Luis Obispo County is Mission San Miguel, originally known as "Mission San Miguel Arcangel", for St. Michael, the Archangel, was founded July 25, 1797, by Fathers Lasuen and Sitiar. The present church, completed about 1819, retains much of its early appearance.

The priestly robes and altar equipment carefully guarded within the walls of many of these old missions could never be replaced. Thousands view them yearly and ponder on the industriousness and piety of the old padres and their Indian neophytes. Where ten thousand stand within their sacred walls today a hundred gazed in awe 20 years ago, and 20 years hence they will be mecca for millions. Their attraction increases with the years.

It is my fond hope that one day the United States Government will recognize the actual and sentimental value of these glorious relics of the past and join hands with the State of California and its citizens in rehabilitating them and preserving them for the benefit of posterity. To that end I have pledged my best efforts, and when the opportune time arrives to place this subject before the Congress or the proper Government agency I hope that my colleagues will assist me in the task of preserving these priceless structures for our children and our children's children.

It is of incalculably greater benefit to the race that the mission fathers lived and had their fling of divine audacity for the good of the helpless aborigines than that of any score one might name of the successful captains of industry who lived to make their unwieldy, temporary, and topheavy piles of gold. These padres did. They had a glorious purpose which they pursued faithfully—

According to one commentator.

INDIANS OF TENTH DISTRICT

Before the paleface came there was no poison in the Indian's corn—thus run the words of an aboriginal sage whose prophecy holds true today. Perhaps, if these earlier Americans ever collect on the claim which they entered years ago against the United States Government, the 1,145 enrolled Indians of the Tenth Congressional District will be enriched by an aggregate sum of approximately $343,500,000.

As a member of the Indian Affairs Committee of the House of Representatives, and spokesman for the numberless tribes of my five counties, I am anxious that these Indians obtain, through the white man's methods of legal procedure, a sum of money to compensate them for the actions of the paleface in ousting them from their homes and their lands many decades ago.

According to one authority, the discovery of gold brought about the moral and economic downfall of the Indian in California. Executive departments of the Federal Government, in an effort to deal justly with the Indians of this State, negotiated with these aborigines in 1851–52 and made treaties through which the Indians surrendered their right of occupancy covering the greater part of the State, for a consideration including the payment of goods and supplies and the setting aside, in perpetuity for their use and occupancy, certain specified reservations aggregating 7,500,000 acres of land. But the treaties were never ratified. Instead, they were ordered by the Senate into secret file and have remained there for more than half a century. Why were they not ratified? is asked, and the answer then was said to be, "because thar might be gold in them thar hills and valleys."

However that may be, the Indians, under the guidance of honorable men employed by the Government, various civic organizations, and particularly organizations of women, brought forth the case of the Californian Indian, a claim against the Federal Government brought by 23,000 enrolled Indians, and which, when and if settled, will bring something like $7,000,000 to their rescue—not in cash, but in trust, subject to appropriations by Congress for educational,

health, industrial, and other purposes for the benefit of the Indians, including the purchase of lands and building of homes.

Kern County harbors approximately 370 Indians, representing two primary tribes, the Paiute and Tejone. Members of the Paiutes reside in the eastern Kern County district around Weldon, Kernville, Isabella, Onyx, Monolith, and the Tejones reside around Bakersfield, south of Bakersfield, or primarily on the El Tejone Ranch properties. In addition, there are about 20 other Indians, belonging to the Shoshone, Pueblo, Monache, and Seranno Tribes. In the unratified treaties of 1851–52, the Indians were to have been given several thousands of acres of land for a reservation, which would have covered the area where Bakersfield now stands, extended north beyond Lost Hills, and south to the Ridge Mountain range, and west to the great Buttonwillow Lake area.

Tulare County, with the second largest Indian population of the Tenth Congressional District, has approximately 30 tribes, with an aggregate population of 350 Indians. The great Tule River Reservation harbors the Kalayunmi, Koyati, Pankahlhchi, Serrano, Serrano-Yawilmani, Tachi, Tejon, Tejon-Wikchami, Tejon-Yawilmani, Wicchamni, Wikchamni-Tachi, Yaudanchi, Yawilmani, Yawilmani-Pankahlahchi, and Yawilmani-Wikchamni Tribes, while off the reservation are found remnants of the Apache-Navajo, Cherokee, Cherokee-Waksachi, Chuckchansi, Intimbich, Intimbichi-Wikchamni, Koyati, Koyati-Waksachi, Monachi, Tachi-Tachi-Waksachi, Tachi-Wikchamni, Tejon, Waksachi, Wikchamni, Wikchamni-Cherokee, Yawilmani, Yawilmani-Waksachi, and other tribes. This 45,000-acre reservation is the largest in central California. It lies 17 miles east of Porterville. Also, near the town of Strathmore there is 40 acres of land purchased several years ago for the use of homeless Indians of that vicinity. However, that is a bare tract of land without any improvements or any water, and the Indians have not been able to make the necessary improvements for use and occupancy of the land, and no funds have been made available for such a purpose.

Ventura County has no reservations, and only a dozen Indians; but Santa Barbara County has the Santa Ynez Reservation with about 92 persons, all of alleged Shoshonean origin, with an admixture of Spanish. These individuals resent the name and insist they are of Spanish origin. The reservation comprises 75¾ acres, and while it is not a reservation, in that title to the land is not in the United States, these Indo-Spaniards reside on it and have use and occupancy only.

The land originally was owned by the Catholic Church (The Collego Rancho) and later sold to others, but the Catholic Church made an agreement with the Government permitting the Indians the use and occupancy and this agreement is binding on later purchasers.

San Luis Obispo County has an Indian population of 20 and no reservations.

All the Indians of the Tenth Congressional District are citizens of the United States, and the same laws govern them as any other citizen. The birth rate of the full-blooded Indians naturally is decreasing, owing to their assimilation into the general population, and, conversely, the birth rate of the mixed bloods is increasing, by virtue of the same reason.

With recognition of their claim by the United States Government, approximately $300 will be placed in trust for each of the enrolled Indians of the Tenth Congressional District.

Deprived of their lands by palefaces in a ruthless search for gold, beaten from their place in the sun, and forced to wander about the State, little wonder that the Indians are a dejected and decreasing race, and less wonder that it is said, "Pity poor Lo!"

NAVAL PETROLEUM RESERVES

Crude oil, natural gas, and natural gasoline extracted from the two naval petroleum reserves located within the boundaries of Kern County have been valued at approximately $168,434,026, according to figures of the United States Navy Department, and according to the same official source, petroleum still harbored there, based on a fixed value of 75 cents the barrel, will bring an income estimated at $338,150,000. The volumes of oil, gas, and natural gasoline which have been produced and sold from the Government's two reserves, to a fixed date in the past year, are:

	Quantity	Value
No. 1 reserve—production:		
Oil.....barrels	42,390,784	$38,129,907
Gas.....thousand cubic feet	39,226,831	2,196,702
Gasoline.....gallons	32,048,139	3,140,718
Total		43,467,327
No. 2 reserve—production:		
Oil.....barrels	86,246,695	109,994,850
Gas.....thousand cubic feet	58,634,833	3,220,779
Gasoline.....gallons	178,802,325	20,741,070
Total		124,966,699
Grand total, all production		168,434,026

No estimates have been made of the value or quantities of unrecovered gas and natural gasoline in the reserves.

Engineers of the United States Geological Survey have recently estimated the original recoverable oil, using present production methods, from Government lands in the no. 1 reserve at 400,000,000 barrels, of which more than 43,000,000 barrels will have been produced at the date of this reading, leaving approximately 357,000,000 barrels still in the ground, and estimated at the average price of 75 cents the barrel, this oil still in the ground has a potential value of $267,000,000. On the same basis, recoverable oil in no. 2 reserve is estimated at 150,000,000 barrels, minus 86,000,000 barrels which will have been produced by the time of this reading, for an estimated potential value of $1.10 the barrel, or $70,400,000.

The two reserves were created by Executive order of September 2, 1912, and December 13, 1912, respectively, by President Taft. They consist of 68,239 acres, of which 26,046 acres are privately owned lands within the reserves, 10,075 being leased Government lands, and the balance of 32,228 acres Government lands not leased.

Withdrawal of these public lands was followed by extensive litigation. This litigation continued until after the passage of the Leasing Act, approved February 25, 1920. Under this act all claimants to lands in reserve no. 2 (no discoveries having been made on Government lands in reserve no. 1 prior to the passage of the act of Feb. 25, 1920) who could qualify thereunder were granted well leases to operate the wells they had drilled.

These well leases remained in effect until after the Harding administration took office March 4, 1921, and Albert B. Fall became Secretary of the Department of the Interior. Secretary of the Navy Denby, on April 14, 1921, took the first steps toward leasing the Government's land in Naval Petroleum Reserve No. 1, adjoining areas being developed outside of and bordering the reserve. By Executive Order No. 3474, of May 31, 1921, the administration of the naval petroleum reserves was committed to the Secretary of the Interior.

Then followed one of the most far-reaching scandals in the annals of our Government, when, by November 26, 1923, the Department of the Interior had succeeded in leasing to private oil operators all of Naval Petroleum Reserve No. 1 (Elk Hills), and all but 320 acres of the Government's land in Naval Petroleum Reserve No. 2 (Buena Vista Hills).

The congressional investigation of these leases led to legal action which resulted in the cancelation of these leases, and by December 9, 1932, all of land in No. 1 Reserve, save four leases comprising a combined area of 429 acres, had been recovered and returned to the Government.

By Executive order of March 17, 1927, no. 4614, the Executive Order No. 3474, of May 31, 1921, was revoked, and jurisdiction over the petroleum reserves was returned to the United States Navy Department, where it remains today. At the present time there remain 4 active leases in Naval Petroleum Reserve No. 1, having a combined area of 429 acres, and 21 active leases in No. 2 Reserve, having a combined area of 9,546.01 acres.

No oil development is permitted by the Navy Department or operations on the lands remaining under its control in the reserves. On the leased lands lessees are required to produce the necessary wells to protect the Government's lands from losses by drainage to producing wells on adjoining lands owned in fee.

The purpose of the naval petroleum reserves is to retain a reserve supply of oil in the ground until such time when the demands of the Navy will require its production, because none is available from other sources, or until some national emergency makes its production necessary to supply the Government's needs.

WHAT HAS BEEN ACCOMPLISHED

Mr. GLOVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GLOVER. Mr. Speaker, ladies and gentlemen of the House, I want us to take a casual review of the things accomplished by the Democratic Party under the leadership of President Franklin D. Roosevelt in the first year of his administration.

The heavy, dark cloud of despair and gloom was seen and heard on every hand when President Roosevelt was sworn in as President. Confidence had been destroyed in a large measure by the lack of wise leadership by the Republican Party that had been in power for a number of years. Ninety-five percent of the business of the world is done largely on confidence, and the first task of the new President was to restore confidence in the Government that had almost been lost in the Hoover administration.

The plea of President Hoover in his campaign and radio messages for reelection was that he had kept the country on the gold standard and on a high tariff. These were the two things that had made it impossible for his administration to succeed.

When Mr. Roosevelt was inaugurated, there was a long line to the Treasury windows by everyone who had a gold certificate, to get it cashed and get the gold coin to take home with them to be put in a lock box and to be taken out of circulation.

One of the first acts of President Roosevelt was to make an order stopping this run on the Treasury and requiring those having gold coins to return them to the Treasury and receive certificates in lieu thereof.

The United States now has in the Treasury and Federal Reserve banks $7,756,042,447 as shown by the Treasury report of May 5, 1934.

We only have about $11,000,000,000 in gold in the world. We now have the most of it, and at the rate we are going we will soon have it all. We could now issue $15,000,000,000 in money under the existing law with a 40-percent gold reserve, and that is all that is required under our law with a single gold standard.

Congress has authorized the President to coin into money an unlimited amount of silver and return to a double standard of both gold and silver as is provided for by our Constitution, and we hope he will use this power at once. That and that alone is the sure road to prosperity. Pumping morphine into a patient never cured him of a disease but is only given as a rest medicine until the patient can be given a real cure for his sickness.

The alarmist who goes about trying to make people believe that the Government is going on the rocks should be carried to a specialist and have his head examined. Let us take a correct view of it and see where our Government stands.

The Government owes an outstanding interest-bearing debt of about twenty-two and a half billion dollars. We have owing to us from foreign countries $11,000,000,000 in principal and near $1,000,000,000 dollars in interest that is now due. If this amount is paid, and it will be paid in the future, our interest-bearing national debt would only be around $10,000,000,000. As stated before, we could now issue on the gold basis of 40-percent reserve, which is the highest reserve that is required by any gold-standard nation, $15,000,000,000 in gold certificates and pay off all the national debt and still have around $5,000,000,000 in money in the Treasury, with near $8,000,000,000 in gold bullion to back it up. A nation's money is ordinarily valued by the nation's ability to pay its obligations, and there is no limit to our ability. Not only that, but we also have $500,000,000 in silver in the United States Treasury on which to issue silver certificates.

It is the firm belief of many thinking people that we should have both gold and silver money as a metallic basis; and then let us have a sufficient amount of it in circulation to carry on the business of the country, and we shall be a happy and prosperous Nation again.

Four fifths of the nations of the world are today using the single silver standard of money and one fifth the gold standard. The United States is the greatest silver-producing nation in the world and has to buy the most of its gold, except what is mined in Alaska. If we are to establish a world trade, which we must have, then it seems imperative that we have a double standard of money in order that we may deal with the foreign countries with relation to the money it uses.

Agriculture will never come to its proper place and be protected as it should until we get on a double standard of money. The greatest single agricultural product produced in the United States is cotton. Let us take that as an example and show you how the gold standard we have been forced to remain on for a number of years has affected the price of cotton.

Let us take, for example, India and China—and the same argument is applicable to every other country—and show you how the money question has affected our cotton. India and China, as you know, are on the single silver standard of money. Prior to the recent agitation of silver the amount of silver that was in the silver dollar of those nations was only worth a fraction over 25 cents under the gold standard. So when they came to America to buy our cotton, under the gold standard they were required to bring four silver dollars to buy one dollar's worth of our cotton. In other words, they paid 20 cents per pound for cotton and the man producing it got 5 cents. That is the thing that has crushed the life out of the American farmer, and besides that it has forced India and other countries to go to growing cotton that never would have produced it had it not been for this condition. Prior to the war they were growing a little over 6,000,000 bales of cotton in foreign countries, and now they are growing twelve and a half million bales. They grow an inferior cotton of short lint. It is not profitable to them to grow it. When we get back to a double standard of money, where they can buy a dollar's worth of cotton with a dollar of their money, then they will quit raising cotton altogether and the United States will have a market for all the cotton it can grow.

Under the gold standard this could never be true, and we could never have a foreign market for all the cotton we produce. We hope to see before the close of this session of Congress some mandatory measure that will compel the use of a reasonable percentage of both gold and silver as a money basis.

The trouble now is we have no money in circulation. Enough money may be coined and in the banks and trust companies and lock boxes to carry on the business of the world if it were in circulation, but there is less money in circulation now than has ever been before. There is no common sense in trying to run a Government and carry on business without a medium of exchange that really circulates and creates employment for people who work.

Another bill passed by this House, and we hope will soon pass the Senate, authorizes the President of the United States, on proper information obtained through the Tariff Commission and other sources, to make reciprocal trade relations with other countries and reduce or raise the tariffs as may be necessary in each case not exceeding 50 percent. With this power properly administered there is no question that we can soon establish a reciprocal trade relation with the great nations of the world and never again have a

stagnated business as we have had for the last 2 or 3 years. years.

Another bill passed by this House, and which is now pending in the Senate, is known as the "Dies bill", that provides for taking over our surplus agricultural commodities and selling them to these silver-using countries and taking silver in exchange for the agricultural commodity. If this bill passes and is properly administered a year from now, we would not have any surplus that would hold down the price of cotton.

The legislation coming from the Committee on Agriculture, in my opinion, passed by this administration, has been more helpful than any other legislation to give relief that the country has had. Cotton has gone down to around 5 cents per pound; something had to be done to save this commodity, because it is the principal money crop of the United States Government. A farmer could not grow it at that price. They had nothing for home needs and were almost depressed to the point of giving up. I am glad I have had some humble part in drafting and passing the bills that we have had affecting our agricultural products. We now have cotton to a price of more than 12 cents per pound, and unquestionably with the legislation recently passed we can reasonably expect a price of at least 15 cents per pound for every bale of cotton marketed this fall. Then, with other legislation that is now contemplated and in the making and that will likely be passed during the next Congress, we hope to see cotton stabilized at a price of around 20 cents per pound; and when that is done, we will have an era of prosperity in this country that has not been witnessed in many a year.

Another act that has been passed during this administration that has been exceedingly helpful is the Home Owners' Loan Corporation Act. When we began a study of this question, we found that the homes of the United States were mortgaged more than $20,000,000,000.

There is no better evidence of good citizenship than the ownership or a desire to own a home which one can call his castle and feel free that he may have a continued abiding place.

The first bill passed by the Congress on this subject was a guaranty on the part of the Government for the interest alone. My contention was then that the Government should have guaranteed both principal and interest, and I have contended for that all the while. This session we have passed a law amending the act whereby the Government guarantees both the principal and interest and gives the home owner a chance to redeem his home from mortgage.

The next thing that confronted the administration was the question of the farm-loan debt. The farms of the United States are today mortgaged for around nine and a half billion dollars. We have established a Federal land bank, which has not functioned as it should, and which has been entirely unsatisfactory in meeting the pressing demands for relief against farm mortgages.

We have passed during this administration an act authorizing the extension of $2,000,000,000 credit for the refinancing of mortgage debt. This only relieves a part of the distress along this line. There are several bills pending that would relieve this condition.

The Frazier bill proposes to refinance the debt over a period of 40 years, 1½ percent for interest and 1½ percent for retiring the debt. Some object to this bill, saying it is too long a time to be in debt. I have introduced a bill, and it was first introduced in 1932, which provides for the refinancing of all the mortgage indebtedness of farms at a rate of interest not exceeding 3 percent. In other words, that the debt within a 10-year period would be paid off, and we would then have our lands free.

I believe, with the increased price of agricultural products, we could easily get out of this condition in that period of time. If not, we could then again refinance for whatever time was needed.

This administration has also corrected the deplorable situation existing in our banks. Banks were failing everywhere, and persons having deposits were losing the earnings of their life. During this administration we have passed a bank guaranty law, and we now have, it is said, the soundest banking system and law we have ever had, and we hear nothing now about bank failures and will not hear of it, I hope, in the future. It restores confidence of the people in the banks and the banks in the people, and we certainly hope they can soon begin to extend their helping hand in creating industry and employment by the loan of their funds and which we must have before we can accomplish much.

One of the rocks ahead of us, unless we change our course, is that of nontaxable interest-bearing bonds on the part of this Government. The United States Government today is paying around $760,000,000 a year interest on bonds that it has issued. These bonds should be called as rapidly as they are callable and paid off in United States currency, which can now be issued without any question at all, and stop this debt. They did not pay gold for the bonds, they paid currency; and we should give them the currency and take up the bonds and save that interest to the Government.

We will at the rate we are going, within another year or two, be paying out about one third of the taxes received by the Government to big bondholders that are making their millions.

We passed a few days ago a very important bill regulating the stock exchange, which will in the future guarantee to traders the right to invest their money in stocks with some degree of safety and security. The manner in which it has been carried on in the past has been absolutely ridiculous. If the bill passed a few days ago had been the law in 1929, the bottom would never have fallen out of the stock market, and the condition brought on by it would never have occurred.

If this bill is passed by the Senate and signed by the President, we will then have an exchange business carried on in a legitimate way where capital can be invested.

Another important work of this administration was the act of the House a few days ago in passing the 10 bills in 1 day for the regulation of crime in the United States as is sponsored by the Attorney General, Hon. Homer Cummings. Organized crime should never be allowed to exist. Of course, as long as we have people, we will have them violating the laws; but when it comes to the point of organized crime in the United States, organizing for the sole purpose of robbing banks, kidnaping people, and committing the high crimes that are being committed now, it is high time that the Government should rise up in its might and put a stop to it. With the power given under these acts to the Attorney General and to the Department of Justice forces, and in addition to the States' enforcement of laws, the crime wave prevailing in the United States should cease.

There are many other acts that have passed during this administration that I do not have time to mention. Taking it as a whole there has never been a year of administration where so much wholesome legislation has been passed as there has been in this administration. It is true that the country is not yet in a normal condition, but it is far superior to what we found it a year ago, and I think within another year our prosperity will be fully restored.

THE MILITARISTS THWART IN PART THE PRESIDENT'S AMNESTY PROCLAMATION

Mr. FOULKES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FOULKES. Mr. Speaker, I wish to call attention to a huge injustice that is being done many men who opposed the war and who were entitled, in the spirit of the President's amnesty proclamation last Christmas, to restoration of citizenship. The military clique that was all along bitterly hostile to the Presidential amnesty, has evolved a new way to thwart to considerable extent the execution of his intentions.

I quote in part from an article in the May issue of the Arbitrator, published in New York City, in which this excerpt is published from a letter from Brent Dow Allison, a writer,

who was one of the war-time conscientious objectors and was imprisoned at Fort Leavenworth:

My name was mentioned in the dispatch (in the Chicago Tribune) as being among those to receive the benefit of the amnesty. Not long thereafter, made by long experience skeptical, I began a correspondence with the Department of Justice and with the President's private secretary. * * * The amnesty did not and does not apply to any of the C.O.'s who were seized and sentenced by military authorities, and who, by reason of the court-martial verdicts, are deemed (by the Army) to have been deprived of civil rights. The overwhelming majority of the C.O.'s were not considered to have lost their civil rights, having been sentenced for various military offenses ranging from refusal to pare a potato when commanded to do so to insubordination, refusal to salute. A few, a few score, were convicted of desertion. This is considered to be a felony and to carry loss of all civil rights. These men have never been able to get the discrimination removed, nor their cases reviewed by any judicial process. * * *

I am in receipt, recently, of a letter from the Adjutant General of the Army, Brigadier General McKinley, containing the astonishing statement that "There is no authority of law whereby any executive officer of the Government can revoke, recall, set aside, or modify the duly executed sentence of a general court martial." * * * None of the C.O.'s who were sentenced by the military courts have ever been restored to civil rights, or had these rights restored to them by Presidential order.

May I say to my colleagues in the House of Representatives, as well as to the citizenship of the entire country, that this statement of a military official is a most astonishing and preposterous one? General McKinley says that no executive officer of the Government can alter the sentence of a court martial. I wonder if General McKinley does not know that the President of the United States has a right to pardon any man convicted of any Federal offense, and has done so on various occasions? Certainly the military oligarchy that wants to dominate everything and that is perpetually thirsting for another war is not bigger than the President. The implied assertion that the President must kneel before any general court martial in the land and cannot pardon and restore to citizenship men convicted by such courts is both comic and tragic.

The fact remains, however, that the Army is refusing to consider the President's amnesty proclamation of last Christmas when he restored citizenship to 1,500 war-time offenders as not applying to men who were convicted of such offenses by military courts. The man who was convicted of violation of the draft law or the espionage law in a civilian court is full beneficiary of the just and meritorious proclamation of President Roosevelt. The other man who had the misfortune to fall into the clutches of a court martial and be tried by men engaged in the war profession is deprived of the same privileges.

How contradictory! How absurd! How viciously unfair and un-American!

It is time that the military caste is taught that it is not above the Constitution, the President, the people, and the inherent rights of human beings generally.

Not only because a pronounced injustice is being done many war objectors who are the victims of an artificial distinction, but because the whole Nation is fed up on militarists and militarism and wants good riddance of them, action should be taken to insure that all war objectors—not the fortunate section that was lucky enough not to be snatched by courts martial—enjoy the benefits of the President's Christmas gift of restored citizenship.

INTERESTING INFORMATION IN REGARD TO VETERANS AND THEIR DEPENDENTS AFFECTED BY RECENT LAWS AND REGULATIONS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, in compliance with requests of many veterans and Members of Congress, I have prepared a statement showing how each class and group of World War and Spanish-American War veterans and their dependents were affected by laws and regulations during the past 14 months, and their present status.

The answer to practically every question that may be asked in regard to veterans' legislation will be found in this statement. No argument in favor of or against any class or group of veterans or their dependents is intended. It is my desire to quote the facts and the law fairly and impartially.

Since this statement has been prepared in the interest of individual veterans and their dependents and no effort has been spared to make it accurate, I ask any veteran or other person who may find in it any errors either of facts, law, or conclusions to communicate with me immediately so that I may make the necessary correction, and before it is printed in pamphlet form.

The titles and numbers of the paragraphs are as follows:

1. VETERANS AND ECONOMY ACT

It was recognized that there were many cases on the compensation and pension rolls that could not be justified. Many Members of Congress preferred to purge the pension rolls of the undeserving cases rather than pass an act that would cause the question of veteran benefits to become one of administration and not legislation. I will admit that the task would have been a difficult one and there is much to be said in support of the argument that it would have been impossible and that the course pursued was the only one that could be used to get results.

2. PRESIDENT'S ASSURANCE

The President assured Congress and the veterans that each case would be gone into for the purpose of preventing an injustice. After the Economy Act passed, the President changed his regulations in 41 instances in the interest of the veterans; he had done much more for them than they, themselves, realized before the passage of the independent offices appropriation bill at this session of Congress. I have always been convinced in my own mind that the President desired to deal sympathetically and generously with the war disabled and their dependents. He had his own opinion about whether some of the cases were really service connected and his opposition to a service pension is well known.

3. MOST VULNERABLE VETERANS' CASES

Among the cases most frequently objected to and criticized prior to March 20, 1933, were the following:

First. Soldiers who did not enlist until after November 11, 1918, receiving benefits as war veterans. Only one rate of pay was provided for World War service-connected disabilities, regardless of whether they were actual combat disabilities, disabilities incurred during war time, or disabilities incurred during peace-time service, and regardless of whether the enlistment was before or after November 11, 1918, provided it was before July 2, 1921.

Second. Veterans without dependents drawing full compensation and at the same time receiving hospitalization at a cost of $120 a month to the Government, and a few wealthy veterans receiving hospitalization from the Government for disabilities in no way connected with their military service.

Third. Presumptive cases, administrative and statutory: There were 154,000 of them; about 100,000 were otherwise service connected, 51,213 were on the rolls because the law said if a certain disability arose within a certain time after the service—in some cases 7 years—it was presumed that the service caused it. In certain cases this presumption was conclusive and not rebuttable. The President contended, in effect, that this was not common-sense legislation.

Fourth. Willful misconduct cases: They were receiving pay as battle casualties in addition to hospitalization and other benefits. The number involved was small, and among them there were pitiful cases with ameliorating circumstances that could be justified, but as a class they were very vulnerable and all veterans' benefits criticized by reason thereof.

Fifth. Retired emergency officers were receiving from $106 to $416 a month if they were rated 30 percent or more permanently disabled. An enlisted man would receive only $30 a month for such 30-percent rating, and not exceeding $100 a month if his rating were 100 percent. In addition they were permitted to receive hospitalization free from the Government for non-service-connected or service-connected disabilities.

Sixth. Partial disability pension for an injury or disease in no way caused or aggravated by military service: The disability allowance cases which were paid $12, $18, and $24 a month were included in this group.

4. SO-CALLED "ECONOMY ACT" PASSED

March 20, 1933, the so-called "Economy Act" became a law. Regulations promulgated effective July 1, 1933, (1) rerated the service-connected cases; (2) removed the presumptive cases from the pension rolls, except where they could show actual service connection; (3) removed the dependents of veterans who had service connection by presumption of law from the pension rolls pending proof of service connection; (4) denied veterans the right to secure hospitalization at Government expense for non-service-connected disabilities if they were financially able to provide it for themselves; (5) reduced to $15 a month the compensation of a veteran who was in a hospital as long as he remained there (if he had dependents he would receive $15 a month and his dependents the remainder as long as he was in the hospital); (6) eliminated from the pension rolls all disability allowance cases except the 100-percent totally and permanently disabled who were in need and reduced their allowance to $20 a month; (7) greatly restricted hospitalization except for service-connected disabilities; (8) reduced to the same pay as enlisted men for the same disabilities the retired emergency officers who could not establish the causative factor for the disability involved; (9) reduced to $6 a month the pension of a non-service-connected veteran while receiving hospitalization at Government expense (if he has dependents he receives $6 a month and his dependents the remainder so long as he remains in the hospital); (10) barred payment or restricted the amount of pension payable to Government employees with certain exceptions and applied to all cases for non-service-connected pension an income limitation; (11) eliminated willful misconduct cases from the pension rolls but allowed them hospitalization; (12) and removed from the rolls as war veterans those who did not serve until after the war had ended.

5. BENEFITS RESTORED PRIOR TO JULY 1, 1933

By July 1, 1933, the time all reductions and eliminations were to take place, the President had either decreed by regulation or consented to be enacted into law the following changes:

First. Widows and other dependents of the presumptively service connected were restored 100 percent without any reduction whatsoever.

Second. All presumptive cases were given a day in court; special boards were set up and the burden of proof placed on the Government to show beyond a reasonable doubt that such disabilities were not traceable to service during the World War, or the cases would remain on the pension rolls. These cases were continued on the rolls at 75 percent of the old compensation rate until decision was made by the special boards.

Third. Service-connected reductions were restricted to 25 percent of the amount being paid prior to March 20, 1933; the average reduction was about 21 percent.

Fourth. The totally and permanently disabled, their disabilities in no way connected with their military service, were increased from $20 a month to $30 a month.

Fifth. Hospitalization benefits were liberalized.

6. BENEFITS RESTORED PRIOR TO MARCH 28, 1934

Prior to the passage over the President's veto of the independent offices appropriation bill March 28, 1934, the President, by regulations, had given these veterans additional benefits as follows:

First. Restored the rates to all service-connected veterans. The only difference being under the new schedule of ratings many veterans received less than under the old; at the same time, some received more than they did under the old schedule.

Second. Hospitalization benefits fully restored to all honorably discharged veterans, regardless of service connection, if in need of hospitalization and financially unable to provide it. Also included transportation to and from the hospital for either service- or non-service-connected disabilities.

Third. The 29,258 presumptively service-connected cases that were stricken from the roll by the special boards were retained with the privilege of receiving 75 percent of what they had been receiving until their cases were finally passed on by the Board of Veterans' Appeals.

7. INDEPENDENT OFFICES BILL FOR 1934–35

This bill was passed by the House January 12, 1934. It did not contain additional benefits for veterans, except such benefits as had been given to them by the President's regulations. Under the rules of the House, an amendment proposing additional benefits was not in order, as it would be an attempt to place legislation in an appropriation bill. Such an amendment was in order under Senate rules, and the Senate amended the bill so as to include the following:

First. Restored by law all service-connected cases to 100 percent of what they were receiving prior to March 20, 1933. (This had already been done measurably by the President in his regulations, but the Senate amendment gave them the additional benefit of the old schedule of ratings.)

Second. Restored by law all hospitalization benefits. (This had already been done by the President in his regulations.)

Third. Restored all the presumptives to 100 percent of what they were receiving prior to March 20, 1933, but allowed the Government to show either of the following and remove them from the pension rolls:

(a) That veteran entered service after November 11, 1918.

(b) That clear and unmistakable evidence discloses that the disease, injury, or disability had its inception before or after the period of active service, unless aggravation in service is shown.

(c) That case was established by fraud, error, or misrepresentation of material facts.

All reasonable doubts to be resolved in favor of the veterans, the burden of proof being on the Government. (The President by regulation had restored these cases pending

final appeal by allowing 75 percent of amounts formerly received.)

Fourth. Cases of veterans who did not enlist until the war was over were restored.

Fifth. Willful-misconduct cases were restored.

Sixth. Retired emergency officers that had been stricken off the roll as such and reduced from $106 and $416 a month to the same pay as enlisted men for the same disabilities were restored.

8. HOUSE AMENDMENTS

The House refused to accept the Senate amendments, which restored the willful misconduct cases (except as to the blind), the after-war cases, and the Retired Emergency Officers. It also amended the Senate amendment in regard to presumptives so that those cases restored to the rolls will receive 75 percent of what they were receiving instead of 100 percent. The House agreed to the other Senate amendments.

9. HOUSE AND SENATE AGREE

The House provisions prevailed and the conference report was accepted by each House, March 26, 1934. The bill was sent to the President and by him vetoed. March 27, 1934, the House, and, March 28, 1934, the Senate passed the bill, the objection of the President to the contrary notwithstanding.

10. DIFFERENCES BETWEEN CONGRESS AND THE PRESIDENT

There were only two material differences between Congress and the President on the legislation in this bill affecting World War veterans; they were, (1) the rating schedule; the President had included in his regulations a rating schedule which would base the veteran's average impairment of earning capacity resulting from such injuries in civil occupations, whereas Congress restored the old rating schedule, which bases the average impairment of earning capacity in the civil occupation similar to that of the veteran at time of enlistment, and (2) the 29,258 presumptive cases; a careful analysis of what Congress enacted into law and what the President had recommended and given by regulation fails to disclose a great difference.

It was reported that the additional veterans' cost in the bill amounted to $228,000,000 a year. This was a mistake and has been corrected many times, but it is still being reported as a fact. No informed person contends that the additional cost will amount to as much as 25 percent of $228,000,000 annually.

11. PRESENT STATUS OF WORLD WAR VETERANS

Since changes have been made in veterans' laws, every World War veteran is entitled to the following benefits:

First. If suffering from a disability traceable to the service during war, he is paid from $10 to $100 a month, depending upon disability, pre-war occupation, and so forth; also additional amounts under certain conditions. If his death is caused by such disability, his widow and other dependents receive a pension from the Government.

Second. Entitled under certain conditions to receive hospitalization and medical care for service-connected or non-service-connected disabilities; also transportation to and from the hospital.

Third. If indigent and disabled, entitled to live in a Government soldiers' home. Transportation will be furnished if veteran unable to provide it.

Fourth. If served 90 days, honorably discharged, and is permanently and totally disabled, regardless of cause, except misconduct, may receive from the Government $30 a month, if not in hospital or soldiers' home; in that event, $6 a month. If he has dependents, he receives $6 a month and his dependents the remainder so long as he remains in the hospital or home.

Fifth. Certain preferences and advantages in obtaining positions with the Government; the privilege of carrying Government insurance under certain conditions; preferences in obtaining homesteads and adjusted compensation.

Sixth. Burial allowances including headstones, regardless of length of service.

Seventh. Any honorably discharged veteran may be buried in any national cemetery, including the Arlington Cemetery at Washington. The wife of an officer may be buried prior to his death and in a separate grave. The wife of an enlisted man may be buried in the same grave but only after the burial of the veteran, except where he is 70 years of age or over and gives assurance that he will be buried in the same grave.

12. POINTS TO BE REMEMBERED IN CONNECTION WITH PRESENT LAWS AND REGULATIONS INVOLVING WORLD WAR VETERANS

A veteran of the World War is one who served between April 6, 1917, and November 11, 1918. Under prior acts of Congress, which have been repealed, a veteran was construed to be one who served between April 6, 1917, and July 2, 1921. Under present laws one who enlisted after November 11, 1918, is not considered a veteran of the World War and is not entitled to benefits of such veterans, but is entitled to only such benefits as a peace-time soldier is entitled to receive.

Veterans who formerly received $12, $18, and $24 a month under the disability allowance law will not receive these benefits under present laws. The only non-service-connected disability that is recognized under present law is the total and permanent cases. They may receive $30 a month as long as they are permanently and totally disabled, regardless of their age and regardless of the cause of their disability—except misconduct—and are not required to show need, further than to show an annual income not in excess of $1,000 if single and not in excess of $2,500 if married.

Any veteran may receive advice, counsel, and assistance in regard to his case by a contact man, who is paid by the Government, at every hospital and every regional office. The contact man will help the veteran by suggesting the kind of evidence that will be necessary to assist him in his case, assist him in preparing all the necessary forms, and do such other things as may be necessary to the proper presentation of his case to the Veterans' Administration.

Many veterans ask the question: "I have submitted all the proof I can and have been turned down; what shall I do now?" Of course, every question involving expenditure of public funds must be determined by some person, court, board, or tribunal. Someone must have the responsibility of passing upon the sufficiency of the evidence presented to authorize the payment of public funds. It is the same way in regard to civil rights. If one brings suit against a person, firm, or corporation for damages to person or property, certain proof must be presented to the court and the jury in order to win. Although the injured person feels that he has presented sufficient proof, if the court or jury decides against him he can appeal his case, and if the higher courts affirm the judgment there is nothing further for him to do; he has lost. A veteran may be given another trial by the Government if he can show error in the decision or submit additional evidence from the appropriate service department. He is precluded from obtaining a reconsideration of his claim after a decision has once been reached by the Board of Veterans' Appeals.

Pensions and benefits are made in accordance with actual laws and regulations and not through favoritism, "political pull", or other means.

The Government allows $100 in payment of the funeral expenses of an honorably discharged veteran of any war or a veteran in receipt of pension or compensation, provided his net assets at time of death exclusive of debts, accrued pension, compensation, or insurance due at time of death do not equal or exceed $1,000. A flag to drape the casket is furnished in all cases where the veteran was honorably discharged, and the flag is given to the next of kin after burial.

A World War veteran, who is in the employment of the Government and is receiving compensation for a service-connected disability, will not have his compensation reduced. Neither will he have his compensation reduced by reason of any amount of income from any source.

A widow of a World War veteran who died of a service-connected disability is entitled to $30 a month, and $10 for the first child and $6 a month for each additional child. Children may continue to draw compensation until 21 if in school or college, otherwise it is stopped at the age of 18.

The father and mother dependent upon a World War veteran who died of a service-connected disability may receive $30 a month from the Government. If only one is receiving compensation, the amount is $20 a month.

A widow of a World War veteran who died of a nonservice-connected disability is not permitted to receive a pension from the Government.

If a veteran deserts his wife without cause on her part, she may receive 30 percent of his compensation or pension and an additional amount for each child.

Children, motherless or not in charge of the mother, deserted by a veteran, may have a part of his compensation set aside for their benefit.

A service-connected World War veteran may receive only $15 a month while he is confined in a Government hospital or in any institution that is supported by public funds, including State and county hospitals or penal institutions, such as jails and penitentiaries. The dependents of such a veteran, however, may receive the difference between the $15 and the amount of his compensation.

A non-service-connected World War veteran who is totally and permanently disabled and receiving $30 a month will have his compensation reduced to $6 a month so long as he may be confined in a hospital or institution supported by public funds, but his dependents may get the difference between the $6 and $30.

In order for a World War veteran to receive hospitalization from the Government it is necessary for him to show:

First. That he is a veteran of the World War.

Second. That he was not dishonorably discharged.

Third. That he has no funds out of which to pay for hospitalization at a private institution—an affidavit from him to that effect is sufficient.

Fourth. That he is suffering from a disease or injury requiring hospital treatment.

No dispensary treatments are allowed at hospitals except for service-connected cases.

Any disability wherein an operation is required is considered sufficient for hospitalization.

The disability allowance law was a service pension law for World War veterans. Many people, including many veterans, had the feeling that it was enacted too soon after the war to receive the approval of the public generally. Veterans in no other war had received a service pension so soon after the war was over. This law, except as to the totally and permanently disabled, was repealed and has not been reenacted. It involved almost 400,000 veterans.

13. EFFECT OF ECONOMY ACT ON SPANISH-AMERICAN WAR VETERANS

Prior to the enactment of the Economy Act of March 20, 1933, there were two principal types of laws which governed the granting of pensions to Spanish-American War veterans and their dependents. One of these was the so-called "general" pension law which provided a pension ranging between $8 and $30 a month, depending upon the rank of the veteran, for service-connected death or disability, with rates as high as $125 to veterans for certain specific disabilities. The other was the so-called "service" pension law which provided a pension ranging between $20 and $72 a month, depending upon degree of disability or age. It was not necessary to prove service connection in order to be eligible for a service pension. They were granted primarily because the person had served 90 days or more in the military or naval service during the Spanish-American War, including the Boxer rebellion and Philippine insurrection, was honorably discharged and had later become disabled or reached the age of 62 years. Pensions at lower rates were payable to those who had served only 70 days. Inasmuch as the rates under the service pension laws were generally higher than those based on service-connected disability or death, it was customary for pensioners to elect to receive benefits under the "service" pension laws rather than the "general" law. On March 19, 1933, there were on the rolls the following number of pensioners of the Spanish-American War:

Veterans:	
Service connected	458
Nonservice connected	195,387
Dependents:	
Service connected	1,244
Nonservice connected	37,929

14. VETERANS 62 YEARS OF AGE PROVIDED FOR

At the time of the passage of the Economy Act it became apparent that under the broad powers which Congress was about to delegate to the President of the United States it would be possible to remove from the rolls all persons receiving a service pension based on service in the Spanish-American War unless such persons could prove service-connected disability or were then permanently and totally disabled. In order to safeguard the interests of Spanish-American War veterans past the age of 62 years, who were then entitled to pension, Congress added a proviso to the pending measure whereby these men would be retained on the pension rolls.

15. THREE TYPES OF PENSIONS UNDER THE NEW LAW

The Economy Act provided for a continuation of pension benefits in accordance with prior laws until July 1, 1933. At that time rates under the new law and regulations were to take effect. An exception was made, however, in the case of Spanish-American War veterans whereby a presumption of service connection was granted until such time as the veteran's case could be reviewed. At that time, if it appeared on the basis of medical judgment or affirmative evidence that the disability was not service connected, the pension was to be discontinued.

The new law provided for three types of pensions, as follows:

(a) Those based on service-connected, war-time disability. These rates ranged from $8 to $80 a month, with special rates up to $250 for certain specific disabilities.

(b) Those based on service-connected, peace-time disability. These rates ranged from $6 to $30 a month, with special rates up to $125 for certain specific disabilities.

(c) Those based on non-service-connected disability. Only war veterans and their dependents were eligible for this class of pension. A Spanish-American War veteran, if permanently and totally disabled, would be entitled to $20 a month. If 62 years of age or more, he was granted a pension of $6 a month, if he was entitled to a pension prior to the date of the Economy Act, even though he was less than permanently and totally disabled.

16. DEPENDENTS UNDER NEW LAW

The new law granted Spanish-American War widows $30 a month if the death was service-connected and based on war-time service, $22 a month if the death was service-connected and based on peace-time service, and $15 a month if the death was nonservice connected but the decedent was a Spanish-American War veteran. An additional amount was awarded for minor children. (Remarried widows received pensions under prior laws. They are excluded under existing laws.)

17. NEW DATES FOR WAR PERIOD

At this point it should be explained that the regulations issued pursuant to the Economy Act prescribed new dates for the beginning and termination of the various wars. Under the old practice any person who served between April 21, 1898 (the date of the declaration of War with Spain) and April 11, 1899 (the date of the treaty of peace) was considered a veteran of the Spanish-American War. The new law and regulations restrict the period so that the ending date is August 12, 1898, the date of the peace protocol and the date when hostilities actually ceased. For this reason many veterans and dependents who previously drew pensions based on war service are no longer eligible on this basis inasmuch as the soldier enlisted after August 12, 1898. They are, however, eligible for peace-time pension if suffering from a service-connected disability. In making a comparison of the rates payable to widows and dependents under the old laws and under the Economy Act, it may be said that there were individual changes up and down, as will be shown by the following table which gives the average monthly rate paid prior to the economy act and subsequent thereto:

Average rate prior to Mar. 20, 1933 (service connected)	$20.36
Average rate after Mar. 20, 1933 (service connected)	25.59
Average rate prior to Mar. 20, 1933 (nonservice connected)	32.08
Average rate after Mar. 20, 1933 (nonservice connected)	15.77

18. PHILIPPINE INSURRECTION

The old dates of the Philippine insurrection were April 12, 1899, to July 4, 1902, and any person serving in the military or naval service during this period was considered a veteran of the Philippine insurrection, and pension was payable at war-time rates. The new regulations describe the period as being between August 13, 1898, and before July 5, 1902, but actual participation in the insurrection is required for payment of pension on the basis of war service. This restriction is based on the thought that the Philippine insurrection did not constitute such a national emergency that those members of the military or naval service who were on the mainland and were never called into actual duty in suppressing the insurrection should later be given the benefit of pensions based on war-time service. Pensions are payable, however, at peace-time rates for service-incurred disabilities. This new provision affected 12,177 pensioners who had previously drawn service pensions based upon service in the Philippine insurrection.

19. BOXER REBELLION

There has been practically no change in the dates of the Boxer rebellion, the old commencing date being June 16, 1900, the new date being June 20, 1900. The ending date is the same under both old and new laws, viz, May 12, 1901, and actual participation has been continued as a requirement for war service.

20. WILLFUL MISCONDUCT CASES EXCLUDED

There is one other important change in the new policy with respect to Spanish-American War pensions which should be mentioned here. Under the old law a veteran suffering from a non-service-connected disability due to misconduct could nevertheless receive a service pension. The new law denies pension in these cases. This provision has affected 781 persons.

21. FIRST REGULATIONS TOO RIGOROUS

It became apparent within a short time after the original veterans' regulations were issued that they were too rigorous, that they went further than was intended, and that they would result in unnecessary hardship. Accordingly, before the new rates went into effect the President issued new Executive orders liberalizing pension rates. The war-time rate for total disability was increased from $80 to $90 a month, and there was an increase in certain special rates. The peace-time rate for total disability was increased from $30 to $45, with an increase in certain special rates. The rate for non-service-connected permanent total disability was raised from $20 to $30, and the special pension for Spanish-American War veterans past the age of 62 years was generally increased from $6 to $15 a month.

22. CONGRESS EXTENDS PROVISIONS IN COMPROMISE

Believing that the saving clause, whereby 62-year-old Spanish-American War veterans were retained on the rolls, was not as extensive as it should be, Congress, under date of June 16, 1933, in the Independent Offices Appropriation Act for the years 1933–34, provided that a pension of $15 a month would be paid to any Spanish-American War veteran 55 years of age or over who served at least 90 days, was honorably discharged, in need, and is now 50-percent disabled. This resulted in placing on the rolls 83,000 additional veterans, at an annual increased cost of $15,000,000. On January 19, 1934, the President further liberalized this provision by eliminating the age requirement. Accordingly, from that date any veteran of the Spanish-American War, Boxer rebellion, or Philippine insurrection who was unable to qualify for pension at a higher rate, if 50-percent disabled, could receive a monthly pension of $15.

At the time this order was issued the rates for service-connected war-time pension were also increased so that the amount for total disability became $100 instead of $90. This was much in excess of the corresponding pension under the old law.

23. WIDOWS PROVIDED FOR

In order to be sure that no hardship would be imposed upon the widows of men who served in the periods under discussion, this order also provided that if any widow was receiving less money under the new law than she would be eligible for under the old law for service-connected death, she would be reinstated at the old rate, but not in excess of $30 a month. This regulation benefited a number of widows of higher ranking Army officers who were reduced under the terms of the new regulations.

24. PRESIDENT'S VETO MESSAGE

When Congress passed the Independent Offices Appropriation Act for 1934–35 containing liberalized veterans' benefits, the President stated in his veto message the reasons why he was opposed to the legislation and indicated certain action which he was taking in the way of liberalized benefits. With regard to Spanish-American War veterans, he proposed the following plan:

First. Restoration to the rolls of those veterans who in 1920 were receiving pensions for service-connected disability, pension to be payable at the new higher rates. (The so-called "service" pension law was not enacted until June 5, 1920. Prior to that time it was necessary to establish title to pension under the "general" pension law.)

Second. Restoration to the rolls of other Spanish-American War veterans at 75 percent of the amount they were receiving prior to the Economy Act pending a final determination of service connection in each veteran's case before the Board of Veterans' Appeals.

This action which was promulgated in the form of an Executive order on March 27, 1934, was not acceptable to Congress which insisted upon its plan as contained in the veterans' provisions of the Independent Offices Appropriation Act.

25. 75-PERCENT RESTORATION

The new law restores 75 percent of the pension being paid on March 19, 1933, the day before the Economy Act was passed, to any veteran of the Spanish-American War, including the Boxer rebellion and the Philippine insurrection, and to the dependents of any such veteran, except where the veteran is hospitalized and except in willful misconduct cases. Where payment was made through fraud, error, or misrepresentation such pensions will not be restored. If a pensioner is not exempt from payment of Federal income tax, he is ineligible for pension. With these restrictions, and the further limitation as to dates and requirements of war service as prescribed by veterans' regulations, all laws in effect prior to the Economy Act granting monetary benefits to veterans of the Spanish-American War, Boxer rebellion, and Philippine insurrection are reenacted in their entirety.

26. FEDERAL EMPLOYEES

There is an additional restriction which applies only to veterans of the Spanish-American War in Federal employ. In these cases he cannot receive a pension in excess of $6 a month if his salary, if single, exceeds $1,000 a year, and if married $2,500.

27. SERVICE PENSIONS REINSTATED

The effect of the new law is to reinstate the old "service" pensions, subject, of course, to the limitations just described.

28. PRESIDENT'S REGULATIONS INCREASED BENEFITS

Inasmuch as the highest rate for war-time service-connected total disability under the old pension law is $30 a month and the corresponding rate under the President's regulations is $100, and inasmuch as the highest special rate under the old law is $125 a month as compared with $250 under the regulations, most veterans will be paid the greater benefit under the regulations rather than the rate allowed by the Independent Offices Appropriation Act.

29. REINSTATEMENT OF THOSE NOT DISHONORABLY DISCHARGED

An honorable discharge was not necessary for service-connected pension under the old laws. If a veteran suffering from a service-connected disability has been taken off the rolls by reason of the Economy Act which requires an honorable discharge he may now be reinstated at 75 percent of

the pension he formerly received subject to the restrictive provisions of the new law. This does not apply to deserters.

30. OLD AND NEW LAWS

If a pension is adjudicated under the old pension laws which have been reenacted by the Independent Offices Appropriation Act, the criteria in evaluating disability will be inability to perform manual labor rather than average impairment of earning capacity.

The veterans' regulations provide liberal presumptions with respect to service connection of disability. These presumptions do not exist under the old laws. Accordingly, the Economy Act and regulations will offer an advantage which the Independent Offices Appropriation Act does not.

The new law enlarges the group of Spanish-American War veterans entitled to hospitalization and domiciliary care by removing the requirement of honorable discharge. If the veteran was not dishonorably discharged, he is entitled to hospitalization and domiciliary care, and his statement as to inability to pay traveling expenses for treatment of non-service-connected disability will be accepted as sufficient proof of the fact.

31. PRESENT STATUS OF SPANISH-AMERICAN WAR VETERANS WITH 90 DAY'S SERVICE

Since changes have been made, every veteran who served 90 days or more commencing between April 20, 1898, and August 12, 1898, during the Spanish-American War and not dishonorably discharged, is entitled to the following benefits:

First. If suffering from a disability traceable to the service during the war, he is paid from $10 to $100 a month, depending upon disability, etc. If his death is caused by such disability, his widow and other dependents receive a pension from the Government. The widow receives $30 a month, with $10 additional for first child and $6 for each additional child.

Second. Entitled to receive hospitalization and medical care for either service-connected or non-service-connected disabilities; also transportation to and from the hospital.

Third. If indigent and disabled, entitled to live in a Government soldiers' home. Transportation will be furnished by the Government, if he is unable to provide it.

Fourth. If permanently and totally disabled, regardless of cause—except misconduct—may receive from the Government $45 a month; and if in need of an attendant, $54 a month.

Fifth. If partially disabled, regardless of cause—except misconduct—he is entitled to receive the following monthly benefits:

(a) One-tenth disability, $15; one-fourth disability, $18.75; one-half disability, $26.25; three-fourths disability, $37.50. Regardless of disability, but if 62 years of age, $22.50; 68 years of age, $30; 72 years of age, $37.50; 75 years of age, $45.

(b) A widow of such a veteran will receive $22.50 a month and $4.50 for each child.

Sixth. Certain preferences and advantages in obtaining positions with the Government and preferences in obtaining homesteads.

Seventh. Burial allowances for veterans of all wars regardless of length of service.

32. BOXER REBELLION AND PHILIPPINE INSURRECTION

Anyone who actively participated in the Boxer rebellion or Philippine insurrection is entitled to the same benefits as a 90-day Spanish-American War veteran. His widow and other dependents are entitled to the same benefits.

33. SPANISH-AMERICAN WAR VETERANS WITH 70 DAYS' SERVICE COMMENCING DURING THE WAR PERIOD

These veterans are entitled to the same benefits and allowances as the 90-day Spanish-American War veterans, except for non-service-connected disabilities. They are entitled to the following benefits:

First. If permanently and totally disabled, regardless of cause—except misconduct—may receive from the Government $22.50 a month and, if in need of an attendant, $37.50 a month.

Second. If partially disabled, regardless of cause—except misconduct—he is entitled to receive the following monthly benefits:

(a) One-tenth disability, $9; one-fourth disability, $11.25; one-half disability, $13.50; three-fourths disability, $18. Regardless of disability, if 62 years of age, entitled to $9; 68 years of age, $13.50; 72 years of age, $18; 75 years of age, $22.50.

(b) Widows and other dependents of these veterans are not entitled to benefits, except in a case where the veteran was discharged by reason of disability.

34. SPANISH-AMERICAN WAR VETERANS—INTERESTING POINTS

A Spanish-American War veteran is one who served between April 20, 1898, and August 12, 1898. Others who did not serve during that time but actively participated in the Philippine insurrection or the Boxer rebellion are entitled to the same benefits as a Spanish-American War veteran.

Such a veteran may receive a pension for disabilities not connected with his military service even though his disability is not total and permanent.

The same law in regard to the reduction of his pension to $6 a month if in a hospital or institution supported by public funds applies as in the case of World War veterans. Also a reduction to $15 a month in service-connected cases.

These veterans are entitled to the same benefits in regard to hospitalization, domiciliary care in soldiers' homes, and burial benefits as World War veterans.

A widow of such a veteran receives $22.50 a month if her husband died of a non-service-connected disability; she receives $30 a month and the same allowances for minor children as World War widows if her husband dies of a service-connected disability.

35. NUMBER OF VETERANS AND DEPENDENTS ON ROLLS BEFORE AND SINCE ECONOMY ACT

The following table discloses information that I have received from the Veterans' Administration in regard to the number of veterans and their dependents.

Column 1 represents the number that was drawing compensation or pension on March 19, 1933, prior to the Economy Act.

Column 2 represents the number drawing compensation or pensions on March 31, 1934, and not including the additional number affected by Public, No. 141, the independent offices appropriation bill, passed over the veto of the President March 28, 1934.

Column 3 includes the number now on the rolls and that will be restored to the compensation and pension rolls when they have received the full benefits of Public, No. 141, of March 28, 1934.

	Column 1	Column 2	Column 3
World War veterans:			
Service connected	338,544	308,978	329,853
Nonservice connected (D.A.)	425,894	33,152	32,320
Peace time, service connected		10,374	9,991
Retired emergency officers	6,037	1,527	1,517
Total	770,475	354,131	373,631
Dependents of service connected	101,542	100,039	100,039
Total, veterans and dependents	872,017	454,170	473,720
Spanish-American War veterans, including Philippine insurrection and Boxer rebellion veterans:			
Service connected	458	6,212	6,212
Nonservice connected	195,387	117,861	174,388
Total	195,845	124,073	180,600
Dependent:			
Service connected	1,244	1,598	1,598
Nonservice connected	57,929	31,091	33,302
Total dependents	39,173	32,689	34,900
Total veterans and dependents	235,018	156,762	215,500
Grand total of all veterans of Spanish-American War, World War, and their dependents	1,107,035	610,932	689,220

The 10,374 listed as peace-time veterans enlisted after November 11, 1918, and before July 2, 1921, and were formerly considered World War veterans. Recent acts have permitted a few of them, including the blind and certain

presumptives, to be restored to veterans' benefits, thereby reducing the number to 9,991.

The number of disability allowance cases estimated to be put on the roll appear to be less than the number on the roll March 31, 1934. This is not due to Public, No. 141, but is due to adjudication and administration.

This table does not include special acts of Congress. The number in that class is small.

A peace-time soldier for disabilities traceable to his service receives about one half as much for such disability as a war-time veteran receives. Only service-connected disabilities are recognized by the Government in peace-time cases.

36. WHAT DISCUSSION INCLUDES

This information is intended to cover the subject in a general way by including references to such benefits as may cause the expenditure of a large sum of money and without any intention of being specific, going into details, covering exceptional cases or including groups affecting only a comparatively small number of veterans.

AGRICULTURE

Mr. PEAVEY. Mr. Speaker, 1933–34 has been a hard time for the dairymen and diversified farmers. Prices for nearly all farm crops went down to the lowest level in 25 years. Due to the operations of the N.R.A. and general recovery program prices on manufactured goods the farmer buys were raised to meet increased labor costs and shorter hours. all of which added to the burdens of the farmers and other consumers.

The dairy farmers' situation has been difficult in all sections of the country during the past 2 years and added to the normal burdens were 2 years of drought in northern Wisconsin which forced many farmers to the point of desperation.

Early in January several associates in the House and I, went with Senators LA FOLLETTE and DUFFY to the office of Secretary Wallace for a conference. We told him the facts and appealed for immediate emergency appropriations of $300,000,000 with which to buy up the surplus butter and cheese and raise prices. Butter was then selling in New York at 19½ cents wholesale. Secretary Wallace was receptive but felt he was helpless because no appropriations were available for this purpose. He suggested that we confer with Harry Hopkins, Director of the Federal Emergency Relief Administration. We did and appealed to Hopkins to double the Government's purchase of milk, butter, and cheese for those on relief. Mr. Hopkins responded nobly and immediately placed orders for the purchase of millions of pounds of surplus butter and cheese and as a result butter went to 26 and 27 cents in New York and has held there.

The raise was not enough, but it helped every Wisconsin dairyman at a critical time.

Passage of the Frazier-Lemke bill to provide refinancing of farm indebtedness on a basis of 1½-percent interest and 1½ percent on the principal would help Wisconsin farmers greatly to meet the economic disparity between the farm and factory. The principal argument made in opposition to the Frazier bill is that the Government, under the terms of the bill, is directed to finance the farmers by issuing new money.

The Government has more than seven billions in gold in the Treasury and Federal Reserve banks at this time; more than enough in addition to the five and one-half billion already issued to provide for the issuance of currency in an amount necessary to finance the Frazier bill and to provide a 100-percent gold base.

Democratic and Republican leaders are combined against the bill. Nearly 140 of the 145 signatures necessary to bring the bill up for a vote had been obtained when Democratic leaders at the suggestion of President Roosevelt prevailed upon 9 or 10 Members to erase their names from the petition. Every effort is being made by progressives in the House, led by Representative LEMKE, of North Dakota, to get the bill up for a vote before Congress adjourns.

I was no. 27 to sign the petition, I believe. The administration leaders are bitterly opposed to the bill being acted upon at this session.

One of the prime difficulties in reaching a solution of the dairy farmers' situation in Washington is that the dairymen are hopelessly in disagreement among themselves as to the character of legislation necessary to solve the problem. I have in the past 3 months attended more than a dozen conferences between farm and dairy leaders and Members of the House and Senate. Not one of these conferences could agree on a legislative program or bill to meet the situation. That is why I voted for the tariff bill. If Congress will not legislate to put agriculture on a parity with industry, then let President Roosevelt lower the Hawley-Smoot tariff rates in protection of industry on everything the farmer has to buy.

TARIFF

The House passed a tariff bill a few weeks ago by a vote of 272 to 111. The purpose of this bill is to give the administration power and authority to negotiate reciprocal trade agreements with other nations and to give the President authority to raise or lower existing rates by 50 percent. The bill was amended so as to prevent foreign-debt cancelations or settlements in conjunction with the tariff. It was also amended to limit its authority to 3 years.

Pursuant to the campaign pledges contained in the Republican national platform in 1928 that tariff rates would be revised to place agriculture on a parity with industry, Herbert Hoover convened Congress in special session in April 1929 for the purpose of carrying out the party's campaign pledge.

This is what happened. Political pressure from big industry and national Republican leaders prevented Hoover from fulfilling the campaign pledge. Congress reconvened in December 1929 after the first stock-market crash. In the meantime the powerful industrial and manufacturing influences, aided by the New York financiers and Andrew W. Mellon, in control of the Republican Party, coerced Congress into adopting schedule after schedule in the Hawley-Smoot tariff bill giving industry extortionate rates of protection and thereby increased the disparity between agriculture and industry. This is what the Hawley-Smoot bill did to the people on the farms in the Western States. The people in Wisconsin have been paying tribute ever since. Every time a farmer bought a plow or a seeder or his wife bought a dress or a broom they were made to pay tariff to the manufacturers, while the price of agricultural products since the passage of the Hawley-Smoot tariff bill have gone down to the lowest level in recent history.

I am a Lincoln Republican. I believe in a protective tariff and the theory underlying the tariff of paying an American scale of wages to insure an American standard of living.

The only way that agriculture can be put on a parity with industry at the present time, in my opinion, is to reduce the high tariffs given industry on everything the farmer has to buy. It is true the farmers were given protection under the Hawley-Smoot bill, but they cannot collect or realize on this protection because they cannot control their production or fix their sale prices.

Secretary Wallace is seeking to make the tariff effective to the farmer by the commodity-allotment plan and control system, to be paid through the medium of a process tax. I hope he succeeds, but I doubt the outcome. On the other hand, industry, large industry and monopolized industry, can and does control both production and sale price, and as a result those industries are exacting high prices from the American consumers who are to a large extent the American farmers and working men.

This is the first opportunity the Congress has had to vote on any measure that would offer hope that these extortionate tariff rates on steel, iron, aluminum, and textiles under the Hawley-Smoot bill might be reduced. Hoover let the tariff barons run wild in writing the schedules. He did not have the " guts " to stand up and fight them. He gave in to them. Members of Congress like myself who voted for the new tariff bill the other day hope and expect that President Roosevelt will have the backbone to defy the demands of those special-privilege seekers of high tariff rates and that

he will lower some of the rates which are so high as to not only keep out foreign competition but exact extortionate rates from the American farmer and consumer. That is why I voted for this bill.

Old Guard Republicans in the House yesterday voted with the regular Democratic wheelhorses to kill the Couzens amendment to increase income taxes a flat 10 percent. The vote was 282 to 77 on a standing vote to reject the Couzens amendment. Progressives on both sides of the aisle tried to get the necessary Members to stand up to force a roll call, but without success.

Friends of the Couzens provision wanted the amendment to provide additional revenue to finance the heavy relief measures that will be necessary for another year or two, if the unemployed and destitute are to be clothed and fed. Local and State funds for relief are in many States completely exhausted.

Senator LA FOLLETTE's amendment providing for full publicity remains in the bill, as well as a 3-cent tax on imported oils used as food substitutes in butter and lard. This provision is of particular interest to Wisconsin dairymen. The House originally voted a 5-cent tax on imported oils, but the Senate cut it to 3 cents.

The bill as passed provides an estimated revenue of $417,000,000. This provides ample funds to pay the disabled soldiers and Government employees the raises voted by Congress in overriding the veto of the President in the independent offices appropriation bill.

WAR AND PEACE

The House in February passed the Vinson naval appropriation bill providing for the construction of 105 new war vessels and 1,100 new airplanes. When Congress has finished with the Army and Navy bills, appropriations and authorizations in the amount of $1,400,000,000 for national defense and war preparations for the year of 1935 will have been made.

This is more money than is being spent by any country in the world for war preparation at this time.

Japan is going to build more battleships. England is spending $8,000,000 more for her army this year than she did last year. France and England alike are embarking on a program of bigger and better navies, and the United States is setting the pace with her appropriation of $1,400,000,000 for 1935.

"Big navy" groups are about to take off on an armament race that bids fair to surpass the most ambitious militaristic plans of the past. The Kaiser was a "piker" by comparison. The most startling angle of this race, however, is developed in the statement of Japan's Minister of the Navy that Japan must build more warships in view of the action of the United States House of Representatives in the passage of the Vinson bill appropriating $750,000,000 for warships.

Committee hearings during the present session of Congress on appropriation bills for the Army and Navy, particularly in the aviation divisions of these two departments of government, have revealed profits for private concerns out of the Federal Treasury that amount almost to extortion. Airplane companies profited on Government contracts for several years past as high as 36 percent. The Department of Justice is inquiring into the sale of surplus Army goods to private individuals, another transaction wherein Uncle Sam is alleged to have taken a tremendous loss.

These investigations bring to mind some of the profits made by private concerns during the World War. United States Steel during the period from 1916 to 1918 made profits in excess of 50 percent. Bethlehem Steel in 1917 paid a 200-percent dividend.

The Congress is becoming more vigilant and alert in these matters. The House adopted an amendment to the naval appropriation bill providing for the construction of one half of the ships provided for in the bill to be done in Government navy yards, and by another amendment limited profits to private contractors building Government vessels to 10 percent.

These precautions should make for peace if the findings of a committee of the League of Nations a few years ago were accurate. This committee presented evidence to the League showing that private manufacturers of munitions and armaments instigate war scares, stimulate armament races by false stories of other nations' degrees of preparedness, and organize international armament trusts which play one country off against another.

NYE COMMITTEE

The Senate last month passed the Nye resolution creating a committee of five Members of the Senate to investigate the activities of individuals and corporations in the United States engaged in the manufacture and sale of arms and munitions and to inquire into the desirability of creating a Government monopoly.

Senator BORAH, speaking on the floor of the Senate on March 5, said:

No treaty, no law made by man or God, controls munitions' manufacturers.

A few years ago our country with fanfare and trumpets announced the signing of the Kellogg Peace Pact, under the terms of which we agreed with the other civilized nations of the world not to resort to war to settle any dispute which might arise. The Kellogg Treaty outlawed war. Yet in 1934 Congress authorizes and appropriates $1,400,000,000 to build and maintain warships, soldiers, airships, and armaments.

Few Wisconsin people have any conception of the actual cost of war implements, armaments, and devices. I wish to illustrate by recording just a few.

First. It cost $4,000,000 for oil to fuel the American fleet in its journey from the Atlantic to the Pacific this last winter. It is taking another $4,000,000 to bring it back.

Second. Machine guns of the kind used by the American Army cost $640 each.

Third. The French 75-mm field gun we all learned about in the World War costs around $8,000 each.

Fourth. The new Christy tanks used by our Army cost over $25,000 each.

Fifth. A large caterpillar tank costs upwards of $80,000 each.

Sixth. Military airplanes in the United States cost from $6,000 for light scouting planes to as high as $100,000 for a heavy bomber.

Seventh. A naval cruiser costs as high as $11,000,000 and a battleship as high as $40,000,000.

Those are just a few of the reasons why wars cost money. It shows the tremendous saving that can be effected by maintaining world peace.

In view of the Roosevelt administration's protestations for world peace, reduction of armaments, and friendly negotiations of trade agreements, Members of Congress as well as the people of the country wonder just where the administration is going. Past history records not a single instance of any great nation that ever spent such huge sums on war preparations without getting into a war. It is true that some four hundred million of the fourteen hundred million mentioned above is just an authorization, but it is the experience of the Congress that such authorizations are taken by generals and admirals in charge of national defense as a direction from Congress, and the money is eventually appropriated.

LABOR

The urgency and importance of discarding the last remnants of the depression and taking a new and wiser course to prevent a return of the devastating conditions which have prevailed for the past 3 years is reflected in the legislation which has been sponsored in this session of Congress by the various labor organizations of the country.

The 21 standard railway labor organizations are firmly supporting the following bills before the House and Senate:

Federal train limit bill, introduced by Representative WITHROW, Wisconsin, providing for a limitation of the number of cars to each train.

Full train crew bill, introduced by Representative GRISWOLD.

Amendments to the Federal Employers' Liability Act, introduced by Representative MEAD, which would fix the liability of railway companies for injuries to employees.

Six-hour day bill, introduced by Representative CROSSER of Ohio, providing for a 6-hour day or 42-hour work week for all railway employees.

Amendments to the Railway Labor Act providing for prompt disposition of disputes between carriers and their employees, introduced by Representative CROSSER of Ohio.

Amendment to the Federal hours of service law reducing hours on duty from 16 to 12, introduced by Representative CROSSER of Ohio.

Retirement insurance for railroad employees, known as the "Wagner-Crosser bill."

The 6-hour day bill, introduced by Representative CROSSER of Ohio will come before the House under a discharge petition, offered by Representative WITHROW, of Wisconsin, unless Congress adjourns before the measure can be reached under the rules. Today there are 143 signatures attached to the petition. Only 145 are needed. I was no. 8 to sign the petition.

The retirement insurance bill for railroad employees which has been caught between the cross fires of the railway organizations and the association of railroad employees under what is known as the "Royster plan" is being rewritten in committee under a compromise agreement between the two factions.

Unfortunately the Committee on Interstate and Foreign Commerce does not contemplate taking action on any of the other railroad bills listed at this session.

Probably the most important measure in Congress in protection of labor is the Wagner-Connery labor disputes bill now before the Committee on Labor. This bill has for its fundamental purpose a plan to encourage capital to operate and insure labor its right to organize and thereby exercise its liberty of contract to secure a just reward for labor performed and to preserve a decent standard of living.

Recently a petition was laid on the Speaker's desk to discharge the Committee on Labor from further consideration of the bill and bring it to the floor for a vote at this session of Congress. Representative CONNERY, author of the bill in the House, soon after the petition was placed on the desk appealed to the Members to refrain from signing the petition, stating he was in constant communication with the White House on the measure for the purpose of bringing it up for consideration at the best time. The general sentiment prevailing is that the administration is opposed to the measure and that it will not be considered at this session, unless consideration is forced by discharge of the committee.

This resolution contains nothing of economic or political value to the colored race. Its purpose is to give colored people the right of being served in the House dining room on an equality with Members of the House, their families, and friends. For 12 years under Republican control and management the House restaurant was operated under exactly the same policy as it is today; Negroes were not allowed to eat in the Members' restaurant. The author of this resolution came to Congress March 4, 1929. He was here for 2 years under Republican control of the House and its restaurant. Under Speaker Longworth and the Republican chairman of the committee in charge of the restaurant, Mr. Underhill, exactly the same policy was carried on with regard to serving in the House restaurant as is being done today under Mr. WARREN. I think Representative WARREN as chairman of the committee in charge of the House restaurant is to be commended for following the established policy as to serving only Members, their families, and guests in the restaurant. Every Member of this House knows that Representative WARREN has administered his position as Chairman of the Committee on Accounts ably, honestly, and efficiently. He has been courteous, frank, and fair with every Member of this House at all times. The passage of this resolution is in itself a reflection on his administration. The House advances a form of censure when by every rule of justice and reason a vote of commendation is due.

To agitate and raise this technical question of racial rights for political purposes at this time is wrong and responsibility for this vote will at some future date rise up to plague every man who has voted for it. This is no time to agitate racial or religious questions.

I am a friend of the common people, whether they be Caucasian, Indian, or Negro. I work and vote consistently in their behalf. My mother was raised in an orphanage because my grandfather gave his life to preserve the Union and abolish slavery. That terrible conflict was brought on by just such agitation as that contained in the DE PRIEST resolution. Knowing the author as I do I cannot believe that he would intentionally disrupt the friendly association of the Membership of this House in its use of the House restaurant, but if this resolution is to be of any force and effect that is bound to happen, in my opinion.

I am opposed to any bill or resolution that has for its principal purpose the raising of a religious or racial issue. This is not the time or is the National Capitol the place to start an internal turmoil over a constitutional right involving nothing more substantial than the right of a few aristocratic colored people to eat in the same room with Members of the House of Representatives and their families.

That we are all free and equal under the Constitution is conceded. That this concession gives any of us the right to intrude our presence on others regardless of whether they are white or colored, is contrary to the American idea.

Representative DE PRIEST, Republican, of Illinois, the author of this resolution, has, I understand, been served in the House restaurant with the same attention given other Members. He now seeks by resolution to insure this same social privilege to all other colored citizens whom he may invite. Under the guise of securing a constitutional right, what Representative DE PRIEST seeks for his colored friends is a privilege based on social position. This involves wealth, education, common tastes, and family traditions, over which neither the Constitution nor Congress has any power to bestow.

During the Republican regime in the House, the gentleman from Illinois [Mr. DE PRIEST] introduced no resolution denouncing this policy, nor did he complain. Why has it all at once become a burning political issue? Is it because this is campaign year and the gentleman has a large colored population in his district? That may justify him in introducing such a resolution, but I cannot feel that that would in any way justify me in voting for it. That may be good Republican politics in the district of the gentleman from Illinois, but I am sure the voters in my district in Wisconsin would not approve of it.

With 10,000,000 men still unemployed, with nearly 2,000,000 still on relief, with millions of white and colored farmers alike hopelessly in debt, does the gentleman from Illinois believe that he is advancing good Republican doctrine to raise the issue of whether his colored visitors at the Capitol are served with the white Members on the second floor or in their own dining room on the first floor?

THIRD PARTY IN WISCONSIN

Mr. Speaker, you ask me if I intend to join the third party. My answer is I fail to see where the formation of a new party will in itself accomplish a single thing in behalf of the farmers, workers, or business men in my congressional district.

Tom Amlie made my office his Washington headquarters last winter. Ever since he was defeated for renomination for Congress from the First District at the last election he has tried repeatedly to sell me the new-party idea. I like Tom personally. I admire also the other half of the La Follette "brain trust" at Madison, Professor Groves. Both Amlie and the professor are able parlor intellectuals. They both admit it. But I cannot follow them on what appears to me to be a wild goose chase to bag Wisconsin first and then the Nation politically. I just do not think it can be done. Such a course seems to me visionary and extremely doubtful as to direct benefits and actually vicious and disastrous in that it will eliminate and destroy the representation and influence that Wisconsin progressives or liberals now wield in the State and Nation. I am unable to follow their political reasoning. Two years ago they ran on the same ballot with

me as progressive Republicans. They were defeated in the primary. They then espoused the Democrats who, to the surprise of themselves and the whole State, were elected. Both men sought appointments in the Roosevelt administration. They did not get them. Now they want a third party. Again I confess I am unable to follow them.

What about the rights and interests of the people of Wisconsin? Unless they can show me where the political and economic conditions of the people of Wisconsin and my district will be improved, I cannot go along. Platforms and campaign promises are plentiful and easy to make, but my people want jobs and something with which to buy food and clothing and with which to pay their taxes. Last election after the primary they openly advocated the election of Democrats. This year they seek to divide the progressive Republican voters before the primary. Such a course may be expedient, but it does not square with progressive principles, and it is too devious as to method and nebulous as to results for me to understand or undertake.

Millions of destitute workers and farmers as well as distressed business men need honest, fair, and practical government as they never did before. A third-party program under these conditions, it appears to me, is a bolt to rule or ruin the progressive cause.

I believe in the American theory of representative government. On May 15 I submitted to over 600 progressive leaders and workers in the 14 counties of my congressional district the question of a third party. Two hundred and four have replied to date. Fourteen of these favor a third party, 181 are opposed to a third party, 9 were neutral.

My list to which I sent the questionnaire includes all of the known progressive Republicans of my district. It includes five or six of the advocates of a third party at the Madison conference in March.

It matters little who the new-party leaders may be or how good their platforms may read; the obvious fact remains that no leader or new party can accomplish much for the distressed people of Wisconsin unless such political leader or party can garner enough votes to be elected to office.

I believe in representative government and that we should let the people rule. I feel compelled, therefore, to recognize the expressed wishes of the overwhelming majority of the progressive Republicans of my district. After all, it does not matter so much what happens to progressive leaders in the coming election. They are but individuals and must accept their political fate regardless; but what about the thousands of unemployed, the distressed farmers, soldiers, and home owners, and other citizens? Every progressive or liberal representative who is lost to them in the legislature and Congress at this time means that their life and economic future will be so much harder. The welfare and rights of these people are involved in this election. Their rights should not be gambled away on the false hope that some progressive leader or two may win a grand prize. It was the loyal work of men like GEORGE NORRIS, LA FOLLETTE, FRAZIER, and CUTTING, supported by the progressive Republicans in the House for the past 20 years that made the new deal possible. It will take some more progressive Republican brains and energy to put it on a sound basis and eliminate the petty graft and favoritism that now permeates the new deal administration.

CONTROL OF LIQUOR TRAFFIC

The SPEAKER. Under the special order for today the gentleman from California [Mr. HOEPPEL] is recognized for 15 minutes.

Mr. HOEPPEL. Mr. Speaker and Members of the House, last Sunday our Nation was united in paying homage to the motherhood of America. In my remarks here I wish to urge the enactment of laws and the adoption of a progressive program which, fostering improved economic, social, and moral conditions and the development of a cleaner, more responsible citizenship, would be an everlasting tribute and memorial to the power and influence for good exercised by the mothers of America.

I recognize that the question I propose to discuss is one of a highly controversial nature, and I wish to be as impartial as possible in my remarks. Because my time is limited, I hope that the gentlemen will refrain from questioning me until I conclude.

I had the pleasure recently of hearing an address delivered by the Honorable Homer S. Cummings, the Attorney General, in which he described crime as a national problem and recommended the enactment of a number of prohibitory laws enlarging the police powers of the Federal Government.

Crime is indeed a national problem and in its relation to the liquor question it can best be solved, in my opinion, by national control rather than by prohibitory legislation. Instead of enacting laws to punish the individual, we should enact laws which would aid him in remaining a law-abiding and self-respecting citizen.

It is noted in the press of yesterday that the Attorney General is asking for a war chest up to $3,000,000 to equip the Government, even to the purchase of armored cars, for the suppression of crime. In the same issue, on the same page on which this information appears, we find that New York State is returning to the saloon and the brass rail. It should appear to any thinking individual that the policy of enacting legislation on one hand to combat crime and on the other to enact legislation to create incubators of crime is indeed unfortunate and ill advised from a practical standpoint. What we need in America today, instead of increased appropriations for law enforcement and the return of the open saloon, is a moral and spiritual awakening of our people. We should have more honesty on the part of our public officials and the leaders in big business, with less greed and unconcern on the part of these officials where the interests of the common people are involved.

Aside from monetary control and the extension of credit by our own Government direct to the people at a low rate of interest, it is my opinion that no question confronts the American people so important and far reaching in its application and potentialities as the question of liquor control. Will we Members of Congress take note of the statements made by Joseph H. Choate, Jr., Director of the Federal Alcoholic Control Administration, who has pointed out some very pertinent reasons why the bootlegger thrives and why the results of repeal are assuming aspects even more deleterious to the individual and more alarming in their contribution to our crime problem than the conditions which characterized legal prohibition days?

Unfortunately, he lists as remedy no. 1 increased appropriations for enforcement, which, in my opinion, is the same fallacy advocated during the days of legal prohibition. He does, however, stipulate that legal liquor should be cheaper in order that it may compete with the bootleg liquor. By this indirect comparison, he confesses the inefficacy of our present laws.

As an individual, interested in temperance, it is nauseating to me to find the windows of drug stores and myriad other businesses filled to the ceilings with wines and liquors of a high alcoholic content which any degenerate may purchase as he will. The recent murder of two men here in the city of Washington by an inebriated negro, without any apparent provocation whatever, is, in my opinion, an indirect responsibility of the Congress.

Mr. ZIONCHECK. If the gentleman will yield, the intoxicated colored man admitted that he had a glass of Coca-Cola, in which 24 aspirin tablets were dissolved.

Mr. HOEPPEL. That is what the Whisky Trust always says when anything occurs against their industry.

Mr. ZIONCHECK. I object to being called a "Whisky Trust."

Mr. HOEPPEL. The unrestricted sale of liquor, with the increasing number of accidents and infractions of law traceable to its unbridled use, is becoming a national menace, just as is the unrestricted sale of firearms to whosoever has the price.

It was hoped that repeal would eliminate the politician and the profiteer from the liquor business but such appears

to be far from true in practical application. The inordinate profits accruing to the liquor industry, despite the bootlegger's competition, can best be indicated by the amounts expended in embellished labels, fancy containers, and high-pressure advertising in an effort to inveigle the American people into an orgy of drinking. For instance, a 16-page issue of a Washington paper recently carried more than four full pages of liquor advertising. With an advertising charge of $316 per page, it is self-evident that the liquor business is perhaps the most prosperous in America today, despite the fact that 4,700,000 families are on the relief rolls and approximately 11,000,000 citizens are yet unemployed. Our newspapers are not to be censured for accepting this advertising, but, nevertheless, I feel that they would willingly forego this profitable business in the interest of eliminating bootlegging and its concomitant crime background and in lieu thereof, receive advertising from other legitimate businesses.

The liquor business should be nationalized. The only opposition which may arise to the nationalization of the liquor industry would be that from the Whisky Trust, which, according to reports reaching me, is very close to leading officials, elective and appointive, in government.

With C.W.A. workers, earning a mere pittance, walking directly into any of the myriad of liquor stores and paying as high as $2 per pint for whisky, it is frightful to consider what may occur when the prosperity which we anticipate in the new deal is restored to us. Mothers and fathers are becoming increasingly apprehensive on this subject and we already sense a reaction against repeal taking place in our country, a reaction which I deeply deplore, because it will again pit individual against individual and bring to fruition a spirit of intolerance on this question.

Drys and wets—not including the profiteering, law-breaking wets and corrupt politicians—should cooperate for the nationalization of the liquor problem instead of renewing the age-old war of the wets and the drys. Both factions should recognize that liquor was with us even before the Ten Commandments, and it appears that it will be with us until the end of time or the hoped-for millenium. The drys have a perfect right to their own opinions, but after 12 years of disheartening experience with legal prohibition it would seem that, instead of resurrecting that nightmare and organizing to defeat legislators who differ with them, the drys should join with the temperate wets in the interest of solving this problem once and for all in the furtherance of temperance, in which appropriate control and the injurious effects of alcoholic indulgence may be taught.

While I have been in accord with the President in most of his experiments under the new deal, I am not willing to experiment further with the liquor problem. One noble experiment is sufficient for me. I do not believe in impromptu, ill-considered legislation on this subject. The candidates for Congress in the approaching election should, in my opinion, seek to learn the wishes of their constituents on this subject and should return to the Congress definitely resolved to enact some measure nationalizing the liquor industry. I am very hopeful that the drys will join with those who believe in real temperance, and that they will together use the political club to defeat any legislative candidate unless he will pledge himself to cooperation in correcting the abuses and the confusion resulting from 48 divergent State laws and the thousands of county and municipal laws on this subject.

We seem to have no misgivings in the Congress today toward enacting legislation giving to one man arbitrary power over the destiny of our people, as witnessed in the N.R.A. and other organizations in the new deal. In the matter of gold devaluation, we gave the Secretary of the Treasury absolute control over $2,000,000,000 in gold. Why then should we quibble about turning over the national control of liquor to a nonpartisan commission?

No one questions the integrity of the Supreme Court of the United States; therefore I would suggest the appointment of a nonpartisan commission of seven or more members, appointed for a long tenure of service or for life. In order that such commission may be truly representative of a cross-section of the Nation, I would suggest that 1 of these individuals be selected from the medical group, 2 from the religious, 1 from the scientific, 1 from organized labor, 1 from the agricultural groups, and 1 from the United States Chamber of Commerce, all of these individuals to be recommended to the President for appointment by their own respective groups and any vacancies occurring on such commission to be filled under the same procedure. This commission should be directly amenable to the Congress of the United States and its members subject to removal, with or without charges, only by a vote of two thirds of the actual membership of the Congress, not merely by two thirds of those present and voting.

The manufacture, distribution, and sale of all beer, wine, and liquor should be directly under the control of this commission. If the present licensing features of the N.R.A. do not permit this innovation, laws should be enacted to this effect. The profits of manufacture, if retained under private auspices, should be restricted to a reasonable return on the investment of the brewery, winery, or distillery. All Federal licenses on these products should be repealed and the surplus revenue, if any, resulting from such control should go into the Treasury of the United States. It was preposterous and ridiculous to me to find individuals advocating repeal because of the revenue which would accrue to the Government through the legalization of the liquor industry. This revenue is infinitesimal compared with the large expenditures, totaling into the billions, necessary in the suppression of crime traceable to drink, not to mention the distressing, heart-rending effects upon those who suffer indirectly because of crime and its kindred manifestations.

In the event it is decided that a profit should be made from the national control and sale of liquor, I would suggest that such profit be turned over to the respective States and Territories in proportion to the sale of liquor in such States and Territories, and that these funds be used solely for pensions to the aged and disabled.

While I readily appreciate the fact that the suggestions I offer here may not provide the panacea desired, I feel confident that the American people, if given the opportunity, could evolve a scheme of national control which would be iron-clad and workable.

In furtherance of my suggestions, I would reduce to the barest minimum the number of places where liquors of any kind could be purchased. I would make no restrictions whatever as to the amount any individual might purchase at any time, provided he had in his possession a permit issued by the local authorities under regulations established by the national commission, and I would not require registration of such sales.

National control will solve our liquor problem if anything can. The bootlegger will not compete if the Government is in control of the liquor industry any more than the counterfeiter competes successfully with the Government in the sale of stamps or the making of money. The politician also would be deprived of his percentage or commission.

I wish to reiterate, however, that the bootlegger will never be removed as long as we continue to tax the industry, with which he is competing, by inordinate taxes. The tax on beer and light wines should be merely a regulatory tax and reduced to a minimum. Wine is, in fact, a food and is usually consumed with meals. Seldom do we see a man drinking a glass of wine at a standing bar. The recognition of this fact would lead to the development of the wine industry and contribute to our economic recovery through the employment of thousands of Americans and at the same time would have a tendency to wean drinkers from the use of heavy intoxicants.

In conclusion, I repeat that I consider the liquor question one of our most important problems because of the large amount of public funds which might be saved to the taxpayers through the proper control of the manufacture, distribution, and sale of liquor, resulting in a reduction of crime and its costly consequences. I have the utmost con-

fidence in the integrity and intelligence of the American people, and in the interest of the youth of America, I appeal to drys and wets to lay down their armor of combat and to extend the hand of fellowship and cooperation in order that this problem may be solved as expeditiously as possible in the furtherance of making the new deal a new deal for the restoration of the moral fiber of our citizens and the elimination of all the graft and evils which have centered in and which will always center in the private manufacture, distribution and sale of liquor. [Applause.]

[Here the gavel fell.]

Mr. TRUAX. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 minutes more.

Mr. O'BRIEN. Mr. Speaker, I object.

Mr. TRUAX. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 1 minute.

Mr. O'BRIEN. Mr. Speaker, I object.

The SPEAKER. Under the special order of the House the gentleman from Texas [Mr. PATMAN] is recognized for 5 minutes.

RELIEF GRANTED BY GOVERNMENT TO DEPOSITORS OF CLOSED BANKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an address that was made by Mr. O'Connor, Comptroller of the Currency, at Tulsa, Okla., a few days ago.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. J. F. T. O'Connor, Comptroller of the Currency, to the Oklahoma Bankers' Association, meeting in Tulsa, Okla, through special leased wire from Washington, D.C., May 9, 1934:

To the members of the Oklahoma Bankers Association, meeting in the Mayo Hotel in Tulsa this afternoon, I send greetings from the Nation's Capital.

Surely this is the age of magic, when the voice of a person in Washington is transmitted 1,500 miles to a meeting of bankers in Oklahoma. It is peculiarly fitting that these words should be devilered in such a mysterious manner to Tulsa—The Magic City.

Oklahoma, the forty-sixth State to enter the Union, is in many ways the most amazing of all in the United States. "Labor Conquers All Things" is your State's motto, and a better one could not have been chosen. For the people of Oklahoma are conquerors. They have conquered the earth, penetrated its most secret chambers, and there gushed forth millions upon millions of dollars of wealth in oil.

You bankers are interested in the banking situation in the United States, and it affords me a great deal of pleasure to be able to tell you that the general banking outlook in this country was never brighter.

It is only a little over a year ago since the banking holiday of March 1933—when every bank in the United States was closed by Presidential edict—but, already, most of the scars left by that wound have disappeared. The day after the banking holiday terminated—on March 16, 1933, to be exact—there were 1,417 national banks in this country which for one reason or another were not allowed to reopen, and these institutions had on deposit some $2,207,964,000. By May 1, 1934, a period of less than 14 months, 1,232 of these 1,417 national banks had either been reopened, liquidated, absorbed by another institution, or placed in receivership.

This left 185 unlicensed national banks on the 1st of May, but, of these, 156, or nearly 85 percent, had received approved reorganization plans from the Comptroller's Department, so that they can be reopened just as soon as the terms of such approvals are fulfilled. There were only 29 national banks with disapproved reorganization plans on May 1, 1934, and their aggregate frozen deposits amounted to $16,281,000.

This latter figure, you will note, represents less than three quarters of 1 percent of the $2,207,964,000 in frozen deposits tied up in all unlicensed national banks on March 16, 1933.

In the State of Oklahoma there were 16 national banks which failed to receive licenses to reopen at the conclusion of the March 1933 banking holiday. Since that time—up to May 1, 1934—9 of these institutions have been reopened in one form or another, 5 have been placed in receivership, and 2 are still unlicensed. However, of the 2 still unlicensed, 1 has an approved reorganization plan. The one Oklahoma national bank with a disapproved plan of reorganization has but $374,000 in frozen deposits.

Nothing has contributed more to the improved banking situation in the United States than the insurance of deposits, which went into effect on January 1, 1934. Under the provisions of the temporary-insurance plan now in effect, deposits in insured banks are protected in full up to $2,500 per depositor.

At the close of business April 30, last, 13,984 banks in every section of the country held membership in the insurance fund. In these institutions, 55,956,783 accounts are insured; insured deposits amount to $15,706,905,590 and total deposits aggregate $38,356,701,979. The ratio of insured to total deposits is 41.09 percent.

As a result of the protection afforded by deposit insurance and the improved public psychology resulting from such assurance to bank cutomers, deposits have been increasing so far in 1934 throughout every section of the United States, hoarding has decreased sharply and there has been a complete absence of runs on solvent institutions.

The insurance fund is now in its fifth month of operation, and as these words are spoken, no insured bank has yet closed its doors. It is true that a small insured State bank in Pennsylvania has been placed on a restricted basis by the banking authorities, and will probably prove to be a claim against the resources of the Insurance Corporation, but in this instance the troubles of the restricted institution were due to defalcations. The depositors in this bank are covered practically 100 percent by deposit insurance and other guarantees.

The practical absence of failures so far this year presents a striking contrast to the record of former periods. During the 10 years, 1923 to 1932, inclusive, 3,141 banks failed in the United States in the first 4 months of such years alone, involving $1,097,055,000 in deposits. The average number of bank failures in the months of January, February, March, and April only during these 10 years was 314, while the average amount of deposits involved was $109,705,500.

In the State of Oklahoma 395 banks are enjoying the protection of deposit insurance. In these institutions 705,532 accounts are insured. Insured deposits aggregate $108,810,567 and total deposits in such banks amount to $287,273,273. The ratio of insured to total deposits in these Oklahoma institutions is 37.9 percent.

Besides the tangible effects of deposit insurance, the Federal Deposit Insurance Corporation, which administers the insurance fund, has put into effect rules, which, if their dollars-and-cents value cannot be determined, are equally helpful to the banking situation. These include regulations that banks which are members of the insurance fund cannot pay interest on demand deposits and can pay no more than 3 percent on time deposits. These rules prevent the careless banker from ruining himself and his institution by paying higher interest rates than his bank can afford.

A part of the public seems to have absorbed the idea that bank-deposit insurance will be terminated shortly. Nothing could be more incorrect. It is true that the temporary-insurance fund, now in operation, is scheduled to end on July 1, next, but this does not mean the end of this protection. A bill has been introduced in Congress—and it has been passed by the Senate—providing for the extension of the present insurance fund for 1 year to July 1, 1935. My confidence in the good judgment of the House of Representatives leads me to believe it will pass that body.

But bank-deposit insurance—in some form—will continue next year, and undoubtedly for all years to come.

However, it has been felt, and the directors of the Federal Deposit Insurance Corporation agree, that the present insurance—whereby deposits in insured banks are protected in full up to $2,500 per depositor—should be continued for another year. Those who favor the 1-year extension contend—and it seems to me that their contention is sound—that the $2,500 protection is adequate to take care of the average bank depositor, the little man. In addition, it gives the directors of the Federal Deposit Insurance Corporation another year in which to study the whole question of bank-deposit insurance, during which time they should be able to decide definitely just what changes, if any, should be made in the permanent-insurance fund to best serve the people's interest.

There has been much loose talk in various sections of the country that nothing has been done for depositors in closed banks, and that the cost of receiverships is so great that nothing is left for the poor depositors.

Both of these charges are untrue.

In reality, a remarkable record has been made in distributing dividends to depositors in closed banks, and no distinction has been made as between national and State institutions. Largely due to the efforts of the Deposit Liquidation Board, of which I am a member, the Reconstruction Finance Corporation has advanced to unfortunate depositors in closed banks the staggering total of $785,000,000 to date. It has taken as security for such advances the assets of the closed banks. Of course, the amount actually distributed to depositors in closed institutions is much greater than the sum mentioned, since many banks have made collections and had cash on hand at the time they closed. Since March 16, 1933, there has been distributed in dividends to depositors in national banks $475,806,742, of which sum $123,994,380 was borrowed from the Reconstruction Finance Corporation. Here we account for over a billion dollars distributed through the Reconstruction Finance Corporation and the Office of the Comptroller of the Currency. Figures are not available to show the amount distributed by State institutions. The chairman of this special committee is Hon. C. B. Merriam, of Topeka, Kans., a director of the Reconstruction Finance Corporation. Mr. Merriam is one of the outstanding executives in Washington and has rendered a service in a quiet manner which has attracted the attention and won the approval of all of the leaders in the Capital City.

Considerable clamor has been heard urging that the Government repay in full the losses sustained by depositors in banks closed during recent years. There is little merit in the argument of those who propose this raid on the United States Treasury.

It is claimed by interests who would have depositors in closed national and Federal Reserve member banks repaid that such repayment fulfills the Government's implied guaranty of deposit safety in such institutions. But this is not true, since the United States Government has never declared or implied that it guaranteed deposits in these banks. Moreover, this would be a most hazardous responsibility for the Government to admit or accept. It would establish a precedent that might well be extended to any business activity over which the United States Government exercises any supervision, such as over the sale of alcoholic liquors, railroads, radio, and possibly to individual losses in the stock market, where the Government takes supervision thereof.

The most important thing to remember, in connection with this agitation for repaying losses sustained by bank depositors, is that, if these losses are to be made good by the Government, it will cost some $2,000,000,000, possibly more, if all banks are included. Now, assuming that such a program is to be carried out, the money must come from somewhere. And that somewhere will be from the pocket of the individual taxpayer. If the taxpayers are willing to be assessed for this purpose, it will be a surprise, particularly since the greatest portion of the money that would be repaid would go—not to the poor man—but largely to a few people who already have above the average in wealth. Should an appropriation be made by Congress for this purpose, 44 percent of whatever sum is appropriated will be paid to one half of 1 percent of the depositors. The argument is sometimes made that people put money into the banks because of certain appeals made by ex-President Hoover and other high officials in the Treasury. The fact is that depositors took money out of the banks after these appeals were made. Congressman PATMAN, of Texas, pointed this out in a speech before the House of Representatives on April 26, 1934, when he said:

"It is contended that depositors were persuaded to deposit their funds in national banks by reason of the antihoarding speeches made by President Hoover and Secretary of the Treasury Mills in February and March of 1932, which caused them to lose it. Let us consider the facts. The last report of deposits in national banks before these speeches were made was December 31, 1931. At that time the deposits were $19,244,347,000. The next report after the speeches were made was June 30, 1932. The deposits had dropped to $17,460,913,000. In other words, it seems that deposits decreased almost $2,000,000,000 instead of increasing.

"Within 12 months after these speeches were made, the deposits in all banks had been reduced more than $4,000,000,000."

The following figures should convince anyone that bank receiverships do not unduly penalize depositors: Between the date of the first failure of a national bank in 1865 to the close of business October 31, 1933, 1,155 national-bank receiverships were administered by receivers. Expenses incident to the administration of these 1,155 closed trusts—such as receivers' salaries, legal and other expenses—amounted to $32,030,848. This represented merely 3.90 percent of the book value of the assets and stock assessments administered, while it was 6.66 percent of collections from assets and stock assessments. Over 93 percent of every dollar collected has been returned to the depositor. Assessments against shareholders averaged 67.97 percent of their holdings, and the total collections from such assessments as were levied were 49.47 percent of the amount assessed.

Great as has been the improvement in the banking situation since March 1933, it is my firm conviction that even greater gains will be shown in the years to come. Bankers, as well as other people, have learned much from the depression years and are not likely to repeat the mistakes of 1928 and 1929.

This country is indeed fortunate to have chosen so wisely at the election of November 1932. President Roosevelt is exceeding the preelection hopes and expectations of even his most ardent admirers. He is working night and day that this Nation may find the way to better and more prosperous days—not for the few, but for the many. Emulating his example, we should all strive to do our small parts to bring this hope to reality.

My friends, I am glad to have had this opportunity to speak to you from the Nation's Capital.

Mr. PATMAN. Mr. Speaker, I asked for this time to talk on the McLeod bill.

M'LEOD BILL

If this bill is enacted, and it includes only the banks closed on and after January 1, 1930, the Government will lose more than a billion dollars.

The following statement is self-explanatory:

Number of banks closed on or after Jan. 1, 1930	Reconstruction Finance Corporation advances	Recoveries	Loss to United States
1,581 national banks	$575,125,304	$257,100,216	$318,025,088
281 State member banks	402,679,945	150,998,619	251,681,326
5,554 State nonmember banks	829,494,693	315,989,361	513,505,332
Total, 7,416 banks	1,807,299,942	724,088,196	1,083,211,746

The foregoing figures, of course, do not include any estimate for interest costs pending final liquidation.

WHO WILL GET THE BILLION DOLLARS?

Most of this money will go to the wealthy—people who are not in distress and are not entitled to public charity. One tenth of 1 percent of the depositors will get almost 50 percent of the deposits. One depositor will get $32,000,000. If we owed these people anything, I would advocate its payment; but the Government does not owe them a penny. It is not right to say we owe the $2,500 depositor but do not owe the $32,000,000 depositor; if we owe one, we owe the other. If there are 1,001 depositors of a closed bank, one having on deposit $2,500,000 and the other 1,000 having on deposit $2,500 each, or $2,500,000 in all, it will be neither right nor legal to pledge the assets of the institution to pay the 1,000 depositors and not pay the large depositor his proportionate amount. For the benefit of all depositors, large and small, I am glad that the Government is doing so much to aid them and to again make their banks going institutions.

WHY ARE STATE AND PRIVATE BANKS INCLUDED?

The Government had nothing to do with the supervision and operation of State and private banks. The policies of the Government in regard to monetary affairs did not affect them any more than they affected the railroads, insurance companies, building-and-loan companies, manufacturing industries, laborers, farmers, wage earners, and others. If Congress expects to pay depositors of national banks, State banks, or private banks on the theory that there was indirect supervision, control, or influence by the Government which caused the losses, it will set a precedent that will call for the payment by the Government of losses to holders of stocks or bonds of the concerns now receiving aid from the Government's Reconstruction Finance Corporation; the R.F.C. exercises some supervision over these institutions and much more control or supervision than the Comptroller of the Currency held over the national banks of the country.

OTHER INSTITUTIONS WILL BE INCLUDED LATER

Let us consider the different branches of commerce, industry, and agriculture that are being helped by the R.F.C., in order that we may have an idea of whom and for how much there will be an attempt to invoke this principle in the future, if it is enacted by the passage of the McLeod bill:

Loans to banks and trust companies, $1,896,925,340.

Loans to railroads, $402,287,361.

Loans to mortgage loan companies, $221,272,169.

Loans to Federal land banks, $193,618,000.

Loans to regional agricultural credit corporations, $166,442,905.

Loans to building and loan associations, $114,017,920.

Loans to insurance companies, $88,587,563.

Miscellaneous, $48,674,351.

Purchase of preferred stock in banks and trust companies, $257,600,616.

Purchase of other bank securities, $192,947,150.

Under this McLeod fallacious theory and foolish doctrine, the Government's liability will not be limited to the amount of credit or money extended to these institutions. Every bank that was loaned $25,000 and later fails the depositors of that bank to the amount of hundreds of thousands of dollars will be able to come under the wire and ask to be paid by the Government; they will proclaim long and loud that the Government exercised a degree of supervision over their institutions, and it failed; therefore they should be paid just like the depositors in the national, State, and private banks were paid.

CLAIMED CURRENCY WILL BE EXPANDED—WILD SCHEMES

Because I am in favor of expansion of the currency it has been suggested to me that I should not oppose this bill or any other bill that will cause credit or money to be expanded. I expect to oppose every measure that is not sound, or that will set an indefensible precedent for the Government to follow in the future. The people cannot be helped in that way; if there should be a small amount of expansion

by using such methods and adopting such principles, the rebound and future abuses will destroy several times the benefits so received.

Those of us who are in favor of controlled expansion of the currency will not help our cause by running off after every wild scheme that is proposed. I can defend every expansion of the currency plan I have proposed. Further, the credit expansion in the McLeod bill will amount to practically nothing when it is considered that interest-bearing tax-exempt bonds will be sold by the Government, or its agency, to furnish the credit. This will enable the large depositors of these institutions to convert their lost investments into bonds that will be free from taxation and upon which the Government guarantees both principal and interest.

IF PRINCIPLE GOOD, LOSSES BACK TO 1920 SHOULD BE PAID

Our monetary troubles started in 1920, when the other body controlled by Republicans passed a resolution which caused the Federal Reserve Board to order deflation of credit. In 4 months wheat fell in price from over $3 a bushel to $1.40 a bushel; cotton fell in price from 40 cents a pound to 7 cents a pound; purchasing power was destroyed, values were destroyed, and much misery was caused to the people. The farmers lost more than $20,000,000,000 in a very short time, causing many of them to lose their homes, which they have never recovered. If people are to be paid by the Government on account of a wrong monetary policy being pursued, the farmers have a good claim for at least $20,000,000,000, and by the time we analyze all the principles and precedents that will be set by the McLeod bill the claims will probably aggregate closer to a hundred billion dollars.

Many of us are anxious to know why the date January 1, 1930, was put in the bill. Can any good reason be given why it should not be January 1, 1929, or 1928 or 1925 or 1920? Possibly the McLeod bill is intended as the camel's nose.

FIFTH VICTORY LOAN

The patriotic people of this Nation were persuaded to borrow money and make payments on Fifth Victory Loan bonds. This was in 1919. I know hundreds of them that made payments of $10 to $25 on hundred-dollar bonds. They were being patriotic, they were responding to the call of our country; they wanted to do their part. What happened after these bonds were distributed all over the Nation into the hands of poor people who could not pay the remainder of their installments to the banks? Deflation of credit and money caused the bonds to go down in value, their loans at the banks were called, and these poor people were forced to lose as much as $20 on each hundred-dollar bond. That was enormous, considering the fact that in many instances the purchaser had pledged or mortgaged his property to make the initial installment on the bond and required to pay twice as much interest to the bank as he was receiving on the bond. It is like pouring salt in the wound to know that large banking institutions with the free use of the Government's credit purchased these bonds and made tens of millions of dollars in profits. In other words, the ones encouraging the deflation made the profits in these transactions.

If our Government expects to pay losses on account of a destructive or wrong monetary policy, I think the people who were squeezed out in this bond swindle should have first consideration.

STOCK ARGUMENT

The argument is made that the Government will not lose anything by purchasing the assets of closed banks 100 cents on the dollar, the claim being made that values will be restored and there will be no loss. No effort is being made by those in authority to restore 1929 values. The assets acquired on 1929 prices are the ones giving the most trouble. We are not having trouble with the 1926 loans. It is the 1926 price level we are trying to get back to. It is very inconsistent to advocate the purchase by the Government of assets according to 1929 prices and not advocate restoring the price level that prevailed in 1929. If the Government purchases the assets of closed banks by paying 1929 prices and then holds these assets until the goal—1926 prices—is reached, the Government will necessarily lose the difference between the 1926 prices and the 1929 prices.

ALL ASSETS CANNOT BE HELD

Many assets in the closed banks cannot be kept for a period of years, such as grain, cotton, and other perishables, besides livestock and machinery. There are apartment houses and office buildings badly in need of repairs; new apartment houses and buildings will be erected in a short time, and the tenants will leave the buildings we have in receivership. Therefore, we cannot hold these properties for any long period of time.

ASSETS OF BANKRUPTS

Included in the so-called "assets" of closed banks are the obligations of persons, firms, and corporations that have gone into bankruptcy. They are of no value, yet it is contended that the Government will not lose money. Certainly the Government will lose money if it purchases all the bad assets of closed banks 100 cents on the dollar. The loss will have to be paid; it will be paid by the taxpayers.

REPUBLICAN PARTY SUPPORTING THIS INDEFENSIBLE BILL

If the bill contained a good principle that we could build to, I would not object to bringing it before the House for consideration, in the hope that it might be amended; neither would I mention politics in connection with it, but since it fails to contain a single good principle and contains a very bad precedent, I think we can well consider who is backing such a measure. We can get a fair idea by examining the list of sponsors.

The House of Representatives is composed of 312 Democrats, 115 Republicans, and 5 Farmer-Labor.

April 23, 1934, the gentleman from Maine [Mr. BEEDY] made a motion which would have cleared the way for immediate consideration of the McLeod bill. A motion was made to table. Members opposed to the McLeod bill voted "aye"; Members favoring the McLeod bill voted "no." There were 212 Democrats and 15 Republicans voting "aye." There were 38 Democrats, 80 Republicans, and 4 Farmer-Labor voting "no." That vote indicates the Republicans are supporting this measure. You will notice that such Republican leaders as the Honorable Ogden Mills, the Honorable Herbert Hoover, and the Honorable BERTRAM SNELL are just as silent as the tomb. Do they want all the credit they can get out of it and not take any of the responsibility? Their failure to announce the stand of the Republican Party or themselves as Republicans strongly indicates that they are favorable to its passage. The principal reason the Republicans are supporting this measure is they want to use it as a means of embarrassing the Democrats in the districts where a large number of the beneficiaries of such a law reside. They are using it as a trap to catch votes; probably "deadfall" would be a better name.

SIGNERS OF PETITION

In the Washington Times of yesterday, May 14, there was published a list of the Members of the House who have signed the petition to force consideration of the McLeod bill. Presuming it is correct, we find another strong indication of Republican support. The article indicates there are 115 signers to the petition. The analysis of the list discloses the following:

Sixteen and one-fourth percent of the Democratic Members of the House have signed the petition.

Fifty-two and one-fourth percent of the Republican Members of the House have signed the petition.

One hundred percent of the Farmer-Labor Members of the House have signed the petition.

These figures indicate very little Democratic support. Of course, that is explained by the fact that very few Democrats can be persuaded to permit their names to be used in support of such a measure, and, further, the President of the United States is opposed to the passage of the bill.

REFERENCES TO OTHER SPEECHES ON THE SAME SUBJECT

April 20, 1934, commencing at page 7090 of the CONGRESSIONAL RECORD, will be found my discussion of the McLeod bill. It covers the following subjects:

Cost of the McLeod bill.

Can Government pay all losses?

Bad precedent.

Unlimited appropriation to unknown parties for unknown reasons.

Insurance claims.

Will take $200,000,000,000 to pay all losses.

I again discussed the McLeod bill April 26, 1934. My discussion commences at page 7482 of the CONGRESSIONAL RECORD. In that speech the following points were discussed:

McLeod bill supporters like Columbus.

What the bill proposes.

Will there be a loss, and who will pay it?

Who will get the money (table is inserted showing the distribution of the money)?

The rich man's bonus (a table is inserted showing loans made by Reconstruction Finance Corporation to banks in each State).

Hoover and Mills speeches—deposits decreased.

What is now being done to aid banks and depositors.

May 2, 1934, I inserted an extension of remarks on the Old and New McLeod Bills, pages 7963–1964. I discussed the following points in this extension:

Purpose of bill according to its title.

The new bill.

Motion to discharge the Rules Committee.

Bill without a good principle.

Compliment to Mr. Hoover (table showing all bank suspensions since 1920 by years, showing deposits, and including State, private, and national banks).

During the last month I have been getting up a statement with regard to veterans' benefits, and this statement includes the status of all veterans before the Economy Act was passed. It states the cases that were most frequently objected to and criticized, and the rules and regulations passed by the President under the Economy Act telling exactly what was done with respect to each class and group of veterans and the effect of such action, also the regulations that were passed putting veterans back on the pension rolls, and the different laws that were enacted restoring benefits. Then the independent offices appropriation bill is taken up and tells what was done in each House and the effect of the amendments that were proposed and adopted.

Then it tells the difference between the President and Congress in regard to the veterans' legislation, the present status of the World War veterans and their dependents and the benefits which each class is entitled to under the present law, rules, and regulations.

Then it takes up the Spanish War veterans and the Philippine insurrection and gives the same information, also of the Boxer rebellion. It will answer practically any question veterans will ask.

The SPEAKER. The gentleman from Washington [Mr. ZIONCHECK] is recognized for 5 minutes.

Mr. ZIONCHECK. Mr. Speaker, on the 3d day of this month I filed a petition to discharge the Rules Committee from the further consideration of H.R. 295, which provides for an open rule for the consideration of the Connery 30-hour week bill. I filed this petition after a great deal of deliberation, for I was very reluctant to do anything that might embarrass the administration in its effort to bring about recovery. I came to the conclusion that this legislative body and its every Member has a constitutional duty to perform and that if we are to be a body that sincerely tries to represent the 435 congressional districts of these United States we must take on a share of the burden of enacting legislation which in our honest opinions is necessary to bring about recovery and a fairer distribution to each and every citizen whom we represent. By the filing of this petition I felt that every Member here would be given an opportunity to express his opinion on this vital question, so that our President might know how we feel in our representative capacities.

H.R. 8492, the Connery 30-hour week bill, in brief, provides for a 5-day week and a 6-hour day for industries that are operating under the National Recovery Act. It sets up a board which has the power to grant exemptions from the 30-hour-week provision where such exemptions are really necessary for the proper conduct of business, and, more important still, it further provides that the same wages must be paid for the 30 hours as for the hours previously worked under the code where the hours were more than 30. One of the reasons that I am so vitally interested in this fundamental measure is that I have a definite campaign commitment to work and fight for a 30-hour week without wage reductions.

Under the present N.R.A. codes labor is compelled to work 40 or more hours per week, and in view of the fact that there are at present more than 11,000,000 unemployed, it seems to me that we are proceeding toward recovery in reverse. It is my sincere belief that we will never get out of this horrible depression until these honest and sincere Americans are given a real opportunity to obtain gainful employment at wages that will allow them not only to buy the necessities of life but also the comforts as well as a few luxuries. This is the age-old battle of human rights against property rights. We are called upon today to indicate in our representative capacities whether we deem the human rights of millions of Americans more important than the rights of capital to interest, dividends, and profits. Yes; we are called upon now to express ourselves on the grave question of further allowing millions to starve amidst plenty.

In a spirit of constructive criticism, I believe that our present recovery program is entirely wrong in that it is based upon the philosophy of economic planning of production instead of consumption. More and more of us are coming to the belief that if we economically plan consumption production will take care of itself; that if we create an opportunity for gainful employment for all who honestly seek to be employed that no longer will there be any further necessity of plowing under cotton, burning wheat, and destroying hogs; and unless we immediately enact legislation such as the measure on which I now speak we will never create a real consumers' purchasing power, which is the dire need of this country today. This bill strikes at the fundamental cause of the depression, for every economist who is worthy of the name holds that the cause of this depression is that labor has not received a just portion of what it has produced.

Some have expressed a fear that a compulsory 30-hour week would destroy small industries. I want to say here and now that the same fear has been expressed in times past when labor has been fighting its bitter battle for increased wages and reduced working hours. The same cry was raised in behalf of small industries when the effort was being made to reduce the working hours from 14 to 12, from 12 to 10, and from 10 to 8. When the battle was being carried on for an 8-hour day in the State of Washington one of our largest newspapers in the city of Seattle editorially predicted that a compulsory 8-hour day would drive all industry out and that our State of Washington would be as barren as a desert within a month's time, but when we look back today we find no foundation for such a rash prediction. The same arguments may be advanced in the future when the need of a 4-hour day will become very evident, due to the terrific pace of labor-saving devices and the increased efficiency of labor. Regardless of these arguments, I say that the right to earn an honest living at gainful employment, the right to live and enjoy life, are more important than the right to make profits, collect interest, or obtain dividends. There is not a reasonable-minded person today who will honestly maintain that there is not enough for everyone, if a fair distribution of the things created by labor is brought about.

In view of the arguments that have been advanced against reduced hours and increased wages, as well as better prices to the producers of farm products, we find that at present,

according to the figures of Dr. Wilbur I. King on the Distribution of Wealth, if today we only had $100 and 100 persons, 1 of those persons would have $59, 1 person would have $9, 22 persons would have $1.22 apiece, and the remaining 76 persons would have less than 7 cents each. Do not these figures forcefully argue that compulsory measures must be taken to give labor, in its larger sense, a greater share of what it produces?

A few days ago in the city of Seattle we had a pitiful example of a little 4-year-old girl, the daughter of an unemployed shoemaker, eating weeds because of hunger. Among the weeds that she ate happened to be some poison hemlock, which caused her death a few hours afterward.

I ask is it more important to protect the rights of little children who are not responsible for being born into this world than the rights of rapacious greed that thinks only in terms of interest, dividends, and profits? I for one cannot see how any person with a human heart and understanding can even hesitate as to what course he shall choose under these circumstances.

Today in the city of Seattle 750 unemployed are being added to the relief rolls daily. Although I believe in adequate relief and relief measures for the time being, nevertheless, I recognize that that is not a remedy for unemployment. Only measures such as the one of which I speak contain a solution for the grave injustices which constantly surround us.

Many persons here feel that the 30-hour week bill might be held unconstitutional by our Supreme Court because of the previcus decisions of that tribunal with reference to child-labor legislation in its relationship to Interstate Commerce, nevertheless, the prevailing view is that this measure would be held constitutional, due to the grave emergency that now confronts our modern civilization.

Congressman CROSSER has introduced a constitutional amendment, House Joint Resolution 145, which is before the Judiciary Committee today, which I feel is the more sensible manner of approaching this problem of unemployment. The text of this amendment is as follows:

ARTICLE XX

To promote the general welfare Congress shall have the power to reduce the number of hours of service per day and days per week for which contracts of employment may be lawfully made.

In Congressman CROSSER'S speech upon this amendment on July 8, 1932, he states:

This amendment could provide for a body like the Interstate Commerce Commission, which would remain constantly in session. Applications for the reduction in hours of labor in any industry could be filed with the Commission whenever the facts might seem to warrant such action. The Commission then could conduct hearings and receive testimony to determine whether or not any increase in the efficiency of labor may have resulted because of the use of improved machinery or otherwise; if it should find that such increase in efficiency had occurred, then it would be the duty of the Commission to reduce the hours of labor for that industry in proportion to the increase in efficiency of labor.

Although such a constitutional amendment would be far more preferable than the present bill about which I am speaking, nevertheless, in absence of this constitutional amendment, I think every Member who has the interests of the producer at heart will work for the enactment of the 30-hour week for the time being.

I am wholly satisfied that our President is absolutely sincere in his effort to bring about recovery under the N.R.A. program. Personally, I am thoroughly satisfied that it is a failure, particularly for the reason that big business and their representatives draw up the codes, and we all know that they draw them up to serve their own selfish interests and not the interests of labor or the small business man.

To me the N.R.A. codes resemble the proverbial sausage that was made of half horse and half rabbit, and when the maker of the sausage was asked how he figured this out he informed his questioner that it was made of 1 horse and 1 rabbit. Labor is the rabbit of the present codes, and a very skinny little rabbit at that.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. ZIONCHECK. I yield to the gentleman from Oregon.

Mr. MOTT. Does the gentleman think that the N.R.A. is a failure on account of the law itself or because of its administration?

Mr. ZIONCHECK. Partly because of its administration, but fundamentally because of the law itself. It is next to impossible to administer such a law, for I think past experience shows that any time the Government attempts to regulate industry that it is but a short time before the regulated are regulating the regulators. The attitude of industry a year ago and its attitude today is as different as night and day. At that time they were crying for governmental interference in business, and today, as soon as their profits increase, they cry that Government should not interfere with business. As an example of the attitude of some employers, under the present N.R.A. codes, I want to insert a bulletin of a Chicago employer, whose name I can furnish upon request, which reads as follows:

CHICAGO, *August 3, 1933.*

To Factory Employees:

Beginning with the week of August 7 this entire plant will be operated under the Federal National Recovery Act. By this law we are governed as to minimum wages and weekly hours of labor. Except in emergency we cannot give any factory employee, except foremen, more than 35 hours labor per week. For the regular shift these hours will be from 8 o'clock morning to 12 noon, and from 12:45 to 3:45 afternoons, for 5 days, Monday to Friday, inclusive.

With these regulations and with the increase in old taxes and the addition of several new taxes it will be difficult to operate any industrial plant without loss. Therefore we must get maximum production from every man and woman who holds a job here. Every employee must be in his place and ready to start before the whistle blows at 8 o'clock. There will be no time allowed in any department for washing or dressing at the close of the day. Full speed must be carried on for every minute of the 7 hours. There will be no unnecessary loss of time allowed for drinking, lunching, toilet going, or personal conversations during operating time. In short, we expect to receive 7 full hours of best effort from every person who desires to remain in our organization. Any worker who will not thoroughly cooperate must be dropped from our roll.

When the special code for our industry is issued there may be some change made in working hours.

I do not want myself to be interpreted as maintaining the position that a 30-hour week will remedy the present situation. I am thoroughly convinced that companion measures must be enacted. For the time being the Reconstruction Finance Corporation should be authorized to make loans direct to small industries at a low rate of interest.

The next necessary step, in my estimation, must be an act that will nationalize commercial and deposit banking, leaving the investment field alone to private bankers; and along with this we will have to increase the gift, income, and inheritance taxes in the higher brackets so that the creators of unemployment will have to support the unemployment they create through governmental agencies, or, in the alternative, by way of pay envelopes in order to avoid the payment of these taxes to the Government.

Some of the Members feel that the 30-hour week bill is drastic legislation, but I say it is but mild compared to the legislation that must be enacted in the near future if we are intelligently to avoid utter chaos. It seems perfectly apparent to me that when a patient is very sick strong medicine must be administered if the patient is to recover. I am certain that if the different Members of Congress were able to visualize the actual conditions existing in their congressional districts at the present time they would have no hesitation in signing this petition. Many undoubtedly think that we are out of the depression today, because of the conditions that they see existing in Washington, D.C.; but I want to state here and now that in the city of Washington, D.C., the people do not know what a depression really is; but I predict that they will, unless we pass legislation in the very near future which is fundamental and basic and for the benefit of the great majority of the people, who are not only the producers, actual and potential, but also the consumers.

Mr. TRUAX. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 3 minutes.

The SPEAKER. Is there objection?

Mr. VINSON of Georgia. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein one editorial and some excerpts from the newspapers at the same time.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I object to the editorial and the newspaper excerpts. I have no objection to his own remarks.

The SPEAKER. Objection is made to the editorial and the newspaper excerpts. The gentleman can extend his own remarks.

RELIEF EXPENDITURES (H. DOC. NO. 372)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Appropriations and ordered printed:

To the Congress of the United States:

In my Budget message to the Congress of January 3, 1934, I said to you:

> It is evident to me, as I am sure it is evident to you, that powerful forces for recovery exist. It is by laying a foundation of confidence in the present and faith in the future that the upturn which we have so far seen will become cumulative. The cornerstone of this foundation is the good credit of the Government.
>
> It is, therefore, not strange nor is it academic that this credit has a profound effect upon the confidence so necessary to permit the new recovery to develop into maturity.
>
> If we maintain the course I have outlined, we can confidently look forward to cumulative beneficial forces represented by increased volume of business, more general profit, greater employment, a diminution of relief expenditures, larger governmental receipts and repayments, and greater human happiness.

The Budget which I submitted to the Congress proposed expenditures for the balance of this fiscal year and for the coming fiscal year which, in the light of expected revenues, called for a definite deficiency on June 30, 1935, but, at the same time, held out the hope that annual deficits would terminate during the following fiscal year.

It is true that actual expenditures since January have proceeded at a slower rate than estimated; nevertheless, it must be borne in mind that, even though the actual deficit for the year ending June 30, 1934, will be below my estimate, appropriations are still in force and the amounts actually to be expended during the following fiscal year will therefore be increased over and above my estimate for that fiscal year. In this connection it is relevant to point out that during the fiscal year 1935 it is estimated that there will be actually expended on public works $1,500,000,000 out of appropriations heretofore made.

In my Budget message of January 3, 1934, it was pointed out that there could be no abrupt termination of emergency expenditures for recovery purposes, that the necessity for relief would continue, and that appropriations amounting to $3,166,000,000 in addition to the appropriations contained in the Budget itself would be requested for the 2 fiscal years ending June 30, 1935.

The present Congress has already made appropriations out of which, for the 2 fiscal years in question, it is estimated there will be expended the following sums:

Relief	$950,000,000
Crop loans	40,000,000
Farm mortgages	40,000,000
Reconstruction Finance Corporation	500,000,000
Veterans' benefits	22,000,000
Army Air Corps	5,000,000
Flood control, Mississippi River, etc	29,000,000
Independent offices act	228,000,000
Miscellaneous supplemental estimates	30,000,000
	1,844,000,000

This leaves a balance of $1,322,000,000 to be appropriated.

Out of this balance it is necessary first to take the specific items to be appropriated for:

Federal land banks:	
Subscription to paid-in surplus	$75,000,000
Reduction in interest payments	7,950,000
Emergency bank act and gold transfer	3,000,000
Internal Revenue Service	$10,000,000
Salaries, Office of the Secretary of the Treasury	100,000
Secret Service	45,000
	96,095,000

This leaves $1,225,905,000 available for the following purposes: Civilian Conservation Corps camps, public works, and relief work, in addition to amounts already appropriated, and including aid to the dairy- and beef-cattle industries.

It is estimated that the minimum requirements for the Civilian Conservation Corps will be $285,000,000 and that the amount available, therefore, for Public Works and relief will be $940,905,000. A very simple check-up of these figures shows that they total $3,166,000,000, to which reference was made in my Budget message of January 3, 1934.

It was my thought in January, and is my thought now that this sum should be appropriated to me under fairly broad powers because of the fact that no one could then, or can now determine the exact needs under hard-and-fixed appropriation headings. In furtherance of this thought it seems appropriate to provide that any savings which can be effected out of certain appropriations made for emergency purposes shall be available for emergency-relief purposes.

In my judgment an appropriation in excess of the above amount would make more difficult if not impossible an actual balance of the Budget in the fiscal year 1936 unless greatly increased taxes are provided. The present estimates should be sufficient as a whole to take care of the emergencies of relief and of orderly reemployment at least until the early part of the calendar year 1935. If at that time conditions have not improved as much as we today hope, the next Congress will be in session and will have full opportunity to act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 15, 1934.*

LA FAYETTE MEMORIAL EXERCISES

The Clerk read as follows:

Pursuant to the provisions of House Concurrent Resolution 37, the Chair appoints as members of the joint committee to make suitable arrangements for fitting and proper exercises for the joint session of Congress in commemoration of the one hundredth anniversary of the death of Gilbert du Motier, Marquis de La Fayette, the following Members of the House: Hon. MARY T. NORTON, Hon. SOL BLOOM, Hon. SCHUYLER O. BLAND, Hon. DANIEL A. REED, and Hon. EDITH NOURSE ROGERS.

LOAN OF WAR DEPARTMENT EQUIPMENT TO CONFEDERATE VETERANS

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to take up for present consideration the bill (H.R. 9092) to authorize the Secretary of War to lend to the housing committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16- by 80- by 40-foot assembly tents; thirty 11- by 50- by 15-foot hospital-ward tents; 10,000 blankets, olive drab, no. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, no. 1; 10 field bake ovens; and 50 water bags (for ice water), to be used at the encampment of the United Confederate Veterans, to be held at Chattanooga, Tenn., in June 1934, and pass it as amended. It is a bill to authorize the Secretary of War to lend equipment to the United Confederate Veterans for use at the encampment at Chattanooga June 5, 6, and 7. The Government is fully protected by a bond and the usual requirements that follow the lending of tents to these national organizations.

Mr. SNELL. As I understand it, this is the usual bill that is passed for occasions of this character.

Mr. McREYNOLDS. Yes. Certain matters are cut out by amendment, because that equipment is being used by the C.C.C. camps.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the present consideration of the bill H.R. 9092, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend, at his discretion, to the housing committee of the United Confederate Veterans, whose encampment is

to be held at Chattanooga, Tenn., June 6, 7, and 8, 1934, 250 pyramidal tents, complete with all poles, pegs, and other equipment necessary for their erection; fifteen 16- by 80- by 40-foot assembly tents, complete with all their poles, pegs, and equipment necessary for their erection; thirty 11- by 50- by 15-foot hospital-ward tents, complete with all their poles, pegs, and equipment necessary for their erection; 20 field ranges, no. 1, with necessary equipment for their erection; 10 field bake ovens with necessary equipment for their erection; 50 water bags (for ice water); 10,000 blankets, olive drab, no. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 10 officers' tents, complete with all their poles, pegs, and equipment necessary for their erection; 900 mess kits, complete; 6 litters; 6 fire extinguishers; 20 tent flys with poles for wall tents; and 30 garbage cans: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the chairman of the said housing committee, Mr. Maurice C. Poss: *Provided further*, That the Secretary of War, before delivery of such property, shall take from said Maurice C. Poss, chairman of the housing committee of the annual Confederate reunion, a good and sufficient bond for the safe return of said property in good order and condition and the whole without expense to the United States.

With the following committee amendments:

Page 2, line 12, strike out "50 water bags (for ice water;)".
Page 2, line 14, strike out "5,000 pillow cases; ".
Page 2, line 15, strike out "5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; ".
Page 2, line 18, strike out "6 fire extinguishers; ".

The SPEAKER. Is there objection?

There was no objection.

The amendments were agreed to and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill to authorize the Secretary of War to lend to the housing committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16- by 80- by 40-foot assembly tents; thirty 11- by 50- by 15-foot hospital-ward tents; 10,000 blankets, olive drab, no. 4; 5,000 canvas cots; 20 field ranges, no. 1; 10 field bake ovens, to be used at the encampment of the United Confederate Veterans, to be held at Chattanooga, Tenn., in June 1934."

PROMOTION BY SELECTION IN THE LINE OF THE NAVY IN GRADES OF LIEUTENANT COMMANDER AND LIEUTENANT

Mr. BANKHEAD. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H.Res. 347) and ask for its immediate consideration.

The Clerk read as follows:

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 H.R. 9068, a bill to provide for promotion by selection in the line of the Navy in the 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. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration 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 the following committee amendment:

On page 1, line 10, strike out the words "2 hours" and insert "1 hour."

Mr. BANKHEAD. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Massachusetts [Mr. MARTIN] to use as he sees fit.

I wish to make a very brief preliminary statement with reference to this rule. It is an open rule and provides for the consideration of the bill stated in the resolution, to provide for promotion by selection in the line of the Navy in the 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.

It was represented to the Committee on Rules that this bill had the unanimous support of the Committee on Naval Affairs and had the recommendation of the Navy Department and was in line with the Budget estimates, as far as any appropriations were concerned.

I think that is all I care to say at this time. The purposes of the bill will be explained in the discussion of the rule by members of the Naval Affairs Committee.

I now yield 5 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to speak out of order, as I may be out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'CONNOR. Mr. Speaker, the matter I desire to discuss is of interest to every Member of this House. The Navy Department is one of the great arms of the Government. I believe the maintenance of our great Navy commands more interest and more sentiment than any other branch of our Government. I believe, for instance, that we are more interested in our Navy than we are in our Military Establishment. We provide immense funds for our Navy's support, and annually, and more often sometimes, we appropriate hundreds of millions of dollars to supplement its present equipment.

On May 31 there will be a review of our entire fleet. The fleet will enter New York Harbor. I understand the President is going there to review our fleet. He is going on some naval ship out to Ambrose Light where the fleet will pass through the Narrows into the Harbor of New York.

For some time I have been interested in finding out what part the Members of Congress will take in that great review. I learned yesterday that the Navy Department thought its only friends in Congress were the Committee on Naval Affairs and the subcommittee of the Committee on Appropriations on the Navy. I agree that our great Naval Affairs Committee, headed by the brilliant and distinguished chairman [Mr. VINSON of Georgia], is one of the great committees of the House, and I also will concede that the subcommittee of the Committee on Appropriations for naval affairs is one of the hardest working of one of the greatest committees of the House; but I do not feel that the Navy Department obtains all the results which it gets solely from those two committees. If the Navy depended solely on those two committees it might not be so successful in securing the great appropriations which it obtains from Congress. If the Navy depended on those two committees alone, these two bills which we shall discuss today would not be before us, because the Rules Committee had to report them out, otherwise they would have been buried in the calendar.

Nor do I stop there, because, although I have no personal interest in the matter, I do believe that every Member of this House is vitally interested in our Navy, so the Navy Department should not confine its catering solely to the Naval Affairs Committee and the subcommittee of the Committee on Appropriations on naval affairs. I believe that a review of our great fleet is important enough that the entire membership of Congress should be invited to see it. I do not suggest a junket. The Members will pay their own railroad fares to New York and back. Probably not more than 100 Members would make the trip. A naval boat could be provided, perhaps either the *Wyoming* or the *Louisville*, to take the Members of Congress who desire to go out down the New York Harbor to review the fleet. The Navy Department should not confine its catering solely to the two committees with which it comes in closest and most direct contact. We are all interested in our Navy.

Now, I am not talking about myself. I may not go out to Ambrose Light to see the fleet, because once, when I went out there, I became seasick; but I believe the Navy Department and the other departments of our Government should realize that every one of the 435 Members of this House and the 96 Members of the other House are of some consequence

when it comes to naval affairs or the other affairs of our Nation.

Mr. BRITTEN. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BRITTEN. I purposely refrained from interrupting the gentleman because I wanted him to get out of his system the remarks that have just been presented to the House.

Mr. O'CONNOR. They are nearly all out.

Mr. BRITTEN. I will say that after talking with the distinguished gentleman from New York on yesterday, my colleague [Mr. DELANEY] and I called upon the Secretary of the Navy this morning, and I can assure the gentleman that every Member of Congress will be invited to participate in the review of the fleet and that proper facilities will be arranged for proper observation of the fleet on that day and on the subsequent days.

Mr. O'CONNOR. Having accomplished my purposes, I now retire. [Applause.]

Mr. BRITTEN. The gentleman has accomplished his purpose.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON of Georgia. Mr. Speaker, the rule as presented provides, as he has just stated to you, 1 hour general debate. Then the bill is to be considered under the 5-minute rule and open to amendments.

I deem it important to call to the attention of the House the purpose of this measure, which is twofold: First, it is to extend selection downward to the grades of lieutenant and lieutenant (junior grade); and, second, to authorize the President to give commissions to all the graduates of the Naval Academy.

Under the law as it exists today promotion by selection is only extended to the grade of lieutenant commander, and this proposed measure contemplates carrying it to the grades of lieutenant and lieutenant (junior grade).

By the act of May 6, 1932, only 50 percent of the class that graduates at the Naval Academy is entitled to receive commissions. In other words, those whose ratings at the academy are high enough to be grouped and classified in the first half of the class receive the commissions. Now, this bill is to repeal that part of the law.

This measure as presented to the Naval Affairs Committee had the approval of the Navy Department and was in accordance with the financial program of the President. However, when the bill was under consideration by the committee, an amendment was agreed to as set out in section 4. Now, as section 4 is presented to you it is not in accordance with the financial program of the President, but I propose, by authority of the Naval Affairs Committee, to ask the Committee of the Whole House to disagree to the committee amendment, thereby eliminating the committee amendment, which, in turn, will present the measure in the exact form that was sent to the Naval Affairs Committee by the Navy Department, which has the approval of the Director of the Budget and is in accordance with the President's financial program.

All that this bill does is, first, to extend selection downward, so that promotions to lieutenant commander and lieutenant will be by selection of instead of seniority; second, to make the number to be selected for the ranks of lieutenant will be by selection instead of seniority; second, Secretary of the Navy; third, to retire lieutenants or lieutenants (junior grade) who have completed 14 years and 7 years' commissioned service, respectively, and who have not been recommended for promotion to the next higher grade by a line-selection board—this provision is held in abeyance for 2 years after the passage of this act in order to give the officers affected an ample opportunity for selection—fourth, to authorize the President to commission as ensign all midshipmen who graduate from the Naval Academy, and provision is also included to commission as ensign those members of the class of 1933 who received a certificate of graduation in lieu of commission, provided that they are found physically qualified and under such regulations as the Secretary of the Navy may prescribe. The limit in date for the class of 1933 is June 1, 1934.

If this bill is enacted, it will show a saving in pay of the Navy over existing laws. This saving for a period of 8 years, from the fiscal year 1935 to 1942, will be $1,643,356.

I shall now explain briefly what each section of this bill provides:

Section 1 extends existing selection down two grades, requiring selection to the grades of lieutenant commander and lieutenant. Existing law permits a number equal to 10 percent of the authorized number in the next higher grade to be selected annually; this bill leaves it to the discretion of the Secretary of the Navy as to the number to be selected; otherwise there would be wholesale retirement the first 2 or 3 years.

Section 2 defines the eligibility of lieutenants (junior grade). Existing law requires 4 years' service in grade before eligible for selection. Due to total service of 7 years provided for junior lieutenants, 4 years would not give them an opportunity for selection prior to automatic retirement.

Section 3 provides for the composition of the selection board. Present law requires admirals. This permits eight captains to serve on the board.

Section 4 provides for the disposition of officers not selected in accordance with this bill. This is in line with existing law to retire officers after so many years of commissioned service in the various grades. Two years are provided to make necessary adjustments.

Section 5 provides for commissioning all graduates of the Naval Academy. Present law provides for 50 percent to be commissioned.

Section 6 simply takes care of the promotion for staff officers in the lower grades in view of the proposed change in the promotion of line officers of those grades.

Mr. McCLINTIC. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. McCLINTIC. If this legislation is enacted into law, what effect will it have upon the proposed new arrangement with respect to all promotions in the Navy?

Mr. VINSON of Georgia. This is the first step in that direction. We are creating a uniform method. Through this bill we propose to have promotions made by selection all the way down the line, instead of promotions being made part by selection and part by seniority.

Mr. McCLINTIC. Then the gentleman has in mind to carry on this program until he has perfected the entire proposal with respect to promotions?

Mr. VINSON of Georgia. And to go even further, I hope, in the next session to bring in legislation to reorganize the whole Naval Establishment.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. BLANTON. How many more naval officers have we on shore than we have on the sea?

Mr. VINSON of Georgia. We have everyone on land that is necessary to be on land; and we have everyone on sea that is needed at sea.

Mr. BLANTON. And we have more on land than we have at sea.

Mr. VINSON of Georgia. The gentleman is surely mistaken.

Mr. BLANTON. Can the gentleman give us the figures?

Mr. VINSON of Georgia. I cannot give them accurately, but I can state them approximately.

Mr. BLANTON. I will give them to the gentleman; I will come to the gentleman's office and give them to him accurately.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. TABER. Is it not a fact that this bill does not attempt to provide for promotion by selection from ensign to lieutenant?

Mr. VINSON of Georgia. Yes; that is correct. The only grade in the Navy that will not be dealt with by the selection board is that of ensign. Under the law an ensign stays in

that grade 3 years and is then automatically advanced to the rank of lieutenant (junior grade); and from lieutenant (junior grade) on up to admiral promotions will be made by selection instead of seniority.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. DONDERO. What will happen to those graduates of the class of 1933 who did not receive commissions?

Mr. VINSON of Georgia. I am glad the gentleman called my attention to that. The bill permits, under rules and regulations to be established by the Secretary of the Navy for the giving of commissions to the graduates of the class of 1933 who did not receive commissions provided they file their application by June of this year.

Mr. AYRES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. AYRES of Kansas. Under the regulations of the Navy, if a midshipman should get married before receiving his commission, he is not entitled to his commission.

Mr. VINSON of Georgia. That is the law.

Mr. AYRES of Kansas. Fifty percent of the young men who graduated last June, of course, received no commission. Eleven of those men have since married. I intend to offer an amendment when that particular part of the bill is reached that these men shall receive their commissions, notwithstanding the fact that they have married, provided they are otherwise qualified.

Mr. VINSON of Georgia. I may state to the gentleman from Kansas [Mr. AYRES] that he did me the courtesy of bringing the amendment to my attention. I am thoroughly in accord with the amendment, and I will ask at the proper time that it be agreed to.

Mr. WADSWORTH. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. WADSWORTH. If my recollection is correct, when we passed the legislation withholding commissions from 50 percent of the graduating class last June we at the same time withdrew from those men one of their allowances.

Mr. VINSON of Georgia. No; the gentleman is mistaken. The midshipmen who failed to get commissions last year received 1 year's pay, because the bill was not passed in time to deny them the 1 year's pay. In addition to that, they received their $900 which had accummulated for uniforms.

Mr. WADSWORTH. I was mistaken. I think when it passed the House in the first instance that matter was brought up.

Mr. WOODRUFF. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Michigan.

Mr. WOODRUFF. Will the gentleman inform the House as to whether or not the status of those men who were denied commissions last year will be changed by this bill?

Mr. VINSON of Georgia. We propose to accord them an opportunity to come into the service if they file their applications between now and June 1934.

Mr. Speaker, I do not desire to consume more time in a discussion of the rule. This is an open rule and the bill is subject to amendment after we adopt the rule. I shall endeavor at that time to explain each and every section of the bill so that every Member may thoroughly understand the object and purpose of it. It is merely to extend the selection down to the two lower grades and have practically a uniform method of promotion in the Navy.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Missouri.

Mr. COCHRAN of Missouri. Will the gentleman inform us what it costs to educate a midshipman during the 4-year period he is in training, including all allowances?

Mr. VINSON of Georgia. It is estimated that it costs about $13,000.

Mr. COCHRAN of Missouri. In other words, if we educate a boy for 4 years, make an officer of him, at a cost of $13,000 to the taxpayers of this country, and he is not commissioned, the Government gets nothing for its expenditure?

Mr. VINSON of Georgia. That is true.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 15 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, there are some good features about this bill, and some that, in my opinion, are not so good.

In the first place, I think we ought to have a Navy that is built along the lines of national defense, an efficient Navy, and one in which the officers are enabled, because of the training they have had, to command our ships in time of war. For that reason I feel that we should have the number of officers that are needed, but we should not have a great many officers for whom we are unable to give the requisite sea training.

There is one other feature of a minor character that I desire to go into for a moment or two. That is the provision for the selection of officers from the grade of junior lieutenant to lieutenant. I am inclined to question whether or not the flag officers of the Navy who make up the selection board, namely, the admirals, will have acquaintance enough with the junior lieutenants to make this selection. I am inclined to doubt that those officers will have come enough to the attention of these flag officers so that the flag officers will have a proper judgment on them, and I doubt whether or not promotions should be made by selection from junior lieutenant to lieutenant.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. The gentleman has raised the only question that has occurred to my mind about this legislation, and that is how this selection will be protected from favoritism in making these promotions.

Mr. TABER. Frankly, that is a difficult job. I have had considerable experience with selection boards and that sort of thing. It is supposed to be on the basis that only those who have been promoted to admiral, and who have no possibility of further promotion by any selection board or anything of that kind, are put on the selection board. They are supposed to be absolutely unbiased and to have no reason for doing anything except what their honest judgment may dictate. I think that is the theory of the proposition.

Mr. VINSON of Georgia. They take the record of each officer and go over it, reaching a decision as to who is next best fitted for promotion.

Mr. TABER. They take his efficiency rating. That is what they try to do.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Oregon.

Mr. MARTIN of Oregon. I may say to the gentleman from Colorado that, from long experience in the Army, I think the favoritism comes not from within the Army itself but from the politicians on the outside. You have to trust the leaders in the Army and Navy to keep their ranks straight, and they will do that if you will trust them. That is what they want to do, but the trouble comes on account of politicians stepping in.

Mr. MARTIN of Colorado. I have had a lot of experience, and I think there is just as much politics in the Army and Navy as there is outside.

Mr. TABER. That might be.

Mr. MARTIN of Colorado. That kind of politics may determine the selections rather than merit.

Mr. TABER. May I talk for a while about the number which we will have available, if this bill goes through, for officers in the line of the Navy?

At the present time the appropriation bill for 1935 provides for 5,900 officers of the line, approximately. I may be 1 or 2 off. We are not able to give proper training and proper posts to those 5,900. We have approximately 500 more than the law is supposed to allow.

They are put in by special act commissioning certain classes of the academy. We have had to provide special courses in post-graduate work and that sort of thing in

order to give them something to do. The ships that are coming along, with very few exceptions, are replacements, and we are not going to require a lot more officers than we had before.

The average attrition in the Navy over the last 3 years has been 165. This bill results in a certain amount of attrition in addition to this. The Chief of the Bureau of Navigation, Admiral Leahy, estimated it to me at 118, which makes a total attrition of approximately 283.

Mr. THOM. What does the gentleman mean by attrition?

Mr. TABER. Attrition means the number that die or retire or are lost to the Navy in any other way.

This means that if you take this set-up and go down the line, and these are the figures that I obtained from Admiral Leahy the other day, at an hour and a half session in my office, you have 5,900 provided for in your appropriation bill.

I understand other figures have been given in other places, but the figure given me as to the number you commission of the class of 1933 is 100. Frankly, my own opinion after an hour and a half's talk with the admiral is there will be 150.

In addition to those that were figured on when the Navy appropriation bill was under consideration, you will commission 215 additional out of the class of 1934 that you did not figure on. This, with the 150, makes a total of 6,265 who will be in the Navy as line officers during the fiscal year 1935.

The class of 1935 is estimated to produce 346. This will provide 6,611. The attrition will be 165 plus 118, or 283, leaving a net on July 1, 1935, of 6,328.

In the class of 1936 available for the Navy line there will be 184, making on July 1, 1936, 6,512, and with the attrition going on in the same way, 283, the number on July 1, 1936, will be 6,229.

The class of 1937 will produce for the line 246, making 6,475, and deducting 283, you have on July 1, 1937, 6,192.

The class of 1938 will produce 292 for the line, making 6,484, and if you deduct your attrition of 283 on July 1, you have 6,201.

The class of 1939 will produce 310, according to the estimates. Frankly, I think these figures are all conservative. If you deduct your attrition you have 6,228, and you go on down through to July 1, 1940, when you have 6,208 officers.

Mr. BRITTEN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. BRITTEN. The gentleman's figures are very interesting if one can follow them, but I am wondering if the gentleman takes into account the young officers who will go out of the service because of failure of selection.

Mr. TABER. I do.

Mr. BRITTEN. How many does the gentleman figure will go out next year on that account?

Mr. TABER. I was told by Admiral Leahy that the number to go out because of failure of selection in the grades that are to come under selection on account of this bill would be 118 each year.

Mr. BRITTEN. Beginning with the first year?

Mr. TABER. Not in the fiscal year 1935. It would only begin to be effective in 1936.

Mr. BRITTEN. The gentleman is mistaken, and that is the reason I asked the question. No one goes out for 2 years.

Mr. TABER. Well, it begins at the end of the year 1936, the selection board meeting in the spring of 1936.

Mr. BRITTEN. I wanted to show the gentleman that his figures are entirely in error.

Mr. TABER. That is the way it works out and that is the way I have it figured.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. TABER. I yield.

Mr. DOCKWEILER. I notice the gentleman from New York, as well as the Chairman of the Naval Affairs Committee, mentioned officers of the line. This bill does not affect, then, the promotion of Construction Corps men or Medical Corps men or men who have been selected for special work?

Mr. TABER. My understanding is this does not affect anyone but officers of the line.

Frankly, I feel that the number of officers of the line that you would have in the Navy would be so large that you would not give them proper training and they would not be half as efficient as they would be if you stick to the requirements of the law and have your 5,400.

Let me say to the House that when the bill was brought in a year ago and a couple of years ago to commission the classes of the academy, the statement was made that we would get rid of a group of officers in the lieutenant, junior lieutenant, and lieutenant commander class who came in as emergency officers and whose failure to be promoted has been clogging the promotion lists. There are about 500 of them. They have never gone out, as it was represented to us they would go out. Frankly, those who are not good enough among that group to be promoted will go out under this bill, and that is a very good feature of the bill.

Mr. VINSON of Georgia. That is one of the best provisions of the bill.

Mr. TABER. It should be.

Mr. VINSON of Georgia. And if the lieutenant, after 14 years, and the junior, after 7 years, fails to be selected, they go out of the service.

Mr. TABER. That is correct.

Mr. VINSON of Georgia. Does not the gentleman agree to that?

Mr. TABER. I do. Now, it seems to me that we should go along and keep the five-thousand-four-hundred-odd officers that the law provides we should have, and in that way we can get along by commissioning the 50 percent of the graduating classes that we have provided for until we get the number.

Mr. VINSON of Georgia. I should like to have the gentleman tell us how that can be accomplished unless the elimination provided for in this bill is enacted into law?

Mr. TABER. That can be accomplished by cutting out a little bit of the language in section 5 of the bill at the top of page 4.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. TABER. I yield.

Mr. OLIVER of Alabama. Is the computation the gentleman made with Admiral Leahy based on the amendment suggested in the report of the committee, or was it based on the language originally submitted by the Navy Department?

Mr. TABER. It was based on the report of the committee.

Mr. OLIVER of Alabama. With the committee amendment eliminated, the gentleman will find that there must be a reduction in the figures he gave the House.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois [Mr. BRITTEN].

Mr. BRITTEN. Mr. Speaker, as indicated by the gentleman from Alabama [Mr. OLIVER] the figures presented by the gentleman from New York [Mr. TABER] include an amendment, an undesirable committee amendment, which is in the bill and which will be taken out when we come to consider the bill under the 5-minute rule.

That will save some $400,000, and the total saved by the bill will amount to $1,645,000 over a period of 8 years.

I can understand that there is a controversial element in the provision that the young lieutenant may go out in 7 years. Josephus Daniels told me the other day that this selection-up bill, going down as it does to lieutenant, is a good bill, and that he hoped it would pass. He said that even 5 years was plenty of time to determine a young officer's qualifications. It would be plenty of time in any large commercial or industrial institution.

In addition to the 7 years' commissioned service the junior lieutenant has had 4 years of intensive training at the Naval Academy, where his marks have been kept and are jacketed, so that when he is considered for promotion he has had really 11 years intensified service—7 years on

the high seas, where the officers have had an opportunity to determine his capabilities for selective promotion.

The balance of them, 90 percent, would go up. They go up almost automatically because of the great number of vacancies in the next grade, but under the provisions of this bill they will be selected. The gentleman from New York [Mr. TABER] a moment ago said that we had so many line officers that we did not know what to do with them, and that we accordingly sent them to post-graduate courses. Then he said there were some 5,900 in the line of the Navy. The truth of the matter is that today there are only 221 out of 5,900 officers in post-graduate courses.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. TABER. I did not say that there were 6,200 now in the Navy in line officers. I said that the appropriation bill for 1935 carried funds for 5,900.

Mr. BRITTEN. But the gentleman said that we have so many of them that we were sending them into post-graduate courses, because we did not know what else to do with them.

Mr. TABER. Certainly.

Mr. BRITTEN. That is what the gentleman said?

Mr. TABER. Yes.

Mr. BRITTEN. Out of those 5,900 only 221 are in 10 or 12 post-graduate schools, scattered throughout the United States. That certainly is not a serious number.

Mr. OLIVER of Alabama. Mr. Speaker, will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. OLIVER of Alabama. I think the gentleman from New York [Mr. TABER], as well as all others who have given any thought to this will recognize that post-graduate courses are most important.

Mr. BRITTEN. Of course.

Mr. OLIVER of Alabama. And should not be eliminated.

Mr. BRITTEN. In those post-graduate schools, scattered throughout the Nation, 172 of the 221 are at Annapolis. They have had 7 years' service at sea. In the University of California there are 16, 14 studying marine engineering and 2 radio engineering; in the University of Michigan 4 in aeronautical engineering and ordnance; in the Carnegie Institute 1; at George Washington 8; Rennsselaer Institute of Technology 1; Harvard 6; Massachusetts Institute 9. A total of 221. Not an important item.

Mr. MARTIN of Oregon. Does the gentleman think there are enough in these schools? Does the gentleman realize during the war, during the most intense fighting, we pulled officers off the fighting line to put them into schools?

Mr. BRITTEN. I think it is very important to give them this intensive training.

There are only two elements in this bill, and on each of them there can be a difference of opinion. Without going into all of the figures in the various grades, and all that sort of detail, this bill does two things. It provides for commissioning all the boys who graduate successfully at the academy this year. If we are not for that, then let the gentleman from New York [Mr. TABER], or someone else, bring in an amendment to reduce our appointments to the Naval Academy from 3 to 2. That will be the way to do it, and you will save a lot of money if you do not want that many officers. The other important item is the extension of the selection system that has been employed successfully in the Navy for 18 years. They have been promoting officers in the line of the Navy by selection for 18 years and with great success. It is true they only went down to the grade of lieutenant commander, but now they desire to go down two more grades, because they have found that many boys who come out of the Naval Academy should not be kept in for 21 years before retirement. Under existing law, where promotion by seniority prevails, a boy who successfully leads his class may remain at the head of that class for more than 20 years after graduation. He would stay at the top of that class and every class following his for years, just so he could pass his professional examinations.

This bill will provide something quite different from the old seniority system. It will provide that where a boy falls down during his first 21 years, where he does not show the proper aptitude for the control of men and mechanics, he will automatically go out of the service. You and I know the type of boy we send to the Naval Academy. They are as fine type of boy as you will find any place in the world, but they are not all capable of managing men and mechanical equipment. That develops only after they come out of the academy, after they have studied intensely and had at least 7 years at sea. Then, and then only, can you determine whether they are qualified to handle men and ships. Those that are not will go out, as they should. The gentleman from Georgia [Mr. VINSON] has told you that the Treasury will save in the first 8 years $1,645,000. That will be done by taking these boys out of the service, separating them from the full salary, and giving them retired pay of 2½ percent for each year of service. If they have served 7 years they will get two and a half times 7. A young lieutenant's retirement pay is $350 a year; not much, but at least they keep him on the pay roll so that he may be useful as a reserve officer, and in time of war he would be a very valuable man, and we are paying something because he failed in his great objective. He wanted to be an officer in the Navy, but all men cannot be officers and all men cannot be promoted. The gentleman from New York [Mr. TABER] said a moment ago that we have too many officers in the Navy. Five thousand four hundred and ninety-nine is the authorized number.

That was the authorized number when President Hoover was Commander in Chief of the Army and Navy. Since May of last year we have either completed or we have appropriated for and now have in the course of completion 62 ships. Those ships will require officers. They will require men. Last month we passed the Vinson bill authorizing appropriation for 102 additional ships. That makes 164 ships. One hundred and sixty-four new ships will go into the Navy within the next 4 years. They will require hundreds of officers and thousands of men. You cannot make an officer in a year or 2 years or 4 years. It takes 20 or 30 years to make an officer who is capable of commanding a $40,000,000 investment on the high seas with 1,200 lives aboard that investment.

Mr. MAY. Will the gentleman yield?

Mr. BRITTEN. I would rather not for the time being.

The best expert advice in the Navy advises us that we will not have enough officers. We will need more of them, and they should be efficient. Japan yesterday went on record for 7,000 line officers—and her Navy is much smaller than ours—and 90,000 men. Notwithstanding her Navy being much smaller than ours, she will have between ten and fifteen thousand more men in the service than we have. I would much rather have a ship overmanned than undermanned; I would much rather have a turret overmanned than undermanned, with the highest type brains we can accumulate. Cold steel is not worth a damn in an emergency. You need men to direct it. Talk about so many thousand tons of battleships and so many thousand tons of submarines and so many thousand tons of cruisers. They are not worth a nickel unless they are manned by the very highest type of efficiency in the world. I have always said that man for man and ship for ship we can lick anything on earth, but if we have a 30,000-ton battleship and it is undermanned, if it has only a skeleton crew, you cannot expect that ship to deliver efficiently. It is a physical impossibility. I am for more officers, and so are you if you listen to the Naval General Board and the highest expert authority we have.

Let us have an increased number of officers, even if the gentleman's figures are correct, and they are not, because we are going to take out of service 2 years from June 30 some 800 men in the lower grades, and unless we get an increased authorization from Congress, in 7 or 8 years we shall be commissioning all of the men from the academy, and we will run the total authorization down to 5,499, where it is today. It is true we have several hundred more officers

in the line than 5,499, as was indicated by the gentleman from New York [Mr. TABER]. That has been brought about by the very condition that we aim to cure by this legislation; namely, retirement of those men who are drawing big pay. Do not keep them in there until they are 48 or 50 years old as commanders and then retire them at high pay for life. Retire them now at low pay for life, and let the most efficient remain in the service. That is how you will improve your ships' efficiency, your engineering efficiency, and your target practice.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. BRITTEN. I yield for a question.

Mr. VINSON of Georgia. If you retire a lieutenant after 14 years of service, his retired pay will only be about $1,080 a year. If you retire him after serving 20 years, it will be $2,126 a year.

Mr. BRITTEN. Yes; and under existing law you will have to keep him that long.

Mr. MAY. Will the gentleman yield?

Mr. BRITTEN. I yield for a brief question.

Mr. MAY. I am interested in knowing whether this bill will increase or decrease the cost to the Government, or whether there is any additional appropriation.

Mr. BRITTEN. It will increase the cost to the Government over existing law, only to the extent of commissioning the other 50 percent from the Naval Academy.

Mr. MAY. I am strongly in favor of adequate preparedness in the Navy and in the Army, but I want to know how much it is going to cost.

Mr. BRITTEN. It will decrease the cost of pay in the Navy by retiring a lot of the men who cannot go up.

Now, my thought is this: Europe today is sitting on a volcano. Men like Mussolini and Wells and others say there is likely to be an explosion over there before 1935. We can keep out of that explosion if we are strong. They talk about a possible emergency existing in what they call the Far East—Japan. If something happens over there, we can keep out of that if we are strong. If we are not, we will be dragged into it.

The SPEAKER. The time of the gentleman from Illinois [Mr. BRITTEN] has expired.

Mr. HOEPPEL. Will the gentleman yield himself more time so that he can answer a question?

Mr. BANKHEAD. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Speaker, it is gratifying to be able to anticipate from the speeches that have thus far been made that the discussion of this bill will be informing, intelligent, and impassionate. It presents very important legislation, which, if not passed, may very seriously affect the morale of the service. It is interesting to find that the Members who are present this afternoon have evinced a keen desire for full and accurate information about the bill. By implication, this attitude is a fine and deserving tribute to the Navy.

The gentleman from New York [Mr. TABER], whom I hold in very high esteem and who is thoroughly familiar with Navy legislation, will, I am sure, as he indicated in response to the question which I asked, find it necessary to revise downward the figures which he submitted to the House, since evidently his computation was based on an amendment which the committee at first suggested in their report they would insist upon in the House, but which the chairman indicated today would be withdrawn and language recommended by the Department inserted instead.

This will work a substantial reduction in the figures submitted by the gentleman from New York, since such figures were predicated on a different assumption.

Mr. VINSON of Georgia. In this connection, if the gentleman will yield, the bill will then be in accord with the financial program of the Chief Executive?

Mr. OLIVER of Alabama. Yes. Now, I do not understand that the gentleman from New York [Mr. TABER] has any serious objection to what I consider, after all, to be the most important part of the bill, namely, the selective promotion of officers in the grade of lieutenant and lieutenant (junior grade), rather than continue the present system of promotion according to seniority.

Mr. TABER. I was a little afraid there might be some misinterpretation.

Mr. OLIVER of Alabama. I am quite familiar with the views of the gentleman from New York in regard to naval legislation, because I remember certain amendments which the gentleman has offered at previous sessions of Congress which, had they been favorably acted on, would have resulted in substantial savings to the Treasury.

There are many lieutenants in the Navy now, who, because existing law provides a different pay scale for officers falling in a certain class or group, are receiving much higher pay than other lieutenants. There are some lieutenants, for instance, who are today receiving more than $6,500, including allowances, which, in many instances, is much higher than many commanders are receiving, and more than some captains under whom these lieutenants serve. I think the statement was made that in one of the ship groups on the western coast last year, there were 20 lieutenants, serving under an admiral in the lower grade, who were receiving higher pay than the admiral. Now, of course such disparity of pay seriously disturbs the morale of the Service.

The effect of this bill will be that at the proper time many of these officers will be retired in a way that is absolutely fair and just to them. For instance, some now receiving over $6,500, would be retired at $3,375, even though they are still lieutenants. This is due to a strange and unusual pay bill passed in 1922, and which someone has said would require a week's hard study to understand, but which I think will require 2 weeks of hard study to interpret. By reason of the pay bill passed in 1922, one scale of pay was given to the officers then in the service, and an entirely different scale of pay was fixed for those who came into the service after July 1, 1922. I might put it even stronger. There is one scale of pay for those who came into the Navy service from the Naval Academy after June 30, 1917, and an entirely different scale of pay for many who came into the Service from the academy prior to that time, and for some who were taken into the service in 1920 through channels other than the Naval Academy. The selective feature of the bill is most important and it is pleasing to note that as to this there seems to be a unanimity of sentiment. I regret that lack of time will prevent me from discussing the pay bill of 1922, to which I filed a minority report at the time of its adoption.

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The committee amendment was agreed to.

The resolution was adopted.

EVERGLADES NATIONAL PARK

Mr. BANKHEAD, from the Committee on Rules, submitted the following privileged report on the bill (H.R. 2837), to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes (Rept. No. 1635) for printing in the RECORD under the rule:

House Resolution 384

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 the bill H.R. 2837, to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes, and all points of order against said bill or any amendment recommended by the Committee on the Public Lands are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on the Public Lands, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration 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.

INLAND WATERWAYS CORPORATION ACT

Mr. BANKHEAD, from the Committee on Rules, submitted the following privileged report on the bill (S. 2347), an act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended (Rept. No. 1634), for printing in the RECORD under the rule:

House Resolution 383

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. 2347, an act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended. After general debate, which shall be confined to the bill and shall continue not to exceed 30 minutes, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, 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 the amendments thereto to final passage without intervening motion, except one motion to recommit.

FOREIGN TRADE ZONES

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report on the bill (H.R. 9322) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage commerce, and for other purposes (Rept. No. 1636) for printing in the RECORD under the rule:

House Resolution 381

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 H.R. 9322, a bill to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage commerce, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Ways and Means, 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 the amendments thereto to final passage without intervening motion, except one motion to recommit.

BANKRUPTCY LAWS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint an additional conferee in the matter of the conference with the Senate on the bill (H.R. 5884) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints Mr. OLIVER of New York as an additional conferee. The Clerk will notify the Senate of the appointment.

PROMOTION BY SELECTION IN THE LINE OF THE NAVY IN THE GRADES OF LIEUTENANT COMMANDER AND LIEUTENANT

Mr. VINSON of Georgia. 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. 9068) to provide for promotion by selection in the line of the Navy in the 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.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H.R. 9068, with Mr. BEAM in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with, and that the bill be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill is as follows:

Be it enacted, etc., That except as otherwise provided in this act, the provisions of existing law with reference to promotion by selection in the line of the Navy and the retirement of officers who are not on the promotion list or who are found not professionally qualified are hereby extended to include and authorize promotion to the grades of lieutenant commander and lieutenant, and the retirement of lieutenants and lieutenants (junior grade). The number to be recommended for promotion to each such grade and to be placed upon the promotion list shall be furnished the selection board for that grade by the Secretary of the Navy and shall be the number of existing vacancies in the grade concerned plus such additional number, if any, as the needs of the service may require.

SEC. 2. That lieutenants (junior grade) who on June 30 of the year of the convening of the board shall have had 3 years' service in the grade of junior lieutenant shall be eligible for consideration for selection for promotion to the next higher grade.

SEC. 3. That the board for the recommendation of line officers for promotion to the grades of lieutenant commander and lieutenant shall consist of 9 officers on the active list of the line of the Navy above the rank of commander, not restricted by law to the performance of shore duty only, at least 1 of whom shall be a rear admiral.

SEC. 4. That for the purpose of extending section 3 of the act of March 3, 1931 (46 Stat. 1483; U.S.C., supp. VII, title 34, sec. 286a), to officers below the rank of lieutenant commander, the said section is amended so that the length of service therein prescribed shall be 14 years for lieutenants and 7 years for lieutenants (junior grade): *Provided*, That no officer of said rank shall become so ineligible prior to June 30 of the second calendar year following the date of this act: *And provided further*, That the restriction on the number of involuntary transfers in any fiscal year to the retired list prescribed in section 7 of the act of March 3, 1931 (46 Stat. 1484; U.S.C., supp. VII, title 34, sec. 286e), shall not apply to the grade of lieutenant and lieutenant (junior grade).

SEC. 5. That section 1 of the act approved May 6, 1932 (47 Stat. 149; U.S.C., supp. VII, title 34, sec. 12), is hereby amended by inserting the word "hereafter" after the words "midshipmen who", and the words "*Provided*, That all former midshipmen graduated in 1933 who received a certificate of graduation and honorable discharge may, upon their own application, if physically qualified, and under such regulations as the Secretary of the Navy may prescribe, be appointed as ensigns prior to June 1, 1934, in accordance with this section and shall take rank next after the junior ensigns appointed in 1933 and among themselves in accordance with their proficiency as shown by the order or merit at date of graduation: *And provided further*", after the words "Naval Academy" and by striking out "in 1932, and at least 50 percent of all graduates in subsequent years: *Provided*", so that as amended the said section will read as follows:

"That the President of the United States is authorized, by and with the advice and consent of the Senate, to appoint as ensigns in the line of the Navy all midshipmen who hereafter graduate from the Naval Academy: *Provided*, That all former midshipmen graduated in 1933 who received a certificate of graduation and honorable discharge may, upon their own application, if physically qualified, and under such regulations as the Secretary of the Navy may prescribe, be appointed as ensigns prior to June 1, 1934, in accordance with this section and shall take rank next after the junior ensign appointed in 1933 and among themselves in accordance with their proficiency as shown by the order of merit at date of graduation: *And provided further*, That the number of such officers so appointed shall, while in excess of the total number of line officers otherwise authorized by law, be considered in excess of the number of officers in the grade of ensign as determined by any computation, and shall be excluded from any computation made for the purpose of determining the authorized number of line officers in any grade on the active list above the grade of lieutenant (junior grade) until the total number of line officers shall have been reduced below the number otherwise authorized by law."

SEC. 6. That hereafter any staff officer on the active list below the rank of lieutenant commander shall be advanced to the next higher rank in his corps when the running mate of such staff officer or an officer junior to such running mate has been promoted to that higher rank in the line of the Navy or when a vacancy in that rank exists in the line of the Navy which will in due course be filled by the promotion of his running mate or an officer junior to his running mate: *Provided*, That such staff officer is found qualified in accordance with law for such advancement. The provisions of law relating to the advancement of staff officers now embodied in sections 255, 321, and 348r of title 34, supplement VII, United States Code, are hereby amended in accordance with this section.

With the following committee amendments:

Page 2, line 15, strike out the word "lieutenants" and insert in lieu thereof the word "lieutenant."

Page 3, line 2, strike out the word "second" and insert the word "first."

Page 3, lines 4 and 5, strike out the words "the restriction on the number of involuntary transfers in any fiscal year to the retired list" and insert in lieu thereof "officers of the grade of lieutenant designated for retention on the active list as."

Page 3, lines 8, 9, and 10, strike out "not applied to the grade of lieutenant and lieutenant (junior grade)" and insert in lieu thereof "be carried as additional numbers in the grade of lieutenant, but shall be included in the total authorized number of commissioned officers of the active list of the line of the Navy and of any grade to which later promoted."

Page 3, line 24, strike out the word "ensigns" and insert in lieu thereof the word "ensign."

Page 5, line 16, strike out the words "supplement VII."

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the bill under consideration is a personnel bill submitted by the Navy Department and, as introduced in the House, has the approval of the administration. It provides for promotion by selection in the line of the Navy in the grades of lieutenant commander and lieutenant and authorizes the appointment as ensigns in the line of the Navy all midshipmen who hereafter graduate from the Naval Academy.

Under the present law, there are two methods of promotion in the Navy—by selection and by seniority. Under the selection system, which is in effect from the grades of lieutenant commander and up, a board of admirals goes over the efficiency records of the eligible officers and recommends for promotion those considered best fitted to perform the duties in the next higher grade. Officers not recommended for promotion are, after a certain number of years of commissioned service, automatically placed on the retired list.

The objective and purpose of this bill is to extend the selection to the next two lower grades; that is, to the grades of lieutenant and lieutenant (junior grade). The only grade in the Navy to which selection will not apply is that of ensign.

Therefore, you will observe that by extending selection to the next two lower grades, that is, lieutenant and lieutenant (junior grade), there will be a uniform method of promotion, and it will all be by selection, except in the rank of ensign, and the officer who stays in that rank 3 years is automatically eligible for promotion to the rank of lieutenant (junior grade).

Under the present law an officer with the rank of lieutenant (junior grade) remains in that grade until there is a vacancy in the next higher grade, when promotion is made by seniority, and the same is true with reference to an officer who has the rank of a lieutenant; however, the law only permits a lieutenant commander to remain in that grade until he has completed 21 years of commissioned service, and if he fails to be selected by the selection board by that time, he automatically goes on the retired list. The same applies to a commander with 28 years commissioned service and to a captain with 35 years.

You will observe, therefore, that the Navy deems it highly important to have officers of certain age in the various ranks commensurate with the duty and responsibility required of that rank, and that is what this bill proposes to do—it will thus make uniform the periods of maximum commissioned service for each of the grades, namely, lieutenant (junior grade) 7 years; lieutenant, 14 years, lieutenant commander, 21 years; commander, 28 years; and captain, 35 years. An admiral automatically retires on reaching the age of 64.

By the system of promotion by seniority there exists in the ranks of lieutenant and lieutenant (junior grade), what is referred to as a "hump" or "stagnation" of officers in these two grades. During the World War a great many Reserve officers and noncommissioned officers were given temporary commissions, and by the act of June 4, 1920, a considerable number of these temporary appointments were made permanent. This therefore brought into the line of the Navy approximately 1,000 officers, the majority of them being in the ranks of lieutenant and lieutenant (junior grade). At the same time there were large classes at the Naval Academy that were graduated in 1919, 1920, and 1921. These were the two things that produced the hump or stagnation now existing in the ranks of lieutenant and lieutenant (junior grade).

To relieve this condition it becomes necessary that legislation as set forth in this bill be enacted, for it will establish a normal flow of promotion into the grades of lieutenant commander and lieutenant, and, on the other hand, it will eliminate from the active list of the Navy those officers least fit to perform the duties of the next higher grade. Let me present to you exactly the picture as a result of the promotion by seniority in the two grades covered by this bill. There are about 1,200 officers in the lieutenant's group causing the hump in that grade.

At the present time the average number of promotions from the lieutenant's grade is in the neighborhood of 100 annually. With this number of promotions yearly it will require about 12 years to get through this large group of officers who all entered the service within the short period of 3 years. All other things being equal, they should all be promoted within about the same period of time; that is, 3 years. Nevertheless, under existing conditions it will require four times as long for them to be promoted as it should be normally.

Due to this slow promotion in the lieutenants' grade, promotion in lieutenants (junior grade) grade is consequently slowed up. Without the legislation in this bill this condition will grow progressively worse, and in a very few years' time the Navy will be in an intolerable position with reference to its officer personnel. It will tend to approach the condition that existed before there was a selection-out or selection-up system, and when all promotions were by seniority only.

Mr. Chairman, I want to assure you that the provisions of this bill in relation to selection is not an innovation in the promotion system of the Navy, but it is simply extending it to apply to 5 grades instead of to 3 as it is at present. This bill is not drawn to operate against any class or special group of officers, nor does it in any way provide for any increase in the number of officers in any of the grades above ensign.

To select and develop potential leaders and to promote the efficiency of the Navy as a whole it is essential that, within certain limits, the several grades should contain line officers whose ages are suitable for their respective duties and responsibilities, and at the same time give all line officers affected an equal opportunity for selection, having in view solely the special fitness of officers and the efficiency of the naval service. This in substance is what this bill proposes to do.

In addition to the promotion provisions, this bill also provides for the commissioning of all graduates of the Naval Academy. Ships and aircraft already authorized and building, together with legislation providing for a complete treaty Navy, will eventually require a considerable increase in the authorized officer strength of the Navy.

For the ships now built and building under the increased Navy and N.I.R.A., and exclusive of any ships or aircraft projected under the treaty Navy bill, there will be required the following number of line officers:

Fiscal year:	
1935, including 997 aviators	6,263
1936, including 997 aviators	6,387
1937, including 997 aviators	6,630
1938, including 997 aviators	6,748

At which point, unless more ships and planes are built under the authority of the treaty Navy bill, no more officers will be required.

On a three-appointment basis, under this proposed bill, the strength of the line will increase slightly the first 2 years and, thereafter, will gradually be reduced until it is below the authorized strength of 5,449. It will, therefore, be necessary, at a later date, to increase the number of appointments to the Naval Academy for each Senator and Congressman and to authorize an increase in the officer strength of the line of the Navy, if we are to have a fully manned treaty Navy. Of the additional line officers that will be required, approximately 50 percent are for aviation.

The foregoing figures show the necessity for commissioning as ensigns all midshipmen graduating from the Naval Academy, including those of the class of 1933, who were

honorably discharged upon graduation, provided they qualify physically and conform to such rules as are laid down by the Secretary of the Navy.

Of course you know that the present authorized line-officer strength of the Navy is 5,499. This strength is distributed on a percentage basis: 1 percent admirals; 4 percent captains, 8 percent commanders, 15 percent lieutenant commanders, 30 percent lieutenants, 42 percent lieutenants (junior grade) and ensigns.

A distribution in the grades of the officers is as follows:

Rear admirals	55
Captains	220
Commanders	440
Lieutenant commanders	825
Lieutenants	1,650
Lieutenants (junior grade) and ensigns	2,309

This authorized strength and the percentages were considered appropriate when they were first established and when the Navy was made up mostly of large ships; however, since that time the proportion of small ships to large ships has materially increased. This relative increase in the number of smaller ships, as well as keeping abreast of the latest development in fire control, radio, and other highly technical improvements on our combatant vessels, will require an increase in the authorized strength as well as a comparative change in the distribution of officers in the various ranks of the Navy.

It being recognized that for their relative size small ships require a different proportion of officers in certain grades than would be required on a battleship; however, this particular question is not under consideration now; nevertheless, it is closely related, and in passing I might say that this matter will be given serious study by the Committee on Naval Affairs during the next Congress.

Incidental to the main purposes of the bill is the saving of money. The bill eliminates lieutenants after 14 years of commissioned service and lieutenants (junior grade) after 7 years' commissioned service when they fail to be selected, and places them upon the retired list.

Those officers retired under this act will receive 2½ percent of their active-duty base pay multiplied by the number of years' service for which they are entitled to credit in computation of longevity pay, not to exceed a total of 75 percent. The retired pay of a lieutenant with 14 years' service will amount to approximately $1,008 a year, or $84 a month. The retired pay of a lieutenant (junior grade) with 7 years' service will amount to $385 a year, or $32 a month.

The existing law would retain these lieutenants upon the list, would promote them by seniority to lieutenant commanders, and would eventually retire them at an average rate of pay of over $3,000 a year.

Under this bill a saving in each case will be effected of over $2,000 per annum.

If this bill is enacted, it will show a saving in pay of the Navy over existing laws. This saving for a period of 8 years, for the fiscal years 1935 to 1942, will be $1,643,356.

Fiscal year	Increased cost	Saving
1935	$354,114	
1936	625,716	
1937		$710,433
1938		514,177
1939		342,535
1940		387,338
1941		308,480
1942		360,223
Total	979,830	2,623,186
Total saving		1,643,356

I grant you that it might seem to be inconsistent to provide for the elimination of officers on the one hand and at the same time to provide for taking in additional officers from the Naval Academy; however, the need for doing this is to have officers of appropriate ages in the different ranks commensurate with the duty and responsibility required in the grades and at the same time give all line officers affected an equal opportunity for promotion, having in mind the special fitness of the officers and the efficiency of the naval service.

The average age of the graduates of the Naval Academy is 22 years. In order that officers may receive adequate training to prepare them for the duties in the next higher grades and at the same time to have officers in the various grades of ages appropriate for the duties and responsibilities of the different grades, the maximum length of time they should be in any one grade is 7 years. Therefore, an average-age officer should pass from the junior lieutenant's grade before reaching 29; from the lieutenant's grade before reaching 36; from the lieutenant commander's grade before reaching 43; from the commander's grade before reaching 50; and from the captain's grade before reaching 57.

Now, let me show you what the actual effect will be under the existing system of promotion; that is, by seniority. The Naval Academy class of 1920, who should all be lieutenant commanders by June 30 of this year, at an average of 36, will not all be lieutenant commanders until 1939, or at an average age of 41—when he should be 36, 5 years over age. This condition will continue to be aggravated year after year so that the 1924 class of the Naval Academy will begin to enter the rank of lieutenant commander at an average age of 43—7 years after the time that they should all be lieutenant commanders, and at an age when they should all be in the commander's grade.

This is a condition that must be corrected in the interest of national defense.

It is absolutely necessary that the Navy be manned by the most able officers that the country is capable of producing. This bill insures that condition. [Applause.]

Mr. GOSS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Connecticut.

Mr. GOSS. Does that mean that the gentleman expects to come in with a bill probably next year for redistribution in grade and rank?

Mr. VINSON of Georgia. That is my thought.

Mr. GOSS. As well as a further authorization in reference to the line officers?

Mr. VINSON of Georgia. Exactly.

In other words, when the selection board passes upon the record of a lieutenant who has served 14 years total commissioned service and he is not suited or the best fitted for promotion, under this proposed bill he will go out of the service. The same thing applies to lieutenants (junior grade).

Mr. McFARLANE. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Texas.

Mr. McFARLANE. Does the gentleman know of selections being made in a similar way in these two ranks by any of the great powers?

Mr. VINSON of Georgia. I am only familiar with our method. I am not familiar with what other countries do with reference to selection, but I may say that this is the fairest method that I know of to make promotions.

Mr. EVANS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from California.

Mr. EVANS. Does this do away entirely with selections by seniority?

Mr. VINSON of Georgia. Absolutely.

Mr. EVANS. In all the grades?

Mr. VINSON of Georgia. In every grade except ensign, and he automatically goes to the rank of lieutenant (junior grade) after 3 years.

Mr. EVANS. And that rule of seniority applies in part as to all grades now?

Mr. VINSON of Georgia. It does. It applies to the first three grades. It applies to the ranks of admiral, captain, and commander. The object of this bill is to extend it on down to the rank of lieutenant and lieutenant (junior grade).

Mr. EVANS. How are these selection boards created?

Mr. VINSON of Georgia. The bill provides that the Secretary of the Navy shall select one admiral and the remaining members shall be captains.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 7 additional minutes.

Under the existing law the service record of each officer is gone over and the selection board determines whether, in the judgment of the men constituting the selection board, he is the best one suited for promotion.

Under the proposed bill there will be a saving on each one that is retired of the difference between $1,008 and $3,000, or approximately $2,000.

Mr. EVANS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from California.

Mr. EVANS. Take, for example, a lieutenant, junior grade. When he serves 7 years and there is no room for promotion, is he retired automatically?

Mr. VINSON of Georgia. Not by any means. If the selection board passes on him and he is recommended for promotion by the selection board, under the existing law he goes on what is known as the promotion list and there he remains until a vacancy actually occurs.

Mr. EVANS. And that rule applies to all the other grades?

Mr. VINSON of Georgia. Exactly.

Mr. Chairman, I yield back the remainder of my time.

Mr. BRITTEN. Mr. Chairman, there seems to be such a unanimity of opinion on this bill that I do not care to take up the time of the House with any further discussion.

Mr. VINSON of Georgia. I have no requests for time over here.

Mr. BRITTEN. I think we might start consideration of the bill under the 5-minute rule. The bill is simple and good and one in the interest of improved efficiency in the service. I feel probably there will not even be a roll call.

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. DREWRY].

Mr. DREWRY. Mr. Chairman, I am in favor of this bill. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DREWRY. Mr. Chairman, I am in favor of this bill. Since August 29, 1916, the system of selection for promotion has been established in the Navy down to the grade of lieutenant commander. The selection system now in existence, without reference to the two grades affected by this bill, seems to me to have worked very well, and it is thought that by extending the system to the grades of lieutenant commander and lieutenant that there will be a further improvement in the system.

The direct purpose of the bill is to correct a condition that exists now in the lower grades of the Navy, owing to the commissioning of large Naval Academy classes after the war, along with several hundred officers from sources other than the academy, the result being a "hump" or stagnation in these lower grades. Such stagnation was hurtful to the service, for as long as the promotion of officers above the two grades brought in in this bill was delayed, the ambition of the younger men and their initiative were affected. The bill provides that after a board decides upon the recommendation of line officers for promotion to the grades of lieutenant commander and lieutenant, and said officers, to a number to be recommended for promotion to each such grade, are selected by the Secretary of the Navy as the needs of the service may require, then there shall be a retirement of those not promoted. This gives all line officers affected by the stagnation aforementioned, as nearly as practicable, an equal opportunity for selection.

It will make the younger officers more ambitious, and there will be very active competition among them for their promotion under this plan, all of which will redound to the efficiency of the service.

This promotion system will also allow the personnel departments of the Navy to keep well in hand the progress of those officers who show themselves most efficient and worthy of higher responsibility.

Those who are retired will be retired at an age when they will be able to go into other work, and they will be absorbed into private enterprises for which probably they will be better fitted.

It has been found, in comparison with other navies, especially the British Navy, that the comparative retirement age of the officers of the British Navy in each grade is at least 4 or 5 years lower than the corresponding retirement in the grades of our Navy. This bill will correct this situation. It is necessary that the several grades should contain line officers whose ages are suitable for their duties and responsibilities. An illustration was given in the hearings which showed that before the next session of Congress, under the operation of existing law, 82 vacancies in the rank of lieutenant commander will be filled by promotion of lieutenants at an age that will average 41 years. It is thought that the average maximum age for entry into the grade of lieutenant commander, to permit sufficient time in the higher ranks to obtain the necessary experience, is 36 years. So that the officers promoted who must remain in the grade of lieutenant commander for 4 years before they are eligible for selection for promotion to the grade of commander will have an average age of 45 years, and 4 years more will elapse before they would normally be reached by the selection board for promotion to commander, at which time they will average 49 years of age. The efficiency of the service would be promoted if this average age were reduced as it is intended to be by this bill, for at the age of 49 years the officer so promoted should be entering the rank of captain instead of commander. In other words, it promotes the younger and more active and ambitious men to the various grades at an age that will be some 4 or 5 years lower than it is under the present law.

It is thought that this bill will provide a minimum period of service within each of the lower ranks so that officers will be thoroughly prepared for the duties of the next higher rank after they have been thoroughly trained, and it also prevents too long a period of service within any one rank.

If it is agreed that the selection system has worked well in the other grades, it is reasonable to believe that it will work just as well, if not better, in these lower grades, to which this opportunity for promotion is extended. The only objection to the plan would be that it would result in an increased cost, if such objection were true, but it is not true, for it is shown by figures submitted that there will be a saving, over a period of 8 years, from 1935 to 1942, over the existing law of $1,643,356. However, for the first 2 years there will be an increased cost, but the total saving will be over a million and a half dollars for a period of 8 years. It would seem, Mr. Chairman, that there could be no strong objection to the proposed legislation.

The remaining portion of the bill provides that all former midshipmen graduated in 1933, who received certificates of graduation and honorable discharges, may, upon their own application, if physically qualified, and under such regulations as the Secretary of the Navy may prescribe, be appointed as ensigns prior to June 1, 1934, and take their rank after the junior ensigns appointed in 1933, in accordance with their proficiency as shown at the date of graduation.

This legislation is necessary in order that the line-officer strength of the Navy may be brought up to the requirements for the new ships that will be built by 1938. Since the act of May 6, 1932, 7 ships have been completed, and 55 more are either being built or have been appropriated for, making a total of 62 new ships that will be completed within the next 4 years. It is therefore necessary that the midshipmen who under existing law would be discharged to civil life should be retained in the Navy, for their services are needed for the vessels now built and building.

In conclusion, I may say that this bill does not increase the number of any line officers above the grade of lieu-

tenant, nor does it increase the cost of service pay; and it is believed that the bill will accomplish an improvement in the promotion system which will lead to increased efficiency and increased morale in the service.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That except as otherwise provided in this act, the provisions of existing law with reference to promotion by selection in the line of the Navy and the retirement of officers who are not on the promotion list or who are found not professionally qualified are hereby extended to include and authorize promotion to the grades of lieutenant commander and lieutenant, and the retirement of lieutenants and lieutenants (junior grade). The number to be recommended for promotion to each such grade and to be placed upon the promotion list shall be furnished the selection board for that grade by the Secretary of the Navy and shall be the number of existing vacancies in the grade concerned plus such additional number, if any, as the needs of the service may require.

Mr. GOSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had intended to offer an amendment for the consideration of the House in reference to going to the junior grade of lieutenant in selections. I think myself that it is a mistake that this House goes down to the rank of lieutenant, junior grade, for selection. I have talked with the chairman of the committee, and he does not agree with me, but I want to point out why I feel as I do about the matter.

Mr. DARDEN. Does not the gentleman believe that 10 years' experience is enough to base a selection on?

Mr. GOSS. I may say to the gentleman that there are only 7 years to begin with. I can conceive of some young officer getting under the command of a hard-boiled commanding officer, and we have them and should have them, whereby his efficiency rating may be reduced. It may be the lot of that officer to serve under two such commanders. Then he is automatically retired on $30 a month.

Mr. VINSON of Georgia. May I call the gentleman's attention to the testimony of the Chief of the Bureau of Navigation at page 1449 of the hearings? Dealing with this question, he stated:

It will be unnecessary to do any radical selection from lieutenant, junior grade.

I do not think the gentleman need be worried about the junior lieutenants.

Mr. GOSS. I think we are making a mistake in going down that far.

I understand in another body they would like to go down even to the grade of midshipman. Where are we going to stop and what are we going to gain by this procedure?

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. OLIVER of Alabama. It is quite a stimulus to efficiency for these young men to understand that their records will be gone over at stated times with a view to determining whether they should longer remain in the service.

Mr. GOSS. I agree with the gentleman on that point.

Mr. OLIVER of Alabama. And as the gentleman from Georgia has just stated, the Bureau of Navigation feels that this provision as it relates to junior lieutenants should be liberally construed, and they will take into account all the facts about which the gentleman expressed apprehension.

Mr. GOSS. I may say that there are two schools of thought about the matter. We can all recognize the point that has just been brought out by the gentleman from Alabama, and on the other hand, we have all had experience with officers in the Army and in the Navy which would bear out the other contention.

Of course, I do not want to hold up the matter, but I did want to point out that the House is going pretty far when it goes down to the grade of junior lieutenant.

I was very much interested in the statement of the Chairman of the Naval Affairs Committee and was impressed with his fairness when he told the House what we are to expect when this bill passes. I want to congratulate him upon making this statement, and as one Member I am very appreciative of what the gentleman has attempted to do here in explaining exactly what is coming next year, and I believe we can consider that as a part of this program.

Mr. VINSON of Georgia. Absolutely.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. That the board for the recommendation of line officers for promotion to the grades of lieutenant commander and lieutenants shall consist of nine officers on the active list of the line of the Navy above the rank of commander, not restricted by law to the performance of shore duty only, at least one of whom shall be a rear admiral.

With the following committee amendment:

Page 2, line 15, strike out the word "lieutenants" and insert in lieu thereof the word "lieutenant."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. That for the purpose of extending section 3 of the act of March 3, 1931 (46 Stat. 1483; U.S.C., supp. VII, title 34, sec. 286a), to officers below the rank of lieutenant commander, the said section is amended so that the length of service therein prescribed shall be 14 years for lieutenants and 7 years for lieutenants (junior grade): *Provided*, That no officer of said rank shall become so ineligible prior to June 30 of the second calendar year following the date of this act: *And provided further*, That the restriction on the number of involuntary transfers in any fiscal year to the retired list prescribed in section 7 of the act of March 3, 1931 (46 Stat. 1484; U.S.C., supp. VII, title 34, sec. 286e), shall not apply to the grade of lieutenant and lieutenant (junior grade).

With the following committee amendment:

On page 3, line 2, strike out the word "second" and insert the word "first"; and in line 4, after the word "that", strike out the words "the restriction on the number of involuntary transfers in any fiscal year to the retired list" and insert in lieu thereof the words "officers of the grade of lieutenant designated for retention on the active list as"; and in line 8, after the word "shall", strike out the words "not apply to the grade of lieutenant and lieutenant (junior grade)" and insert in lieu thereof the words "be carried as additional numbers in the grade of lieutenant, but shall be included in the total authorized number of commissioned officers of the active list of the line of the Navy and of any grade to which later promoted."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

The Clerk read as follows:

SEC. 5. That section 1 of the act approved May 6, 1932 (47 Stat. 149; U.S.C., Supp. VII, title 34, sec. 12), is hereby amended by inserting the word "hereafter" after the words "midshipmen who", and the words "*Provided*, That all former midshipmen graduated in 1933 who received a certificate of graduation and honorable discharge may, upon their own application, if physically qualified, and under such regulations as the Secretary of the Navy may prescribe, be appointed as ensigns prior to June 1, 1934, in accordance with this section and shall take rank next after the junior ensigns appointed in 1933 and among themselves in accordance with their proficiency as shown by the order or merit at date of graduation: *And provided further*", after the words "Naval Academy" and by striking out "in 1932, and at least 50 percent of all graduates in subsequent years: *Provided*", so that as amended the said section will read as follows:

"That the President of the United States is authorized, by and with the advice and consent of the Senate, to appoint as ensigns in the line of the Navy all midshipmen who hereafter graduate from the Naval Academy: *Provided*, That all former midshipmen graduated in 1933 who received a certificate of graduation and honorable discharge may, upon their own application, if physically qualified, and under such regulations as the Secretary of the Navy may prescribe, be appointed as ensigns prior to June 1, 1934, in accordance with this section and shall take rank next after the junior ensign appointed in 1933 and among themselves in accordance with their proficiency as shown by the order of merit at date of graduation: *And provided further*, That the number of such officers so appointed shall, while in excess of the total number of line officers otherwise authorized by law, be considered in excess of the number of officers in the grade of ensign as determined by any computation, and shall be excluded from any computation made for the purpose of determining the authorized number of line officers in any grade on the active list above the grade of lieutenant (junior grade) until the total number of line officers shall have been reduced below the number otherwise authorized by law."

With the following committee amendment:

On page 4, line 1, strike out the word "or" and insert the word "of."

The committee amendment was agreed to.

Mr. AYRES of Kansas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, line 11, after the word "discharge", insert the words "and whether they have since been married or not."

Mr. VINSON of Georgia. Mr. Chairman, we will accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. That hereafter any staff officer on the active list below the rank of lieutenant commander shall be advanced to the next higher rank in his corps when the running mate of such staff officer or an officer junior to such running mate has been promoted to that higher rank in the line of the Navy or when a vacancy in that rank exists in the line of the Navy which will in due course be filled by the promotion of his running mate or an officer junior to his running mate: *Provided*, That such staff officer is found qualified in accordance with law for such advancement. The provisions of law relating to the advancement of staff officers now embodied in sections 255, 321, and 348r of title 34, Supplement VII, United States Code, are hereby amended in accordance with this section.

With the following committee amendment:

Page 5, line 15, after the figures "348r", insert "(supplement VII)", and in line 16, after the figures "34", strike out "supplement VII."

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BEAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H.R. 9068) to provide for promotion by selection in the line of the Navy in the 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, and under the rule he reported the same back with sundry amendments.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

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

On motion of Mr. VINSON of Georgia, a motion to reconsider the vote whereby the bill was passed was laid on the table.

DIVERSIFICATION OF CERTAIN INDUSTRIES

Mr. COX, from the Committee on Rules, presented the following privileged resolution for printing under the rule:

House Resolution 369

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 H.R. 9404, a bill to authorize the formation of a body corporate to insure the more effective diversification of prison industries, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 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 the 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.

DISTRIBUTION, PROMOTION, RETIREMENT, AND DISCHARGE OF COMMISSIONED OFFICERS OF THE MARINE CORPS

Mr. BANKHEAD. Mr. Speaker, I call up House Resolution 348.

The Clerk read as follows:

House Resolution 348

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 H.R. 6803, a bill to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration 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 the following committee amendment:

Page 1, line 8, strike out "2 hours" and insert "1 hour."

Mr. BANKHEAD. Mr. Speaker, I desire to make a brief statement. I have had no request for time. This bill is identical in nature with the bill that we just passed. This bill is for the Marine Corps. Unless there is some request for time, I move the previous question.

The previous question was ordered.

The committee amendment was agreed to.

The resolution as amended was agreed to.

Mr. VINSON of Georgia. 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. 6803) to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. BOYLAN in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The bill is as follows:

Be it enacted, etc., That hereafter commissioned officers of the Marine Corps shall be distributed in grades, promoted, retired, and discharged in like manner and with the same relative conditions in all respects as are provided for commissioned officers of the line of the Navy, by existing law, or by laws hereafter enacted, except as may be necessary to adapt the said provisions to the Marine Corps, or as herein otherwise provided.

SEC. 2. That of the authorized number of commissioned officers above the grade of colonel, one shall be the Major General Commandant, one half shall be brigadier generals, and the remainder shall be major generals.

SEC. 3. That the heads of staff departments shall be general officers while so serving, in addition to the number of general officers otherwise herein provided, one with the rank, pay, and allowances of a major general, and the remainder with the rank, pay, allowances of a brigadier general. They shall be carried in the grades or ranks from which appointed.

SEC. 4. That promotion to major general of the line shall be by seniority from brigadier generals of the line.

SEC. 5. That in computing the number of colonels to be recommended for promotion or to be designated for retention on the active list the general officers of the line shall be considered as constituting the grade next above that of colonel.

SEC. 6. That commissioned service of officers for the purpose of this act shall consist of all commissioned service on the active list of the Marine Corps, whether under a temporary or permanent appointment, and all commissioned service on active duty in the Marine Corps Reserve.

SEC. 7. That selection boards shall consist of officers on the active list of the Marine Corps, the composition and procedure of the boards to be determined by the Secretary of the Navy.

SEC. 8. That administrative staff duty performed by any officer under appointment or detail, and duty in aviation, or in any technical specialty, shall be given weight by the selection board in determining his fitness for promotion equal to that given to line duty equally well performed.

SEC. 9. That section 1493, Revised Statutes (U.S.C., title 34, sec. 665), is so far amended in its application to the Marine Corps as to require that no officer shall be promoted to a higher grade, excepting in the case provided in section 1494, Revised Statutes (U.S.C., title 34, sec. 566), until he has been examined by a board of naval medical officers and pronounced physically fit to perform all his duties at sea and in the field.

SEC. 10. That the requirement of sea service in grade shall not apply to promotion of officers of the Marine Corps, and officers in the upper four sevenths of the grades of colonel, lieutenant colonel, and major, respectively, as established by the first section of this act, shall be eligible for consideration by selection boards and for promotion without regard to length of service in grade.

SEC. 11. That an officer whose name is placed on an eligible list for appointment as head of a staff department shall not be again considered for that office by any subsequent selection board, except as otherwise provided in this section, and shall, in respect

to involuntary retirement, be in the same status as if on a promotion list: *Provided*, That the Secretary of the Navy may, in his discretion, with the approval of the President, remove his name from such list and submit it to the next ensuing selection board for consideration and recommendation. If recommended for appointment by said board and approved by the President, the name of such officer shall be replaced on the eligible list from which removed without prejudice by reason of its having been temporarily removed therefrom. If not recommended by said board, such officer shall be subject to involuntary retirement under the same conditions as provided for in the case of an officer whose name is not on a promotion list.

SEC. 12. That for the purposes of distribution and promotion in the Marine Corps grade and rank shall be considered as meaning the same.

SEC. 13. That the Major General Commandant shall be appointed as now provided by law.

SEC. 14. That the selection board recommending colonels for promotion shall recommend the number of officers of the rank of colonel directed by the Secretary of the Navy for appointment as head of each staff department, and the names of officers so recommended, approved by the President, shall be placed on an eligible list for such appointment, one list for each department. As vacancies occur hereafter, heads of staff departments shall be appointed for 4 years from officers whose names appear on the eligible lists for the respective departments.

SEC. 15. That section 7 of the act of March 4, 1925 (43 Stat.L. 1272; U.S.C., title 34, secs. 624, 630, 663, 669, and 684), and all other laws and parts of laws, insofar as the same are inconsistent with or in conflict with the provisions of this act, are, except as they apply to officers heretofore retired thereunder, hereby repealed.

SEC. 16. That officers of the Marine Corps in the ranks or grades of lieutenant colonel and major shall not be retired because of not being on a promotion list or on an eligible list for appointment as head of a staff department, and shall be eligible for consideration for promotion by promotion boards without regard to completion of 28 and 21 years' service, respectively. Upon promotion or advancement after the approval of this act, with the exception of the Major General Commandant, heads of staff departments with the rank of brigadier general, an officer of the Marine Corps who may be appointed as Judge Advocate General of the Navy, and commissioned warrant officers, which officers shall receive the pay and allowances provided by law for their rank, commissioned officers of the Marine Corps shall receive the pay and allowances of the grade or rank from which promoted or advanced: *Provided*, That officers in the grades or ranks stated shall receive the pay and allowances of the grades or ranks in which serving upon attaining the number on the lineal lists of such grades or ranks, as follows: Major general, 2 (excluding the Major General Commandant); brigadier general, 4; colonel, 35 (common list); lieutenant colonel, 38 (common list); major, 80; captain, 254; first lieutenant, 220.

With the following committee amendments:

Page 2, line 13, after the word "be", strike out the words "by seniority."

Page 2, line 24, after the word "of", insert "not less than six."

Page 3, line 2, after the word "Navy", strike out the period, insert a colon, and the following: "*Provided*, That no officer shall be recommended for advancement unless he shall have received the recommendation of not less than two thirds of the members of the board."

Page 3, line 16, strike out the figures "566" and insert "666."

Page 3, line 20, strike out the word "Corps" and insert "Corps;".

Page 3, line 22, strike out "of colonel, lieutenant colonel, and major, respectively" and insert "below brigadier general, subject to selection."

Page 4, line 1, after the word "grade", strike out the period, insert a colon, and the following: "*Provided*, That no officer of the Marine Corps shall be ineligible for consideration for promotion by reason of completion of length of commissioned service until he shall have been once considered by a selection board."

Page 5, line 23, after the word "by", strike out the word "promotion" and insert the word "selection."

Page 5, line 25, after the word "years'", insert the word "commissioned."

Page 6, line 17, strike out "54" and insert "56."

Page 6, line 18, strike out "20" and insert "24."

Mr. VINSON of Georgia. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. DARDEN].

Mr. DARDEN. Mr. Chairman, I trust the gentlemen will give me their attention. I promise I shall not trespass long upon the time of the House in the consideration of this matter. I regret that the gentleman from Pennsylvania [Mr. BOLAND] is unable to be here today. He was chairman of the subcommittee that heard this bill. He is so well acquainted with it that it is with hesitation that I attempt to take his place and present it to the Committee.

You heard the argument dealing with the Navy. This bill not only seeks to do for the Marine Corps what the previous bill did for the Navy, but it goes a step beyond that. Never in its history has selection been applied to the Marine Corps, except in the selection of its highest officers. Heretofore practically all promotion has been by seniority. The Navy abandoned this system almost 18 years ago. The system as applied to the Navy has worked excellently, and it is for that reason that we are anxious to apply it to the Marine Corps, not only because it has been a good system, but because the Marine Corps is an integral part of the naval service and should be governed by personnel laws applicable to the Navy. The Marine Corps is a small organization. There are only 1,024 officers in the corps, and on the 1st of July next there will be 16,000 enlisted men. There are now slightly under that number of enlisted personnel.

The Marine Corps finds itself subject to the most dangerous disease that can affect any military organization, and that is that its officers are well over age. The officers now comprise 1 Major General Commandant, 2 major generals of the line, 6 brigadier generals of the line, 3 brigadier generals of the staff, 44 lieutenant colonels and 34 colonels, 124 majors, 329 captains, 275 first lieutenants, and 206 second lieutenants. There is in the Marine Corps no separate line. All the officers are on one lineal list. It has no staff, as has the Navy. This bill, if passed, will apply to all the officers of the Marine Corps and affect them alike.

I want to leave the bill now for a short time and tell you why we feel it is so necessary that this legislation be enacted and be enacted promptly. The Marine Corps, being a small organization, has to be ready for service with the fleet at any time to be effective. Its duties, by nature, are very arduous. They require not only young men in the enlisted personnel but they require young men in the officer personnel, young men who are ready and willing at all times to enter the most difficult field service in connection with operations with the fleet. Unless the Marine Corps is in this condition, there is no use having it at all. Unless it is prepared for instant service, and unless it is well prepared and officered by young men who are capable and able to stand the rigors of a difficult campaign, we might as well abolish it, because it is neither ready nor is it efficient.

It has had a glorious history. Many of you know that probably as well as I. It is older than the Constitution itself. It has never been found wanting in case of emergency and it has always acquitted itself with honor. It has reflected credit on the United States, and it will do so in the future if we are prepared to give it the legislation it needs and that it deserves, in order to correct the present situation.

I want to read very briefly what General Pershing had to say about the question of young officer personnel. He gave it close attention. Immediately upon his arrival in Europe he was faced with this particular problem, and in July 1917 he cabled the War Department in reference to the situation. I shall now read a part of that cable:

> My observation of the British and French Armies and most exacting, arduous service at the front, fully convinces me that only officers in full mental and physical vigor should be sent here. Contrary course means certain inefficiency in our service and possible later humiliation of officers concerned. General officers must undergo extreme effort in personal supervision of operations in trenches. Very few British or French division commanders are over 45 or brigadiers over 40. We have too much at stake to risk inefficiency through mental or physical defects. Strongly recommend condition be fully considered in making high appointments, and suggest that no officer of whatever rank be sent here for active service who is not strong and robust in every particular. Officers selected for appointment general officer of line should be those with experience in actively commanding troops. Officers not fulfilling above conditions can be usefully employed at home training troops.

General Pershing never altered his opinion as to this vital problem. In a letter to the Secretary of War in October 1917 he again emphasizes it by saying:

> Both the British and French higher officers emphasize in the strongest terms the necessity of assigning younger and more impressionable men to command brigades and divisions. We would commit a grave error if we fail to profit by their experience. A division commander must get down into the trenches with his men and is at all times subject to severe hardships. * * * The French Army was filled with dead timber at the beginning of

the war, and many French failures are due to this fact. General officers must be fitted physically and mentally, must have experience, and must have go and initiative if they are to fill positions fraught with such momentous consequences to the Nation and which involve the lives of thousands, perhaps hundreds of thousands, of our men.

Then, after the great conflict had passed and he had had an opportunity to view the matter more comprehensively, General Pershing had this to say in his book:

After visits to units that had lately joined, further attention was given to qualifications necessary in our higher officers. The British and French both had commented unfavorably upon the evident inactivity of many of them and even upon the infirmities of some of the division commanders who had been sent over during the preceding months to observe and study conditions at the front. It had been proved over and over again by the Allies that only the strongest could stand the continuous and nerve-racking strain of battle. * * *

Now, gentlemen, that is what is required in an effective fighting organization. That is what we have always intended and expected the Marine Corps to be, and, unless we are prepared to enable it to meet that test now, we are doing it a great injustice.

I have quoted from General Pershing because, as you know, his words are entitled to great respect. He commanded the American forces in the greatest struggle civilization has ever seen. If you will glance back over the pages of history, you will find he was justified in making these statements.

Julius Caesar was consul at 41, and during the next 10 years was governor of the western provinces of Rome, the scene of his brilliant military successes. He returned to Rome a little after 50, and, of course, as you know, was assassinated several years later.

Alexander the Great was a young man when he overran Europe and Asia, dying at 33, complaining that no more worlds were left to conquer.

Hannibal was 25 when he took command of the Army and Province of Spain. He was 29 when he crossed the Pyrenees and crushed the Roman legions at the Trebbia, and at the age of 31 he was the greatest victory of his career at Canne.

But let us turn from these ancient figures to those leaders of more recent times. Out of the terror and horror of the French Revolution stepped Napoleon, a boy of 26, who gathered around himself the tattered remnants of the armies of France and started on that career which was within a few years to make him master of Europe.

At 27 he commanded the French armies in Italy against Austria and by a series of brilliant campaigns defeated the Austrians who had regarded him as but an accidental leader of an ineffective mob. Officered by old men, they were no match for that genius of 27, who surrounded himself with officers who were young, energetic, and capable.

Genghis Kahn, of course, was a general much younger than that, but was a general also much older than that. It is a remarkable thing that he, starting from the plateau of Asia, a commander of a large body of troops in his very early twenties, he knocked at the gateway of Europe with cavalry, which has never been excelled and which was commanded by men under 30. Later he carried on his operations from his headquarters in Asia, 2,000 miles away, by pony express.

We come down to later times and we find that the leaders in our Civil War were comparatively young men. Lee was somewhat an exception. Lee left the service of the United States at 54 to take command of the armies of Virginia and the armies of the South, but Jackson was in command at 37. Mosby and Stuart were both under 30 at the outbreak of the war. Sheridan was 30. McClellan was 35 and Grant 37 at the outbreak of hostilities. All of these young men, within the time of 4 years, became great leaders in the field.

I want to read a few lines from General Hunter Liggett's book with reference to young men in command in the A.E.F. General Liggett said:

Some of the finest officers we had went to pieces under the emotional strain of command, fearful at the best, intensified here by the knowledge that they were leading troops only partially trained against the best organized and most skillful man-killing machine ever set going. * * * They were much more frequent among older officers of higher rank than among lieutenants, captains, and majors who had physical discomfort added to responsibility.

It is entirely reasonable for us to suppose that the future is going to be even more difficult than the past. Our armies are rapidly becoming mechanized. Not only must they be commanded by young men with an agile, young body, but they must be commanded by men with young minds.

I want to read you what Major General Russell, who presented this case for the Marine Corps at the time he appeared before the Naval Affairs subcommittee which had this bill under consideration, said. He is a man of illustrious service. He is now head of the Marine Cops. I do not know of any person in the United States more entitled or better qualified to speak in its behalf than is General Russell. He said:

Because of the active nature of its peace-time service and the necessity for its immediate readiness to support the fleet in the event of war, the Marine Corps must have a vigorous officer personnel. It has not a great overhead establishment or other duties in which to absorb officers not up to the physical standard of active field duty. At present the colonels range in age from 52 to 62, the lieutenant colonels from 49 to 57, the majors from 38 to 56. Seventy percent of the captains are over 40 years of age, and 37 percent of the first lieutenants are over 35 years of age. There are 43 captains over 50 and 18 first lieutenants over 40.

These latter officers are the combat leaders and must be physically equal or better than the men they lead or the full advantage of the physical quality of the troops cannot be obtained. Our enlisted men are young and vigorous and their officers must be physically capable of direct leadership. Troops can be no more active than their leaders. For this reason the over-age condition of these grades strikes at the very heart of the efficiency of the corps, namely, its fighting effectiveness. Therefore I refer to it in such strong terms.

My opinion is not based on conjecture but on the experience of the Marine Corps in its field operations in recent years, which conclusively proved that many of our officers are too old for active field service. Unless some improvement is made in this condition, the efficiency of the Marine Corps in active operations in the future will be seriously impaired.

In this connection I should like to point out that the Marine Corps is the only one of the three services of our national defense that has not received the benefit of commissioned-personnel legislation.

The present method of promotion in the Marine Corps, with slight variation, is one of seniority. An officer can be promoted to the next higher grade only when a vacancy occurs therein. The rate of promotion depends entirely upon the number of vacancies, caused by such variable factors as retirement, death, resignation, discharge, and authorized increase or decrease in strength or change in distribution. One of the inherent faults of this method of promotion is its dependence upon the variable factors just mentioned, and, further, as a result of experience, the inability to promote the smart, efficient officer over others who lack these qualifications.

The correct system of promotion should stimulate an officer's interest in his profession, arouse his energies, and bring forth his best efforts. Only the entirely fit should be promoted.

That is the statement General Russell made before our subcommittee.

Upon referring to the chart which appears upon page 1344 of the hearings, which I want to insert in my remarks, we will find that the average age of our colonels is 55; of our lieutenant colonels, 52; of our majors, 45; of our captains, 42; of our first lieutenants, 34; and of our second lieutenants, 27; and, mind you, this is an average age.

The chart referred to is as follows:

The details as to ages are shown in the following table:

Ages of officers, 1933 and 1943

Age	Colonel		Lieutenant colonel		Major		Captain		First lieutenant		Second lieutenant, 1933
	1933	1943	1933	1943	1933	1943	1933	1943	1933	1943	
63	0	[1]1	------	------	0	0	[1]2	0	------	------	------
62	[1]1	[1]3	------	------	0	[1]1	[1]1	0	------	------	------
61	0	[1]7	0	[1]2	0	0	0	0	------	------	------
60	0	[1]8	0	[1]2	0	0	[1]1	0	------	------	------
59	[1]1	[1]8	0	[1]2	0	[1]2	[1]4	0	------	------	------
58	[1]5	[1]2	0	[1]6	0	[1]3	0	0	------	------	------
57	[1]3	0	[1]1	[1]6	0	[1]3	[1]2	0	------	------	------
56	6	4	[1]2	[1]3	[1]1	[1]5	[1]3	0	------	------	------
55	9	0	[1]3	[1]5	0	[1]6	[1]4	[1]1	------	------	------

[1] Over-age.

Ages of officers, 1933 and 1943—Continued

Age	Colonel		Lieutenant colonel		Major		Captain		First lieutenant		Second lieutenant, 1933
	1933	1943	1933	1943	1933	1943	1933	1943	1933	1943	
54	3	0	[1]5	[1]5	0	[1]2	[1]1	[1]3			
53	3	0	[1]7	[1]3	[1]3	[1]4	[1]4	[1]9			
52	3	0	[1]8	[1]7	[1]11	[1]3	[1]7	[1]5			
51			[1]11	[1]3	[1]5	[1]23	[1]8	[1]15			
50			[1]6	0	[1]7	[1]17	[1]6	[1]34	[1]1	0	
49			1	0	[1]9	[1]22	[1]7	[1]24	[1]1	0	
48					[1]11	[1]18	[1]11	[1]32			
47					[1]13	[1]10	[1]14	[1]37			
46					[1]7	[1]5	[1]11	[1]30	[1]1	0	
45					[1]7	0	[1]9	[1]26	[1]1	0	
44					[1]6	0	[1]15	[1]26	[1]4	0	
43					[1]9	0	[1]12	[1]24	[1]1	[1]1	
42					14	0	[1]29	[1]20	[1]2	[1]5	
41					6	0	[1]40	[1]20	[1]5	[1]3	
40					7	0	[1]39	[1]19	[1]2	[1]31	
39					3	0	[1]43	[1]4	[1]7	[1]30	
38					5	0	[1]29	0	[1]16	[1]33	
37							[1]21	0	[1]16	[1]30	
36							[1]6	0	[1]18	[1]30	
35									[1]28	[1]40	
34									[1]35	[1]26	
33									[1]31	[1]22	[1]2
32									[1]30	[1]22	[1]1
31									[1]41	[1]2	[1]9
30									[1]22	0	[1]25
29									[1]11	0	[1]28
28									2	0	[1]29
27											[1]31
26											[1]33
25											[1]21
24											13
23											11
22											1
Average age	55	59	52	54	45	49	42	46	34	36	27

Rank	Maximum effective age, years	Over age			
		1933		1943	
		Number	Percentage	Number	Percentage
Colonels	56	10	29	29	88
Lieutenant colonels	49	43	98	44	100
Majors	42	89	72	124	100
Captains	35	329	100	329	100
First lieutenants	28	273	99	275	100

[1] Over-age.

The increase of the average ages in the next 10 years shows that the situation is going from bad to worse, notwithstanding the fact that in the meantime many of the older officers appointed during the war will have passed off the active list.

It is the opinion of those best qualified to speak that 7 years per grade is the most reasonable number of years that should be allowed to each grade above second lieutenant. On that basis a first lieutenant should not be over 28, a captain over 35, a major over 42, a lieutenant colonel over 49, a colonel over 56.

I will show you a little later that the officers who commanded the Marine Corps as a part of the Second Division in the A.E.F., were about this age. If we adopt this as a premise, and I believe it is a sound one, this is the condition of the present officers of the corps: 29 percent of the colonels are over age; 98 percent of the lieutenant colonels of the present corps are over age. Seventy-two percent of the majors, 100 percent of the captains, and 99 percent of the first lieutenants, in what we call our finest fighting unit, are over age. Unless we are prepared to remedy this situation, and to remedy it immediately, we should disband the corps rather than delude ourselves by believing that it is either an available or an effective fighting unit.

While we are on the subject, it will be interesting to review briefly the ages of some of the Marine officers who served overseas during the World War with the A.E.F. and who wrote another brilliant chapter in the history of this great corps. Maj. Gen. John A. Lejuene, who commanded the Second Division, was 51; and Brig. Gen. Wendell V. Neville, who commanded the Marine Brigade, Second Division, was 48. The lieutenant colonels in the staff of the Fourth Marine Brigade averaged 40 years. Colonel Feland, the regimental commander of the Fifth Marines, was 49, while the age of two colonels who served as regimental commanders of the Sixth Marines, was 50 and 46, respectively. The average age of the majors who commanded the Fourth Machine Gun Battalion, Second Division, was 35. The battalion commander Fifth Machine Gun Battalion was a major of 27.

Today the average age, not only of the colonels, but also of the lieutenant colonels of the corps is more than the age of Major General Lejeune at the time he commanded the Second Division. The average age of the majors today is 16 years above the average age of the majors who commanded the Fourth Marine Machine Gun Brigade of the Second Division, American Expeditionary Forces.

At present, with promotion by seniority, it will take over 5 years to pass through the grade of second lieutenant, over 10 years to pass through the grade of first lieutenant, over 18 years to pass through the grade of captain, over 15 years to pass through the grade of major, 7 years to pass through the grade of lieutenant colonel, and 9 years to pass through the grade of colonel. This is more than 25 years beyond the time when a man will be retired from the Marine Corps because of age.

At the rate at which promotions were made last year it would require 55 years to pass through the grade of captain in the Marine Corps and 25 years to pass through the rank of major, making 80 years for these two grades alone. Of course, the result will be that practically all of the higher officers would go out at one time and then the Marine Corps would start again with very young men and go through the same experience they are now passing through.

Promotion by seniority is poor at best. There is no earthly reason to suppose that because one officer happens to be commissioned one day earlier than another, or maybe only a few minutes earlier than another, that he will until retirement be the more capable of the two. That one graduates number 1 in his class in 1934 does not mean that in 1944 or 10 years later he will still be the most capable officer. Too many things can happen. He may or may not be industrious. He may or may not take advantage of the opportunities presented. Promotion by seniority is a system so stupid and so costly in military organizations that those which adhere to it not only will perish, but they deserve to perish.

The Marine Corps has long recognized the danger of the plan and many attempts have been made to secure its change.

I have given you the general background. This bill proposes to correct the present situation by setting up a selection board composed of six officers from the active list, who are to pass on all promotions. It does not add a single dollar of expense nor does it add a single officer to the 1,024 now in the Marine Corps; it merely redistributes the officers somewhat in their respective grades and provides a system of selection for the Marine Corps similar to that which now exists in the Navy. It is proposed that the names of those officers eligible for promotion be put on a list and certified by the Secretary of the Navy to the board for selection. After a careful examination of their record, their physical fitness, their moral fitness, their professional fitness, they may be recommended for promotion by the board. Not only do we propose to do that but we propose also to require that they receive a two-thirds vote of the board before they are advanced.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 additional minutes to the gentleman from Virginia.

Mr. DARDEN. We believe that in doing this we will get officer personnel of the highest grade. We propose to promote a second lieutenant after 3 years of service, and we propose, by making a part of this bill some of the sections of the Navy bill which was passed just a few minutes ago, to apply selection from first lieutenant to general. We do not intend, as is provided by the Navy bill, to exempt the high grades. In the Navy admirals are promoted by seniority, but in the Marine Corps we expect to apply the selective sys-

tem to all officers after they reach the grade of first lieutenant. We are going to redistribute the officers in the Marine Corps. I will not take the time to tell you how we are going to redistribute them, but the result will be that the officer personnel will be allocated to the Marine Corps on the identical basis that the officer personnel is allocated to the Navy, because the two arms are integral parts of one service.

Now, Mr. Chairman, this is a desperate situation. We have an opportunity, by this legislation, to lay the foundation for a corps even greater than we have known in the past. I hope that the House will see fit to support this proposal.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. DARDEN. I yield.

Mr. WHITE. Will the gentleman explain what is proposed to be done under the new set-up with the excess number of officers who will be in the upper grades?

Mr. DARDEN. There will not be any.

Mr. KNUTSON. They will be retired.

Mr. DARDEN. No; they will not be retired. Section 16 of the bill deals with the situation. There will not be any excess of officers in the upper grades.

Mr. WHITE. There is bound to be in course of time.

Mr. DARDEN. We are not going to create an excessive number of officers in any grade by this bill.

Mr. WHITE. If a large number of the younger officers are going to be advanced in rank it will mean that before many years there will be an excess of officers in the upper grades.

Mr. VINSON of Georgia. It will bring about a redistribution of the officers. There are not too many officers in the Marine Corps at the present time; the corps is not overofficered, but the officers are badly distributed. Many of them are over age in their present grades.

Mr. DARDEN. Mr. Chairman, I yield back the balance of my time.

Mr. THOMPSON of Texas. Mr. Chairman, being a marine myself I am naturally very favorable to this bill. It has been very ably explained by the gentleman from Virginia and I will not take any further time on the floor.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Chairman, the bill under consideration is a Marine Corps personnel bill submitted by the Navy Department and, as introduced in the House, has the approval of the administration. It provides for promotion by selection to the grades of lieutenant colonel, colonel, brigadier general, and major general, and promotion by seniority to the grades of captain and major. Second lieutenants would be promoted to first lieutenants after 3 years' commissioned service. This bill applies to the Marine Corps; the distribution, promotion, retirement, and discharge of its officers, a law which, as modified by the Britten bill of March 3, 1931, has been in effect for the line of the Navy for some 18 years, because the Navy law has been found to be practical and efficient, and because the Marine Corps is a branch of the naval service; most of its service is with the Navy, and most of its future officers will come from the Naval Academy.

The present Marine Corps laws provide primarily for promotion by seniority from second lieutenant up to and including the grade of colonel. Each officer, as a vacancy occurs, is promoted after prescribed examinations—moral, professional, and physical—but there is no method of promoting only the able, zealous, and efficient officer. Those less able can and do qualify for promotion under the obsolete and inefficient requirements of the present laws and must be promoted. Only a few are retired because of physical disability or are eliminated because of moral failure. Only one officer has failed professionally in the last 8 years. Colonels are promoted by selection, and only in this grade is there enforced retirement because of failure to be on a promotion or eligible list.

Under the present laws the average rate of promotion is so slow that a junior officer must spend most of his service in the lower grades, and can reach the higher grades only a short time before retirement for age.

During the last 10 years, the average promotion rate to pass through each grade was as follows: Second lieutenant, 5.4 years; first lieutenant, 10.4 years; captain, 18.2 years; major, 15.5 years; lieutenant colonel, 7 years; and colonel, 9 years—a total of more than 25 years beyond the time when an officer must be retired for age. Last year there were so few promotions that, in future at the same rate, it would require 55 years to pass through the grade of captain and 25 years to pass through the grade of major.

This bill, if enacted into law, when its provisions become fully effective and when the selection system is extended for the Navy to junior lieutenant, as is proposed, will correct the present stagnation of promotion and over-age of commissioned officers of the Marine Corps, and will result in average service in each grade of about 7 years, which is what it should be.

Because of stagnation and lack of promotion in the Marine Corps, 29 percent of the colonels, 98 percent of the lieutenant colonels, 72 percent of the majors, and practically 100 percent of the captains and first lieutenants are now over-age for their respective grades. In 10 years without relief, 88 percent of the colonels and 100 percent of all other junior officers now in the corps will be over-age in grade.

During the period from 1899 to 1920, the Marine Corps was increased from time to time sufficiently to provide for promotion of its officer personnel at nearly the desired rate.

During the World War a great many Reserve officers and noncommissioned officers were given temporary commissions as in the Navy; and by the act of June 4, 1920, many of these were permanently commissioned, all of them in the rank of captain, first lieutenant, and second lieutenant. Their present status is a 14 years' increase of age without corresponding increase of rank. Many of them have held the same rank for this entire period.

As a result of the war it has been found that the distribution of officers in the various grades was obsolete. There were too few of high rank either to perform duties commensurate with their responsibility and experience or to provide a proper flow of promotion from the lower to the upper grades.

This condition has not so far been corrected in the Marine Corps, but it is provided for in this bill.

The mission of the Marine Corps in a national emergency requires that a large portion of the Regular Establishment be immediately available for overseas duty with the fleet and that the peace establishment be rapidly expanded to meet the large operating, supply, procurement, and training problems involved. These war-time needs demand that the active list be composed only of officers physically equal to the rigors of a campaign, primarily and essentially troop leaders, thoroughly trained in the duties of their ranks.

The peace mission requires intensive training for a high state of readiness for war and, if necessary, to furnish troops for active field service for the protection of American interests abroad and for minor emergencies at home.

The proposed legislation will permit the Marine Corps to develop potential leaders capable of carrying on its assigned mission in peace and war. It is essential that for the arduous service required, young, able-bodied, and efficient officers be made available.

The first 15 sections of this bill provide a complete system which will place the Marine Corps under Navy rather than Army personnel laws, which is sound and appropriate. The cost involved would amount to an annual increase of $131,000. In ordinary times this expense would be eminently justified. Unfortunately, present conditions seem to preclude the passage of this bill should it require additional cost to the Government. Therefore section 16, a saving clause, has been included to prevent any increased cost by limiting involuntary retirements to the grade of colonel, and by

restricting increased pay by reason of promotion. However, the serious state of stagnation will be considerably relieved; the more efficient and deserving officers will be promoted; and many officers will assume new ranks and duties more in keeping with their age, experience, and length of service.

To sum up briefly, this bill applies the Navy system to the Marine Corps and provides:

(a) For no increase of cost to the Government and for no additional officers.

(b) For promotion by selection to the grades of lieutenant colonel, colonel, brigadier general, and major general.

(c) For promotion to captain and major by seniority.

(d) For extension of the selection system for the lower grades should such extension be authorized for the Navy.

(e) For promotion of second lieutenants after 3 years' commissioned service.

(f) For readjusment of grades to conform to the needs of the Marine Corps.

(g) For retirement of nonselected colonels after 35 years' service instead of at 56 years of age.

This year legislation has been passed which provides for building our Navy to treaty strength. I call particular attention to this, because satisfaction in having provided for such a construction program may dim the realization that material preparedness is valueless without personnel preparedness—the provision for adequate, well-trained personnel, composed of vigorous, intelligent young men, properly officered. Every organization always reflects the character of its officers. The high efficiency and morale of the Marine Corps cannot survive if the quality of its officer personnel is impaired by over-age, by retarded promotion, and by lack of reward. These restrictions now exist because of the application of obsolete and inefficient laws. It is an urgent duty that we take remedial action as is now proposed in this bill. [Applause.]

Mr. VINSON of Georgia. Mr. Chairman, I yield the gentleman from Kentucky [Mr. BROWN] such time as he may desire.

Mr. BROWN of Kentucky. Mr. Chairman, like the gentleman from Texas, I desire to commend our colleague from Virginia [Mr. DARDEN] for the excellent way in which he has presented this splendid bill. The gentleman from Texas is a former marine and knows their problems. During the World War I happen to have had a brother who was in the Marine Corps stationed down here at Quantico, Va., and second-hand I have heard a great deal about their problems also. If you take the name from the Marine Corps and apply the situation to any other name, I do not think you can ever successfully defend the seniority plan for any organization, and you can include Congress in that if you want to. Men are especially adapted to the particular grade that they fill. It is not necessarily because of their age. There are other contributing agencies and elements that make them desirable for the particular grade that they occupy. I think it is wise that we follow now with the Marine Corps, and possibly some of these days with the Army, the precedent that the Navy set some 18 years ago when they, partially at least, set aside their seniority rule and put their officers on the basis of selection.

There is no use arguing the glories of the Marine Corps here on the floor of the House. Perhaps we may say that the American marine is the finest fighting human machine that the modern world knows. This bill here will simply perfect that organization until it will continue in the future the glorious past it has thus far rendered to this Nation. [Applause.]

Mr. BRITTEN. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I feel like an interloper, coming into this discussion. I have never been a member of the Naval Affairs Committee, either in this body or in the other. I am so intensely interested in military legislation, having had experience with it on the Military Committee in another body, that I cannot refrain from making a few suggestions upon an occasion of this kind.

The Congress, generally speaking, has taken a quite different attitude toward the Navy and the Marine Corps than it has taken over a long period of years toward the Army. Students of military history and of the debates in the Congress with respect to military subjects will generally find that the average citizen in the United States and the average Member of Congress is perfectly ready and willing to admit that he could not command a battleship, but there are thousands and thousands of civilians who have been confident, as a general rule, at least up until the World War, that they could command a regiment of infantry. It has been the tradition of the American people that the command of soldiers was a comparatively easy thing, and that was the cause of getting us into many wars, causing the loss of thousands and thousands of lives and the expenditure of billions out of the Treasury.

It was not until 1920, when the National Defense Act was revised, that any important steps were taken to give the Army a chance to govern the Army in its interior organization and to bring it up-to-date. You would be surprised—and I am saying this as raising a contrast between the way Congress has treated the Navy, wisely so, I believe, as compared with the way it has treated the Army—to know that prior to the World War, indeed upon the date on which we went into the World War, the laws of the United States prescribed the exact number of men that should constitute a company of infantry. There should be 1 first sergeant, 9 line sergeants, 10 or 12 corporals, so many privates (first class), and so many privates, and the Army was not permitted in its interior organization to change its own tactical organization in the slightest degree without an act of Congress.

I have sat with a committee in the other House and listened to a debate between Members of that body lasting 3 hours as to whether a company of Signal Corps troops should be increased by the addition of one technical sergeant. That all had to be wiped out when we went into the World War. It caused unutterable confusion. The same thing is true with respect to promotions in the Army.

Some of us were exceedingly anxious back in 1920 to install the selection system of promotions in the Army, but an overwhelming majority of our colleagues in the Congress said, "No; we cannot trust the Army to run its own promotion system." The Navy is being trusted, as it should be. You are giving to these selection boards, as you should, the power to promote officers. You do not let the Secretary of the Navy have anything to do with the matter. Not even the President of the United States has anything to do with the promotion of officers in the Navy. You are now going to make it that way in the Marine Corps. Personally I believe in it, and I would welcome the day when the Congress of the United States would confer this trust upon the Army and let the Army select its officers for promotion. There is a hump in the promotion list of the Army worse than now exists in the Marine Corps.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. As a matter of fact, it was stated by the gentleman from Mississippi [Mr. COLLINS], in presenting the military appropriations bill, that there are lieutenants 64 years of age in the Army.

Mr. WADSWORTH. Yes; but of course they are exceptions. The average age of the Army officer grade by grade is going up by leaps and bounds. They are traveling along the same road with respect to age as the Marine Corps is now traveling, and the Army is reaching that same point of over-aged men, especially in the lower grades. I express the hope, in taking advantage of this opportunity, that something may be done for the Army in the same way.

Mr. DARDEN. Will the gentleman yield for a question?

Mr. WADSWORTH. I yield.

Mr. DARDEN. Does not the gentleman believe that that is the fault of the Army rather than of the Congress? Does not the gentleman think that failure to enact such legis-

lation is due to pressure brought on Members of the Congress by the officer personnel of the Army?

Mr. WADSWORTH. That has not been my experience. I think the Army would welcome it.

Mr. DARDEN. I am just asking the question, because I do not know.

Mr. WADSWORTH. The Army has always been governed by law down to the details of its interior organization to an extent that the Navy and Marine Corps never have been, and one reason for the extraordinary effectiveness of the Marine Corps as an expeditionary force is that there has never been any law of Congress governing its interior organization.

Mr. McFARLANE. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. McFARLANE. Has that matter ever been studied in the appropriate committee? It seems to me the gentleman's statements are very pertinent, and I believe the matter should be gone into very carefully by the proper committees of Congress so as to permit the consideration of a promotion bill similar to the bills for the Navy and the Marine Corps.

Mr. WADSWORTH. I have not had the honor of being a member of the House Committee on Military Affairs. But in the other body, in the Committee on Military Affairs on which I served, the matter was given great study, and many of us wanted to do this, but we ran up against a stone wall in the Congress itself at that time.

Mr. JAMES. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. JAMES. I may say that, of course there is no second lieutenant in the Army 64 years of age, because they have to retire at 64.

Mr. VINSON of Georgia. If the gentleman will yield, if my memory does not serve me falsely, that is my recollection of a statement made by the gentleman from Mississippi [Mr. COLLINS].

Mr. JAMES. Well, that is not true.

[Here the gavel fell.]

Mr. BRITTEN. Mr. Chairman, I shall only take a minute of the time to suggest that most of us on this side are in hearty accord with this legislation. It is something which the Marine Corps should have had 10 years ago. It is something they are very glad to get now. It will improve the corps; it will improve the morale of the officers, even if those who cannot be promoted will ultimately go out. If anything, the Marine Corps will be more efficient in the future than it has been in the past, and we all know how efficient it has been prior to the war, during the war, and since the war.

I think that, man for man, the Marine Corps is the greatest fighting force in the world. We had instances during the World War where a marine would throw his steel helmet off and go dashing over the top and get shot. He did not care for his helmet. What he wanted to do was to fight. This was a typical American attitude; and if there is a military force in this country that typifies American youth, it is the Marine Corps.

Legislation of this character would have been enacted into law 10 years ago but for the influence of two or three officers, particularly one officer who did not want it because he was afraid he would not be selected up. He was afraid he would never be selected up, although he had a lot of influence. Frankly, I disagree with my distinguished colleague from New York [Mr. WADSWORTH], when he says that it was the Congress that stopped selection in the Army. The real cause was the pull of a few individuals in the Army who reached Congress and prevented selection. Selection should prevail in the Army just as it is going to prevail from now on in the Marine Corps, and just as it has prevailed for 18 years in the Navy, because it means efficiency. It stands for reward of merit; and if a man is good, if he is capable, if his superiors like him, if he is an outstanding officer, he ought to be promoted. If he does not have all these qualifications, he should be retired and put off the pay roll, so he can make room for some other youngster who comes up from below, and who is efficient and will deliver when the time comes for him to do so.

I hope it may not be necessary to use any more time on this measure. We on this side are for it, and so far as we are concerned you may begin the reading of the bill now.

Mr. VINSON of Georgia. Mr. Chairman, I ask that the bill may be now read for amendment.

The Clerk read as follows:

SEC. 2. That of the authorized number of commissioned officers above the grade of colonel, one shall be the Major General Commandant, one half shall be brigadier generals, and the remainder shall be major generals.

Mr. GOSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Goss: Page 2, line 3, after the word "Commandant", strike out the words "one half" and insert the words "two thirds."

Mr. GOSS. Mr. Chairman, we have just adopted the first section of the bill which puts the Marine Corps, so far as distribution of officers in grade and rank is concerned, on the same basis as the Navy.

Unlike the Navy bill, this bill for the Marine Corps attempts to redistribute the officers in grade and rank, and when the Chairman of the Naval Affairs Committee had the floor a few moments ago he frankly stated to the House he was going to bring in a bill next year redistributing the officers in grade and rank.

If this amendment is adopted, as I hope it will be, I am going to offer an amendment to the next section which will make section 3 conform to present law, and then next year, when we bring in the Navy bill, the Marine Corps bill can be considered in the light of the Navy bill and with the same distribution of the commissioned officers in grades.

If we do not do this, if this is the final bill for the Marine Corps, then section 16 should be stricken. However, I do not believe, in view of the fact that it has not gone to the Budget, it should be stricken.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. GOSS. I yield.

Mr. VINSON of Georgia. I am in accord with the amendment offered by the gentleman, and I should like an approval from the Budget and to see section 16 stricken out. Then that would make a perfect bill. But, unfortunately, it cannot pass the Budget, and section 16 must remain in the bill.

Mr. GOSS. I shall not offer an amendment to do that, although I think, in view of the redistribution of officers in grade and rank, we should do that.

Mr. VINSON of Georgia. I think we should take care of that in the future. I am in accord with the gentleman's two amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. That the heads of staff departments shall be general officers while so serving, in addition to the number of general officers otherwise herein provided, one with the rank, pay, and allowances of a major general, and the remainder with the rank, pay, and allowances of a brigadier general. They shall be carried in the grades or ranks from which appointed.

Mr. GOSS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 4, strike out section 3 and insert in lieu thereof the following: "That the head of staff departments shall be general officers while so serving in addition to the number of general officers otherwise herein provided with the rank, pay, and allowances of brigadier general. They shall be carried in the grade or rank from which appointed."

Mr. GOSS. I will say that this is to follow the same idea as section 3, and leave the matter of distribution the same as it is now.

Mr. VINSON of Georgia. We have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. That promotion to major general of the line shall be by seniority from brigadier generals of the line.

With the following committee amendment:

Page 2, line 13, strike out the words "by seniority."

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. That commissioned service of officers for the purpose of this act shall consist of all commissioned service on the active list of the Marine Corps, whether under a temporary or permanent appointment, and all commissioned service on active duty in the Marine Corps Reserve.

Mr. DARDEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 23, after the word "reserve", insert "and the National Naval Volunteers."

Mr. BRITTEN. I would like to ask the gentleman how many officers would be affected by that?

Mr. DARDEN. I know of one, but I think there may be others. It is a fair thing and will do no injustice to any officer in the Marine Corps.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. AYRES of Kansas. Mr. Chairman, I move to strike out the last word to make inquiry as to the purpose of section 4. I was on my feet endeavoring to get recognition when we got through with section 4. What is the purpose of striking out the word "seniority" and making it read—

That promotion to major general of the line shall be from brigadier generals of the line.

Mr. DARDEN. The purpose of that is to advance the brigadier generals by selection rather than by seniority. The bill as it came up provided that they should be advanced by seniority. We felt they should be advanced just as the colonels and lieutenant colonels and other officers, that they should go to the office of major general on the basis of merit, and not on the basis of seniority. We are applying the principle throughout the bill to all the officers of the Marine Corps.

Mr. BRITTEN. The reason the bill came in this form was because the brigadier generals and the major generals took rank with the lower and upper half, so called, and the contention was that all rear admirals were promoted by selection first, and then went up automatically from the lower half to the upper half.

Mr. AYRES of Kansas. As a matter of fact, they do now automatically.

Mr. DARDEN. Yes; and we insisted on brigadier generals being promoted by selection.

The Clerk read as follows:

SEC. 7. That selection boards shall consist of officers on the active list of the Marine Corps, the composition and procedure of the boards to be determined by the Secretary of the Navy.

With the following committee amendment:

Page 2, line 24, after the word "of", insert "not less than six", and, on page 3, line 2, after the word "Navy", strike out the period, insert a colon and the following: "*Provided*, That no officer shall be recommended for advancement unless he shall have received the recommendation of not less than two thirds of the members of the board."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 9. That section 1493, Revised Statutes (U.S.C., title 34, sec. 665), is so far amended in its application to the Marine Corps as to require that no officer shall be promoted to a higher grade, excepting in the case provided in section 1494, Revised Statutes (U.S.C., title 34, sec. 566), until he has been examined by a board of naval medical officers and pronounced physically fit to perform all his duties at sea and in the field.

With the following committee amendment:

Page 3, line 16, strike out "566" and insert "666."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 10. That the requirement of sea service in grade shall not apply to promotion of officers of the Marine Corps, and officers in the upper four sevenths of the grades of colonel, lieutenant colonel, and major, respectively, as established by the first section of this act, shall be eligible for consideration by selection boards and for promotion without regard to length of service in grade.

With the following committee amendments:

Page 3, line 20, strike out "Corps" and insert "Corps;".

Page 3, line 22, strike out "of colonel, lieutenant colonel, and major, respectively," and insert "below brigadier general, subject to selection."

Page 4, line 1, after the word "grade", strike out the period, insert a colon and the following: "*Provided*, That no officer of the Marine Corps shall be ineligible for consideration for promotion by reason of completion of length of commissioned service until he shall have once been considered by a selection board."

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 16. That officers of the Marine Corps in the ranks or grades of lieutenant colonel and major shall not be retired because of not being on a promotion list or on an eligible list for appointment as head of a staff department, and shall be eligible for consideration for promotion by promotion boards without regard to completion of 28 and 21 years' service, respectively. Upon promotion or advancement after the approval of this act, with the exception of the Major General Commandant, heads of staff departments with the rank of brigadier general, an officer of the Marine Corps who may be appointed as Judge Advocate General of the Navy, and commissioned warrant officers, which officers shall receive the pay and allowances provided by law for their rank, commissioned officers of the Marine Corps shall receive the pay and allowances of the grade or rank from which promoted or advanced: *Provided*, That officers in the grades or ranks stated shall receive the pay and allowances of the grades or ranks in which serving upon attaining the number on the lineal lists of such grades or ranks, as follows: Major general, 2 (excluding the Major General Commandant); brigadier general, 4; colonel, 35 (common list); lieutenant colonel, 38 (common list); major, 80; captain, 254; first lieutenant, 220.

With the following committee amendments:

Page 5, line 23, strike out the word "promotion" and insert the word "selection."

Page 5, line 25, after the word "years'" insert the word "commissioned."

Page 6, line 17, strike out "54" and insert "56."

Page 6, line 18, strike out "20" and insert "24."

The committee amendments were agreed to.

Mr. THOMPSON of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. THOMPSON of Texas: Page 6, line 18, after the figures "24", insert:

"SEC. 17. Section 4 of the act approved February 28, 1925 (43 Stat.L. 1081; U.S.C., title 34, sec. 753), as amended, is hereby amended to the extent that hereafter the minimum age limit for enlistment in the Naval Reserve or Marine Corps Reserve shall be the same as that for enlistment in the Regular Navy."

Mr. THOMPSON of Texas. Mr. Chairman, the purpose of this is to make the enlistment age in the Marine Corps and Naval Reserve the same as in the regular service. As it is there is a year of inequality.

The amendment provides for an amendment to the Naval Reserve Act to the extent that hereafter the minimum-age limit for enlistment in the Naval Reserve or Marine Corps Reserve shall be the same as that for enlistment in the regular Navy and not the minimum age of 18 required for the reserve at present.

The enlistment age for the Navy and Marine Corps is 17 years and if this change is made it will enable the Navy and Marine Corps to enlist young men in the reserve with the same age requirements as the regular service (with their parents consent, of course).

The present law requiring as it does an 18-year minimum age limit and at the same time providing for the appointment to the Naval Academy each year of 25 members of the Naval Reserve and Marine Corps Reserve where the maximum age for entrance is 20 years rather defeats its purpose, that of an appointment to the Naval Academy as a reward for faithful and interested service in the Reserve, as there is no time to judge the qualifications of the applicant.

The minimum age limit for the National Guard is 18 years without parents consent.

Mr. DARDEN. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOSS. Mr. Chairman, I move to strike out the last word. Take the last paragraph on page 6. In view of the other two amendments we adopted on this redistribution in

grades and ranks, should not this be changed to conform with that? I think the status is the 1–2–6, and the bill attempted to make it 1–4–4. We have held the status 1–2–6. Therefore, the brigadier should be stepped up to 6.

Mr. DARDEN. Six brigadier generals of the line.

Mr. GOSS. That is right.

Mr. DARDEN. And you have dropped one major general officer in your operation?

Mr. GOSS. Yes. So there ought to be 6 brigadiers, and that would leave 1 commandant, 2 major generals, and 6 brigadiers, as it now exists.

Mr. DARDEN. Three brigadiers of the staff. That is right.

Mr. GOSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Goss: In line 15, after the word "general", strike out the figure "4" and insert in lieu thereof the figure "6."

Mr. GOSS. That will then conform to the amendments earlier adopted.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOYLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H.R. 6803, and pursuant to House Resolution 348, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

APPROPRIATION FOR SPECIAL ACTS RELATING TO COTTON, CATTLE, AND DAIRY PRODUCTS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that House Joint Resolution 345, to provide funds to enable the Secretary of Agriculture to carry out the purposes of the acts approved April 21, 1934, and April 7, 1934, relating, respectively, to cotton, to cattle, and dairy products, and for other purposes, be in order immediately after the reading of the Journal on Thursday next, and that it occupy a privileged status as any other general appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BUCHANAN]?

Mr. SNELL. Reserving the right to object, is that the bill about which the gentleman spoke to me?

Mr. BUCHANAN. That is the bill about which I spoke to the gentleman.

Mr. BLANCHARD. How long does the gentleman expect that will occupy?

Mr. BUCHANAN. It should take only a short time, because it is to carry out two acts of this Congress already passed and to make a little appropriation for printing your speeches.

Mr. BLACK. Reserving the right to object, on what day is that asked for consideration?

Mr. BUCHANAN. On Thursday.

Mr. BLACK. Mr. Speaker, Thursday is District day. We had a great deal of trouble with the old-age-pension bill on last District day. We had a filibuster on that bill. If the gentleman will say this matter will only occupy a few minutes, I will not object, but otherwise I am compelled to object.

Mr. BUCHANAN. It will only take a few minutes, I am sure.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BUCHANAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent that on Thursday next, immediately after disposition of matters on the Speaker's desk, I be permitted to address the House for 10 minutes on proposed Indian legislation.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

RESTORE THE WORLD MARKET TO THE FARMER AND THE BUSINESS MAN

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROMJUE. Mr. Speaker and Members of the House, there has perhaps not been a time during the last 60 years at least in which sound, calm, and deliberate thought and judgment was needed more than at the present time and during the present economic crisis. The remedy to be applied by any administration at any particular time must be suited to the situation and condition which confronts the country. A wise physician in caring for a patient will, before he drenches his patient with a variety of medicines, first carefully and thoughtfully diagnose the case and determine as best he can just what the trouble or disease is; and once he has correctly determined just what the trouble or disease is, he can then the better determine what the remedy should be and how it should be applied. The progress or status of a disease may require more or less heroic treatment, according to its advanced stage. When Franklin D. Roosevelt became President of the United States he found before him a sick Nation, a country fraught with ills, one that needed not so much at first a pulmotor as it needed a quieting powder. I shall not at this time discuss in detail what all there was that was dumped into the lap of the new President—suffice it to say there was a plenty that came over from Mr. Hoover's administration that needed treatment and attention.

First, the financial structure had largely got away from the people and the Government and was running unbridled under the riding of the few.

During the last Democratic administration of public affairs in the United States the prosperity and the purchasing power of the farmer in America reached its highest stage. During the 8 years of Democratic administration at that time the farmers in America had made more money than they had ever made in any period of three or four times that length of time before. In fact, many had made and prospered more during those 8 years than they had made or prospered during their entire lives. A considerable portion of the farmer's markets and a reasonable prosperity for him hung over and continued for a time after the then incoming Republican administration. After a time, however, the general business conditions of our country became considerably involved; the legislative policies and governmental administrative service reached its highest point of incompetency and inefficiency under the administration of President Hoover. I have no word of criticism to direct against Mr. Hoover. I assume that he may have done that which he believed he ought to do, but I am certain that grievous errors were committed under, by, and during his administration which resulted in bringing the greatest chaos, confusion, and distress to the American people that has ever occurred in the entire history of the Nation.

In my judgment, it was a very serious mistake on the part of Mr. Hoover and his administration when he undertook to relieve and postpone the payment of debts due this country by foreign governments. I recall very well in June 1931, when President Hoover requested the views of the Members of the House and Senate as to whether or not they would

endorse and approve the announcement which he made at that time favoring the postponement of the payment of the foreign debts due this country by the foreign governments who were indebted to the United States. In response to the inquiry which came to me from the President at that time, which inquiry was the same as went to other Members of Congress, I stated, "I deem it the first duty of our Government to consider and care for the interests and welfare of the American people. I am not in favor of canceling any debts due America by foreign governments and am opposed to any plan which will eventually lead to that end", and that "American farmers are losing their farms and homes every day by reason of drainage bonds and farm loans against their farms, and unless the payment of their loans and interest thereon can be postponed for a year in order to give them a chance to save their homes, I will be obliged to oppose the postponement to any foreign country the payment of their obligations to the United States." I further stated at that time in my reply that a large number of people in both city and country were unemployed and had difficulty in meeting the taxes and loans against them, and until some relief or assistance was given them I could not favor the bestowing of charity on Europe. I further stated at that time that "The present tariff wall created by recent legislation has been destructive of world trade and I feel it is the duty of the President and Congress to reduce the extremely high tariff to a point that will restore prosperous commercial interchange of the products of American farmers and industry and reestablish a policy that will stop American capital from leaving our own country for foreign fields, thereby throwing American laboring men out of employment, and that restoration of prosperity to America is of prime importance and a nonpartisan matter."

What was happening along about that time near the beginning and throughout Mr. Hoover's administration? The highest tariff law ever created by this country was enacted under President Hoover's direction with a Republican Congress. It was so grossly excessive and unreasonable and unfair that it turned every leading commercial nation of the world to adopt the same policy against us. They felt that since we had lifted the barriers against them until they could no longer trade with us that they had a right to lift their barriers against us, which they proceeded to do, and practically every nation of the world excluded American farm products from the privilege and opportunity to enter the world markets wherever such markets might be found. They believed that they had the right to do to us what we had done to them and proceeded on that theory, and as a result, taking their own conduct with our own, the world's commerce was destroyed and the world's trade was almost entirely broken down.

This tariff wall was raised by Mr. Hoover's administration to this excessive high point under the pretense of protecting the laboring people, and yet the results show that never in the history of the United States Government have more people been unemployed and thrown out of work and more people hungry and unable to secure employment than has been the case while operating under that false and absurd assumption. And under that high tariff act the selfish interests of this country, who seemed to hold the reins, and who happened to be directing the course of President Hoover and his party at that time, sent a bunch of their capital and finances into the foreign fields, where they manufactured machinery and other products of industry on cheap labor, thereby through these selfish interests using the American capital they had made in America to go into foreign fields and compete, not only with our own Government and commerce, but they brought themselves into opposition with the American working man. These same selfish interests that were utilizing the Government under Mr. Hoover's administration, through the gigantic banking interests which they controlled, were selling to the American public foreign securities, bonds, and obligations, which in many instances later proved to be, if not wholly worthless, very greatly and partly so. Thousands of dollars of American citizens' hard-earned money were lost; and in the tragedy many of the smaller banks of our country became involved. The loss to the American public, the American farmer, and the American working man, by this gigantic process and program, has been tremendous and tragic in the loss of homes, and the inability of many an honest man to meet further his just and honest obligations and it makes the very soul of America sick, and many an humble citizen has been, by this process, pauperized.

This picture was not thoroughly seen and understood by all; yet those who did not see this picture as it occurred knew that something tragic and awful had happened to the American farmer and finally to American business in general.

It was this situation that was upon our country when the people of these United States arose and intrusted the leadership of the country to Franklin D. Roosevelt. Into his lap fell this dark and disastrous condition. He found the trade of America destroyed, he found the financial structure tottering, and he found the owners of homes too often in despair; and upon the assembling of Congress by Mr. Roosevelt, in special session under his leadership, he immediately launched a program, the first vital stroke of which was to stop the future breaking of banks and the future pauperizing of thousands of depositors of the banks by establishing, with the approval of Congress, what was known as the "bank moratorium", which closed the banks throughout the country for the purpose of avoiding further crashes and loss, and with the view of reestablishing a more sound financial structure. Almost universally throughout the United States the people then and today know that that move was wise and timely. It perhaps did not satisfy every individual banker in the country. No policy nor program ever satisfied everyone but every thoughtful citizen knows today and realized rather promptly at the time that the move then made by President Roosevelt and the Congress, cooperating with him, saved what there then remained of the banking structure of this country. Had Mr. Roosevelt been President as much even as 2 or 3 years prior to the time he took office, many a depositor of this country would still have had his money that was lost in the crashing days which preceded his taking office as President of the United States.

On December 7, 1932, in addressing a letter to one who afterward became a member of President Roosevelt's Cabinet, in commenting on the recent results of the last Presidential campaign, I said:

> The newly elected President and the incoming Democratic House and Senate have placed tremendous responsibilities upon us. We must relieve the American people from the distress and deplorable condition into which they have unnecessarily been drawn. We must reestablish the trade of our country by reviving our commerce with other leading countries of the world. This can be done, either by conference of our President and his Cabinet directly with the heads of other nations, with a view to paring down a portion of the excessive tariff rates which have been lifted by this country against other nations and which, by them in retaliation, have been lifted against us, or the President might invite the other leading nations of the world to send their representatives to meet in conference with a representative of our own country, for the purpose of mutually agreeing on the reduction of these same tariffs, to be followed up by recommendation for legislative enactment. This country cannot regain the prosperity to which the American people are entitled without the reestablishment of better trade relations. When the commerce of this country begins to move again in exchange for the commerce of other nations, transportation conditions will be improved, employment of men at terminals and in transportation will be increased; and, as men begin to make wages and have employment, consumption of the products of the farm and factories will begin to increase. And as men become employed, naturally they will be granted credit more freely than is the case at the present time—in any event, prosperity will not return until we reestablish the opportunity for marketing and exchanging the products of our fields and factories.

The lower House of Congress has recently passed what is known as the "tariff bill" of this administration, and the matter is now pending in the Senate and will be passed and signed by the President before this Congress adjourns. I regard this piece of legislation as one of the most con-

structive and most beneficial pieces of legislation, if not the very most important, that this Congress or any other has enacted into law. This will give to the President of the United States the power to negotiate in the interests of the farm products and factories, and will be the means of establishing more friendly trade relations with such countries of the world as we need to deal with. The benefit this legislation will be to the American people will begin to unfold within the next year. It is common sense written into law. It is absolutely necessary for the return of prosperity to the American farmer that he may have a market into which he may go with his products.

I recall very well a statement made by President Roosevelt sometime ago in which he said if he could be right 75 percent of the time he would be well satisfied. The statement in this regard he refers to as having been made previously by Theodore Roosevelt. Without regard to whether anyone should receive credit for such a statement, the fact remains that the expression is a very wise one.

Men of experience in life's affairs well recognize a peculiar trait of human nature so often encountered with, and that is that men who claim perfection and who are always ready to assert that they never make any error usually make more mistakes than anyone else, and usually also contribute but little to the welfare of the human race.

This country is now on its way to recovery and, as I said before, it had drifted into a serious condition under the leadership of Mr. Hoover and those who stood with him, which should have been avoided; but the American people, finding themselves in the depths and agony of distress, turned to the leadership of Roosevelt, and under that leadership, with a Congress that is trying as best they can to be of assistance to him in the recovery of this country from distress, will continue to advance with such a program as will insure to the American farmer and American workingman much improved business conditions and a restoration of the world markets to the American farmer and employment to the willing workingman.

BRONZE TABLET OVER GRAVE OF BRIG. GEN. ROBERT H. DUNLAP

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 276) to authorize the placing of a bronze tablet bearing a replica of the Congressional Medal of Honor upon the grave of the late Brig. Gen. Robert H. Dunlap, United States Marine Corps, in the Arlington National Cemetery, Va., with a Senate amendment, and agree in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Line 10, after "woman", insert "The Government shall be at no expense in connection with the preparation of or the placing of this tablet."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

On motion by Mr. BRITTEN, a motion to reconsider the vote by which the Senate amendment was agreed to was laid on the table.

SILVER

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio speech made by my colleague the gentleman from Texas, Mr. MARTIN DIES.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

SILVER

Mr. WHITE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address by Representative MARTIN DIES, of Texas, on Silver, delivered over the National Broadcasting Co.'s hook-up on May 5:

Ladies and gentlemen of the radio audience, I desire to discuss for a few minutes my bill (H.R. 7581), which passed the House on March 19 by a vote of 258 to 112. This bill provides for the exchange of American agricultural products for silver. Under its terms, the Export Import Bank of Washington, all agricultural marketing associations, and every private exporter are empowered to sell surplus products abroad and accept silver in payment therefor at a premium which shall be not less than 10 percent nor more than 25 percent above the world market price of silver. By utilizing the services of all established and recognized export agencies, whether governmental, cooperative, or purely private, we feel assured that a maximum of surplus products will be disposed of under the operation of the bill. The bill has been amended to include industrial products as well as agricultural surplus products. Against the silver received in payment for surplus products, legal tender silver certificates will be issued, based upon the value at which the silver was accepted, and with these silver certificates the producers will be paid for their products. The general purposes of the bill are, therefore, to dispose of surplus products abroad in a normal and constructive way, retain our dominant position in the export markets of the world, put a safe quantity of new and honest money into circulation and thereby increase the purchasing power of the millions of producers of America who form the backbone of our economic life.

But why accept silver at a premium in payment for our surplus products? The most serious problem that confronts us today is our inability to dispose of surplus products. Everyone is familiar with the unprecedented decline in export trade since 1929. The reasons for this are apparent. Nations who would like to purchase our surplus products are unable to do so because, in the first place, they have no gold to pay for it. The gold of the world is cornered by three nations—the United States, France, and England—and under the monetary policies now in force in those three countries there is little or no probability that in the near future there will be any redistribution of gold.

There is only one other way by which foreign nations can purchase surplus products, and that is by the exchange of their surplus products for ours. This they cannot do because, on account of prohibitive tariff laws, we will not permit the products of other nations to enter the United States. The example furnished by the Hawley-Smoot tariff bill was rapidly followed by other countries, until today the exchange of commodities, products, and goods between nations is practically prohibited. The lowering of our tariff barriers without reciprocal action on the part of other nations would only result in a tremendous increase in our imports with no appreciable addition to our exports. The administration's policy of reciprocal-tariff treaties, concessions, and agreements is necessarily difficult and slow and dependent upon so many complex factors, such as international cooperation, that it is impossible to predict how long it will take to carry it out.

In the meantime, during the slow and difficult process of gold redistribution and mutual tariff treaties and concessions, surplus products are accumulating and depressing the domestic price level.

We must reach one of two conclusions in the United States. We can adopt a purely nationalistic policy in reference to agriculture and industry. This means that we must by legislation restrict and limit production to domestic needs and consumption. If we do this, we drive from agricultural pursuits millions of people now dependent upon farming for a livelihood, and they will be compelled to find other means of subsistence. Is the industrialism of the Nation prepared to absorb this addition to its population? Considering the millions of unemployed, the answer must be, "No." The regimentation by law of agriculture and industry in an effort to adjust production to consumption will be contrary to the spirit and genius of our free institutions, and the resultant benefits, if any, will not compensate us for the sacrifice of fundamental American principles.

But what are the objections to the acceptance of silver in payment for our surplus products? The orthodox gold-standard theorist says that the acceptance of silver at a maximum premium of 25 percent would constitute the dumping of our surplus products on the markets of the world. What about our gold-revaluation policy? Have we not been engaged during the past few months in purchasing gold at a premium in excess of 40 percent above the world market price of gold? In effect, we are accepting gold in payment for surplus products at a 40-percent premium above the world market price. Could it not be charged with equal force and logic that this policy meant that we were depreciating the price of surplus products to the extent of 40 percent, and, therefore, to this extent we were dumping our products on the markets of the world? Now, I am not criticizing the gold-revaluation policy. As a matter of fact, I introduced one of the first gold-revaluation bills in Congress and had a hearing on this bill nearly a year before the administration's gold revaluation bill was passed by Congress. But the failure of the Treasury to issue new currency based upon this increased value of our gold monetary stock deprived us of the full benefits of this act insofar as our internal price level is concerned. The inability to secure gold at any price on account of its scarcity and maldistribution limited the extent to which our export trade was stimulated. Those who say that this bill will constitute dumping to the extent of the premium which we offer for the silver in exchange of surplus products, forget that for 10 years under very conservative administrations we dumped our surplus products on the markets of the world to the extent of 100 percent. In other words, we loaned money to foreign nations to purchase surplus products, and we will never get this money back.

But the ultraconservative, clinging with stubborn tenacity to the gold fetish, says that if we accept silver at a price from 10 to 25 percent higher than the world market price of silver, the taxpayers will eventually have to make good this difference. Even if we sold $2,000,000,000 of surplus products in the next 12 months and accepted silver at the maximum premium of 25 percent, the total amount of the premium would only be $400,000,000. This would be considerably less than the tremendous sums we are now spending on the farm program. But at the same time we would

be taking off the markets of the world a billion ounces of silver. Under the operation of the law of supply and demand, the removal of this much silver from the markets of the world would cause the price of silver to rise in excess of the 25-percent premium we offer. But the reactionary answers that there is too much silver in the world to raise its price by removing a billion ounces. Since Columbus discovered America there have been only 15,500,000,000 ounces of silver produced in the world, according to the report of the Federal Reserve Board and the Director of the Mint. Of this amount we can only locate about 9,400,000,000 ounces, and the most liberal estimate puts the amount of silver available for monetary uses at 11,000,000,000 ounces. But we are told that if we pay a premium for silver in exchange for surplus products, we will increase the demand for silver and cause overproduction. Eighty percent of the silver production of the world is a byproduct in the production of other metals, such as gold, copper, lead, and zinc. The increased price of silver without a corresponding increase in the price of other metals with which it is associated would not justify increased production. Even in 1920, when the price of silver was higher than at any time since 1873, the world produced considerably less silver than in 1930 or 1931, when the price of silver was the lowest ever known in the history of the world.

When the price of silver is abnormally low, the producers of silver, like the producers of other commodities under similar circumstances, are compelled to increase production in the desperate attempt to pay the cost of production. The unprecedented low price of silver in the past few years was not due to overproduction but rather to oversupply coming from such unnatural sources as the action of the British Government in forcing India off the silver standard and in melting up her silver coins into bullion and dumping this bullion upon the markets of the world, and the actions of other governments in debasing silver, using substitutes for silver in circulation, reducing the silver content of the divisionary coinage in countries like Great Britain, etc. Therefore, since the supply and production of silver are definitely limited by nature, the eventual effect of this bill will be to increase the world price of silver to absorb the premium.

It is not predicted that the increase in the world price of silver will be sudden. It will necessarily be gradual, and the extent of the increase will depend upon the amount of surplus products we exchange for silver. But this is an advantage and not a disadvantage. If the price of silver were to increase suddenly as the result of the action of our Government in purchasing large quantities of silver, other export nations would enjoy the same advantages in selling their surplus products to silver-using countries as we. But if the increase comes about gradually as the result of the exchange of our surplus products for foreign silver, we alone will enjoy the advantage of the increased purchasing power of silver-using countries.

There is nothing experimental or revolutionary in the plan suggested by this bill. It does not involve the violation of the Constitution or the abridgement of any political, personal, or economic right. It does not constitute any sacrifice of fundamental American principles. Nor does it mark any departure from the ancient landmarks of the fathers. For 80 years silver was as much the money of this country as gold. It was made the money of this country by the Constitution of the United States, and such eminent authorities as Jefferson, Hamilton, and Webster not only believed that it should be used as money, but believed that it could not be demonetized without violating the Constitution.

The silver certificates issued against the silver received in payment for surplus products will not constitute fiat or printing-press money. These silver certificates will be sounder than the paper money we have in circulation today. Not a dollar of our paper money is redeemable in any metal. But under this bill, every dollar of silver certificates issued will be redeemable in a sufficient quantity of silver to make the certificates worth 100 cents on the dollar. This new money will be put into the hands of millions of producers and, unlike bank credit money which exacts its toll of interest charges, it cannot be withdrawn overnight.

It is not claimed that this bill is a cure-all. It does not satisfy the demands of the extreme inflationist. Much is left to the discretion of the administration, so that it can feel its way in putting the act into operation. However, there are sufficient mandatory provisions in the bill to insure its operation regardless of the views of those who will be chosen to administer it. It does not require any new set-up or governmental agency, and it does not put the Government into business. Private exporters and agricultural marketing associations will largely put the bill into operation by the simple process of accepting silver in payment for surplus products and depositing the silver in the Treasury of the United States and receiving certificates in lieu thereof. It is merely the recognition of the money of more than one half of the world as payment for the surplus of our soil and labor. It is believed that the bill as passed by the House, with slight modifications, will be acceptable to the administration.

EMERGENCY GOVERNMENT EXPENDITURES WILL BE PAID WITHOUT PARTICULAR PAIN TO ANYONE

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker and Members of the House, these have been tense and interesting days in Washington. A hidden political contest of the keenest sort is raging, and the control of the country is at stake.

I am reminded very much of the old Wilson days after the war when his political and economical foes were conspiring and planning and feverishly working for his downfall. You will remember, too, that they succeeded in their fiendish and unholy purposes. The same elements are now vigorously working against the President, and it behooves every tried and true friend of Franklin Roosevelt and every patriot who believes that the carrying out of his policies is essential for our country and for democracy to be constantly on guard against the vicious attacks of these enemies.

There have been mistakes. Hardships have been imposed by some of the things done. Many are prone to forget the benefits and think only of their difficulties. There are elements of discontent in every community.

The unscrupulous standpat partisans who hate Mr. Roosevelt and his ideals of justice for the common man, partisans who care more for their own selfish success than they do for the welfare of the country, partisans who want to go back to the old order of things where big business and selfish interest were in the saddle, these various partisans are attempting to garner into their organization all the elements of discontent.

I hope all these fellows who are throwing bricks at the President will miss their mark. I read about the henpecked husband who complained to the judge that his wife had been throwing things at him ever since they were married. The judge asked, "But why haven't you made a fuss about this before?" "Today's the first time she ever hit me, judge." I hope and pray the President may continue so thoroughly entrenched in the hearts of the people of this Nation that these poison bombs will never touch him.

Not only this, but these unpatriotic partisans are trying to stir up strife and more discontent wherever they think there is a possible chance.

But one thing remains clearly apparent. Franklin Roosevelt is strong with the rank and file of the masses of the people. They believe he is making a valiant fight for them. They know he has tremendous odds to overcome. They have faith in him. They believe he is in sympathy with them and is working almost beyond all human endurance in his efforts to help them. I want to say to all these people, and to the farmers, the small workingman, and hundreds and hundreds of thousands of others: that they have never had a better friend in the White House than they have right now, and that they cannot afford to be asleep while his enemies are trying to destroy him.

Now that the second session of the Seventy-third Congress is drawing to a close, I consider it proper to comment on the recovery program and its costs. Ever since the first session was begun 158 years ago, the operations of government have always started people to discussing—too often with the accent on the "cussing."

Congress seems to be regarded as a natural target for dissatisfaction and discontent; and the second session, unfortunately, has been no exception. I suppose that is due in part to the fact that the Government officer at times has to be a policeman, inspector, tax collector, and regulator. I am afraid that all too frequently it seems to take a peering, poking, meddling sort of character to enforce laws; and so it is the simplest thing in the world to rouse a crowd with a slogan of "Down with the nosey, tax-squandering bureaucrats!" Law enforcement means compulsion, and compulsion does not excite affection.

The other day a wild-eyed, fire-breathing radical rushed up the steps of an aristocratic home in one of our big cities and furiously rang the bell. The door was opened by the bland, rigid, imperturbable family butler. Enraged anew at such a sight, the radical bellowed at the top of his voice, "The revolution is here." But the butler was not disconcerted in the least. He answered with the utmost calm: "All revolutions must be delivered at the tradesmen's entrance in the rear." There are a lot of us who agree with that butler when it comes to a breathless, instantaneous acceptance of every half-baked panacea. Do not ask me whether they bake panaceas or not; anyway, most of them sound

as if they or their authors were half-baked or boiled or something.

The American people, you can be sure, are not going to be suddenly stampeded into any social upheavals by the irresponsible tirades of a few misinformed critics. Somebody remarked the other day on that point of misinformation as a basis of criticism that people who are "down on" something usually get that way because they are not "up on" it.

And that is most certainly true of many haphazard criticisms of our governmental functions. If we look fairly at the Federal structure we cannot but be struck by the fact that a good part of its machinery has been created for the sole purpose of being helpful to its citizens.

Nothing shows that so clearly as a classification Hon. HENRY T. RAINEY, Speaker of the House of Representatives, made recently of our total Federal Budget expenditures this year, which amount to about $2,911,000,000.

It has been charged that this administration is recklessly expending money, that it is piling up an enormous national debt, and the time has perhaps come to analyze the recovery expenditures of the first year of operations under the leadership of Franklin D. Roosevelt. Apparently during 13 months of operations under the new deal the gross amount of our public debt increased $5,223,000,000, until the 31st day of March 1934 our apparent public debt amounted to $26,158,000,000. But we had in the Treasury at that time $2,008,000,000 which ought to be deducted in arriving at the amount of our gross public debt. Deducting this amount, we reach the inevitable conclusion that in the first 13 months of the Roosevelt administration our public debt increased only $2,436,000,000.

We have been underwriting investments of banks, insurance companies, railroads, building-and-loan associations, farmers, intermediate-credit banks, joint-stock land banks, and other companies and banks, and we have taken from them their securities. We have been underwriting municipalities, and we have taken from them their securities. If the recovery program succeeds—and it must succeed—practically all of these amounts so invested will come back into the Treasury of the United States.

THE NATIONAL DEBT

Using a new method of approaching the national debt, in view of the vigorous criticisms to which the present administration has been subjected, a different result is obtained. If we have been underwriting the propositions I have mentioned, and if we have been taking their securities, and if the success of the new deal means the payment of these obligations, and it does mean the payment of these obligations, then the correct way of approaching the national debt is to deduct from our entire national indebtedness the cash we have on hand, less the securities we are underwriting, and when we do that we reach the conclusion that at the present time our public debt, less cash and securities, amounts to only $8,264,000,000. Applying the same method to our public debt as it existed on February 28, 1933, we reach the conclusion that our public debt at that time amounted to $6,225,000,000. Therefore, during the 13 months of the Roosevelt administration the public debt increased $2,039,000,000.

It is perfectly proper, I think, in estimating our financial condition so far as the national debt is concerned, to figure in the $2,810,000,000, or increment on gold we have obtained by revaluing the gold dollar. When this item is included we reach the inevitable and startling conclusion that today our public debt, less cash and securities, is $771,000,000 less than it was at the end of the Hoover administration.

Now, is a good part of this nearly $3,000,000,000 squandered, as some isolated critics assume, by brazen, self-seeking bureaucrats, or wasted on silly, futile projects of no public interest or values? That is the charge; now what are the facts?

On a recent trip to Buffalo, N.Y., I encountered several keen business men who frankly told me of their fears for the program of national recovery.

"The Government is spending billions of dollars borrowed money", said one; "spending so much that the mind can't grasp the vastness of the sum. I'd like to know how this terrific debt will be paid."

Another, honestly pessimistic, said "the money borrowed has to be repaid unless debts are repudiated—we'll come out of these recovery experiments with the greatest national debt the Nation ever owed. There is no way to pay it off, and we're headed for bankruptcy." Others said we were pouring money down a rat hole; and some firmly believed that the billions now being spent were actually retarding recovery by loading future years with unbearable taxes.

In answer to their many inquiries I said that one must know why the Government is going into debt to understand how the bill will be paid and that the country as a whole will pay its debt out of the profits it will make by spending now the money it is borrowing.

In ordinary times the Nation could not make a profit by having its Government spend great sums. It is only because of the breakdown in our economic machine that such action is not only possible but positively necessary.

Few people realize how completely our economic machine was paralyzed.

A few figures will make it clear. Let us assume that our Nation is one vast business whose chief purpose is to have an income to feed, clothe, and promote the welfare of all our people.

The national income of all our people in 1928, and again in 1929, was more than $80,000,000,000. That income represented what we then called prosperity: Work for all, a higher standard of living for practically everyone.

But in 1932, our national income was only 40 billions, a 50 percent reduction. Any business whose earnings drop 50 percent has been dealt a terrific blow. Our national machinery was operating on but two cylinders.

More than 11,000,000 men were out of work. My friends were lamenting the costs of recovery, but have they ever considered the costs of depression? The potential labor wasted in the last 3½ years, if employed steadily, could have torn up our railroad system and rebuilt if three times. The wasted man power could have built a $5,000 house for every second family in the entire United States. Here was billions of dollars of man power absolutely wasted because our economic machine had cracked.

When a business man has a delivery truck which runs on only two cylinders, the first thing he does—if the truck has future usefulness—is to have it repaired. He knows that the future saving to be gained by putting it in first-class running condition will more than offset the repair cost.

So it is with out national business machine. If we can spend $5,000,000,000 and make our economic machine operate so that we can turn our national income back toward eighty billions a year, instead of forty, the costs will be more than offset; our Nation will profit forty billions a year.

In short, if by spending five billions we can cause the national machine to increase its income by forty billions, the repayment of the five billions is a minor matter.

The Government's emergency expenditures are moneys spent to promote a bigger national income, and, as in the case of the manufacturer, revenues from the bigger national income have been and will be set aside to amortize the debt.

Most of the expenditures for recovery are already either specifically provided for by taxes or are loans which legitimately must be repaid. For example, the farm-adjustment program is to be paid for by taxes on the processing of farm products. These taxes are now being collected. Farm credits are loans to the farmers, not gifts. The same holds true of advances to home owners, to States and municipalities from Public Works funds, and to banks and insurance companies by the Reconstruction Finance Corporation. The carrying charges on these loans have been provided for through taxes. This is true even of the N.R.A. program, including the $3,300,000,000 Public Works fund.

It will immediately be said that the farmer, the home owner, and the other borrowers cannot repay these loans unless better times come as a consequence of the recovery measures. This is quite true. But from actual figures now

at hand we can see clear indications of a movement toward restoration.

In July of 1932 the Government's deficit was $735,431,-219.68. One year later, July 1, 1933, the deficit was only $241,169,913.82—less than a third as much.

This sharp reduction in our deficit is due chiefly to a reduction of about 25 percent in our regular expenditures, income from the beer tax, an increase in revenue taxes, and the fact that the Government was receiving income from special recovery taxes before actual outlays of money for recovery purposes had become great. For example, the farm processing taxes have already yielded approximately $10,000,000.

More important, the increase in revenue can be explained in part by the fact that the national income is greater than it was. This is the very objective we seek, for as national income becomes greater there is a proportionate increase in the Government revenues from which the deficit for emergency measures will be met.

The present administration may be likened to a receivership trying to reorganize a failed business, using what it can of the old methods and injecting new ideas. But when receiverships fail to resuscitate business that business ceases to exist and a new company occupies the old site. That is our present predicament.

If leaders of industry sabotage the program of recovery and saddle the blame on those who are trying to do the job, they will precipitate a tidal wave which may engulf them. They must be made to see that the old order is dead and a new one is being born. We can make the new order, through receivership methods, something we like or one we abhor. But that is our only choice.

Industrialists are not yet making the sacrifices necessary to recovery. There is much yet to be done in bringing order into our affairs, though there is no reason to doubt that we are on the right track.

At any rate, $5,000,000,000 is not a great price to pay for recovery. We cheerfully and without criticism raised some $20,000,000,000 in 2 years to fight a war in 1917–18, and no one ever questioned its repayment.

Yet with five billions—one fourth of the amount spent on war—being paid out to re-create national wealth, give work and contentment to our people, there are those whose chief worry is that we may be bankrupted. This is beside the point. If we are bankrupt it will not be because we spent some billions of dollars but because our measures were unwise. Five billions of dollars is an investment to restore our economic health, and it ought to pay dividends—perhaps within a year—which may give the Treasury a surplus.

To show what I mean, let me project some figures for comparison: The national income for 1928 was eighty-two billions, and the income-tax amounted to 2.2 billions. Let us assume, on the present rate of progress, that the recovery measures will bring us back 50 percent toward the prosperity of 1928—and do this within a year. The national income, then, should increase from forty billions to sixty billions for 1934, and the income-tax yield should rise from 746 millions to 1.1 billions. Actually, when our income was sixty billions, in 1931, the income-tax yielded 1.9 billions. We ought to be able to count on this much, and it is a substantial answer to those who profess so many fears at present.

In addition, immense revenue is expected from liquors, with the repeal of the eighteenth amendment, and from increased customs duties as international trade revives. It would not be extravagant to expect that, with a 50-percent revival, our total revenues might be five billions for the year.

Assume that our total expenditures for extraordinary purposes should add ten billions to the national debt over a 3-year period of recovery, and that our revenues in the first year were four, in the second six, and in the third eight billions. Assume, also, that our ordinary expenses continued at about two and one-half billions. In the first year, then, we should pay off one and one half billions, in the second three and one half billions, and in the third year five and one half billions of the total ten billions. The recovery debt would be paid in 3 years, with a half billion dollars to spare.

Figures like these are conjectural. No one can predict the percentage of recovery to be expected during any given period. But, assuming that the program produces substantial results, such an outcome is not at all fantastic. Our national income fell from eighty-two to sixty billions in 2 years, and to forty billions in 3 years. The fact that it was once as high as eighty-two billions means that we have the resources, the factories, and the man power to produce that much. We have capacities we are not using. These are not lost. All we need is the courage and the intelligence to put them to work. And if we fell off forty billions in 3 years, perhaps we can get it back in the same time.

The recovery plan is one way to get back to prosperity. If it costs ten billions over 3 years to set us on a basis of eighty instead of forty billions of income a year, our effort will have cost us comparatively little. We shall have spent an average of three and three tenths billions a year to gain forty. If you think about the country instead of any individual sacrifice which may be involved, this is worth working for heart and soul.

It is a national effort. Government cannot do it alone. No few industrialists can help enough. The whole country has to go along. If it does, we shall get back to the eighty-billion days in short order. And we shall pay the costs without particular pain to anyone.

THE PLIGHT OF THE DAIRYMEN

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CULKIN. Mr. Speaker, in America dairying is a major industry and its chief product, milk, is absolutely essential to the growth of the young and the welfare of our people. The cow is in fact the foster mother of the human race. Twenty million people within these United States are dependent upon dairying for their livelihood and there are approximately 4,000,000 dairy units in America. The number of cows in America at the present time is approximately 21,000,000, with an aggregate value of approximately $2,000,000,000. The annual output of the dairies of the country is, in round numbers, 125,000,000,000 pounds of milk, valued at over $3,000,000,000. This valuation, of course, includes marketing and labor costs. About one half of this milk is used for fluid consumption in our homes, the balance going into powdered milk, cheese, and butter.

Despite the fact that the output of our dairies is essential to national well-being and that dairying is the only type of farming which conserves soil fertility, there is no agricultural group whose economic condition has been more depressed. There is no farming group whose situation has been more thoroughly exploited by the middleman or whose situation has been so outrageously manhandled by governmental experimentation. The dairymen, as a group, are a taciturn generation. They have not worn a path to the Treasury and have not been on the firing line clamoring for governmental aid. But their situation is no less grievous, and the financial return to the average dairy farmer, throwing into the scale the services of his wife and family, is but $750 per year. The dairy farmer is tied to the soil and his situation cries to heaven for relief.

The situation of the New York State dairyman is typical. His land is being sold for taxes, and while he is making a necessary contribution to the health of the people, he finds himself without sufficient return to live comfortably, free from the stress of poverty. He likewise finds himself unable, as has been his practice for generations, to educate his worth-while child.

May I say that the farmers of New York are more truly farmers in the original sense than those that till the soil, for long before the husbandman tilled the earth for profit men drove their animals from place to place and lived upon their milk. The average resident of the country and a good many Members of the House cannot see New York State in terms of agriculture. If he does think of New York at all, he visualizes Wall Street and does not consider this great army of New York producers. This spirit has

infected the present agricultural administration. Let me say to the House that the dairy cattle of New York State, which numbers 2,120,000, are valued at over $200,000,000. For generations New York State has been well to the top in the production of dairy products. New York State, in fact, pioneered that field. It originated the sanitary production and distribution of milk and laid the basis of the pedigreed herd in America. The people in my district and indeed the thinking people of the country have come to realize that the economic well-being of great sections of the country is up or down, according to the condition of the dairymen.

RELIEF MEASURES HAVE FAILED

In April 1933 we passed the Agricultural Adjustment Act, which included dairy products. I voted for this measure, and it was my hope and belief that out of it would come some amelioration of the dairymen's condition. Over a year has passed since the enactment of this law and the condition of the dairymen under the Agricultural Adjustment Act has been in fact aggravated and further depressed. The distinguished Secretary of Agriculture started out with the theory that the dairymen were in better condition than the wheat, corn, and cotton farmer. In an apologetic and belated program, set forth in a speech made at Madison, Wis., on January 31, 1934, Secretary Wallace, almost a year after the passage of the act, stated that he was now going to take up the question of the dairymen's condition. What a great concession this was! During the year 1933 in various speeches Secretary Wallace was captious and critical when he referred to the dairymen. At times he became even abusive. At the New York State fair in August of 1933 he roundly scored the dairymen for the New York and midwestern milk strikes, which were brought on largely by his do-nothing attitude and his idle vaporings against the organizations which had saved the dairymen from utter destruction.

In his Madison speech he prated about the necessity for organization and then he and his underlings sought to destroy what solidarity the dairymen had achieved. In that same speech he took a leaf from the book of Lenin, the Russian dictator, when he said:

> Any group that looks with favor on strikes as a means of intimidation must realize that the Department of Justice will scrutinize most carefully all strikes which involve interstate commerce and the movement of the United States mail.

Thus these propagandists of the new deal serve notice that they will visit upon the dairymen their wrath if they resort to extreme measures as a means of improving their condition. Nor is that the whole picture. He and his cohorts in the dairying field, in obedience to the Secretary's complex that farm relief has no place except in the midwestern country where the agricultural group is and has been for a long time most vocal, attempt to depress the price of fluid milk in the various eastern and southern milksheds. This is to be the preliminary step in the nationalism of the dairy industry. He and Messrs. Tugwell, Ezekiel, Frank, and Bean, after playing directly into the hands of the distributors by cancelation of the milk licenses and agreements, agree that their first step is to depress the price of fluid milk. This, of course, would increase the profits to the distributor, concerning whose earnings the Secretary stated in his Madison speech of January 1934:

> I have the composite figures on distributors' profits in St. Louis, Chicago, Boston, and Philadelphia for the 5 years ending December 31, 1933. These figures are for distributors handling from two thirds to 90 percent of the milk in these cities. As the Government auditors—not the distributors, of course—figure, the distributors in these four cities took profits during the 5 years as follows: St. Louis distributors averaged 14.6 percent net profit; Boston, 22.5 percent; Chicago, 25.8 percent; Philadelphia, 30.8 percent. In 1933 our auditors' estimates indicate that St. Louis distributors averaged 7.3 percent net profit; Chicago, 10.9 percent; Boston, 16.3 percent; and Philadelphia, 21.7 percent.

Then followed the absurd and fanciful attempt to fix the price of fluid milk in the various sheds based on the fluctuating price of butter in the Chicago market. It was not the intention of that section of the "brain trust" in command of dairying in the A.A.A. to discipline or bring the distributors to terms. Their obvious and initial purpose was to depress the price of fluid milk and tie it up with impossible hypotheses, regardless of transportation costs, the feeding problem, and labor conditions which differ widely in the various milksheds throughout the country.

The A.A.A.'s whole administration of this problem has been characterized by fumbling, uncertainty, and its only tendency was to adopt policies which were oppressive and destructive of the solidarity the dairymen had gained by organization in an effort to obtain a bare living price for their product. The Department at one stage refused to deal with the representatives of the producers, preferring to deal with them en masse. This made it appear that its seeming purpose was to nationalize milk. This gives color to the charge of communism within the Department. It gives color to the charge, as well, that the roots of some of the "brain trusters" reach back into the chain-store organizations, who are the main chislers in the fluid-milk field.

By this time the dairying group of America had become thoroughly aroused to the danger of the situation. They presented their situation to their Representatives in Congress who effected a congressional organization including Members who represented dairying districts. This had the effect of slowing down the "brain trusters" but not until much of the ground that had been gained by the dairymen through cooperative and other organizations had been effectually destroyed. The Department then proposed a new type of agreement to fix the resale price of milk on the ground that it was unconstitutional. These proposed agreements, the effect of which would be to place the destinies of the dairymen in the control of the "brain trust" and other parlor socialists of the A.A.A., have been almost unanimously repudiated by the dairymen of America. The result has been that this vaunted legislation from which so much was expected, after being used as an instrument of oppression and price reduction, was thrown into the discard. Obviously the future of the dairymen, at least during the Wallace regime, must depend upon organization of producers supplemented by such State control boards patterned on the New York State act, recently declared constitutional by the United States Supreme Court.

NO DAIRYING SURPLUS

I am safe in saying that there is no actual surplus in the dairying field in America. I include herewith a table showing the per capita consumption of whole milk per year in the various civilized countries.

Country	Year	Gallons
Finland	1928	83.9
Switzerland	1927	70.4
Sweden	1914	69.7
Norway	1927	56.0
United States	1926	55.3
Canada	1927	51.0
Czechoslovakia	1928	45.8
Austria	1926	45.0
Netherlands	1927	42.7
New Zealand	1927	37.4
Austria	1926	37.1
Great Britain	1922	30.9
Germany	1928	27.3
France	1928	25.0

It is obvious that fluid-milk consumption in America has not begun to reach its peak and that by intelligent stimulation the Department, together with a curbing of the excessive distributors' profits, which have always been treated academically by the Department, would result in greatly increased consumption in America.

It is now stated that the rejection of the program of the A.A.A. was caused by propaganda financed by the distributors. There is, of course, always one black sheep in every flock. There is available, however, a definite poll of the dairying group taken by Hoards Dairyman, a high-class and authoritative dairying publication. I insert herein that portion of the poll which shows the verdict of 4,909 families

on dairy-farm relief. This includes the effect of the N.R.A. on the dairymen:

	Yes	No	Maybe
1. Has the N.R.A.—			
Raised price of things you buy	445	103	86
Raised prices of things you sell	500	3,173	543
2. Mark "yes" or "no" on the following dairy plans as to their possibility of helping you as a farmer:			
(a) The butter fat allotment plan	459	2,070	----------
(b) The Hoard's Dairyman plan	3,214	414	----------
(c) The diseased-cow plan	1,521	1,103	----------
3. Should dairy processing taxes be assessed on basis of—			
(a) A certain number of cents per pound fat on all butter fat produced	558	1,842	----------
(b) A rate per pound fat that would vary according to the price received by producers	1,912	980	----------
4. Should the Federal Government prohibit the manufacture and sale of oleomargarine	3,540	745	----------

BUTTER

The history of the Department's action with reference to butter is an interesting chapter. It is a continued story of the Department's attempt to destroy the solidarity of the dairying group. The "brain trusters" have attempted to drive a wedge between the fluid-milk group and the butter group. Obviously in their attempt to nationalize milk products they intend to destroy them one group at a time. There is and should be no division between the butter and fluid-milk groups. The history of butter purchases and the contract of Secretary Wallace with Mr. John Brandt, of the Land O'Lakes Creamery, is a record of stupidity and broken faith. On the 17th day of August 1933 the Secretary of Agriculture agreed to take $30,000,000 worth of butter off the market. After the purchase of some $11,000,000 worth of butter, and without warning of any sort, this support of the market was withdrawn. Nor was any intelligent publicity given the handling of this situation. The Secretary of Agriculture terminated this procedure on December 16, 1933, with the resulting decline of 7 cents per pound in the price of 92-score butter. The only initiative that the departmental theorists have displayed in this connection has been the attempt to alienate the butter groups from the fluid-milk groups through departmental propaganda that low butter prices result from the higher prices received for fluid milk. I again call the attention of the House to the fact that while the Department is insisting that the fluid-milk group are receiving high prices, they are in fact not in receipt of sufficient income to live comfortably, pay their taxes, and give adequate education to their children. There is an actual underconsumption of butter in America as will be seen by the following table:

[Pirtle, T. R. Supplement to Handbook of Dairy Statistics, Washington, D.C., U.S. Bureau of Agricultural Economics, April 1930]

Country	Year	Pounds per capita
New Zealand	1926-28	34.1
Austria	1928	29.8
Canada	1928	29.3
Finland	1927	20.7
Germany	1928	19.7
Sweden	1926	18.6
United States	1928	17.3
Great Britain	1927	16.0
Switzerland	1928	13.0
Netherlands	1927	12.6

DEPARTMENT ATTITUDE ON CHEESE

Not one thing has been done by the administration with reference to cheese. In his release of August 17, 1933, the Secretary of Agriculture stated that it was the intention to buy enough cheese to improve the present dairy prices. For more than a year not one pound of cheese was bought by the marketing corporation for disbursement through the relief organizations, and the Wisconsin cheese maker saw his market destroyed and no relief in sight. There is likewise an underconsumption of cheese in America, as the following table will establish:

Country	Year	Pounds, per capita
Switzerland	1928	24.0
Netherlands	1923	13.5
Italy	1928	12.1
Norway	1927	10.7
Germany	1928	10.6
France	1925	10.5
Great Britian	1927	10.0
Denmark	1927	10.0
Sweden	1925	8.3
Austria	1926	6.1
New Zealand	1926-28	5.7
United States	1928	4.1
Union of South Africa	1927	4.0
Australia	1928	3.5

COCONUT OIL

Secretary Wallace has openly opposed the imposition of a 5-cent tax on coconut and sesame oils in the Senate. Secretary Wallace is an economic internationalist. His heart bleeds for the Cuban Sugar Trust and the Philippine importer. The Secretary, of course, speaks in terms of international trade. One of the chief sources of butter substitutes is coconut oil compounded from filthy copra. Congress placed a tax on this oil so that it might not, in a spurious and counterfeited form, come in competition with American butter. Secretary Wallace, in his pamphlet entitled "America Must Choose", urges the elimination of the tariff on edible oils, sugar, flax, and wool. The House should remember that none of these items are in the surplus-production group, but the Secretary of Agriculture has declared all of them uneconomic, and has signed their death warrant. The loyalty of this A.A.A. group to the American Constitution has been questioned. I do not go that far, but it is my opinion that these gentlemen are "blue domers", with their heads in the clouds and their feet out of touch with Mother Earth. It is interesting to note that the pamphlet in question is being printed and distributed by several international groups. The Senate cut this tax on coconut oil to 3 cents per pound and directed the return of the receipts to the Philippine government. The House conferees agreed to this provision, and this, so long delayed and so important to the American dairyman, is now a law. The fact remains, however, that Secretary Wallace and the Tugwell-Ezekiel group have shown their hand.

CATTLE AS A BASIC INDUSTRY

H.R. 7478 amends the A.A.A. so as to include cattle as a basic agricultural commodity. This description, of course, includes both beef cattle and milk cows. Under the bill as amended in the Senate and signed by the President, $250,000,000 is authorized for the purpose of giving relief to these groups and it is divided 60 percent and 40 percent. Congress has now appropriated $150,000,000. It will be interesting to see whether it is done equitably or whether certain favorite States which have definitely come into the picture of overproduction recently, get the entire benefit. The dairy industry is fortunate in having Mr. Lauterbach in command of this division. He is a midwesterner, but I am confident that he will make these disbursements from an equitable, national standpoint. I am confident that in his hands the plight of the eastern and southern dairymen will be given just consideration in the disbursement of these funds. We shall await the outcome with interest.

PROHIBITING THE SALE OF OLEO IN AMERICA

I beg leave to call the attention of the House to a bill which I have introduced prohibiting the manufacture and sale of butter substitutes in America. This, in my judgment, would be a noteworthy contribution to the health and well-being of the people of America. The essential parts of the bill are as follows:

Be it enacted, etc., That no person, copartnership, or corporation shall manufacture, import into the United States, transport interstate, or offer, sell, or have in his possession for sale, any olemargarine, margarine, butterine, or other substitutes for butter, manufactured wholly or in part from any fat other than that of milk or cream.

SEC. 2. That no person, copartnership, or corporation shall manufacture, import into the United States, or sell, offer, expose,

or have in possession for sale, any milk or cream or substitute therefor which contains any fat or oil other than that of milk.

SEC. 3. That no person, copartnership, or corporation shall have upon premises occupied by him or them where any dairy product is treated, manipulated, manufactured, or reworked, any substance that might be used for adulteration of any such product and the presence upon any such premises of any fat or oil capable of being used for such adulteration shall be prima facie proof of intent so to use it.

SEC. 4. Any violation of the foregoing shall be a misdemeanor, and upon conviction of a violation thereof a penalty of not more than 1 year or a fine of $1,000, or both said fine and imprisonment, may be imposed.

This bill is patterned exactly upon the law that has been in effect in Canada for 10 years. To my mind there is nothing so criminal as the business of selling synthetic food to the American people. Chemistry has gone far and vegetable and oleomargarine products are produced in a form identical in taste and appearance with butter. This can be produced at a price which is but a fraction of the cost of producing the real article. Congress in permitting the manufacture and sale of synthetic butter signally fails in its duty to the Nation. The sale of oleo and vegetable margarine is a fraud on the American people. It has no vitamin value and whatever food value it ever had is steamed out of it by the processing. It is a sham and a deception and a substitute. It is a grosser fraud than selling paste diamonds for the real article. For the sale of these butter substitutes not only destroys the dairyman but it is seriously detrimental to the health of the American people, particularly those in tender years.

We will hear in this connection the conventional argument that the people should buy what they please. My judgment is that it is one of the functions of the Government to protect the health of the people from counterfeit foods. A race fed on synthetic food is unfit to bear arms. We should be brave enough to follow the example of Canada in the elimination of these fraudulent substitutes. The opponents of this measure will claim that eliminating this food is a discrimination against the very poor. I am familiar with the school of thought that will present this line of argument. They are a group that from the beginning have exploited the under dog. They are great constitutionalists. The fact is that there never was a time when butter was not cheaper than oleo for the reason that the spread of butter is sufficiently greater to offset the increase in price.

There can be no valid objection to the enactment of this law. Permit me to state that the production of oleomargarine including that produced from vegetable oils and animal fat amounted, in the year 1933, to about 250,000,000 pounds. I annex herewith a table showing the amount and value of products that went into the production of this counterfeit food:

Quantity and wholesale price of coconut oil, cottonseed oil, and animal fats used in oleomargarine manufacture, July 1931 to June 1932

Commodity	Used in manufacture, 1931-32	Wholesale prices 1931-32	Wholesale prices 1933	Estimated value 1931-32 prices [1]
		Cents per pound	*Cents per pound*	
Coconut oil	127,967,000	5.30	4.80	$6,782,000
Cottonseed oil	14,874,000	4.35	[2] 4.56	647,000
Butter	39,000	25.50	21.70	1,000
Neutral lard	10,557,000	7.70	6.90	813,000
Oleo oil	15,315,000	6.70	6.40	1,026,000
Oleo stearin	4,337,000	6.00	5.06	260,000
Oleo stock	641,000			

[1] Estimated value calculated by multiplying wholesale price times quantity used in manufacture.

[2] Average January to October. Prices for November and December not quoted.

It will be seen that the chief beneficiary of this production is the Philippine Islands, concerning whom Secretary Wallace and the administration are so much concerned.

The value of the cottonseed oil used in this production was $647,000. I am creditably advised that the dairymen of America used in the year 1933 approximately $100,000,000 of cottonseed oil products as food for their cows. They are and will continue to be one of the best customers of the cotton grower, provided the dairyman is not destroyed by competition from counterfeit products. It seems to me clear, from the foregoing figures, that the self-interest of the cotton States require that they should join hands with the dairymen in the elimination of this substitute. It can be done by the enactment of the measure I propose. The same reasoning applies to the cattle-producing groups in America. Their total sales in 1933 of products that went into the production or manufacture of oleomargarine amounted to less than $2,000,000. As the result of this unfair competition, the ability of the dairymen to buy meat for his family has been greatly decreased. If the buying power of the dairymen were restored through the elimination of this counterfeit butter, their purchases of meat would be increased, as I am informed, not less than $50,000,000 annually.

I trust the representatives of both the cattle States and those of the cotton-growing States will see the light on this question. They themselves will be among the greatest beneficiaries through the enactment of this legislation. In all the civilized countries of the world butter substitutes have been made a matter of stringent regulation. In the Republic of France butter and oleo cannot be sold on the same premises. In Canada the manufacture and sale of oleo is completely forbidden. But there is another phase of the matter which I desire to bring before you. Four years ago I called the attention of the House to the erroneous belief that there was no possibility of fraud or deceit in the sale of these products. I said then I did not believe that to be true. I called attention to the fact that the first appearance of that murderous parasite, the racketeer, was in the field of foodstuffs. I called attention to the fact that with printing presses handy how simple it would be to relabel the counterfeit product. My fears appear to be well founded. The Palladium-Times of Oswego, N.Y., carried an Associated Press dispatch under date of May 12, 1934, which was as follows:

BARES MILLION-DOLLAR OLEOMARGARINE RACKET

BOSTON, May 12.—A million-dollar racket in which thousands of pounds of oleomargarine was colored and packaged as creamery butter has been uncovered here by Federal agents, Assistant United States Attorney Charles A. Rome revealed today.

Rome said the agents of the Federal Bureau of Pure Foods and Drugs were ready to place before a grand jury the results of their inquiry, showing the racket was operated by counterfeiters and bomb throwers.

Rome said the oleomargarine was shipped legally from Elgin, Ill., taken to a piggery at Stoneham, colored there, repackaged, and sold throughout the East as a high-class creamery product. He said at least 100,000 pounds has been shipped in recent months. A recent raid on a North End cheese factory, Rome said, disclosed a considerable quantity of counterfeit money, guns, and the materials for the manufacture of bombs.

This newspaper article illustrates the case most clearly. So long as this spurious product is permitted to be carried in the shops of America, so long will the temptation be present to do as these Boston racketeers have done. There is no question that a Nation-wide fraud is being committed upon the American people and it is made possible by the presence of this counterfeit product in our stores.

SUPREME COURT DECISION

There is, of course, another way out. A decision by the United States Supreme Court in the A. Magnano Co. against G. W. Hamilton, as attorney general of the State of Washington et al., held that the taxing power of the State on oleomargarine was plenary. If Congress fails in its duty the States should enact legislation taxing this counterfeit product out of existence.

CONCLUSION

Let me say to the dairymen of my own district and State, as well as to those similarly employed in other States, that their destiny must be worked out by home rule exercised through State legislation or by milk agreements within the various milksheds. It is my solemn judgment that the price they will have to pay for bungling, destructive Federal intervention is too great to be considered. New York State has blazed the trail by the enactment of a control act, and this act, which, strange to say, the " brain trusters " regarded as unconstitutional, has been declared valid by the Supreme Court of the United States.

I respectfully urge the dairymen of my district and State to support and aid in the enforcement of this State law. Vigorously and sympathetically enforced, it will eventually give them their place in the economic sun.

This Nation and the rest of the world are now emerging from the depression. The improved conidtions due to this fact, supplemented by aid given by the State law, will, in my opinion, bring the dairymen out of the valley of despond into the economic light of a new day.

PERMISSION TO ADDRESS THE HOUSE

Mr. TERRELL of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TERRELL of Texas. Mr. Speaker, I do not get into the newspapers often, but an article appeared in the Washington Herald this morning bearing the headlines "Representative TERRELL Asks Probe of New Deal."

I did not ask any probe of the new deal and did not say anything like that.

I introduced a resolution providing for an investigation of the commissions, boards, and bureaus of this Government with a view to eliminating some of them to carry out the promises of the Democratic platform. I said nothing about the new deal.

The Democratic platform makes this statement with regard to the matter:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of the Federal Government.

Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD at this point the resolution I referred to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution referred to follows:

Resolution providing for the appointment of a committee of the House to investigate the various executive and independent offices, commissions, boards, and bureaus, for the purpose of determining whether or not the Constitution authorizes the creation of all these agencies, and whether their work is necessary for the best interests of the people of the United States, and to recommend the repeal of all such agencies as are found to be unauthorized by the Constitution, or to be unnecessary for the best interests of the people of the United States, or to be uneconomical and unnecessary for the administration of the Government of the United States; and

Whereas there have been created and established by acts of Congress a vast number of independent offices, commissions, boards, and bureaus affecting the interest and welfare of the people, sometimes in an adverse manner, at great cost to the taxpayers; and

Whereas it is believed that some of these Government establishments are not authorized by the Constitution, and not necessary for the proper conduct of the Government, and detrimental to the best interests of the people, and inflict unnecessary tax burdens upon them: Now, therefore, be it

Resolved by the House of Representatives of the Seventy-third Congress, That a committee of seven Members of this House be appointed by the Speaker of the House to investigate every agency of the executive department of the Government, including all independent offices, commissions, boards, and bureaus appointed by the President or other executive authority, for the purpose of ascertaining whether or not any of these agencies were created without authority of the Constitution, or whether or not they are necessary for the proper and economical administration of the Government, and are necessary for the best interests and welfare of the people; and be it further

Resolved, That this committee shall sit in Washington, D.C., during the vacation of Congress and make a thorough investigation of the Government agencies referred to above, as to whether the creation of any or all of them is authorized by the Constitution, and whether or not any or all of the work being done by them is necessary for the proper and economical administration of the Government, and whether the people are getting value received for the money expended, and report its findings with recommendations, to the Seventy-fourth Congress, not later than February 1, 1935; and be it further

Resolved, That the said committee is authorized to administer oaths and subpena witnesses, books, and papers affecting any matter they are examining or investigating, and a majority of the committee shall constitute a quorum. The committee is authorized to employ such experts and clerical help as may be necessary for the proper investigation of any department coming under the terms of this resolution, and all governmental agencies included in the terms of this resolution shall furnish such assistance to the committee as may be requested by the committee in the proper discharge of its duties.

The sum of $10,000, or so much thereof as may be necessary, is hereby authorized to be appropriated out of the contingent fund of the House of Representatives to defray the necessary expenses of the committee, and all such expenses shall be paid by voucher signed by the chairman and approved by a majority of the committee.

ELECTION CONTEST—CHANDLER *v.* BURNHAM

Mr. GAVAGAN. Mr. Speaker, I call up a privileged resolution in the matter of the election contest of Chandler against Burnham.

The Clerk read as follows:

House Resolution 386

Resolved, That George Burnham was elected a Representative in the Seventy-third Congress from the Twentieth Congressional District of California and is entitled to a seat as such Representative.

Mr. GAVAGAN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was adopted.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR BILLS

Mr. BLACK. Mr. Speaker, there are several Private Calendar bills with Senate amendments on the Speaker's desk. I do not happen to have the numbers of the bills, but I desire to dispose of them. I desire to move that the House concur in the Senate amendments in the case of all the bills except one introduced by the gentleman from New York [Mr. BLOOM].

I therefore ask unanimous consent that the bills may be reported and acted upon at this time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the bills.

JOHN A. RAPELYE

The Clerk reported the bill (H.R. 211) for the relief of John A. Rapelye, with the Senate amendment, as follows:

Page 1, line 3, strike out "Postmaster General" and insert "Comptroller General of the United States."

The Senate amendment was agreed to.

E. W. GILLESPIE

The Clerk reported the bill (H.R. 328) for the relief of E. W. Gillespie, with the Senate amendment, as follows:

Line 3, strike out "Postmaster General" and insert "Comptroller General of the United States."

The Senate amendment was agreed to.

C. A. DICKSON

The Clerk reported the bill (H.R. 916) for the relief of C. A. Dickson, with Senate amendments, as follows:

Line 3, strike out "Postmaster General" and insert: "Comptroller General of the United States."

Lines 5 and 6, strike out ", and to certify such credit to the Comptroller General."

The Senate amendments were agreed to.

GLENNA F. KELLEY

The Clerk reported the bill (H.R. 1197) for the relief of Glenna F. Kelley, with the following Senate amendment:

Line 3, strike out "Postmaster General" and insert: "Comptroller General of the United States."

The Senate amendment was agreed to.

R. GILBERTSEN

The Clerk reported the bill (H.R. 1211) for the relief of R. Gilbertsen, with the following Senate amendment:

Line 3, strike out "Postmaster General" and insert: "Comptroller General of the United States."

The Senate amendment was agreed to.

MARIE TOENBERG

The Clerk reported the bill (H.R. 1212) for the relief of Marie Toenberg, with the following Senate amendment:

Line 3, strike out "Postmaster General" and insert: "Comptroller General of the United States."

The Senate amendment was agreed to.

B. EDWARD WESTWOOD

The Clerk reported the bill (H.R. 4516), for the relief of B. Edward Westwood, with the following Senate amendment:

Line 3, strike out "Postmaster General" and insert "Comptroller General of the United States."

The Senate amendment was agreed to.

G. C. VANDOVER

The Clerk reported the bill (H.R. 4973), for the relief of G. C. Vandover, with the following Senate amendments:

(1) Page 1, line 4, after "Vandover-" insert: ", out of any money in the Treasury not otherwise appropriated,"

(2) Page 1, line 6, strike out "[. Such sum is in full compensation]."

The Senate amendments were agreed to.

NICOLA VALERIO

The Clerk reported the bill (H.R. 5405), for the relief of Nicola Valerio, with the following Senate amendment:

Page 1, line 6, strike out "$5,000" and insert "$2,500."

The Senate amendment was agreed to.

IRENE BRAND ALPER

The Clerk reported the bill (H.R. 473), for the relief of Irene Brand Alper, with the following Senate amendment:

Page 1, line 4, after "pay", insert "out of any money in the Treasury not otherwise appropriated."

The Senate amendment was agreed to.

LAURA GOLDWATER

Mr. BLACK. Mr. Speaker, I ask unanimous consent to call up the bill (H.R. 4253) for the relief of Laura Goldwater, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. BLACK, RAMSPECK, and GUYER.

PLAYA DE FLOR LAND & IMPROVEMENT CO.

The Clerk reported the bill (H.R. 5284) for the relief of the Playa de Flor Land & Improvement Co., with the following Senate amendment:

Lines 4 and 5, strike out "without intervention of a jury."

The Senate amendment was agreed to.

D. W. TANNER

The Clerk reported the bill (H.R. 4533) for the relief of the widow of D. W. Tanner for expense of purchasing an artificial limb, with the following Senate amendments:

Line 3, after "the", insert "Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the."

Lines 5 and 6, strike out "be reimbursed in the amount" and insert "the sum."

The Senate amendments were agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to speak out of order for a half minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLOOM. Mr. Speaker, I rise at this time to make an announcement that the tickets which have been sent to the Members for the commemorative services next Sunday morning are supposed to be for a seat in the gallery. The Members do not require a ticket to get into the House Chamber that morning. The seats of the Members will be on the floor the same as in the case of other similar services. The ticket which the Member received has a number on the back and entitles a member of your family to a seat in the gallery.

Mr. McFARLANE. How about the children?

Mr. BLOOM. You may turn the ticket over to a child if you wish, but we ask that you bring no children on the floor that morning, because the demand for tickets is so great, and due to the fact that the Senate and the House and the Diplomatic Corps, the Supreme Court, and the Cabinet will be on the floor, there will be very few seats left on the floor. The ticket which you received is for a seat in the gallery.

Mr. HASTINGS. What hour?

Mr. BLOOM. Promptly at 11 o'clock.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 8. An act to add certain lands to the Boise National Forest;

S. 696. An act to authorize Frank W. Mahin, retired American Foreign Service officer, to accept from Her Majesty the Queen of the Netherlands the brevet and insignia of the Royal Netherlands Order of Orange Nassau;

S. 1541. An act for the relief of Mucia Alger;

S. 1807. An act to provide for the exchange of Indian and privately owned lands, Fort Mojave Indian Reservation, Ariz.;

S. 1997. An act to compensate Harriet C. Holaday;

S. 2379. An act to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona;

S. 2568. An act granting a leave of absence to settlers of homestead lands during the years 1932, 1933, and 1934; and

S. 3144. An act to legalize a bridge across the St. Louis River at or near Cloquet, Minn.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J.Res. 317. Joint resolution requesting the President of the United States of America to proclaim May 20, 1934, General La Fayette Memorial Day, for the observance and commemoration of the one hundredth anniversary of the death of General La Fayette.

RECESS

Mr. BANKHEAD. Mr. Speaker, I move that the House stand in recess until 7:30 p.m.

The motion was agreed to; accordingly (at 3 o'clock and 48 minutes p.m.), in accordance with its previous order, the House stood in recess until 7:30 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 7:30 p.m.

THE 30-HOUR WORK WEEK BILL

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

Mr. HOPE. Mr. Speaker, reserving the right to object, I shall not object to this request, but I shall object to any further requests of this kind.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SCHULTE. Mr. Speaker, the gentleman from Massachusetts [Mr. CONNERY], the Chairman of the Committee on Labor, received a letter today and, owing to the fact that he is addressing a meeting of the Veterans of Foreign Wars, he finds it impossible to be here this evening. He has asked me to read this letter to the Members of the House:

AMERICAN FEDERATION OF LABOR,
Washington, D.C.

Hon. WILLIAM P. CONNERY, Jr.,
United States House of Representatives,
Washington, D.C.

SIR: Labor throughout the country is calling for the enactment of the Connery 30-hour work-week bill before the present session of Congress adjourns. Working people everywhere are hoping and

trusting that Congress will not fail them or disappoint them. They firmly believe, indeed they are absolutely convinced, that the 30-hour work-week bill offers a real remedy for unemployment.

Because of the deep interest which working people have manifested in this bill, I am writing to ask you to sign the petition presented by Congressman ZIONCHECK, which is on the Clerk's desk, and which provides for the discharge of the Rules Committee from further consideration of the Connery 30-hour work week bill.

I earnestly hope and trust that the friends of labor in the House of Representatives will comply with this request promptly by signing the Zioncheck petition without a moment's delay. The officers and members of the American Federation of Labor and all its affiliated members will be indeed grateful to you if you will comply with this official and personal request.

Thanking you in advance, I beg to remain,

Sincerely yours,

WM. GREEN,
President American Federation of Labor.

I was also told to inform the Members that each Member of the House of Representatives on tomorrow morning will receive an identical letter signed by the president of the American Federation of Labor.

Owing to the chiseling that has gone on in big industry, which has refused to comply with the N.R.A., they find it compulsory at this particular time to see that this 30-hour work week bill is enacted into law.

Mr. GOSS. Will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. GOSS. The gentleman does not mean to say that all industry is not complying with the N.R.A.?

Mr. SCHULTE. I may say to the gentleman that about 55 percent are refusing to comply with the N.R.A. and especially is this true in my district, where they are working men as much as 60 and 70 hours per week, and when the men in these industries complain to the officers, they are told that if they do not behave themselves and keep quiet they will be dismissed from the service of these particular companies.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. ELTSE of California, for an indefinite period, on account of serious illness in his family.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 86. An act for the relief of A. L. Ostrander; to the Committee on Claims.

S. 488. An act for the relief of Norman Beier; to the Committee on Claims.

S. 522. An act for the relief of Patrick J. Sullivan; to the Committee on Military Affairs.

S. 740. An act for the relief of William G. Fulton; to the Committee on Claims.

S. 867. An act to define, regulate, and license real-estate brokers and real-estate salesmen; to create a real-estate commission in the District of Columbia, to protect the public against fraud in real-estate transactions, and for other purposes; to the Committee on the District of Columbia.

S. 1629. An act for the relief of the Southern Products Co.; to the Committee on Claims.

S. 1666. An act to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co.; to the Committee on Claims.

S. 1710. An act to authorize appropriations for the completion of the public high school at Frazer, Mont.; to the Committee on Indian Affairs.

S. 1818. An act for the relief of W. P. Fuller & Co.; to the Committee on Claims.

S. 1822. An act for the relief of Harold Sorenson; to the Committee on Claims.

S. 1825. An act authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the act approved February 22, 1889, by the act approved January 25, 1927 (44 Stat. 1026), and by any other act of Congress; to the Committee on the Public Lands.

S. 1884. An act to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on the Judiciary.

S. 2286. An act to provide funds for cooperation with Joint School District No. 28, Lake and Missoula Counties, Mont., for extension of public-school buildings to be available to Indian children of the Flathead Indian Reservation; to the Committee on Indian Affairs.

S. 2506. An act to provide funds for cooperation with White Swan School District No. 88, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation; to the Committee on Indian Affairs.

S. 2614. An act to authorize the Secretary of the Interior to adjust irrigation charges on projects on Indian reservations, and for other purposes; to the Committee on Indian Affairs.

S. 2872. An act for the relief of Marie Louise Belanger; to the Committee on Claims.

S. 2873. An act for the relief of Stella D. Wickersham; to the Committee on Claims.

S. 2893. An act to provide funds for cooperation with School District No. 27, Big Horn County, Mont., for extension of public-school buildings to be available to Indian children; to the Committee on Indian Affairs.

S. 2938. An act for the relief of Harry L. Reaves; to the Committee on Military Affairs.

S. 3059. An act for relief of Joseph M. Thomas, alias Joseph Thomas, alias Thomas O'Donnell; to the Committee on Military Affairs.

S. 3156. An act for the relief of Mary Angela Moert; to the Committee on Claims.

S. 3192. An act for the relief of Arthur Hansel; to the Committee on Claims.

S. 3248. An act for the relief of J. B. Walker; to the Committee on Claims.

S. 3264. An act for the relief of Muriel Crichton; to the Committee on Claims.

S. 3280. An act to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock and Repair Co.; to the Committee on Claims.

S. 3322. An act to carry out the findings of the Court of Claims in the case of the Union Iron Works; to the Committee on Claims.

S. 3408. An act to provide for a preliminary examination of Cromline Creek in the State of New York, with a view to the control of its floods; to the Committee on Flood Control.

S. 3442. An act to dissolve the Ellen Wilson Memorial Homes; to the Committee on the District of Columbia.

S. 3443. An act to provide for the creation of the Pioneer National Monument in the State of Kentucky, and for other purposes; to the Committee on the Public Lands.

S. 3457. An act to authorize the Secretary of War to sell or dispose of certain surplus real estate of the War Department; to the Committee on Military Affairs.

S. 3487. An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes; to the Committee on Banking and Currency.

S.J.Res. 67. Joint resolution directing the Comptroller General to adjust the account between the United States and the State of Connecticut; to the Committee on the Judiciary.

S.J.Res. 91. Joint resolution to supplement the authority of the Federal Trade Commission to obtain information relating to the salaries of officers and directors of certain corporations whose securities are listed on the New York stock exchanges; to the Committee on Interstate and Foreign Commerce.

S.J.Res. 106. Joint resolution authorizing loans to fruit growers for rehabilitation of orchards during the year 1934; to the Committee on Agriculture.

S.J.Res. 108. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point, Eloy Alfaro and Jaime Eduardo Alfaro, citizens of Ecuador; to the Committee on Military Affairs.

S.J.Res. 109. Joint resolution authorizing a study by the Bureau of the Census with respect to the cotton stocks held in the United States; to the Committee on the Census.

THE PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

ALBERT H. JACOBSON

Mr. WILCOX. Mr. Speaker, on the last call of the Private Calendar the bills, Calendar Nos. 384, 418, and 454, were objected to. I ask unanimous consent to revert to these bills and take them up in the order named. I am authorized to say that the gentleman who objected when these bills were called, is agreeable to returning to them at this time and taking them up.

The SPEAKER. The gentleman from Florida asks unanimous consent to return to Private Calendar No. 384, the bill (H.R. 2802) for the relief of Albert H. Jacobson.

Mr. BLANCHARD. Mr. Speaker, reserving the right to object, does the gentleman propose to take up more than one of those bills that were passed over?

Mr. WILCOX. Yes.

Mr. TRUAX. Mr. Speaker, reserving the right to object, I may say to the gentleman that if we establish this precedent right now of returning to bills instead of taking up the calendar as it is before us and starting with 460, we will not get very far with the calling of the calendar tonight.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. ZIONCHECK. The particular bill that the gentleman is bringing up now is a bill that I asked be passed over without prejudice.

Mr. TRUAX. The gentleman has several bills, I understand.

Mr. ZIONCHECK. There are three bills. The other bills I objected to by inadvertence.

Mr. BLANTON. What is the amount carried in the bill?

Mr. WILCOX. The bill is for $2,000, but the report recommends a reduction in the amount.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the title of the bill.

Mr. BLANCHARD. Mr. Speaker, I reserve the right to object, to ask the author of the bill if he has consulted anyone on this side of the House with respect to these bills.

Mr. WILCOX. I do not believe I have discussed them with any of the Members on that side of the House.

This particular claim is one that arises in this way: Some 3 or 4 years ago Mr. Jacobson was arrested under the national prohibition law by prohibition officers and charged with the illegal transportation of whisky. His automobile was seized and taken charge of by the prohibition officers. He was tried and acquitted of any violation of the law. He went over to get his automobile, only to find that the prohibition officers had been using it as a raiding car and had torn it up.

Mr. BLANCHARD. I withdraw my reservation of objection, Mr. Speaker.

Mr. LESINSKI. Mr. Speaker, I object.

LYMAN D. DRAKE, JR.

Mr. WILCOX. Mr. Speaker, the next bill to which I ask unanimous consent to return is no. 418 on the calendar, the bill (H.R. 4670) for the relief of Lyman D. Drake, Jr.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Is there objection to the request of the present consideration of the bill?

Mr. WEIDEMAN. Mr. Speaker, reserving the right to object, I would like to know what this bill is about.

Mr. WILCOX. This is a very meritorious bill, I will say to the gentleman from Michigan, and grows out of an injury to Mr. Drake while an employee of the Isthmian Railroad.

Mr. WEIDEMAN. I withdraw my objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Lyman D. Drake, Jr., of Miami, Fla., the sum of $10,000, out of any money in the Treasury not otherwise appropriated, for personal injuries received while in the employ of and working upon the Panama Railroad and in connection with that service and in the employ of the Panama Canal Commission as brakeman upon the Panama Railroad.

With the following committee amendments:

Page 1, line 5, strike out "$10,000" and insert in lieu thereof "$2,500", and in line 10, after the word "railroad", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL ARMS & FUSE CO.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the bill H.R. 6241, which was to come up first on the calendar tonight, be passed over and placed at the top of the calendar for the next call of the Private Calendar. It is a jurisdictional bill—to confer jurisdiction on the Court of Claims.

The SPEAKER. Is there objection?

There was no objection.

WALLACE E. ORDWAY

The Clerk called the next bill on the Private Calendar, H.R. 4966, for the relief of Wallace E. Ordway.

The SPEAKER pro tempore (Mr. PARSONS). Is there objection?

Mr. ZIONCHECK. Reserving the right to object, this is a bill sponsored by the gentleman from Oregon [Mr. PIERCE] that was passed over at the last consideration of the calendar on a question of liability. I understand the gentleman from Oregon [Mr. PIERCE] wishes to make a statement as to where the hole was, with reference to the irrigation ditch.

Mr. PIERCE. There was a hole in the pathway outside of the fence on the Government roadway which the child stepped into and then went into the canal and was drowned. There is no question about the water washing the path away leaving the hole. I would like to read from the Senate report, which is more complete than the House report:

STATEMENT OF R. J. KITCHEN

It is rather a peculiar coincidence, but at the time this child was drowned Congressman Sinnott was in Klamath Falls, Oreg., and knew exactly how it happened. I had had several conferences with Congressman Sinnott before he was appointed judge of the Court of Claims and while he was Representative, and he assured me if I was unsuccessful in the suit against Klamath Falls he would use his best efforts in passing a bill in Congress for the relief of my client.

Mr. ZIONCHECK. If the gentleman will read the statement where the hole was, I think it will settle this question.

Mr. PIERCE (reading):

The Government owned a strip 150 feet wide right through part of the town. In the center was the irrigation ditch, fenced in just the part through which the deep canal runs, leaving about 30 or 40 feet on the side where the boy fell in the canal open to the public, and which the public used for automobiles and footpath. The public made a path at the top of the 50-foot embankment and adjoining the wire fence at the edge of the embankment. One not knowing the Government owned the strip outside of what they (the Government) had fenced in would naturally think the city owned it, as it was used generally by autos and pedestrians. At the time of the death of the boy and for a long time prior thereto water had run across the street adjoining the canal and had washed the embankment back so that there was a large hole in the footpath which pedestrians used. A grown person might

have avoided this hole, but a boy of 5 years, not knowing the danger, and not being capable of contributory negligence, would quite likely fall into it.

Mr. GOSS. As I recall, the gentleman from Ohio [Mr. HOLLISTER] objected to the bill and wanted to know whether the hole was on the side of the fence that the Government had jurisdiction of. I take it, from the statement of the gentleman, that that was a fact.

Mr. PIERCE. Absolutely.

Mr. GOSS. I understood the gentleman from Ohio that if he had known that fact he would not have objected to it.

Mr. PIERCE. He has so stated.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 258

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money not otherwise appropriated, the sum of $4,000 to Wallace E. Ordway, of Klamath Falls, Oreg., as administrator. Such sum represents compensation to Wallace E. Ordway in his personal right and as administrator for the death of his son, Harry Ordway, who was drowned September 1, 1927, in the United States Irrigation Canal at Klamath Falls, Oreg.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM S. STEWARD

The Clerk called the next bill, H.R. 5122, for the relief of William S. Steward.

The SPEAKER pro tempore (Mr. PARSONS). Is there objection?

Mr. TRUAX. Mr. Speaker, what bills are we considering? Are we not starting with no. 460?

The SPEAKER pro tempore. These are bills passed over temporarily yesterday to be considered before we begin at the star. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the provisions of the act of Congress approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes", are hereby extended to William S. Steward for injuries sustained by him while engaged in work for the Isthmian Canal Commission in 1912, and the Governor of the Panama Canal is authorized to pay said William S. Steward, from and after the passage of this act, such sums as would be due him had his injury occurred subsequent to September 7, 1916, such compensation to be a charge against the employees' compensation fund.

The bill was ordered to be engrossed and read a third time, was read a third time and passed, and a motion to reconsider laid on the table.

ALBERT M. JOHNSON AND WALTER SCOTT

The Clerk called the next bill, H.R. 3726, to grant a patent to Albert M. Johnson and Walter Scott.

The SPEAKER pro tempore. Is there objection?

Mr. TRUAX. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman reserve his objection?

Mr. TRUAX. Yes.

Mr. ZIONCHECK. Mr. Speaker, this is a bill about which yesterday I asked many questions of the gentleman from California [Mr. ENGLEBRIGHT]. Since that time I have talked to the gentleman from Nevada [Mr. SCRUGHAM], and he informs me that this man, Death Valley Scotty, is a real humanitarian and takes care of unfortunates who come along.

Mr. ENGLEBRIGHT. He is a meal ticket for all the bums.

Mr. ZIONCHECK. A meal ticket for all the bums, and when a man is a meal ticket for any unemployed at this time I do not feel I should object to his bill. I withdraw my objection.

The SPEAKER pro tempore. Is there objection?

Mr. TRUAX. Does this involve an appropriation?

Mr. ENGLEBRIGHT. No.

Mr. TRUAX. I withdraw my objection.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to prior valid existing rights the Secretary of the Interior is hereby authorized to issue a patent to Albert M. Johnson and/or Walter Scott (Death Valley Scotty) for the following-described land in the Death Valley National Monument upon payment therefor at the rate of $1.25 per acre or under any applicable public land law subject, however, to the reservation of such rights-of-way as the said Secretary may determine to be necessary or advisable for use in connection with the administration of said monument, to wit:

Those parts of sections 1, 2, 3, 4, 9, 10, 11, and 12, township 11 south, range 42 east; and those parts of sections 5, 6, and 7, township 11 south, range 43 east, Mount Diablo meridian, California, occupied by Albert M. Johnson and/or Walter Scott in the form of Upper and Lower Grapevine Ranches and marked on the ground by concrete fence posts according to the Roger Wilson survey of 1931 and on file in the General Land Office; also the remainder of the southwest quarter northwest quarter section 10, township 11 south, range 42 east; and south half northwest quarter section 6, township 11 south, range 43 east; containing, in all, approximately 1,500 acres.

With the following committee amendments:

Page 2, line 3, strike out the figure "9."

Page 2, line 12, strike out the word "east;" and insert the word "east."

Page 2, line 13, at the beginning of the line insert "(lots 11 and and 12)."

Page 2, line 15, after the word "acres" strike out the period, insert a colon and the following:

"*Provided*, That such patent shall contain a reservation to the United States of all the minerals the lands may contain, together with the right to prospect for, mine, and remove the same, such minerals to be subject to disposal by the United States only as may be hereafter expressly provided by law."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FLORENCE OVERLY

The Clerk called the bill (H.R. 872) for the relief of Florence Overly.

The SPEAKER pro tempore. Is there objection?

Mr. LESINSKI. Mr. Speaker, I object.

MASSACHUSETTS BONDING & INSURANCE CO.

The Clerk called the bill (H.R. 4838) for the relief of the Massachusetts Bonding & Insurance Co., a corporation organized and existing under the laws of the State of Massachusetts.

The SPEAKER pro tempore. Is there objection?

Mr. TRUAX. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman withdraw his objection until the gentleman from Massachusetts may make a statement?

Mr. TRUAX. Yes. This bill is for the relief of the Massachusetts Bonding & Insurance Co. I have heretofore objected to all such bills, and I propose to object to this one.

Mr. DOUGLASS. Mr. Speaker, this bill is for reimbursement to the Massachusetts Bonding Co. by the Postmaster General, as the bill will be amended, for the loss of a certain number of postal money orders amounting to $22,216.47. Just let me read a part of the report:

On December 11, 1919, a messenger for Philipborn's, a mail-order house in Chicago, was robbed while taking 4,326 postal money orders, totaling $29,396.37, to the National Bank of the Republic.

Mr. ZIONCHECK. Has this measure cost the Government any money whatever?

Mr. DOUGLASS. None whatever, and the money appropriated here will be taken out of the fund for the postal money orders which have not been paid.

Mr. ZIONCHECK. Is it my understanding that these post-office money orders are all of them over a year old and cannot be cashed now or negotiated?

Mr. DOUGLASS. These money orders cannot be paid. The money has been paid into the Treasury and the Government will lose no money, because they are only giving back to the bonding company money which they paid to the payees of the order.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. DOUGLASS. Yes.

Mr. BLANTON. When a Government bond is lost before the Government makes it good it requires an indemnity bond.

Mr. DOUGLASS. There is an indemnity bond provided in this bill.

Mr. BLANTON. For how much?

Mr. DOUGLASS. Double the amount of the appropriation.

Mr. BLANTON. Is there a provision made for keeping up the premiums upon it?

Mr. DOUGLASS. No. The provision is for a bond to be given by the insurance company to the Government in twice the amount to the money appropriated.

Mr. BLANTON. Unless an indemnity bond is kept alive by payment of the annual premium due each year, it is worthless after one year.

Mr. TRUAX. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Then I object. I am not going to let a $22,000 bill pass without getting a proper understanding about it, so as to safeguard the interest of the Government.

Mr. BLANCHARD. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Mr. Speaker, I object.

DOMINIC FRACAPANE

The Clerk called the next bill, H.R. 5417, to reimburse Dominic Fracapane for injuries sustained in an accident with a Government-owned motor truck.

Mr. ZIONCHECK. Mr. Speaker, I object.

T. BROOKS ALFORD

The Clerk called the next bill, H.R. 5543, for the relief of T. Brooks Alford.

Mr. HOPE. Mr. Speaker, I object.

A. C. MESSLER CO.

The Clerk called the next bill, S. 503, to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.

Mr. BLANCHARD and Mr. DONDERO objected.

Mr. CONDON. Will the gentlemen withhold their objection?

Mr. BLANCHARD. I will withhold the objection.

Mr. CONDON. The last time this bill was called up——

Mr. TRUAX. Mr. Speaker, a point of inquiry.

The SPEAKER pro tempore (Mr. PARSONS). The gentleman will state it.

Mr. TRUAX. When are we to consider Calendar No. 460?

The SPEAKER pro tempore. As soon as the bills that were arranged for by unanimous consent are completed. A special arrangement was made for the calling of these particular bills.

Mr. ZIONCHECK. And that was by unanimous consent?

The SPEAKER pro tempore. That was by unanimous consent.

Mr. LAMNECK. How do you arrive at 503 on the calendar?

The SPEAKER pro tempore. Arrangement was made for the calling of these bills by unanimous consent.

Mr. ZIONCHECK. And that was yesterday at the close of the call of the Private Calendar.

Mr. CONDON. Mr. Speaker, when this bill was called last time the gentleman from Wisconsin [Mr. BLANCHARD] objected unless he could be given a letter from the War Department stating that they had no objection to this bill being considered. I have a letter from the Secretary of War addressed to Mr. ALLGOOD, Chairman of the Committee on War Claims, in which the War Department interposes no objection, confirming the action of the War Department under the former Secretary of War, Mr. Hurley.

Mr. BLANCHARD. May I say to the gentleman from Rhode Island that the same letter says there is no merit whatsoever to this claim?

Mr. CONDON. That was only an expression on the part of the War Department, and we considered that a year ago. It is just a matter of going to the Court of Claims. I am sure the gentleman said a while ago that if we got this letter from the War Department saying that they would not interpose any objection to going to the Court of Claims, the gentleman would withdraw his objection here.

Mr. BLANCHARD. May I say to the gentleman from Rhode Island that it is a questionable policy to pass the buck to the Court of Claims on bills that apparently otherwise have no merit? I am quite satisfied in my own mind that if we send this to the Court of Claims the Court of Claims will reject the claim, and the United States Government will simply submit itself to some expense that we can avoid right here. That is my reason for objecting to the bill.

Mr. CONDON. If that had been stated in the first place, it would have avoided all this trouble.

Mr. BLANCHARD. Well, there has not been much trouble. We have just confirmed what we did before.

The SPEAKER pro tempore. Is there objection?

Mr. BLANCHARD. Mr. Speaker, I object.

GEORGE A. CARDEN AND ANDERSON T. HERD

The Clerk called the next bill, H.R. 8482, conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on certain claims of George A. Carden and Anderson T. Herd.

Mr. WEIDEMAN. Mr. Speaker, I object.

Mr. DUFFEY. Mr. Speaker, I object.

Mr. BROWNING. Will the gentleman withhold his objection?

Mr. DUFFEY. Mr. Speaker, I object.

Mr. LAMNECK. Mr. Speaker, it seems to me we are losing a lot of time here trying to proceed with business, when there is a certain determination on the part of certain Members to object to all these bills, and I move that we adjourn.

Mr. Speaker, I will withdraw the motion. If we can go ahead and transact business, I am willing to stay here; but if we are going to have a lot of horseplay, I am not in favor of staying here.

Mr. GAMBRILL. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

Mr. HOPE. Mr. Speaker, I object.

Mr. GAMBRILL. Mr. Speaker, it is an important message that I want to convey to the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. HOPE. Mr. Speaker, reserving the right to object, would the gentleman mind stating upon what subject he desires to address the House?

Mr. GAMBRILL. I have been in poor health for a year, and am forced to conserve my strength in every way possible, but I understand there is a movement on foot tonight to object to every bill sponsored by any Member who has not signed the McLeod petition. If this condition is to prevail, then the Congress of the United States should adjourn until its Members can transact business in an orderly manner, free from prejudice.

Mr. BLANTON. I think so myself; if there is any such movement on foot here in this Chamber, it would be a ridiculous situation, and we ought to adjourn.

Mr. LAMNECK. There is, I may say to the gentleman.

Mr. BLANTON. Then we might just as well adjourn, Mr. Speaker. It is ridiculous for a group of men to enter into an agreement like that. There are some good bills on this calendar that ought to have fair consideration tonight.

Mr. TRUAX. Mr. Speaker, reserving the right to object, we are passing bills here appropriating hundreds of thousands of dollars without anybody knowing just what they are.

Mr. BLANTON. Some of us know all about these bills. The gentleman can stop any of them by one objection.

Mr. TRUAX. I have stopped them. The gentleman from Texas can stop them as well as I.

Mr. BLANTON. I do not stop the good ones, but I do try to stop the bad ones.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. I yield.

Mr. ZIONCHECK. Mr. Speaker, I am one of those who signed the McLeod bill. Whether I shall vote for it or not is another question, and I will not unless it includes relief to depositors in saving-and-loan and building-and-loan associations, although I seriously question the principle involved; but if these obstructive tactics are to prevail I shall withdraw my name from the petition. These private bills should be considered on their separate merits.

Mr. TRUAX. That is the gentleman's privilege. I shall not withdraw my name, nor shall I withdraw my name from the Frazier petition.

Mr. COCHRAN of Missouri. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is, Is there objection to the present consideration of the bill (H.R. 8482) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on certain claims of George A. Carden and Anderson T. Herd?

Mr. BROWNING rose.

The SPEAKER pro tempore. The gentleman from Tennessee is recognized to make a statement.

Mr. BROWNING. Mr. Speaker, does the gentleman from Michigan intend to object if we press for consideration of this bill this evening?

Mr. LEHR. Yes; I intend to object.

Mr. BROWNING. Will the gentleman object to the bill going over without prejudice?

Mr. LEHR. I want to object, and I understand there are two others who want to object.

Mr. BROWNING. Only one objection is required.

Mr. LEHR. I understand that.

Mr. DUFFEY. Mr. Speaker, I withdraw my objection.

Mr. BROWNING. Is the gentleman from Michigan willing to let the bill go over without prejudice?

Mr. LEHR. Yes.

Mr. BROWNING. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

W. R. M'LEOD

Mr. ZIONCHECK. Mr. Speaker, in order to test the temper of the House, I ask unanimous consent to return to a very, very small bill which was objected to, Private Calendar No. 454, H.R. 5606, for the relief of W. R. McLeod, and ask for its present consideration. This is a bill which involves $200.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington to return to Calendar No. 454?

There was no objection.

The Clerk read the title of the bill.

Mr. BLACK. Mr. Speaker, reserving the right to object, is this the McLeod bill?

Mr. ZIONCHECK. This is a bill for the relief of a man by the name of McLeod, Mr. Speaker; but it is not the McLEOD of Michigan fame.

I have an amendment reducing the amount from $374.02 to $200.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $374.02, and when appropriated the Treasurer of the United States is hereby authorized and directed to pay same to W. R. McLeod, postmaster at Apopka, Fla., to reimburse him in the amount of postal funds stolen from the post office by burglars.

With the following committee amendment:

Page 1, line 9, after the word "burglars", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. ZIONCHECK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZIONCHECK: Page 1, line 5, strike out "$374.02" and insert in lieu thereof "$200."

Mr. GOSS. Mr. Speaker, I ask recognition on the amendment and ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GOSS. Mr. Speaker, it is evident tonight that some of us, and I am one of them, who signed the McLeod petition are somewhat disappointed at the tactics that have been used in trying to restrict the number of legislative days, but I want to say, in all fairness, that there are bills on this Private Calendar which involve the payment of money to widows, children, and other people. There are many parliamentary ways in which this House can take action on this bill or other petitions, even if some of us do not approve of certain things that have gone on on account of the parliamentary situation.

Mr. KVALE. Will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Minnesota.

Mr. KVALE. Does not the gentleman agree that the individuals involved in these private measures think that those bills for the moment are the most important thing in the world?

Mr. GOSS. I think that is true. Many of them cannot in any way secure relief except to come to this floor and ask it of the Congress. It is perfectly evident that this House can adjourn in 2 minutes if it wants to, but I want to appeal to the Members of the House, out of fairness to these people who cannot get relief in any other way, to please be reasonable and let us go on with the Private Calendar. I do not refer to the real conscientious objections which are made to bills, such as the gentleman from Texas [Mr. BLANTON] makes, but I am trying to appeal to the Members to go on and let us consider these things on their merits, and then we will work out the parliamentary situation. The minority is always protected in this House, if it uses the proper parliamentary procedure. It will not gain us anything to adjourn and then come in here at a later date.

I realize fully what has been done, and I appeal to the Members of the House as one of the signers, not threatening and not willing to take my name off the petition for anything that happens here tonight, to go on and pass these bills that are not objected to.

When the resolution comes in for the House to adjourn, at any time a majority of the House may vote it down; then you will be doing what you want to do for the McLeod bill or any other petition.

Mr. BLANTON. Will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman knows that most of the business of this House is conducted by unanimous consent.

Mr. GOSS. Yes.

Mr. BLANTON. The gentleman is speaking out of order now by unanimous consent.

Mr. GOSS. I am.

Mr. BLANTON. That was because we permitted him to do so; yet the gentleman criticizes something which at noon was done here by unanimous consent.

Mr. GOSS. I am not criticizing anything.

Mr. BLANTON. The gentleman criticized the action taken here today in adjourning over, which was done by unanimous consent, and the gentleman never stopped it.

Mr. GOSS. I was not here. I was in the Military Affairs Committee.

Mr. BLANTON. It was the gentleman's duty to be here if he wanted to stop a unanimous-consent request. The gentleman is in the minority and he is not responsible for carrying on the administration's program. It is the majority here that is responsible for that.

Mr. GOSS. I am trying to appeal to the majority.

Mr. BLANTON. We are following our able majority leader, the distinguished gentleman from Tennessee [Mr. BYRNS], and we are behind him and supporting him.

Mr. COCHRAN of Missouri. Mr. Speaker, I demand the regular order.

Mr. GOSS. I want the Members to consider these bills this evening.

Mr. BOILEAU. Mr. Speaker, a parlimentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOILEAU. Today shortly after 12 o'clock the majority leader asked unanimous consent that when the House adjourns today it adjourn to meet on Thursday of this week, and that when the House adjourns on Thursday it adjourn to meet on Monday of next week. My parliamentary inquiry is this: Is it now in order to move to reconsider the vote by which that unanimous-consent request was secured?

Mr. BLANTON. Why, no; that can be done only by unanimous consent, and that is not a parliamentary inquiry.

Mr. BOILEAU. I am not asking the gentleman from Texas for his opinion.

Mr. BLANTON. Well, I am answering the gentleman.

Mr. BOILEAU. I am not asking the gentleman from Texas to answer the parliamentary inquiry for me.

Mr. BLANTON. The rules of the House do not permit that.

Mr. BOILEAU. I suggest that the gentleman from Texas sit down for awhile.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER pro tempore. The regular order is that the gentleman is propounding a parliamentary inquiry.

Mr. BOILEAU. Mr. Speaker, I desire to ask whether it is now in order to move to reconsider the vote by which the House agreed to adjourn from tonight until Thursday and from Thursday until Monday?

Mr. ZIONCHECK. I think a motion to reconsider is in order.

The SPEAKER pro tempore. The Chair thinks that the motion to reconsider might be in order on the same day or the succeeding day, if it were not for the fact that by unanimous consent special arrangements were made for the consideration of the Private Calendar on this particular occasion. Inasmuch as the House met this evening solely for the purpose of considering bills on the Private Calendar the Chair does not believe it would be in order to reconsider that vote at the present time.

Mr. BLANTON. That could be done only by unanimous consent anyway. No such motion would be in order. You cannot change the rules of the House except by unanimous consent.

Mr. BOILEAU. Mr. Speaker, may I be heard further on the point of order?

The SPEAKER pro tempore. The Chair will hear the gentleman further on the point of order.

Mr. BOILEAU. I desire to present this matter for the Speaker's consideration.

Mr. BLANTON. Mr. Speaker, I make the point of order that we have not a quorum. We are not going to waste the time of the House on any ridiculous parliamentary questions of this kind that are so patent to everybody, and I make the point of no quorum.

Mr. BLANCHARD. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

The SPEAKER pro tempore. Evidently there is not a quorum present.

Mr. BLACK. Mr. Speaker, I move a call of the House.

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

Mr. BOILEAU. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOILEAU. The gentleman from Tennessee made a statement in the well of the House which no Member of the House could hear, just as he did at noon when this unanimous consent was granted.

Mr. BYRNS. I resent that.

Mr. BOILEAU. You can resent it if you desire to.

Mr. BYRNS. I turned around at the time, and the gentleman was sitting in front of the gentleman from Minnesota; and I stated my request; and the gentleman is not telling the truth when he says I stated it in that way. [Applause.]

Mr. BOILEAU. The gentleman was standing right where he is now.

Mr. BYRNS. Mr. Speaker, has the Chair ruled that a quorum is not present?

The SPEAKER pro tempore. The Chair has stated that a quorum is not present.

Mr. BYRNS. Then undoubtedly we will have to adjourn or have a call of the House, and I am not willing to ask Members to come from their homes at quarter past 8, and I therefore move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. BLACK) there were—ayes 65, noes 20.

So the motion was agreed to.

ADJOURNMENT

Accordingly (at 8 o'clock and 15 minutes p.m.) the House, in accordance with its previous order, adjourned to meet on Thursday, May 17, 1934, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

473. Under clause 2 of rule XXIV a letter from the past adjutant general of the Grand Army of the Republic, transmitting the journal of the proceedings of the Sixty-seventh National Encampment of the Grand Army of the Republic, held at St. Paul, Minn., September 17 to 23, 1933 (H.Doc. No. 150), was taken from the Speaker's table, referred to the Committee on Military Affairs, and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WILSON: Committee on Flood Control. H.R. 9430. A bill to provide a preliminary examination of the Cowlitz River and its tributaries in the State of Washington, with a view to the control of its floods; without amendment (Rept. No. 1629). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON: Committee on Flood Control. H.R. 9431. A bill to provide for a preliminary examination of Chehalis River and its tributaries in the State of Washington, with a view to the control of its floods; without amendment (Rept. No. 1630). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON: Committee on Flood Control. H.R. 9432. A bill to provide a preliminary examination of the Lewis River and its tributaries in the State of Washington, with a view to the control of its floods; without amendment (Rept. No. 1631). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON: Committee on Flood Control. H.R. 9433. A bill to provide a preliminary examination of Columbia River and its tributaries in the State of Washington, with a view to the control of its flood waters; without amendment

(Rept. No. 1632). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on Labor. House Report No. 1633. A preliminary report pursuant to House Resolution 249. Referred to the House Calendar.

Mr. BANKHEAD: Committee on Rules. House Resolution 383. Resolution for the consideration of S. 2347; without amendment (Rept. No. 1634). Referred to the House Calendar.

Mr. BANKHEAD: Committee on Rules. House Resolution 384. Resolution for the consideration of H.R. 2837; without amendment (Rept. No. 1635). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Rules. House Resolution 381. Resolution for the consideration of H.R. 9322, a bill to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes; with amendment (Rept. No. 1636). Referred to the House Calendar.

Mr. JONES: Committee on Agriculture. H.R. 9623. A bill to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, by providing means for limiting short selling and speculation in such commodities on such exchanges, by licensing commission merchants dealing in such commodities for future delivery on such exchanges, and for other purposes; with amendment (Rept. No. 1637). Referred to the Committee of the Whole House on the state of the Union.

Mr. COX: Committee on Rules. House Resolution 369. Resolution for the consideration of H.R. 9404; without amendment (Rept. No. 1638). Referred to the House Calendar.

Mr. TERRELL of Texas: Committee on the Post Office and Post Roads. H.R. 9595. A bill to increase the compensation of letter carriers in the village delivery service; with amendment (Rept. No. 1639). Referred to the Committee of the Whole House on the state of the Union.

Mr. BRITTEN: Committee on Naval Affairs. H.R. 7742. A bill for the relief of the present leader of the United States Navy Band; without amendment (Rept. No. 1640). Referred to the Committee of the Whole House on the state of the Union.

Mr. PLUMLEY: Committee on Military Affairs. H.R. 3084. A bill authorizing the sale of portions of the Pueblo lands of San Diego to the city of San Diego, Calif.; without amendment (Rept. No. 1641). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. H.R. 9530. A bill granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as "The Narrows"; without amendment (Rept. No. 1642). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine, Radio, and Fisheries. House Joint Resolution 340. Joint resolution to harmonize the treaties and statutes of the United States with reference to American Samoa; without amendment (Rept. No. 1643). Referred to the House Calendar.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 8346. A bill to provide funds for cooperation with school district no. 17–H, Big Horn County, Mont., for extension of public-school buildings to be available to Indian children; without amendment (Rept. No. 1645). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R.4864. A bill to provide funds for cooperation with the school board at Queets, Wash., in the construction of a public-school building to be available to Indian children of the village of Queets, Jefferson County, Wash.; without amendment (Rept. No. 1646). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 5747. A bill to authorize appropriations for the completion of the public high school at Frazer, Mont.; with amendment (Rept. No. 1647). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 5946. A bill for expenditure of funds for cooperation with the public-school board at Poplar, Mont., in the construction or improvement of public building to be available to Indian children of the Fort Peck Indian Reservation, Mont.; without amendment (Rept. No. 1648). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 6469. A bill for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., in the construction or improvement of a public building to be available to Indian children of the Fort Peck Indian Reservation, Mont.; without amendment (Rept. No. 1649). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 7146. A bill 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; without amendment (Rept. No. 1650). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREWS of New York: Committee on Military Affairs. House Joint Resolution 341. Joint resolution authorizing an appropriation for the participation of the United States in the International Celebration at Fort Niagara, N.Y.; with amendment (Rept. No. 1651). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 7361. A bill to provide funds for cooperation with White Swan School District, no. 88, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation; without amendment (Rept. No. 1652). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 7412. A bill 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; without amendment (Rept. No. 1653). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 8342. A bill to provide funds for cooperation with school district no. 27, Big Horn County, Mont., for extension of public-school buildings to be available to Indian children; without amendment (Rept. No. 1654). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS of Montana: Committee on Indian Affairs. H.R. 8906. A bill to provide funds for cooperation with the public-school board at Covelo, Calif., in the construction of public-school buildings to be available to Indian children of the Round Valley Reservation, Calif.; without amendment (Rept. No. 1655). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H.R. 8954. A bill to amend an act approved June 14, 1932 (47 Stat. 306), entitled "An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River"; without amendment (Rept. No. 1656). Referred to the House Calendar.

Mr. ROBINSON: Committee on the Public Lands. H.R. 7653. A bill to establish the Ocmulgee National Park in Bibb County, Ga.; with amendment (Rept. No. 1657). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOM: Committee on Claims. H.R. 3849. A bill for the relief of Harbor Springs, Mich.; with amendment (Rept. No. 1614). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H.R. 3986. A bill for the relief of Ernst Nussbaum; without amendment (Rept. No. 1615). Referred to the Committee of the Whole House.

Mrs. CLARKE of New York: Committee on claims. H.R. 5002. A bill for the relief of Yamato Sesoko; with amendment (Rept. No. 1616). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 5401. A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature and other causes; without amendment (Rept. No. 1617). Referred to the Committee of the Whole House.

Mr. THOM: Committee on Claims. H.R. 5537. A bill for the relief of John M. Green; with amendment (Rept. No. 1618). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 5644. A bill for the relief of William E. Fossett; with amendment (Rept. No. 1619). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H.R. 5896. A bill for the relief of Sanford N. Schwartz; with amendment (Rept. No. 1620). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. H.R. 6950. A bill for the relief of Joseph W. Ludlum and the estate of Oliver Keith Ludlum; with amendment (Rept. No. 1621). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 887. An act for the relief of Lucy B. Hertz and J. W. Hertz; without amendment (Rept. No. 1622). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 1585. An act for the relief of the Black Hardware Co.; with amendment (Rept. No. 1623). Referred to the Committee of the Whole House.

Mr. ELLZEY of Mississippi: Committee on Claims. S. 1633. An act for the relief of Emma Fein; without amendment (Rept. No. 1624). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. S. 1804. An act to authorize the transfer of certain real estate by the Secretary of the Treasury to C. F. Colvin in settlement of the Northfield (Minn.) post-office site litigation, and for other purposes; without amendment (Rept. No. 1625). Referred to the Committee of the Whole House.

Mr. BLANCHARD: Committee on Claims. S. 1998. An act for the relief of the estate of Martin Flynn; with amendment (Rept. No. 1626). Referred to the Committee of the Whole House.

Mr. BLANCHARD: Committee on Claims. S. 2744. An act for the relief of Anna Carroll Taussig; without amendment (Rept. No. 1627). Referred to the Committee of the Whole House.

Mrs. CLARKE of New York: Committee on Claims. S. 3016. An act for the relief of the Dongji Investment Co., Ltd.; without amendment (Rept. No. 1628). Referred to the Committee of the Whole House.

Mr. DARDEN: Committee on Naval Affairs. H.R. 7196. A bill for the relief of the Richmond, Fredericksburg & Potomac Railroad Co.; without amendment (Rept. No. 1644). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOODRUM: A bill (H.R. 9641) granting the consent of Congress to the several States to levy and collect taxes on gasoline and other motor-vehicle fuels in certain instances when sold on United States military and other reservations; to the Committee on Ways and Means.

By Mr. LOZIER: A bill (H.R. 9642) authorizing the Comptroller General of the United States to make an examination of certain claims of the State of Missouri; to the Committee on War Claims.

By Mr. WHITE: A bill (H.R. 9643) to assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes; to the Committee on the Public Lands.

By Mr. BEITER: A bill (H.R. 9644) to authorize the Home Owners' Loan Corporation to finance the modernization, alteration, and repair of buildings; to the Committee on Banking and Currency.

By Mr. CANNON of Missouri: A bill (H.R. 9645) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Washington, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. BIERMANN: A bill (H.R. 9646) to authorize the acquisition of additional land for the Upper Mississippi River Wild Life and Fish Refuge; to the Committee on Agriculture.

By Mr. WERNER: A bill (H.R. 9647) to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its powers and purposes", approved February 25, 1929, and for other purposes; to the Committee on the Library.

By Mr. LEMKE: A bill (H.R. 9648) to amend an act entitled "The United States Grain Standards Act" approved August 11, 1916, and acts amendatory thereto; to the Committee on Agriculture.

By Mr. CALDWELL: A bill (H.R. 9649) to amend the Reconstruction Finance Corporation Act so as to extend the provisions thereof to private corporations to aid in constructing and maintaining facilities for the marketing, storing, warehousing, and/or processing of forest products; to the Committee on Banking and Currency.

By Mr. ROBINSON: A bill (H.R. 9650) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah; to the Committee on Agriculture.

By Mr. OLIVER of New York: A bill (H.R. 9651) to amend section 233 of the Criminal Code, as amended; to the Committee on the Judiciary.

By Mr. LAMNECK: A bill (H.R. 9652) to provide for apportionment of positions in each Federal land bank according to the population of the States served thereby; to the Committee on Agriculture.

By Mr. BROWN of Michigan: A bill (H.R. 9653) granting the consent of Congress to the State of Michigan, by and through the Mackinac Straits Bridge Authority, its successors and assigns, to construct, maintain, and operate a toll bridge, or series of bridges, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan; to the Committee on Interstate and Foreign Commerce.

By Mr. RAYBURN: A bill (H.R. 9654) to authorize the Department of Commerce to make special statistical studies upon payment of the cost thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WEIDEMAN: A bill (H.R. 9655) to regulate traffic and trade, protect small business houses and industry, promote orderly marketing, encourage individual initiative, decentralize business, and give the consumers the benefit of free competition denied them by chain ownership and operation, holding companies, and interlocking directorates; to the Committee on Ways and Means.

By Mr. BANKHEAD: Resolution (H.Res. 383) for the consideration of S. 2347, an act to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; to the Committee on Rules.

Also, resolution (H.Res. 384) for the consideration of H.R. 2837, to provide for the establishment of the Everglades

National Park in the State of Florida, and for other purposes; to the Committee on Rules.

By Mr. LUNDEEN: Resolution (H.Res. 385) instructing the House Committee on Labor to make an investigation of the strike situation, and for other purposes; to the Committee on Rules.

By Mr. BUCHANAN: Joint resolution (H.J.Res. 345) to provide funds to enable the Secretary of Agriculture to carry out the purposes of the acts approved April 21, 1934, and April 7, 1934, relating, respectively, to cotton and to cattle and dairy products, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H.R. 9656) for the relief of Malcolm P. Nash; to the Committee on Naval Affairs.

By Mr. CROSSER of Ohio: A bill (H.R. 9657) for the relief of Louis Finger and Elsie Finger; to the Committee on Claims.

By Mr. KENNEDY of New York: A bill (H.R. 9658) for the relief of Thomas O'Brien; to the Committee on Claims.

By Mr. MALONEY of Connecticut: A bill (H.R. 9659) for the relief of Joseph H. Sheridan; to the Committee on Claims.

By Mr. MITCHELL: A bill (H.R. 9660) for the relief of C. T. Mingle; to the Committee on the Post Office and Post Roads.

By Mr. SCRUGHAM: A bill (H.R. 9661) to authorize the presentation to Orrin W. Davie of a Distinguished-Service Cross; to the Committee on Military Affairs.

By Mr. SADOWSKI: A bill (H.R. 9662) to authorize the award of the Congressional Medal of Honor to Allan Joseph Chamblin; to the Committee on Naval Affairs.

PETITIONS, ETC.

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

4645. By Mr. DONDERO: Petition of the Detroit section of the American Society of Civil Engineers, petitioning Congress to remove the barrier to the use of funds under the provisions of the Industrial Recovery Act for the acquisition of any land, right-of-way, or easement, in connection with any railroad grade elimination (separation) project, making it possible for the land takings for the approaches of grade separations to be a part of the cost on which the 30-percent grant may apply in the elimination of railroad grade crossings at dangerous points of congested traffic, etc.; to the Committee on Interstate and Foreign Commerce.

4646. By Mr. GOODWIN: Petition of 19 members of the National Woman's Party and League of Women Voters of New York City and vicinity, urging report on House bill 9240 out of committee; to the Committee on Expenditures in the Executive Departments.

4647. By Mr. JOHNSON of Texas: Memorial of C. M. Thomason, of Kerens, Tex., favoring House bill 9595, to increase salaries of village carriers; to the Committee on the Post Office and Post Roads.

4648. By Mr. MILLARD: Petition signed by members of the Catholic Daughters of America of Harrison, N.Y., urging the passage of Senate bill 3285 and the amendment proposed by Father Harney; to the Committee on Interstate and Foreign Commerce.

4649. By Mr. RUDD: Petition of the Fifth Assembly District Republican Club., Inc., of Queens, Ozone Park, Long Island, N.Y., favoring the Kenney bill, making teachers' oath mandatory, to pledge allegiance to the Constitution of the United States; to the Committee on the Judiciary.

4650. By Mr. WELCH: Petition of citizens of San Francisco, urging passage of bill (H.R. 7902) to grant to Indians living under Federal tutelage the freedom to organize for purposes of self-government and economic enterprise, etc.; to the Committee on Indian Affairs.

4651. By the SPEAKER: Petition of Moss King and others, relative to the protection of American dairymen; to the Committee on Agriculture.

4652. Also, petition of Robert T. Hatt, corresponding secretary of the American Society of Mammalogists, transmitting a resolution of the American Society of Mammalogists, adopted at the sixteenth annual convention held in New York City May 11, 1934, protesting against any legislation removing protection from the sea lions of Alaska; to the Committee on Merchant Marine, Radio, and Fisheries.

4653. Also, petition of the Bergen Federation of the Holy Name Society, urging adoption of the admendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4654. Also, petition of various individuals and organizations of Pottstown, Pa., and other cities, asking adoption of a proposed amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4655. Also, petition of Harold G. Rossell, 4860 North Hermitage Avenue, Chicago, Ill., requesting investigation by the House of Representatives of certain facts and conditions in the administration of justice in the District Court of the United States for the Northern District of Illinois; to the Committee on the Judiciary.

4656. Also, petition of G. W. Martin and others, urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on the Merchant Marine, Radio, and Fisheries.

4657. Also, petition of George Servatius, Jr., and approximately 100 other citizens of Utica, N.Y., supporting the proposed amendment to section 301 of Senate bill 2910, relating to equal opportunities over radio systems; to the Committee on Merchant Marine, Radio, and Fisheries.

4658. Also, petition of the Ladies' Catholic Benevolent Association of Webster, N.Y., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4659. Also, petition of the members of the Sacred Heart Holy Name Society in the town of Lyndhurst, N.J., urging adoption of the amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4660. Also, petition of Richard L. G. Deverall, 203 Walnut Street, Ridgewood, N.J., and various members of the Ridgewood Catholic Study Group, endorsing a proposed amendment to section 301 of Senate bill 2910 in opposition to radio discrimination; to the Committee on Merchant Marine, Radio, and Fisheries.

SENATE

WEDNESDAY, MAY 16, 1934

(Legislative day of Thursday, May 10, 1934)

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

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Tuesday, May 15, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that Mr. OLIVER of New York was appointed an additional manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5884) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The message also announced that the House had passed without amendment the bill (S. 258) for the relief of Wallace E. Ordway.