Claude S. Kirkpatrick
Edwin S. Lee, Jr.
Fred D. Pfotenhauer
William W. Keller
Ernest S. Bathke
Jacob T. Bullen, Jr.
John J. Hyland
Lewis C. Coxe
Lester R. Schulz
Cedric W. Stirling
William M. McCormick
Grafton B. Perkins, Jr.
Brown Taylor
Richard L. Mann
John W. Kearns
Royal R. Ingersoll, II
Paul Van Leunen, Jr.
Robert L. Townsend
Eugene C. Rider
Edgar S. Powell, Jr.
William C. G. Church
Charles M. Henderson
Albert L. Becker
Clyde J. Van Arsdall, Jr.
Rollin E. Westholm
James S. Shilson
Howard T. E. Anderson
Robert J. Ovrom
Hugh M. Maples
Arthur C. Smith
Willard J. Bain
Richard C. Latham
John M. Phelps
William I. Robbins
John P. Condon
Donald A. Scherer
William L. Guthrie
Charles R. Stephan
Otto C. Schatz, Jr.
Charles C. Mann
John M. McMahon
Charles B. Paine, Jr.
Ernest E. Christensen
Richard R. Boutelle
Orme C. Robbins
Charles Blenman, Jr.
Robert H. Close
Juan B. Pesante
James R. Compton
Walter T. Griffith
Edward F. Dissette
John W. Howard
David S. Edwards, Jr.
William E. Sweeney
John Metcalf
John R. Bromley
William S. Maddox
John C. Nichols
William C. Murphy
James D. Fulp, Jr.
Earl K. Solenberger
James S. Nutt
Frederic W. Hawes
Robert N. Robertson
Robert C. Houston
Charles W. Fell
Marvin I. Rosenberg
Melvin H. Dry
Reuben T. Whitaker
Arthur L. Newman
Howard E. Day, Jr.
Beverly R. Van Buskirk
George E. T. Parsons
Charles W. Brewer
John A. Horton, Jr.
Harry L. Thompson, Jr.
Keith E. Taylor
Alexander G. Hay
Alfred D. Kilmartin
Robert M. Brinker
Joseph B. Tibbets
Dennison C. Ambrose
John M. Hyde
William H. Lawrence
Carl W. Middleton, Jr.
Lewis Freedman
Robert J. Oliver
George W. Lautrup, Jr.
Duncan P. Dixon, Jr.
Donald G. Irvine
Robert J. Hardy
John B. Morland
Christy C. Butterworth
Thomas C. Edrington, 3d
George S. Bullen
Wilson M. Coleman
Joseph J. Staley, Jr.
Statton R. Ours, Jr.
Richard E. Nichols
Herman H. Kait
William A. Smyth
Arden Packard
Richard D. Shepard
Carl W. Rooney
Joseph E. Stulgis
Harold D. Fuller
Earl K. McLaren
Clarence E. Dickinson, Jr.
Albert L. Gebelin
Edward N. Blakely
Allan G. Schnable
Benjamin C. Fulghum
Ernest V. Bruchez
Eric L. Barr, Jr.
Samuel Bradbard
Paul L. Joachim
Terry L. Watkins
Walter H. Baumberger
Charles H. Clark
Arthur E. Krapf
James E. Smith
Raymond L. Abrahamson
Nels C. Johnson
Lyle E. Strickler
William C. Hembury
Sidney L. Erwin
John G. Roenigk
John Harllee
Wayne R. Merrill
Cecil K. Harper
Benedict J. Semmes, Jr.
Richard G. Kopff
Warren S. Macleod
Barton E. Day
Harry H. Greer, Jr.
Frederic G. Pegelow
Allyn Cole, Jr.
Francis O. Fletcher, Jr.
William J. Drumtra
Robert A. Paton
Edgar J. Hailey
Lowell S. Price
Robert Donaldson
Richard E. Bly
Ellis B. Rittenhouse
Robert E. Wheeler
Philip H. Torrey, Jr.
James M. Clute
William M. Collins, Jr.
Frank K. Upham
Stanley S. Daunis
Curtis H. Hutchings
William R. Peeler
Arthur C. House, Jr.
Marshall W. White
Thompson C. Guthrie, Jr.
Robert R. Williams, Jr.
Thomas B. Oakley, Jr.
Irving S. Presler
John F. McGillis
Richard H. O'Kane
Charles F. Fischer
George W. Welch
George M. Clifford
James W. Brock
John W. Florence
Charles Antoniak
Edward M. Fagan
Jackson D. Arnold
Arthur L. Benedict, Jr.
Louis Lefelar, Jr.
Bernard A. Clarey
Douglas M. Swift
Francis A. G. Kelly
Paul S. Savidge, Jr.
Kendall Casey
Arthur R. Manning
Henry C. Spicer, Jr.
Ronald Q. Rankin
Henry L. Miller
Willard E. Hastings
Walker Ethridge
Frank M. Whitaker
Francis W. Scanland, Jr.
Forrest M. Price
Francis D. Boyle
John T. Lowe, Jr.
James H. Newell
Martin H. Ray, Jr.

MARINE CORPS

The following-named midshipmen to be second lieutenants in the Marine Corps, revocable for 2 years, from the 31st day of May 1934:

Clyde R. Nelson
Joseph L. Dickey
Elmore W. Seeds
John P. Condon
John A. Butler
Ralph K. Rottet
George C. Ruffin, Jr.
Roger S. Ahlbrandt
Harold O. Deakin
Maurice T. Ireland
Henry W. Buse, Jr.
Samuel R. Shaw
Robert S. Fairweather
Robert E. Hommel
Joseph P. Fuchs
John W. Sapp, Jr.
Harry W. G. Vadnais
Frank C. Tharin
Bennet G. Powers
Samuel F. Zeiler
Lawrence B. Clark
Ernest L. E. Ritson
Colin J. Mackenzie
George B. Nicol
Joe McK. Alexander

SENATE

MONDAY, MAY 28, 1934

The Chaplain, Rev. Zebarney T. Phillips, D.D., offered the following prayer:

Gracious Lord and Heavenly Father, Author of Peace and Lover of Concord, breathe into our souls the love of beauty, truth, and goodness that, all confusion and discord being removed, we may abide under the holy influence of Thy calm. Help us this day to remember that we are Thy children, in whom should dwell no fear save that of being faithless to our trust. So shall our tasks be willed, in hours of insight, by deep and fervent effort to perform the common round of duty which unfailing love demands within the circle of Thy sovereign will. We ask it in the name of Him whose human life was the supreme expression of self-subjecting love, Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day, Saturday, May 26, when, on motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

ORDER FOR THE CONSIDERATION OF THE CALENDAR

Mr. ROBINSON of Arkansas. I ask unanimous consent that at the conclusion of morning business the Senate proceed to the consideration of unobjected bills on the calendar.

The VICE PRESIDENT. Is there objection?

Mr. LONG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. We want to move to discharge the Finance Committee from the further consideration of House bill no. 1 this morning. Would agreeing to the request of the Senator from Arkansas disturb our position? This morning is the only opportunity we have had for some time to bring up that question.

The VICE PRESIDENT. The Chair will state to the Senator that agreeing to the request would disturb the sug-

gested motion, if that motion were in order; but the call of the calendar is in order anyway.

Mr. ROBINSON of Arkansas. In reply to the inquiry of the Senator from Louisiana, let me say that under the rule of the Senate the Senate will proceed to the call of the calendar under rule VIII in any event, unless the request submitted by me shall be granted.

The VICE PRESIDENT. On any other day except Monday it would be in order to move to discharge the committee, but on Monday the Chair thinks it is not in order to move to discharge the committee. Rule VII provides that the calendar under rule VIII shall be called on Mondays, and this call shall begin at the conclusion of the morning business.

Mr. LONG. On Monday, as I understand, I cannot move to discharge the committee.

The VICE PRESIDENT. That is correct.

Mr. LONG. Might I inquire, would there be any objection on the part of the Senator from Arkansas if we did this morning take up the matter, without any debate, to discharge the Committee on Finance from the further consideration of House bill no. 1?

Mr. ROBINSON of Arkansas. Yes; I should object.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas that at the conclusion of the routine morning business the Senate proceed to the consideration of unobjected bills on the calendar? The Chair hears none, and it is so ordered.

INVITATION TO REVIEW OF THE FLEET

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Navy, which was read and ordered to lie on the table, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, May 25, 1934.

MY DEAR MR. VICE PRESIDENT: Owing to the limited facilities on board the cruiser *Louisville* it has been impracticable to invite all the Members of the Senate to witness the review of the United States Fleet by the President on May 31.

It is my earnest desire that all Senators be given an opportunity to view any or all of the ships of the Fleet during their coming stay at New York from June 1 to June 17, and I am accordingly taking this opportunity to extend a most cordial invitation for them to do so.

In order that each Senator who may desire to visit the fleet will be accorded the proper facilities I have requested the Commander in Chief to issue courtesy cards to those who so desire. Should it be desired to visit any particular ship or ships the name or names should be given in the request.

Requests for courtesy cards should be addressed to the Commander in Chief United States Fleet, care Postmaster, New York City.

It will be greatly appreciated if the above information is promulgated to the Members of the Senate.

Sincerely yours,

CLAUDE A. SWANSON.

The VICE PRESIDENT,
United States Senate, Washington, D.C.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

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

On May 25, 1934:

S. 3114. An act to extend the times for commencing and completing the construction of certain bridges in the State of Oregon; and

S. 3436. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain proceedings against the Electro-Metallurgical Co., New-Kanawha Power Co., and the Union Carbide & Carbon Corporation.

On May 26, 1934:

S. 2042. An act to establish a department of physics at the United States Military Academy at West Point, N.Y.;

S. 2442. An act for the protection of the municipal water supply of the city of Salt Lake City, State of Utah;

S. 2794. An act to amend the Longshoremen's and Harbor Workers' Compensation Act with respect to rates of compensation, and for other purposes; and

S. 3355. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the birth of Daniel Boone.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a memorial from J. Neilson Barry, secretary of the Historical Research Council, Portland, Oreg., remonstrating against the passage of the so-called "Mott resolution", requesting the President to issue a proclamation to honor the Jason Lee's Establishment of the First Permanent Settlement in Oregon, which, with the accompanying paper, was referred to the Committee on the Library.

He also laid before the Senate a telegram in the nature of a petition from Albert E. Hayes, of Denver, Colo., praying an amendment to pending silver legislation providing for the remonetization of silver on a legal basis, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Council of the City of Dearborn, Mich., endorsing a resolution adopted by the Detroit section of the American Society of Civil Engineers, favoring the enactment of legislation to remove certain restrictions as set forth in section 304–A of the National Industrial Recovery Act, which was referred to the Committee on Finance.

DIVERSION OF WATERS FROM PYMATUNING RESERVOIR

Mr. DAVIS. I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions of the Town Council of the borough of Sharpsville, Pa., together with my acknowledgment of the same, protesting the diversion of the waters of the Pymatuning Reservoir into the Mahoning Valley of the State of Ohio. The State of Pennsylvania has appropriated several million dollars for the acquisition of lands at the site of the Pymatuning Reservoir and for the erection of the Pymatuning Dam. I believe that the diversion of this water is unwarranted.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Whereas the State of Pennsylvania has appropriated several millions of dollars for the acquisition of lands at the site of the Pymatuning Reservoir, and for the erection of the Pymatuning Dam, this for the primary purpose of supplying water to the industries of the lower Shenango Valley; and

Whereas a proposal has been made to divert the waters of the Pymatuning Reservoir into the Mahoning Valley in the State of Ohio for the purpose of feeding a proposal canal: Now, therefore, be it

Resolved, That the burgess and town council of the borough of Sharpsville object to and oppose the diversion of the waters of the aforesaid Pymatuning Reservoir and in behalf of the people of the borough protest against the proposed diversion of the aforesaid waters; be it further

Resolved, That copies of this resolution be forwarded to the Honorable Gifford Pinchot, Governor of the State of Pennsylvania; the Honorable David A. Reed, United States Senator; the Honorable James J. Davis, United States Senator; the Honorable T. C. Cochran, Representative in Congress from the Twentieth District of Pennsylvania; and to Alexander W. Davis, chairman of Pennsylvania Canal Board, Pittsburgh, Pa.

Ordained and enacted this 9th day of May 1934.

[SEAL] JOHN E. CLEARY,
President of Council.

Attest:

MAME K. ROBINS, *Secretary.*

Approved by me this 11th day of May 1934.

H. R. PARSONS, *Burgess.*

UNITED STATES SENATE,
COMMITTEE ON NAVAL AFFAIRS,
May 24, 1934.

Mr. JOHN E. CLEARY,
Sharpsville, Pa.

DEAR MR. CLEARY: Please pardon my delay in acknowledging the resolution adopted by the council of Sharpsville. Needless to say, my interest is in protecting the natural resources of Pennsylvania, and I have repeatedly informed advocates of canal routes which extend beyond the borders of Pennsylvania that I could not see my way clear to approve the diversion of Pennsylvania water for

the building and maintenance of a canal in another State if it would deprive Pennsylvania of her economic share of our national wealth.

Most cordially yours,

JAMES J. DAVIS.

PREVENTION OF LYNCHING

Mr. COSTIGAN. Mr. President, I have here a memorial, and before presenting it wish to make a brief statement about it.

It has been reliably reported that at the White House press conference last week the President of the United States expressed his desire that the antilynching bill (S. 1978), which, with amendments, has been favorably reported to the Senate by the Judiciary Committee and is now on the Senate calendar, be voted on by Congress before its adjournment. Under such circumstances, the extraordinary and deserved popularity and leadership of President Roosevelt in all parts of America justify the Senator from New York [Mr. WAGNER] and myself, who are cosponsors of this measure, in appealing alike to the able Democratic and Republican leadership of the Senate to assist us in our reasonable request for affirmative action in line with this deliberate expression of the President in favor of a vote by Congress at this session on a fundamental measure, in which are involved law, order, justice, and humanity for millions of underprivileged citizens of this country.

Congress can ill-afford to adjourn without such action. The measure before us has been petitioned for and endorsed during the last few months by authorized spokesmen of organizations having memberships in this country totaling approximately 40,000,000 American citizens. Indeed, never in our history have protests against the anarchy of lynching risen to any comparable high level of popular conviction. Support for the proposed legislation is today neither partisan nor sectional. To the honor of the South, let it be recorded that since the introduction of the bill editorials in behalf of its enactment have appeared as widely in leading newspapers of the South as of the North, and that no utterances in behalf of it have been more sober, well-considered, or impressive than those of southern leaders, and, even more moving, of noble, home-loving southern women, who are determined to do what they can to erase the age-old stain on our flag and civilization caused through the denial by irresponsible mobs and riotous assemblages of trial by jury, due process, and the equal protection of our laws. All law-abiding Americans should cooperate with and acknowledge the debt of gratitude we owe to such wise, patriotic, and humane southern leadership.

About 75 years ago Abraham Lincoln denounced lynching as "dangerous in example and revolting to humanity." Sixteen years ago Woodrow Wilson appealed to "the Governors of all States, the law officers of every community, and, above all, the men and women in every community in the United States, all who revere America and wish to keep her name without stain or reproach, to cooperate, not passively but actively and watchfully to make an end of this disgraceful evil." Last December the present President of the United States, following California's shocking Governor-sanctioned tragedy, denounced lynching as "collective murder" and declared: "We do not excuse those in high places or in low who condone lynch law."

That declaration of President Roosevelt, followed by a message in which, in effect, he properly classified lynching with the merciless brutalities of kidnaping and other first-degree offenses against life, provided a wholesome stimulus to awaken public opinion, and during this session Congress has been deluged with expressions of sound popular judgment in favor of immediate and remedial Federal legislation.

It is not my intention at this hour to do more than stress the precedence which should be given to the President's immensely important suggestion. In support of it I hope to have read at the desk of the Senate certain significant resolutions adopted by the Woman's Missionary Council of the Methodist Episcopal Church South, at Birmingham, Ala., in March of this year. In a letter of Mrs. Fitzgerald Sale Parker, recording secretary of that council, she affirms its representation of approximately 225,000 American women. As their church affiliations indicate, these women are the inheritors of the South's proudest traditions. By way of further preface to the resolutions it should be said that they definitely urge the approval of pending Federal antilynching legislation by this Congress. They recognize, of course, that if this action shall be taken we will have adopted a reasonable Federal legislative enactment directly tending to emancipate millions of Americans from needless and long-unlifting shadows of fear and horror.

We are faced by a problem which at last has become everybody's business because too long it has been nobody's business. And, fortunately, the legislative proposal for dealing with it is so temperate, unimpassioned, and impartial, that if passed, it may well be termed an enactment not to compel but to assist by simple and common-sense safeguards sound and law-abiding local public opinion in its efforts to control irresponsible lawlessness.

Mr. McNARY. Mr. President——

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

Mr. McNARY. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. I thought we were proceeding under the order of what is known as "routine morning business."

The VICE PRESIDENT. The Senator is correct; and if there is any objection to the Senator from Colorado proceeding, he may not proceed.

Mr. COSTIGAN. Mr. President, I trust the Senator from Oregon will interpose no objections. I am sure that the Senator did not hear my opening declaration that I would limit myself to a brief statement. I have nearly concluded.

Mr. McNARY. If the Senator will conclude in a few moments, I shall not interpose an objection.

Mr. COSTIGAN. Mr. President, out of many petitions and memorials in my possession in support of the antilynching bill, I now request that the letter of transmittal and the historic resolutions of the Southern Methodists' Woman's Missionary Council, adopted in March of this year, be read to the Senate by the clerk.

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

The Chief Clerk read as follows:

WOMAN'S MISSIONARY COUNCIL,
METHODIST EPISCOPAL CHURCH SOUTH,
Nashville, Tenn., April 2, 1934.

Hon. EDWARD P. COSTIGAN,
United States Senate, Washington, D.C.

DEAR MR. COSTIGAN: I am handing you herewith the action concerning the Costigan-Wagner bill taken at the meeting of the Woman's Missionary Council in Birmingham, March 7–12. This organization represents approximately 225,000 women in the Methodist Episcopal Church South.

Yours very truly,

(Mrs. F. S.) L. P. PARKER.

Whereas lynching records show that for a period of 44 years (1889–1933) 3,781 persons have met death at the hands of cruel lynchers, and more appalling still only 12 of those guilty of participation in these mobs have been convicted; and

Whereas the weakness of the local courts in dealing with mobs, as shown in the above figures, inheres in their purely local character, giving little hope for delivering us from the terrible situation of mob violence and outlawry in which we find ourselves: Therefore be it

Resolved—

1. That we, the members of the Woman's Missionary Council in annual session at Birmingham, Ala., March 7–12, 1934, do hereby give our endorsement to the Costigan-Wagner bill, which seeks to stimulate local State governments to perform their duty in protecting life and property and which gives to the Federal Government the responsibility of apprehending and convicting persons guilty of mob murder in cases where local government has failed to perform its duty.

2. That a copy of this resolution be sent to the following: Hon. FREDERICK VAN NUYS, chairman of the Senate committee conducting the hearings on the bill; Hon. EDWARD P. COSTIGAN and Hon. ROBERT F. WAGNER, who are sponsoring the bill in the Senate, and Hon. THOMAS F. FORD, who sponsors it in the House of Representatives.

3. That we urge missionary women throughout the church to communicate with their Senators and Representatives asking them to promote the passage of this bill.

Mrs. J. W. PERRY, *President.*
Mrs. FITZGERALD S. PARKER, *Secretary.*

Mr. KEAN. Mr. President, there have been few occasions in the history of our country when the serpent of mob rule has raised its ugly head and bared its cruel fangs more menacingly than during the past few months.

An unfortunate situation has developed during the past fortnight that must give solemn pause to every thoughtful, patriotic American and particularly to every man charged with the duty of safeguarding the life, liberty, and right to pursue happiness without unlawful molestation. I refer, of course, to the Congress of the United States, the supreme lawmaking tribunal of the country.

Is it not fitting and proper, Mr. President, in view of the appalling situation that has developed recently, that we should strike a blow at mob rule at this session while we may? With class and racial hatreds running rampant, I believe it is only fitting and proper that we should pass the bill referred to by the Senator from Colorado [Mr. COSTIGAN], which would go far toward wiping out the cruel, cowardly, un-Christian, and un-American crime of lynching which has for too long been a scourge to a great body of law-abiding and patriotic Americans. I refer to the members of the Negro race.

REPORTS OF COMMITTEES

Mr. DAVIS, from the Committee on Naval Affairs, to which was referred the joint resolution (S.J.Res. 117) authorizing the President of the United States to present the Distinguished Flying Cross to Emory B. Bronte, reported it without amendment and submitted a report (No. 1190) thereon.

Mr. ERICKSON, from the Committee on Mines and Mining, to which was referred the bill (H.R. 1503) to amend the act entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California", approved March 1, 1893, as amended, reported it without amendment and submitted a report (No. 1191) thereon.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 621) conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad, reported it with an amendment and submitted a report (No. 1192) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 3641) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N.Y., reported it without amendment and submitted a report (No. 1193) thereon.

Mr. McKELLAR, from the Committee on the Library, to which was referred the bill (H.R. 8910) to establish a National Archives of the United States Government, and for other purposes, reported it with an amendment and submitted a report (No. 1194) thereon.

Mr. HAYDEN, from the Committee on Appropriations, to which was referred the bill (H.R. 9410) providing that permanent appropriations be subject to annual consideration and appropriation by Congress, and for other purposes, reported it with amendments and submitted a report (No. 1195) thereon.

Mr. HATCH, from the Committee on Public Lands and Surveys, to which was referred the bill (H.R. 5369) providing for the issuance of patents upon certain conditions to lands and accretions thereto determined to be within the State of New Mexico in accordance with the decree of the Supreme Court of the United States entered April 9, 1928, reported it with an amendment and submitted a report (No. 1196) thereon.

Mr. ADAMS, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 3116) to amend sections 3 and 4 of the act of July 3, 1930, entitled "An act for the rehabilitation of the Bitter Root irrigation project, Montana", reported it with an amendment and submitted a report (No. 1198) thereon.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which were referred the following bills, reported them severally without amendment and submitted a report thereon, as indicated:

H.R. 7428. An act providing for the transfer of certain lands from the United States to the city of Wilmington, Del., and from the city of Wilmington, Del., to the United States;

S. 1221. An act to make provision for suitable quarters for certain Government services at El Paso, Tex., and for other purposes; and

S. 2724. An act to provide for a customs examination building at Tampa, Fla. (Rept. No. 1199).

AMENDMENT OF RAILWAY LABOR ACT—MINORITY VIEWS

Mr. McNARY (for Mr. HASTINGS), from the Committee on Interstate Commerce, submitted minority views to accompany the bill (S. 3266) to amend the Railway Labor Act, approved May 20, 1926, and to provide for the prompt disposition of disputes between carriers and their employees, which was ordered to be printed as part 2 of Report No. 1065.

BILLS INTRODUCED

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

By Mr. JOHNSON:

A bill (S. 3687) to amend the National Defense Act of June 3, 1916, as amended;

A bill (S. 3688) to readjust the pay of certain warrant officers and retired enlisted men;

A bill (S. 3689) for the relief of Samuel I. Johnson; and

A bill (S. 3690) authorizing the appointment of John E. Gibson as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. WALCOTT:

A bill (S. 3691) granting Stanley Harrison the privilege of filing application for benefits under the Emergency Officers' Retirement Act; to the Committee on Military Affairs.

By Mr. BLACK:

A bill (S. 3692) to amend sections 2 (c) and 4 (d) of the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

By Mr. GIBSON:

A bill (S. 3693) granting the consent of Congress to the State Board of Public Works of the State of Vermont to construct, maintain, and operate a toll bridge across Lake Champlain at or near West Swanton, Vt.; to the Committee on Commerce.

By Mr. HATCH (by request):

A bill (S. 3694) to permit relinquishments and reconveyances of privately owned and State school lands for the benefit of the Indians of the Acoma Pueblo, N.Mex.; to the Committee on Indian Affairs.

By Mr. McNARY:

A bill (S. 3695) authorizing and directing the Secretary of the Treasury to reimburse Carrol D. Ward for the losses sustained by him by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Agriculture and Forestry.

By Mr. GORE (by request):

A bill (S. 3696) authorizing the President to make rules and regulations in respect to alcoholic beverages in the Canal Zone, and for other purposes; to the Committee on Interoceanic Canals.

By Mr. NORBECK:

A bill (S. 3697) granting a pension to Mrs. Daniel Ojinca or Bobtail Bull (with accompanying papers); to the Committee on Pensions.

CHANGE OF REFERENCE

On motion of Mr. SHEPPARD, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 1850) to establish a national military park to commemorate the campaign and Battles of Saratoga, in the State of New York, and it was referred to the Committee on Public Lands and Surveys.

AMENDMENT TO PETROLEUM REGULATION BILL

Mr. ROBINSON of Arkansas submitted an amendment intended to be proposed by him to the bill (S. 3495) to

regulate commerce in petroleum, and for other purposes, which was referred to the Committee on Mines and Mining and ordered to be printed.

RECIPROCAL TARIFF AGREEMENTS—AMENDMENT

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

FINANCING OF HOME CONSTRUCTION AND REPAIR—AMENDMENT

Mr. BLACK submitted an amendment intended to be proposed by him to the bill (S. 3603) to improve Nation-wide housing standards, provide employment and stimulate industry; to improve conditions with respect to home-mortgage financing, to prevent speculative excesses in new mortgage investment, and to eliminate the necessity for costly second-mortgage financing, by creating a system of mutual mortgage insurance and by making provision for the organization of additional institutions to handle home financing; to promote thrift and protect savings; to amend the Federal Home Loan Bank Act; to amend the Federal Reserve Act; and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

INVESTIGATION OF FEDERAL RADIO COMMISSION

Mr. DICKINSON submitted the following resolution (S.Res. 250), which was referred to the Committee on Interstate Commerce:

Resolved, That the Committee on the Judiciary is authorized and directed to investigate the Federal Radio Commission, the records, documents, and decisions thereof, and each of the personnel thereof, with particular reference to the conduct and deportment of the several members of the Commission while engaged in exercising judicial or quasi-judicial functions under the Radio Act of 1927, and with further reference to the fitness of said several members of the Commission to exercise judicial or quasi-judicial functions either as members of the Federal Radio Commission as now constituted or as members of any commission which may be hereafter established to take over its powers and duties.

The committee shall report to the Senate the results of its investigation, including such recommendations as it deems advisable.

For such purposes the committee, or any subcommittee thereof, is authorized to sit and act at such times and places in the District of Columbia and elsewhere, whether or not the Senate is in session, to hold such hearings, to employ such experts, and such clerical, stenographic, and other assistants, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary.

LUCY R. GEHMAN

Mr. TOWNSEND submitted the following resolution (S.Res. 251), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay out of the contingent fund of the Senate to Lucy R. Gehman, widow of William H. Gehman, late an employee in the folding room, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RECIPROCAL TRADE AGREEMENT WITH COLOMBIA

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The resolution (S.Res. 247) submitted by Mr. HATFIELD on May 22, 1934, was read, as follows:

Resolved, That the Secretary of State is requested to transmit immediately to the Senate a copy of the reciprocal trade agreement between the Governments of the United States and Colombia, agreed upon and signed on December 15, 1933, relating to certain import duties, excise taxes, and prohibitions on importation affecting specified products of such countries.

Mr. ROBINSON of Arkansas. Mr. President, I ask that the resolution go over.

The VICE PRESIDENT. The resolution will go over.

WITHDRAWAL OF PAPERS—DAVID HUFFMAN

On motion of Mr. PATTERSON, it was

Ordered, That the papers filed with the bill (S. 44) granting a pension to David Huffman (73d Cong., 1st sess.) be withdrawn from the files of the Senate, no adverse report having been made thereon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 195. An act respecting contracts of industrial life insurance in the District of Columbia;

S. 2508. An act authorizing the Secretary of the Interior, with the approval of the National Capital Park and Planning Commission and the Attorney General of the United States, to make equitable adjustments of conflicting claims between the United States and other claimants of lands along the shores of the Potomac River, Anacostia River, and Rock Creek in the District of Columbia; and

S. 3257. An act to change the designation of Four-and-a-half Street S.W. to Fourth Street.

The message also announced that the House had disagreed to the amendments of the Senate to 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; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. VINSON, Mr. DREWRY, and Mr. BRITTEN were appointed managers on the part of the House at the conference.

SALOON CONDITIONS IN CHICAGO

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Dr. F. Scott McBride, general superintendent Antisaloon League of America, on the subject Old Chicago Saloon Plus Women Equals New Chicago Tavern.

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

OLD CHICAGO SALOON PLUS WOMEN EQUALS NEW CHICAGO TAVERN

In Chicago the Republican National Convention, less than 2 years ago, witnessed a demonstration against the eighteenth amendment and declared for a "proposed amendment" which would "safeguard our citizens everywhere from the return of the saloon and its attendant abuses." In Chicago, less than 2 years ago, during the Democratic National Convention, galleries packed with wets howled down every speaker who ventured to support prohibition, and the delegates overwhelmingly adopted the following resolution:

"We advocate the repeal of the eighteenth amendment. * * * We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States."

In Chicago, less than 2 years ago, the nominee of the Democratic Party in his speech of acceptance delivered to the convention, declared, "We must rightly and morally prevent the return of the saloon."

Now Chicago, where the big drive for repeal started and where both major political parties pledged that the saloon must not come back, should present the Nation's most conspicuous example of a successful solution of the liquor problem. But what do we find? Despite all promises, the saloon is back in Chicago, worse, more vile, more degrading, more dangerous than ever before in the history of that city.

In Chicago may be viewed at one and the same time a century of progress in industry, the arts, and science, and a century of retrogression so far as the liquor problem is concerned. In Chicago, saloons are back not only in the Loop but throughout the residence districts of the city. In Chicago, saloons are once more the gathering places of drinking and drunken men, and with them now women, "good and bad", mingle at the bars and in the wine rooms. In Chicago saloons high-school girls and boys by the hundred every night, drinking and dancing, rush madly on the downward path. In Chicago saloons every day and night millions of dollars are spent for intoxicating liquors to enrich the brewers and distillers and impoverish the people.

The abhorrent conditions in the saloons of Chicago, the very city from which "no saloon" promises were broadcast throughout the Nation during the party conventions, were recently investigated by the Committee of Fifteen, one of the leading social-service organizations of the city, Charles E. Miner, executive director, accompanied by trained representatives of the Chicago Herald and Examiner and the Chicago American. Their reports, as published in the above newspapers (whose policies had been against prohibition), are so revolting that many of the details must be omitted. The following excerpts, however, indicate the failure of the wet forces to keep their promises that the saloon would not come back. They show not only that the saloon is back but that its evils under modern social conditions are infinitely worse than those against which the people rebelled when the eighteenth amendment was adopted. In the worst places during the worst

days of the old saloon in Chicago conditions were not as bad as they are now shown to be by the following headlines and verbatim excerpts from the day-by-day newspaper reports.

[From the Chicago Herald and Examiner, Mar. 6, 1934]

"SHOCKING SALOON REVELS OF SCHOOL CHILDREN REVEALED—SURVEY BARES LAWLESS BARS

"Shocking evidence of how Chicago's high-school girls and boys—children ranging between 13 and 18 years of age—are being lured into depravity by saloonkeepers, who flagrantly violate the law by plying child patrons with liquor, has been * * * discovered during a fortnight's survey of the city's unregulated saloons * * *, orgies which outrivaled the debauches of Paris' notorious Quartier Latin. * * * Drunkenness and laxity of morals are common in the dimly lit back rooms of these saloons, many of which carry on their vicious trade in the very shadows of the city's schools.

"Graphic evidence of the wide-spread and tragic adolescent delinquency nurtured by liquor was gathered by a special camera. The Herald and Examiner, however, will not use these photographs. Publication of these pictures would instantly wreck young careers already threatened with ruin by the outlaw saloon."

"Lured into depravity by saloonkeepers" is one of the first things observed about the children who frequent the saloon which has returned to Chicago. Thus does the saloon "promote temperance" in the lives of the coming generation. Ask the parents of these Chicago children whether they still believe in the promise that the saloon must not return.

Continuing with the story on the same day, the Herald and Examiner says:

"YOUTHS AND GIRLS 'NECKING' AND STAGGERING—FALL TO FLOOR

"Sprawled on the floor and asleep at the long tables were a dozen young boys and nearly as many girls. Some were obviously 14 and 15 years old. The older ones were 17 and 18. These children were students of Lake View High School. * * * A score or more of couples were locked in tight embrace. Others staggered about the dance floor. A beer stein crashed against the wall. Fights broke out * * * the beer was still flowing.

"Here was a party, made up almost entirely of children, a revolting drunken orgy—a spectacle which epitomizes the vicious growth of juvenile delinquency furthered by greedy and unscrupulous saloonkeepers operating under a city administration which ignores the law and popular sentiment calling for regulation of liquor sales. * * *

"A Lake View senior is taking tickets at the door. * * * To the reporters he says: '* * * The high-school kids make up 90 percent of our parties. They pay the freight.' * * * Underneath the orchestra stage three boy bartenders brawl with patrons. * * * Young drunkards fight and push to reach the bar. * * * A member of the committee points to 10 kegs of beer—all they have for a party of school children. * * * 'How', ventures one reporter, 'can these youngsters finish the 10 kegs of beer?' 'They always manage to get rid of them', chuckled the girl (barmaid). 'They certainly can drink. We rent out the hall to a crowd of them almost every Friday and Saturday night.'

"A blond child of about 16 is dancing for the crowd at the bar. Her skirts are to her hips. She is very drunk. * * * There are four little girls with 'crying jags.' * * * Lots of these children can't take it. Girls have 'passed out', their heads in their escorts' laps. Boys have fallen asleep on the shoulders of their 'dates.' * * * They're raffling off a pint of bonded whisky for a dime a chance. * * * A 16-year-old girl screams with pleasure when she wins it."

This is how "temperance" is being promoted in Chicago under repeal. The saloon keepers, brewers, and distillers are making the profits, but the children "pay the freight."

The Chicago Herald and Examiner of March 7, 1934, reports:

"DARKENED BOOTHS LURE PUPILS TO SOUTH SIDE DRINKING DENS; CHILDREN IN TIPSY EMBRACE

"Lured by darkened drinking booths, by dimly lit dance floors, and the sensuous syncopation of hot-cha orchestras, by liquor prices within the average schoolboy's allowance, pupils of South Side high schools frequent saloons where bartenders flagrantly violate the law forbidding the sale of intoxicants to children. * * * Some of them were plainly intoxicated and their conversation centered on how drunk they had been the night before. * * * The reporters encountered two boys and a girl, the latter about 15, drinking at the bar. The barkeep was serving them straight whisky. * * * Like the Parnell, this saloon has no permit. Both operate in dry territory through court injunctions obtained January 31. * * * There were no booths, but the room was so dimly lighted that shadows gave the corners privacy for boys and girls who drunkenly fondled one another."

Quite as in the days of the old-time saloon, "bartenders flagrantly violate the law forbidding the sale of intoxicants to children", in Chicago and elsewhere.

[From the Chicago Herald and Examiner, Mar. 8, 1934]

"WEST SIDE PUPILS PACK DENS; CHILDREN REVEL IN DARKNESS; BRAG OF LIQUOR AS THEY FALL

"The Club Ritz is * * * in Berwyn, but its dark booths and the sensual temptations they offer draw girls and boys from Austin and west suburban high schools. * * * Gin fizzes and beer steins littered the tables. * * * The reporters returned, guided by two Austin students, 16 and 15. * * * The interior of this saloon is so dark that the reporters at first could not find their way to tables. It was late afternoon, and there were no other students in the place. But the waiter recognized the two girls as steady patrons. He carelessly pushed their school books aside and served them with gin bucks. * * * Drinking at tables were eight unescorted young girls."

This is how Chicago is heeding the solemn injunction to "safeguard our citizens everywhere from the return of the saloon and attendant abuses."

[From the Chicago Herald and Examiner, Mar. 9, 1934]

"NORTH SIDE PUPILS HOLD DEBAUCH AT BEACHVIEW GARDENS

"Students encountered in other dives had told them (the reporters) of the Beachview Gardens * * * and had described it is 'a joint where you can get away with anything.' * * * A dozen high-school couples, children from 15 to 17 years old, swayed unsteadily over the dimly lighted dance floor. * * * The music became wilder as the orchestra encouraged them. * * * The reporters wondered where the bouncer was. But the Beachview Gardens, first selling liquor to children, makes no attempt to curb them later. This accounts in part for the saloon's popularity. * * * A slender little girl of 15 had passed out at another table. * * * It was 2:30 in the morning, and the reporters were getting tired. * * * There was a dozen intoxicated children staggering about the floor, and some had passed out, sprawled over the tables. * * * Downstairs, under the pretentious awning, the reporters waited for a cab. About them hovered the colored doorman. 'Big night, sir,' he said. 'Guess all the boys and girls up there are happy by this time.'"

The same number of the Chicago Herald and Examiner contains a statement by Rev. Alice Phillips Aldrich, welfare superintendent of the Illinois Vigilance Association. She charges:

"Chicago's present-day saloons are causing delinquency among young girls to an extent never equaled even in the old days of segregated vice. I began my work here with girls back in 1910, when the vice districts were in full blast. * * * But there was nothing to compare with what Chicago today is tolerating, when young people of opposite sexes, often strangers to each other, drink openly until they no longer are responsible for their actions."

Dr. Aldrich has seen the actual results in her study of more than 400 delinquent girls and she declared emphatically that the saloons, with their "back rooms" and upstairs facilities, constitute "an alarming cause of immorality and delinquent girls not known before in the history of Chicago."

"We must rightly and morally prevent the return of the saloon," said the Democratic candidate for President to the convention in Chicago which nominated him. And yet, in less than 2 years, social workers in that city find moral conditions more intolerable and delinquency greater under the repeal saloon-tavern than even in the old days of the saloon.

[From the Chicago Herald and Examiner, Mar. 10, 1934]

"SCHOOLGIRLS PLAY HOOKEY IN 'TAVERN'; BOYS SUPPLY LIQUOR

"Their unsteady feet dancing blindly down the path to moral disintegration, hundreds of Chicago's unguarded school children are exposed to ruin because of the uncurbed greed of saloon keepers who, flaunting the law, seek their profits from boyish pockets. * * * Victims of liquor which shattered their inhibitions and aroused them emotionally, two girl students of Senn High School shared in a conversation which laid open the degradation into which they, and scores of other pupils, have fallen. * * * Most of the conversation is unprintable.

"Only a few blocks from the high school the playground runs wide open. * * * As he poured drinks for the girls the bartender asked if they were 'ditching classes again.' * * * They urged her (girl reporter) to accompany them on their date that evening. * * * The girls * * * telephoned their mothers they would not be at home that evening because they were going to friends' homes to study. First 'spot' to be visited was the Hoosegow saloon * * * where the pupils crowded into darkened booths. At other tables drunken youths shouted suggestive remarks at a child entertainer—a toe dancer. * * * The party moved on to a restaurant * * * where students find the 5-cent beer * * * within their means. A barmaid served several rounds of beer. She watched the boys half empty their steins, then 'spike' the beer with whisky. The boys had several straight whiskies from their bottle, and then more beer. * * * Everyone was getting pretty tipsy."

In the new saloon in Chicago little girl entertainers are employed, a novel way to protect youth from "the saloon and attendant abuses."

[From the Chicago Herald and Examiner, Mar. 11, 1934]

"POLICE LOOK ON AS GIRL, 14, REVELS IN PUPILS' RUM DEN

"Under the indecent drawings and vulgar wall decorations of the smoky dive known as 'Jack's Nut House', * * * a shabby, drunken little girl of 14 * * * staggered about the bawdily decorated room. * * * She was wheedling drinks from older topers. * * * She had been intoxicated so long, they explained, she was becoming a nuisance. * * * Her newly discovered friend was opening an acquaintanceship. He was middle-aged, well dressed, and quite drunk. * * * The bartender made no move to protect the child. Two men, later identified through their conversation as detectives from the Wabash Avenue station, looked straight ahead as they drank. But several cus-

tomers voiced their protests in undertones. (The Nut House is not a place to complain too loudly.)"

This is how "complete supervision and control by the States" works in Chicago. As in the old days, the saloon controls politics and politicians, instead of being controlled by them.

The survey conducted for a month by the Chicago American and the Committee of Fifteen was purposely confined to residential areas—home and apartment neighborhoods such as Ravenswood, Englewood, South Shore, Edgewater, Hyde Park, Rogers Park, and Humboldt Park and their adjacent shopping centers. Night clubs, as such, the night-life sections of the city, and the Loop were deliberately neglected to study conditions in good home neighborhoods.

The Chicago American for March 5, 1934, says:

"YOUNG GIRLS, BOYS DISPORT AT ALL HOURS IN TAVERNS

"It is now a little after 1 a.m. Drinks of all kinds are being served over the bar. Almost all of the men at the bar are standing; the stools apparently are tacitly reserved for the women and girls present as a sort of new repeal-era etiquette. * * * A taxi deposits a red-headed girl in evening dress at the door. * * * A little later she is telling us: 'This is a real bright spot. The alderman's nephew runs it and the police are fixed. They can run the joint as they please.'"

The investigators define the new "tavern" as "a cross between and old-fashioned saloon and a speak-easy." The speak-easy atmosphere is apparent immediately after 1 a.m., 4 out of 5 of the more than 700 taverns visited evading or openly flouting the 1-o'clock closing law. Apparently the only ones that close at 1 a.m. are the places in which there are no customers at that hour.

[From the Chicago American, Mar. 6, 1934]

"OLD SALOON PLUS WOMEN EQUALS NEW TAVERN

"Ten saloons in one block—the Barbary coast in the '90s. Ten 'taverns' in one block—Chicago, 1934! And this is not down around Twenty-second Street, not down around the near North Side, noted for its 'hot spots' and night-life rendezvous, but in one of the supposedly nicer residential sections of the city—Rogers Park!

"According to Charles E. Miner, executive director of the Committee of Fifteen, 'There is only one change, and that not for the better.' * * * Women! The old saloon plus women equals the new 'tavern.' Women at the bars! Women in the barrooms at tables! * * * Good women and bad women, schoolgirls and prostitutes, all mingled together indiscriminately, rubbing shoulders in this amazing sequel to the old-time saloon—the 'tavern.' * * * Something like 8,000 'taverns' exist. They have spread into all districts, into areas that never before have known the immediate proximity of a saloon. * * * And they are, indeed, many of them, true red lights. * * *

HOW WOMEN ADD "RESPECTABILITY"

"At that table over there is a young girl—surely not more than 19 or 20—slopping all over the table, while her companions urge her not to 'pass out and spoil the party.' * * * One of the girls at the bar slips sideways on her stool and falls backward, flat on the floor. * * * The boy friend goes back for another drink, and another, and a couple more. With each drink he becomes louder, noisier, more obstreperous. Finally, the bartender orders him out. He refuses, and the bartender comes from behind the bar. Out goes the obstreperous one, wham, into the street. You've seen it done in the movies, but you hardly expect to find it being done in the respectable neighborhood of upper Edgewater.

"A block away * * * is the 'Silver Slipper.' Two hostesses 'double in brass' as waitresses, dancing with patrons and also waiting on table. * * * We find the front lights dimmed and the barstools piled up on the bar after the legal closing hour. But the orchestra still is going full blast, tables are full, and we have no difficulty in obtaining drinks. Liquor is served to us in white, translucent glasses instead of the 'regular' kind, and for a moment we are transported back to the old speak-easy times."

Mayor Kelly, of Chicago, was reported in the Chicago Tribune of December 19, 1933, as saying:

"In my opinion, the presence of women will add respectability to the premises handling liquor."

Experience of only a few weeks with the new saloon in Chicago evidently partially opened the mayor's eyes. He still does not oppose women in saloons, but believes that if they will sit at tables the situation will be improved. The Chicago Tribune of December 30, 1933, quotes him as saying:

"After a few weeks of noting the general effect of women drinking at counters, I am convinced that people generally regard it as an obnoxious practice. * * * Women at counters just don't seem to mix. * * * If women want to drink, they can do it just as well * * * sitting down at a table as standing up or sitting on a high chair at a counter, the latter seeming to promote less feminine reserve and more roughness and loose talk—to the disgrace of women in general. I do not know anything that will stir up public opinion against personal liberty as far as liquor is concerned more than the regular sight of women drinking and carousing at tavern counters."

It is interesting to note that it is the standing or sitting position of the drinker which agitates the saloon apologist; never the thing that makes the saloon the menace it was and is—liquor. Whether there are screens and bars, or tables, seems to them the important thing, not that an intoxicating, narcotic, habit-forming poison is there dispensed.

[From the Chicago American, Mar. 7, 1934]

"GIRL MAKES WINDOW OF TAVERN STAGE FOR SEDUCTIVE DANCE

"A woman dancing in a 'tavern' window * * *. A dimly lighted dance floor at the rear of a 'tavern' where silent couples twist and writhe in drunken rhythm * * *. Young men and women, some of them mere boys and girls, dropping in for casual drinks and even more casual 'necking' in 'taverns' in their home neighborhoods.

"Investigators' reports disclose that in virtually all of the neighborhood business centers of the city the new, low-licensed 'taverns' are regarded by neighborhood business men as actively menacing the welfare of established and well-regarded amusement places.

"Many a young girl, the Committee of Fifteen's investigator tells us, starts out for a perfectly respectable evening at a reputable place * * * and winds up at a 'tavern' where everything is free and easy. * * * Reputable places, we are told, do everything in their power to discourage 'pick-ups' and the presence of undesirables, but where 'pick-ups' occur on the street even before the girl reaches her originally intended destination the managements are helpless.

"TAVERNS REPLACE OLD 'SPEAK-EASIES'

"Throughout the West Side we find open 'taverns' where formerly there were known speak-easies. * * * The only difference is that now they are running wide open, where formerly there was necessity of camouflage. Throughout the place men and women are mingling freely. We find no introductions necessary, nor any need to take the initiative."

The saloon has, indeed, been brought "into the open" and it is found to be as competent as ever in evading and ignoring the laws made to control it and to be even more disreputable than the speak-easy it was to displace but has succeeded only in supplementing.

[From the Chicago American, Mar. 9, 1934]

"PHONE CALLS BRING IN GIRLS FOR VISITORS IN HOME AREAS

"Upstairs rooms, hidden peepholes, concealed basement bars, and above all the ever-ready telephone—women for sale! This is what the unsupervised, irresponsible 'tavern' has brought into the home neighborhoods of Chicago!

"The telephone, we have discovered in the course of our survey, is one of the most important pieces of equipment in these hot-spot 'taverns.' They form the direct connecting link between the 'tavern' and the homes of the neighborhoods in which these 'taverns' are located. Many a young woman who tells her parents or other relatives with whom she is living that she is going out to meet a girl friend is in reality going to keep a 'date' made for her via one of these 'tavern's' telephone messages."

HIDDEN BARS

"We are led through a barroom with the usual bar and booths lining the wall, back through the kitchen, and down into the basement. Here is a basement bar, concealed from prying eyes, in which a half dozen couples locked in close embrace dance to the music of two Hawaiian guitars. We count all of 15 'drunks' in this place—7 men and 8 women and girls. Two of the girls appear to be no more than 17 or 18. * * * Upstairs, as we came in from the street, we passed a police sergeant in uniform. * * * With him was a man in civilian clothes, whom the Committee of Fifteen's investigator recognized as a detective. It is after the 1 o'clock legal closing time, but the sergeant and the plainclothesman apparently have no watches. They are laughing and talking, and apparently enjoying themselves hugely. At 2:45 a.m. we leave. The sergeant and the plainclothesman have departed, and a doortender lets us out the kitchen door after first making sure that all is clear through a concealed peephole."

Following the exposé of conditions in Chicago, William F. Ogburn, professor of sociology and director of the social trends committee at the University of Chicago, said (Chicago American, Mar. 9, 1934):

SALOON IN "MODERN GUISE"

"Control over our younger people has been weakening ever since the advent of the 'jazz age', and now, finally this laxity has found its outlet in the new, unsupervised 'tavern.' Whereas the youngest customer the old-time saloon ever encountered was the youth at least in his early twenties, we find irresponsible 'taverns' of today patronized by young people, boys and girls alike, in their teens. * * *

"In my opinion, the close alliance of politics with these new 'taverns' is inevitable. The 'tavern' will become the meeting place of politicians, the trading place for votes around election time. This in itself is a sufficient evil, but drinking by women and young people at 'tavern' bars and tables is a blight upon our Nation."

Anton J. Carlson, widely known head of the University of Chicago's department of physiology, declared (Chicago American, Mar. 9, 1934):

"Today's 'taverns' rapidly are becoming worse than the old-time saloon. The saloon, at least, with all its abuses, did not encourage the presence of women and young people."

In Chicago, where the repeal movement gained its greatest momentum in the national party conventions and where the most solemn promises of "no saloon" were made, we have in less than 2 years' time the tragic demonstration of the complete failure of so-called "true temperance" and "liquor control." Is more proof needed to indicate what will happen wherever the wet forces cap-

ture control of the Government? Has not enough of the wet plan already been revealed to warrant the people in States which still have prohibition laws to devote their utmost efforts and diligence to a defense of these laws? Will they meekly surrender to the ruthless greed of the liquor traffic, which will not rest until the modern saloon prevails everywhere, in residence districts as well as business sections, and catering to children and women as well as to men?

Certainly now is the time for the Anti-Saloon League, the Woman's Christian Temperance Union, and all other antiliquor agencies to fight the new saloon as vigorously and relentlessly as they did the old saloon.

Certainly the good men and women of America will not stand idly by while the modern saloon, which they were promised should not come back, destroys the bodies and souls of thousands of boys and girls in every city which has liquor control—control by liquor. Will the people in the States still dry rely on political promises that will not be kept, or will they rely on the ballot cast for prohibition, the only protection against the saloon?

POLICIES OF THE ADMINISTRATION—ADDRESS BY ARTHUR M. HYDE

Mr. PATTERSON. Mr. President, I ask unanimous consent to have printed in the RECORD a very able address delivered by Hon. Arthur M. Hyde, former Secretary of Agriculture, on the subject of the policies of the present administration. The address was delivered before the Missouri Republican Club of Kansas City on the evening of May 25, 1934.

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

This is not a new era. It is only another depression. The fundamentals of human relationships still remain true. The laws of economics and of morality have not been repealed. The institutions of political and economic liberty have not been outmoded.

The hard-learned lessons of 10,000 years of human experience are as valid as ever. What we suffer today had its origin in what we did yesterday. We shall reap in satisfactions or in sorrow a logical crop from the seed we sow today. Men have tried to beat every depression in history by artifice, by legerdemain, by great schemes of statecraft. They have always failed. They always will fail. We cannot get something for nothing.

Nobody quarrels with practical experiment. America, for 150 years, has experimented. But sane experimentation does not mean trying all the old mistakes over again; it does not mean defying known laws of economics; it does not mean revolution and the destruction of social institutions. It does mean trying to meet problems by experiments which are in harmony with the facts of experience, the laws of economics, and demonstrated principles.

Do you think that America, which has enjoyed the widest diffusion of wealth that the world has ever known, should experiment with the Russian plan, which produces the lowest standard of living in the civilized world?

Does anyone believe that the structure of recovery can be built upon such foundations as an unbalanced budget, rubber dollars, staggering expenditures, and a chaotic public policy?

Neither men nor governments can squander themselves into prosperity or borrow themselves out of debt. The other side of waste is want. There is nothing experimental about that. The inevitable result of reckless spending is more debt and burdensome taxes. This year government in the United States has spent an amount equal to 42 percent of the national income. If the Government takes in taxes one-fourth of the national income next year in taxes, that means that the people must work one-fourth of their time for the Government. Neither men nor governments can eat next year's seed corn without foreclosing the hope of next year's crop.

Somebody must pay. Somebody must pay the processing taxes levied upon bread and meat and clothing. They will amount, we are told, to $1,800,000,000 for the first 2 years. Somebody must pay the mounting deficit. Somebody must pay for the $10,000,000,000 program. Somebody must pay for manicuring the nails of the inmates of southern hospitals, for cleaning up rural fence rows, for hiring artists to paint murals, for catching rats in Brooklyn, for the army of bureaucrats scattered through every county in America drawing money which was appropriated for the relief of the needy.

Somebody must pay these huge sums, these mounting deficits. The Government has no funds except those it collects from its citizens by taxation. Who pays? The consumer pays. Sometimes he pays directly in taxes; sometimes he pays indirectly in the price of what he buys. But always the consumer pays, because the consumer is all of us.

Debasing the currency has been frequently attempted. The ancient form of the new deal was coin clipping. One of the crimes of ancient kings consisted in calling in the coinage and clipping pieces of metal off for their own profit. The difference between devaluing the dollar under the new deal and the pilfering of kings is that the new deal locks up all the metal and no king ever dared to take 41 percent of the value. Such is the ancient lineage of the currency-debasement part of the new deal, and such is the source of the $2,800,000,000 profit of which the new deal boasts.

You cannot make more milk by reducing the size of a quart cup. Neither can you make more money by reducing the contents of a dollar. Money is merely a measuring device, a medium of exchange. If it is to function as a medium of exchange, it must have value. People will not always exchange 100 cents' worth of work for 50 cents worth of money. They are doing it now only because no man now living can remember a time prior to a year ago when a dollar was not worth 100 cents. Decades of honest money have given people confidence. The full effect of devaluation is yet to come.

But, say the inflationists, suppose the Government does debase the dollar; suppose it does try printing-press money; nobody is hurt except the rich. Let us see about that. Debasement of the dollar means that the dollar will not buy as much as formerly. Debasement reduces the value and the purchasing power, not only of coins and currency but equally it reduces the value of every obligation payable in dollars. That means that the purchasing power of wages, of salaries, of every insurance policy, every bank account, every building-and-loan certificate, every Liberty bond is reduced. That means they will not buy as much food and clothing. Already the dollar will not buy what it did. Wages will not buy as much. Since April 1933 the average weekly income in the United States has risen 7½ percent, food costs have increased 17 percent, clothing 27½ percent.

Who owns the mortgages and Liberty bonds? Banks, insurance companies, savings institutions. They bought the mortgages and bonds with the money of their depositors, their policyholders. If the Government pays the bonds in a debased dollar, the banks and insurance companies must pay in debased dollars, and the hundreds of thousands of savings depositors must take their pay in debased dollars. Who owns the savings accounts, the insurance policies? Widows, orphans, white-collar workers, school teachers, the frugal and the thrifty of all classes who have sought to protect their old age or to give their children an education by putting their scanty savings into that security which until March 4, 1933, was the safest investment on earth. If the Government pays its bonds in debased currency, and if borrowers pay their mortgages in debased currency, then insurance companies must pay widows and orphans in debased currency. Any program which takes half of the value of the widow's insurance policy, of the worker's wage, of the small investments of the thrifty, is a dishonest program. That goes even if it does soak the rich. There are only a few millionaires. There are millions of holders of insurance policies and savings accounts.

If we inflate, who suffers? Everybody suffers, rich as well as poor, poor as well as rich; but mostly the poor suffer, because they are least able to protect themselves. The history of inflation in France, in Germany, in Russia, everywhere, has been the ultimate bankruptcy of the great middle class. Only the speculator profits.

The subject of rubber dollars and printing-press money is vastly cluttered and confused, but mark this down: Neither men nor governments can print value on pieces of paper. If they could, mankind would have been living for centuries without any work except running printing presses. We cannot get something for nothing. Such a program will hurt the rich; it will ruin the poor. Where it soaks one rich man, it will destroy a thousand small savers. It is morally indefensible. Nor is there justification for it in the fact that a few great financiers were crooked. That fact would not justify the great Government of the United States in following their example. The Government reaches thousands of small savers who never wander into Wall Street. No matter how great the economic emergency the moral guilt is the same. The laws of morality, like the laws of gravitation, operate all the time regardless of economic emergencies.

A little more than 150 years ago our forefathers declared that "all men * * * are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness"; that "to secure these rights governments are instituted among men." In these words lie the distinctive characteristic of the American system of government. The Bill of Rights contains specific definition of the rights of the individual; the Constitution sets up a form of government to defend those rights. The Government so set up was to possess only such powers as the people ceded to it; the individual possesses God-given inalienable rights which not even the Government can infringe or abrogate.

This ideal was a denial of all former ideas of the State. It was a denial of the divine right of kings to control the property, to regiment the lives, or to dictate the means and methods by which the individual should earn his living or pursue his happiness. It was a denial of dictatorships in any form. It still stands as a denial of dictatorships, whether nazi-ism, fascism, socialism, or communism. The new deal, in common with all these forms of dictatorship, is based on the idea that the state, in order to compel economic good, has the right, if not the duty, to regiment the lives, to control the industries, and to restrict the liberties of its citizens. All such isms regard the state as absolute; the individual has only such rights and liberties as the state concedes to him. Americanism, alone among isms, endows the individual with the right to pursue his life, liberty, and happiness in his own way, with rights which not even the state may infringe.

Between these two conceptions lies a gulf as wide as the poles. For thousands of years the world experimented with kings, tyrants, and dictators, with the absolute state. In America liberty was enshrined, kings were rejected, the individual was exalted.

Two thousand years ago there came the Man, who said: "The truth shall make you free." Free—not rich—that was the promise.

The centuries have waxed and waned, economic tides have come and gone, kings have risen and fallen, but the stream of life has never ceased its unending quest to be free. Kings and emperors

have enslaved large sections of the stream of humanity, dictators have regimented it, tyrants have divided it into stagnant pools, but they have never completely stopped its upward surge. In the American system of constitutional government, guaranteeing the citizen his unalienable rights, mankind has found the answer to that 2,000-year-old promise—freedom. In the 150 years since that happy event, this old world, released from tyranny, watered by individual liberty, revivified by the initiative of millions of freemen working in their own way for themselves and their children, has produced more of human happiness and has made greater progress in art, science, education, and economic prosperity than in all the previous centuries of experimentation with state control and regimentation put together.

Fifteen months ago there was a change of administrations at Washington. The old administration had kept the American faith.

The Constitution had been upheld as the unchallenged basic law of the land. American courts had been kept free, independent, and untrammeled. The rights of the States were unimpaired by any act of the Federal Government. The legislative branch of the Government was in full possession of its independent powers. The dollar of the United States was the one unimpeachable standard of value throughout the world. The bonds of the United States were the honorable obligations of a nation which had never up to that time repudiated a just debt or dishonored a national promise. The Government still adhered to the faith that all men "are endowed by their Creator with certain unalienable rights, among which are life, liberty, and the pursuit of happiness." Freedom of speech, of the press, of religion were held to be inviolable. The Government had not attempted to infringe upon them or abrogate them. The outgoing administration handed over to the new, unsullied, the ideal of a free people—a government of laws, not of men.

Today not one of those ideals and institutions which were committed to Mr. Roosevelt is unqualifiedly secure, inviolate.

Far-reaching changes have been made in our social, economic, and political institutions. Under the whip of Executive urging, Congress has granted to the President revolutionary and dictatorial powers. These grants have not been made in carefully limited and clearly defined acts but are grants in bulk of powers heretofore reserved by the Constitution for the representative of the people in Congress. Authority has been granted for the debasement of our currency, the repudiation of national obligations, and for a Government-controlled and Government-directed system of economics and finance which is alien to American ideals, traditions, and institutions. Power to levy taxes has been vested in an appointive official. Power to legislate rules and regulations of far-reaching character has been granted to appointive boards and bureaus. For months those high in the administration have been telling us that this program constitutes a great but bloodless revolution.

Through it all Republicans have withheld merely captious criticism. We were told at the beginning that relief from economic distress, not reform, was the objective. There is no reform worthy of the American people which cannot be made within the limits of the American system. Republicans have stifled their fears in the hope that somehow the new deal might, as an emergency program, and without overturning American institutions, prove beneficial to the country. Now, however, Mr. Roosevelt himself tells us that the purpose of the new deal is no longer relief, but reorganization, that its objective "was not only to bring back prosperity. It was far deeper than that. The reorganization must be made permanent for all the 'rest of our lives.'"

For good or for evil there is a vast gulf between emergency relief and permanent revolutionary reorganization. It has probably been the part of patriotism to acquiesce in any temporary measure for relief. It is the imperative duty of patriotism to challenge such programs of reorganization as propose permanent revolutionary changes in our social, political, or industrial institutions. Changes of which, to quote again Mr. Roosevelt's own words, "only one thing is certain. We are not going back to the old conditions or to the old methods."

Thus, in 1 short year, sweeping powers which were obtained as emergency measures, which were based upon the economic emergency which were constitutional, if constitutional at all, solely because of the emergency, and which were to expire with the emergency are now demanded as permanent.

Today, for the first time, American institutions and American liberties are in need of defense against a national administration. This is the challenge of the hour. This is the call to arms to the Republican Party.

What were the old conditions and the old system at which the administration sneers? What was the old system, the American system, which had been slowly built up over 150 years of unparalleled progress? Its inspiration was the Declaration of Independence. The legal and political base of that old system was the Constitution, not merely as a legalistic document but as a covenant among freemen to respect and to maintain their mutual rights. The spiritual and moral base of that system was the Bill of Rights with its guaranty of freedom of speech and freedom of religion; the right of private property and the inviolability of the home; individual liberty of action, not as a license to do wrong but as a stimulus to individual initiative for personal achievement and national progress.

Under that system the struggle never has ceased and, so long as men are free, never will cease to eradicate the evils and to curb the abuses, whether financial, economic, or criminal, which human selfishness always imports into any system. Under that system we cannot say that we had attained perfect justice in all our social, political, or industrial institutions, but we can confidently say that no nation in history had ever attained for its people a broader liberty or a more equal opportunity. We cannot say that under that system we had achieved a utopia in which all men dwelt together in peace, plenty, and happiness; but we can say that in no nation upon which the sun ever shone had the average man enjoyed a higher standard of living, a broader distribution of the good things of life, been better fed, better clothed or better housed, had the way opened for him to climb as high and advance as far as his industry and his abilities could achieve. Call the roll of the Nation's great, of business and industrial leaders, of clergymen and professional men; they are not the product of an aristocratic wealthy class; they are sprung from the people.

Mr. Roosevelt describes the old conditions as "ruthless self-seeking, reckless greed and economic anarchy." Sneers at the America of yesterday and of her institutions are sown thick in the speeches not only of Mr. Roosevelt but of the professorial secretariat upon which he relies. Mr. Wallace demands to know if we want to go back to the "vomit of capitalism." Dr. Tugwell refers to "the unreasoning, almost hysterical, attachment of certain Americans to the Constitution." Dr. Moley sneeringly brands as hypocritical "any expression of devotion to our traditional liberties." Mr. Roosevelt says that "for a number of years in our country the machinery of democracy had failed to function." He describes his program as a "struggle against ruthless self-seeking, reckless greed and economic anarchy."

Dr. Tugwell recently addressed the students at Oberlin College. He called upon them to help liberate "the American people from the deadweight of outworn ideas and obsolete institutions." This description of America is a typical "brain trust" brainstorm, indulged by all and sundry from Mr. Roosevelt up or down.

Whence came the great college of Oberlin? Obviously from the life of America, burdened as it is with "outworn ideas and obsolete institutions." More specifically from men who wanted to establish a broader opportunity and a wider liberty for their children? Still more concretely, Oberlin was and is one of the products of capitalism. Whence came the audience which Dr. Tugwell addressed? They are the sons and daughters of men who used their own rugged individualism (hated words) to create for themselves better conditions, to send their children to school, to create for others better conditions of living, and so forth, ad infinitum.

Under the "deadweight of outworn ideas and obsolete institutions" there are more such audiences sprung from capitalistic daddies in colleges in America than in any other nation on earth. Dr. Tugwell never though of that. That is characteristic. The mind of the "brain trust" is of that myopic, microscopic type that it can see a speck on an apple at 100 yards, but it will never see the apple.

The Bible furnishes an excellent example of an early attempt at communism. Filled with zeal and brotherhood, the early church at Jerusalem decided to go Communist. To quote: "And the multitude of them that believed were of one heart * * * they had all things common" (Acts 4 : 32). "For as many as were possessors of land or houses sold them and brought the prices * * * and laid them down at the apostles' feet, and distribution was made unto every man according as he had need" (Acts 4 : 34–35).

A noted character known as "Ananias" "sold a possession" but "kept back part of the price" (Acts 5 : 1–2).

Thus the Bible recounts the first new deal, and thus Ananias became the first chiseler.

Little more is said of this early experiment in communism. The Bible quaintly dismisses the subject with the remark that the church at Antioch, viewing from a safe distance the communistic experiment of the church at Jerusalem "every man according to his ability determined to send relief unto the brethren which dwelt in Judea, which also they did * * * by the hands of Barnabas and Saul" (Acts 11 : 29–30).

Thus the first N.R.A. wound up on the relief rolls. Thereupon the Bible drops the subject—so do I, except to remark that the church at Antioch, which was still a going concern, was no commune, but devoted rather to rugged individualism, because they sent relief "every man according to his ability."

No one of the "brain trust", however, has faced the facts more frankly or stated the issue more candidly than Donald Richberg, general counsel of the N.R.A.

"There are only two alternatives which can be presented by those who cry 'Scrap the N.R.A.' The first is to scrap all effort at a planned economic recovery * * * to return to the law of the jungle and to let the most ruthless and selfish of our breed survive. * * * The second alternative is to establish a new government endowed with power to own and operate all essential enterprises, free from any obligation to preserve individual liberty of action or individual rights of property."

Boiled down, if N.R.A. fails, there are only two paths left to travel. One is to do what Mr. Roosevelt says is the only thing we will never do, and that is to return to old conditions and old methods which he describes in words curiously paralleled to Mr. Richberg's as "ruthless self-seeking, reckless greed, and economic anarchy." The only alternative again quoting Mr. Richberg is "scrap the Constitution and set up a new government endowed with power to own and operate industry and free from any obligation to preserve individual liberty."

Here is frank recognition of the fact that private ownership of industry and individual liberty are obstacles in the way of N.R.A. If the present program of regimentation of N.R.A. should break upon the rocks of individual liberty and of private ownership, then liberty and individualism must be removed to clear the way for N.R.A. Here is frank avowal that at the end of the road down which the administration has set its feet lie Government ownership and operation of industry, the abrogation of the bill of rights, the destruction of individual liberty.

When 125,000,000 people are dazed by disaster, beset with doubts, and eager to grasp any project which seems to hold out hope, is not a proper time for statesmen to set their feet upon a road which might in any extremity lead to a government "free from any obligation to preserve individual liberty of action."

Lately there has come a slight halt in expressions of contempt for American institutions. Professor Tugwell has taken occasion to avow his conservation and his devotion to the processes of democracy. Administration spokesmen, heretofore fond of rolling the word "revolution" from their tongues, have dropped the "r" and adopted, pianissimo, the word "evolution." More discreet, the President describes the revolution as reorganization, and the N.R.A., as "representative government in industry." All this sounds fine, but the demands for more and more power continue insatiably. The communications bill, with its potentialities for the control of the press; the stock exchange bill, with its extension of power over credit to industry; the A.A.A. bill, with its broader power to license and regiment food producers; the threat to force a code upon telegraph companies; these and other measures upon which the administration is insisting, even while they soft-pedal their public utterances, are not reassuring. Can anyone doubt that the "r" will be added to evolution if the present supine Congress is continued?

But someone will say, "You are shadow-boxing; American liberty is not endangered."

Is liberty safe when hundreds of millions of dollars are appropriated in bulk to be expended at the discretion of the Executive? The jealous control by the people of taxation and of Government expenditures has, throughout many centuries, been the first line of offense and the last line of defense for freemen in their struggle against tyranny. Burdensome and unjust taxation, grinding down the people, and encumbering their means of livelihood have been the prolific cause of revolts and revolutions.

Is liberty safe when Congress, at the behest of the Executive, hands over to an appointive officer, not only the power to lay heavy taxes upon the necessaries of life but power also to designate the beneficiary class which shall receive proceeds of such taxation?

Is liberty secure when Government, without even a hearing, can abrogate contracts in the fulfillment of which individuals have invested their personal resources and upon which thousands of people depend for their daily bread?

Is liberty safe when Government not only countenances but advises boycotts? When it is a crime to possess gold coins? When a tailor can be sent to jail for cutting a nickel off the code price? Except in degree, what is the line of distinction between sending that tailor to jail and the Soviet method of shooting railway engineers for bringing trains in late?

Is liberty safe when government boards or bureaus of officials can legislate rules and regulations which interfere with every phase of private business, which regiment and control whole industries, which discriminate or fail to discriminate between localities and local conditions, and which not only can but have closed coal mines, textile industries, and many industries, not merely in Kentucky but right here in Missouri?

Make no mistake about it. "You cannot extend the mastery of government over the daily lives of the people without somewhere making it the master of men's souls and thoughts. * * * Free speech does not live many hours after free industry and free commerce die." No man can be politically free whose associates are regimented, whose prices, wages, and volume of production are fixed by law, whose business is licensed. Economic liberty is an inseparable part of individual liberty.

Is liberty safe when government piles bureau upon bureau, beneficiary class upon beneficiary class? When the number of those who are employed by the Government, plus the number of those who are beneficiaries of class taxation, plus the voting dependents of these classes, equal half of the voting population, what then has become of free government?

Is liberty safe when the Government is ceaselessly extending its control into fields hitherto reserved for States, cities, and individuals? The inevitable mistakes of government in these fields will be followed by new, more drastic, and more radical measures to cloak the first mistake and cover retreat from it. Government propaganda is the logical camp follower of such a program. The next step is the choking of free speech, free press, to suppress information at the source.

Is liberty safe when $3,000,000,000 deftly extracted from the savings of the people—from insurance policies, savings accounts, building-and-loan certificates, and Liberty bonds—is set up in the hands of an appointed official to be used, without accounting until after the next Presidential election, to speculate in the markets for bonds and foreign exchange?

Is liberty secure, when government is continually reaching out for new methods and more power to consolidate and concentrate the control of currency and credit in politically controlled Federal agencies and to dictate the flow of private credit, the lifeblood of business, to private industries?

Is liberty safe when all the old institutions under which America has grown great are sneered at; when individualism and human liberty are scorned; when the administration and its advisors, the Moleys, Tugwells, Richbergs, Frankfurters, and others, recognize no restraints upon the new-deal program, although their program consists principally of restraint for others?

Is liberty safe when a program put forward as a temporary measure of economic recovery becomes first a measure for reform and later is demanded as a permanent revolutionary change in the structure of government? In one short year unrestrained power has advanced from relief to revolution; from temporary regulation to permanent reorganization. Contemplating merely this one phase of the new deal, we can better understand what our forefathers meant when they counseled jealous and watchful guard over our liberties.

Is liberty safe when the wisest and far-seeing of our fellow citizens are warning that we have already traveled more than half the distance away from the American system of ordered liberty and toward the theory of dictatorship?

I quote again from the prophetic warning of Herbert Hoover:

"Not regimented mechanism * * * but freemen is our goal. Herein is the fundamental issue: A representative democracy, progressive and unafraid to meet its problems, but meeting them upon foundations of experience, and not upon the wave of emotion or the insensate demands of a radicalism which grasps at every opportunity to exploit the sufferings of a people."

We are told by some that the Republican Party is dead. If that is true, the cause of individual liberty is indeed friendless. Others tell us that the party must be reorganized and turn sharply to the left; conservative in part, but red enough to weaken the opposition. That is the counsel of opportunism.

Before we run up the white flag of despair or trim the sails of passing madness, let us remember that 16,000,000 men and women in 1932 loyally stood by the colors refusing, even under the stress and strain of depression, to abandon the Republican faith. In what respect does patriotism, not political opportunism, demand a change in their faith?

Republicans believe that society can and ought to provide relief for all who, though able and willing to work, are, through no fault of their own, unemployed. Undernourishment, sickness, technological unemployment will be with us long after the depression has passed. These, too, are social problems which must be met. The name of relief should not be used as a cloak to promote expensive, nonproductive projects, to employ men to do vain and useless tasks, to foster indigence, or to recklessly dissipate the resources of those people who are still able to care for themselves. The administration of relief is always a local problem. The Red Cross and local agencies of community service should be used. They should not be scrapped to build upon the sympathies and the distress of the people a political machine.

Republicans earnestly desire economic recovery. They have submerged considerations of party advantage and have supported all proper measures for recovery. They will continue to support all measures which hold reasonable hope for recovery and are in harmony with American institutions.

Our people were not informed that the administration purposed revolution. They were not told that permanent reorganization of our social, political, and economic systems was intended. Any such purpose was on the contrary concealed. No such program has ever received even a casual approval of the American people. Such a program is fraught with such grave perils to the liberties and the welfare of our people that a decent regard for their safety demands that it should not be attempted unless and until the people, after full opportunity for information and debate, shall sanction it.

Republicans will utterly oppose the managed economy of political dictators; whether Fascist or Communist. We deny the statement that representative government has failed. We do not believe that any man or any set of men, any board, bureau, or commission, or any combination of governmental agencies can control the means of earning a living, or plan the daily lives of 125,000,000 as wisely as the people themselves. We do not believe that prosperity will return through the forced regimentation of industry, or the planning of dictatorial alphabetical agencies. We do believe it will speedily return through the release and free exercise of the energies, the initiative, and the liberties of the people—uncontrolled and unregimented save only to prevent abuses and to preserve equal opportunity to all.

A Republican is one who believes that the fundamental duty of government is to create and preserve conditions of peace, order, and security under which every citizen has an equal opportunity to compete on equal terms with every other in the race of life. That does not mean that government shall penalize or handicap the winners, nor that government shall so regulate the race that all competitors shall have the same reward. It does mean that every man shall have the right to work and to earn in accordance with his own desires, and to enjoy, free from unwarranted intrusions either by individuals or the Government itself, the fruits which his abilities, his industry, and his initiative have earned.

In this connection we quote with full approval the words of Lincoln: "Property is the fruit of labor; property is desirable; is a positive good in the world. Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus assuring, by example, that his own shall be safe from violence when he builds it."

Republicans believe in sound, stable, unmanaged honest money. The experience of centuries has demonstrated that gold is the most satisfactory basis for such a currency.

A Republican is one who believes in the inviolability of a public obligation. Never under Republican administration has the good faith and rigid integrity of government obligations been violated. The willful, needless abrogation of the gold clause in public obligations and its concomitant abrogation in private contracts was and is an act of moral and intellectual dishonesty, which is alike disastrous and unnecessary.

Republicans believe with Lincoln that "a majority held in constraint by constitutional checks and limitations is the only true sovereign of a free people." They believe in the constitutional division of power into the three independent departments—executive, legislative, and judicial. They believe in a strong central government possessing the powers ceded in the Constitution, but they also believe in local government in local and State matters.

They condemn the practical consolidation of the legislative and executive departments under the "new deal"; the intrusion of the Federal Government into State concerns; the attempt to control business enterprises which do not reach beyond State lines.

Republicans believe that individual liberty is the most precious possession of the American people. If they possess liberty, economic ills can be endured, economic losses can be recovered. If they have liberty, they will wrest prosperity from a wilderness of woe. If liberty is lost, all is lost.

To guarantee liberty, our forefathers set up the Constitution with its bill of rights. They enumerated freedom of religion; freedom of speech; freedom of the press; the inviolability of the home; the security of life, liberty, and property under due process of law; and the right of trial by jury as rights which are possessed by every citizen, high or low. These rights they held to be God-given, unalienable—rights so sacred that not even the Government could infringe upon them or abrogate them.

On this Thomas Jefferson, who penned the Declaration of Independence, strikes hands with Abraham Lincoln, who said he had "never held a political principle not embodied in the Declaration of Independence."

The founders of America held that the Government has no rights or powers except those which the people, through the Constitution, have ceded to it; the new deal proceeds upon the assumption that the people have no rights except such as the Government concedes to them.

Republicans utterly deny and condemn this principle of the new deal. It is the principle which under the guise of "divine right of kings" held the world stagnant for a thousand years. It is the foundation stone of dictatorship. We point to its failure as a stimulus of progress throughout all history. We point to its present practice in Russia, Italy, and Germany, where it has ripened logically into complete dictatorships. We are alarmed and concerned by the spread of this principle on our own soil, as evidenced by the attempted regimentation of industry and agriculture by the willful violation of personal and property rights without a hearing, by the suppression of information, the attempts to consolidate and control our communications system, by the abdication of its duties by Congress, and by the many instances of Executive usurpation.

Republicans have traditionally upheld the Constitution and the bill of rights as the bulwark of American liberty. They reaffirm their allegiance to it. They deny that it may be emasculated or suspended because of emergency. Liberty is not seasonal. The guaranties of the Constitution do not ebb and flow with the economic tides. When discouragement is greatest, when initiative is lowest, when difficulties pile highest, that is the time to cling closest to the guaranties of liberty defined in the American Constitution.

These, I believe, are the cardinal tenets of the Republican faith. They are lamely stated. They cannot be adequately stated in a few paragraphs. They are as conservative as the sober lessons of experience. They are as liberal as the attainable longings of the human heart. Under their operation this Nation has developed a civilization unequaled in history. Under them wealth has been more broadly diffused, the good things of life more widely enjoyed, the common man more highly exalted than under any other system ever devised. Within the limits of their application there is abundant room for all useful efforts to reform, all practical measures for the advancement of justice, equality of opportunity, and promoting human happiness. Within them there are no impediments; there is only incentive and stimulus for the development of a fairer, higher, and holier civilization than this one.

On the basis of these principles we invite the cooperation and the support of all Americans in the perpetuation of the American liberty under the ordered rule of equal laws, in the maintenance of a government not of men but of laws, and in the defense of the rights, the opportunities, and the liberties of a free people.

THE NEW DEAL—ADDRESS BY FORMER REPRESENTATIVE J. N. TINCHER

Mr. DICKINSON. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by former Representative J. N. Tincher, of Kansas, at a Reno County (Kans.) bar banquet on the subject of the New Deal.

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

THE NEW DEAL

(At a Reno County (Kans.) bar banquet, held in honor of the justices of our circuit court of appeals, the committee on program assigned to J. N. Tincher the duty of speaking affirmatively for the new deal. He said:)

Surely it is disloyal, if not treason, to criticize the new deal.

On the subject of farm relief our leader said in Topeka during the campaign:

"When the futility of maintaining prices of wheat and cotton through so-called 'stabilization' became apparent, the President's Farm Board invented the cruel joke of advising farmers to allow 20 percent of their wheat lands to lie idle, to plow up every third row of cotton, and to shoot every tenth dairy cow. Surely they knew that his advice would not, indeed, could not, be taken. It was probably offered as the foundation of an alibi. They wanted to be able to say to the farmers, 'You did not do as we told you to do. Blame yourselves.'"

We want to call your attention to how unfair the opposition to our new leader is. They claim now that under the new deal they have the matured cotton of the 1933 crop plowed under; they claim that under the new deal they are having wheat production reduced 20 percent and corn production reduced 20 percent. They even go so far as to claim that they are buying up dairy cows for slaughter; they print the statement that in the fall of 1933 millions of pigs were slaughtered and their carcasses cast into the river, and they claim that since that time the process tax is about the same as the farmer receives for hogs.

We deny these false charges against our leader; deny that these things are being done in conflict with the principle enunciated in the Topeka speech.

In this same Topeka speech our leader said:

"The plan must not be coercive; it must be voluntary; and the individual producer at all times shall have the opportunity of nonparticipation if he so desires."

The enemies of the new deal claim that our leader and those working under his direction have not kept faith in this regard, and they claim that a bill has been passed in Congress called the "Bankhead bill." This bill was signed by our President, and they claim that it provides for a confiscatory tax to be collected on every bale of cotton produced by the American cotton producer in excess of the amount he has been granted leave to produce. They claim this law not only confers upon the Secretary of Agriculture the power but obligates the Secretary to not permit a farmer to produce more than 60 percent of what he had previously produced.

The enemies of the new deal claim that the "brain trusters" working under the direction of the President are in favor of extending the provisions of this law to other agricultural products so that before any farmer could run his own business he would have to get a permit. We who live here in Kansas know that these statements are false. We can still hear our great leader's voice ringing out when he said:

"The plan must not be coercive; it must be voluntary; and the individual producer at all times have the opportunity of nonparticipation if he so desires."

We brand as false the statement that the Bankhead bill was ever passed or was ever signed by the President. It is my privilege to know the Bankheads. They have always been a family of statesmen, standing strong for personal liberties, State rights, and would never surrender the right of the individual farmer to raise as much crop as he wanted to, and they would never advocate a bill that would submit a farmer to the indignities of having to obtain licenses from the Federal Government before he could plow his field.

Such propaganda against the new deal is unfair, and I personally object to my friend BANKHEAD, in particular, being charged with being connected with "the first compulsory farm control", and I insist that we are still standing on the principle enunciated at Topeka: "The plan must not be coercive; it must be voluntary."

I will now discuss some other matters.

Take for instance the attitude of Orville Wright, Charles A. Lindbergh, Clarence Chamberlin, Eddie Rickenbacker, and that class and type of men offering their judgment on aviation as against the impulse or guess of "new dealers" like James A. Farley or Hugo L. Black.

It may take some little time to educate some of the public on the new deal. Now, it may be that some of you judges and justices may now know the new deal on fraud. It is presumed, and, like insanity in a criminal case, its suggestion stops everything. When suggested, fraud cancels everything nationally. Of course, if your previous conduct has been satisfactory, especially in the even-numbered years, like 1932, it is different. Let me state the new rule accurately for the benefit of our guests.

The naked charge of fraud not proven vitiates everything domestic and within our boundaries, but this rule does not apply "Pan American"; and if any part of the contract vitiated is "Pan American", or otherwise foreign, that portion of the contracts remain in force until otherwise ordered by the "brain trust."

Speaking of contracts, our beloved President made one with the American people in 1932. It was in the form of a platform in writing, which document he construed and explained so there could be no misunderstanding of its meaning.

It would take me a long time to properly defend against what must be the false charges of abandonment of that contract, so I must confine myself to a few specific instances.

SOUND MONEY

Remember Hoover told at Des Moines how close an escape our country had a few months before from being forced off the gold standard.

REMEMBER

Our leader of the new deal at Seattle, at Butte, and at Brooklyn said:

"The Democratic platform specifically declares, 'We advocate a sound currency to be preserved at all hazards.'"

He said:

"That is plain English. It is stated without qualifications in the platform, and I have announced my unqualified acceptance of that platform."

He said that the statement of Hoover was "a libel on the credit of the United States."

He quoted CARTER GLASS to prove by what our leader termed the "magnificent philippic of Senator GLASS" that the Republicans were seeing visions of rubber dollars and called those charges a campaign of fear, and he said, "Sound currency must be maintained at all hazards."

Surely the claim that our leader has violated these statements, agreements, and promises is unfounded. Take this news item of March 6, 1933—

"The gold standard is suspended internally under trading with the enemy act."

This news item, we, the defenders of the new deal, brand as false.

April 20, 1933: "Yes; we are off the gold standard.—William H. Woodin."

Whoever Woodin is, or was, we deny that statement.

News item, January 31, 1934: "The President today signed the gold reserve bill fixing the value of the dollar at 59.06 cents in gold."

We pronounce this item false and the agencies that circulate it as disloyal. If such things are to be continued by the press, we will censure it.

Henry Morgenthau, Jr.: "This country is on a gold-bullion standard with its dollar marked down to 59 cents. It might be termed the 1934 model of gold standard, with knee action, air flow, and stream-lined."

For shame, Mr. Morgenthau, Jr., you old neighbor; you who was the forgotten man until our leader remembered you.

Pardon me for taking so much time defending the new deal on the currency, but I was talking with a fellow a few days ago who recently saw some currency, and he assures me it is still sound even though CARTER GLASS, the author of the "magnificent philippic", has slipped and "don't" seem to fully comprehend the new deal. Funny how men like GLASS can change between campaigns, but our great leader remains firm.

There are a lot of things I should like to close with. Take for instance, we have been just as consistent in our foreign policies, contracts, and pledges as in our domestic dealings, and much could be said on that subject, but there is one thing I simply must not pass up. October 20, 1932, our leader said at Indianapolis—

"The Hoover administration is committed to the idea of central control in Washington"—

Our leader said:

"Now, ever since the time of Thomas Jefferson, that has been the exact reverse of the Democratic concept."

Our leader in that same speech said that Hoover's conduct in that respect had increased the cost of government $1,000,000,000 in 4 years by such conduct. He said:

"I regard reduction in Federal spending as the most important issue in this campaign."

He said:

"The reduction of Federal spending will be the most direct and effective contribution that Government can make to business."

At St. Louis, October 21, he said:

"The Hoover administration has been responsible for deficit after deficit."

He said:

"It is my pledge and my promise that this dangerous kind of financing shall be stopped and that rigid governmental economy shall be forced by a stern and unremitting administrative policy of living within our income."

I am sure our leader of the new deal meant every word uttered, so I brand as false propaganda the claim that he has set up new agencies in Washington, such as A.A.A., C.A.B., C.C.C., C.W.A., C.W.S., E.H.C., E.H.F.A., F.A.C.A., F.C.A., F.C.T., F.D.I.C., F.D.L.B., F.E.R.A., F.S.R.C., H.L.B., H.O.L.C., N.L.B., N.R.A., P.W.A., R.F.C., T.V.A.

We, for the sake of consistency, deny that the new deal has created a single new bureau or new office.

We especially deny that our leader of the new deal in his message of January 4, 1934, said that the excess of expenditures over receipts for the fiscal year had been $7,000,000,000.

We most strenuously deny any desire for power or the stronger Central Government, and we promise to balance the Budget sometime.

We defy all doubters in the new deal, and we pronounce all critics, such as Lindbergh, etc., publicity seekers or money changers or some other brand of disloyal crooks or traitors.

And now, at final close, I quote CARTER GLASS of April 10 as saying:

"The new deal, taken all in all, is not only a mistake, it is a disgrace to the Nation, and the time is not far distant when we shall be ashamed of having wandered so far from the dictates of common sense and common honesty."

This statement or quotation was published in the Washington Post and published in our western papers April 10. I would not designate this statement as a "magnificent philippic." In fact, I never designated any of Senator GLASS' statements as magnificent philippics; however, as the author of the law on which our whole financial structure is based, the Federal Reserve Act, as an author and coworker in the formation of the farm-land loan banks and so many other so-called "reforms" of our old system, Mr. GLASS is deserving of some notice. We cannot have a campaign based on the success of the new deal and ignore his charges against it. So far as I am concerned in defending the new deal, I must be content to say in the true Democratic way that his charges are false; that his statements are without foundation; that he was probably jailed during the World War for disloyalty, and that if he does not quit talking that way in the American Congress, BULWINKLE, or some other kind of a "winkle" will expose his past. I guess that is the way we will handle the situation.

So far as my opponent, Mr. Huxman, is concerned, I have tried to respect his processes of reasoning in delivering this address. I have heard him reason for about 20 years now, and I know I am reasoning absolutely in accord with his line of thought. While he was yet a Democrat and before he joined the opposition he used to advance just about such denials and affirmative statements as I have made tonight.

(Mr. Huxman, an active Democrat, was assigned the negative. His speech was not preserved.)

THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The clerk will proceed to call the calendar for unobjected bills under the unanimous-consent agreement previously entered into.

BILLS PASSED OVER

The bill (S. 882) to provide for the more effective supervision of foreign commercial transactions, and for other purposes, was announced as first in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 506) conferring upon the President the power to reduce subsidies, and for other purposes, was announced as next in order.

Mr. WHITE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 583) relating to the classified civil service was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 316) relative to the qualifications of practitioners of law in the District of Columbia was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2359) to provide for the disposition of unclaimed deposits in national banks was announced as next in order.

Mr. McNARY and Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2500) to aid in relieving the existing national emergency through the free distribution to the needy of cotton and cotton products was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2018) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

WILSON G. BINGHAM—RECOMMITTAL

The bill (H.R. 2632) for the relief of Wilson G. Bingham was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. SHEPPARD subsequently said: Mr. President, I ask permission to recur to Calendar 448, the bill (H.R. 2632) for the relief of Wilson G. Bingham, for the purpose of moving to recommit the bill. It has been objected to three or four times, and I think the committee, in the light of the objections, should reframe the bill.

Mr. McNARY. Mr. President, to what bill does the Senator refer?

Mr. SHEPPARD. It is Order of Business 448, being the bill (H.R. 2632) for the relief of Wilson G. Bingham.

Mr. McNARY. I have no objection.

Mr. SHEPPARD. I wish to move to recommit the bill.

The VICE PRESIDENT. Is there objection to recurring to Order of Business 448 for the purpose indicated? The Chair hears none.

Mr. SHEPPARD. I move that the bill be recommitted to the Committee on Military Affairs in order that the committee may reframe the bill.

The motion was agreed to.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 2411) to amend the Emergency Railroad Transportation Act of 1933 was announced as next in order.

Mr. KEAN. Over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S.J.Res. 31) consenting that certain States may sue the United States and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the fiscal years ending June 30, 1866, 1867, and 1868, and vesting the right in each State to sue in its own name was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2788) to amend section 5219 of the Revised Statutes as amended (relating to State taxation of national banking associations) was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2800) to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs, and cosmetics; and for other purposes was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

MISSOURI RIVER BRIDGES NEAR ATCHISON, KANS.

The bill (S. 2334) authorizing the city of Atchison, Kans., and the county of Buchanan, Mo., or either of them, or the States of Kansas and Missouri, or either of them, or the highway departments of such States, acting jointly or severally, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Atchison, Kans., was announced as next in order, being the same as calendar 703.

Mr. BULKLEY. Mr. President, I want it made clear that I am not unalterably opposed to this bill. The Senator from Kansas [Mr. CAPPER] who is in charge of the bill is familiar with negotiations which are going on and which will undoubtedly result in the removal of the objection which I have to the bill. For the present I ask that it may go over.

Mr. CAPPER. Mr. President, I am glad to hear the statement of the Senator from Ohio. A great many people in Kansas are deeply interested in the measure. There is every reason why it should be passed at once. The present facilities for bridge purposes across the Missouri River at Atchison are entirely inadequate. This meritorious measure has the approval of the State highway departments of both Kansas and Missouri. I hope very much we may have definite action on the measure before the adjournment of the present session of Congress.

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

The bill (H.R. 6898) authorizing the city of Atchison, Kans., and the county of Buchanan, Mo., or either of them, or the States of Kansas and Missouri, or either of them, or the highway departments of such States, acting jointly or severally, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Atchison, Kans., was announced as next in order.

Mr. BULKLEY. Let the bill go over for the same reason just stated as to Order of Business 617.

The VICE PRESIDENT. The bill will be passed over.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (H.R. 7581) to authorize a board composed of the President, the Secretary of the Treasury, the Secretary of Commerce, and the Secretary of Agriculture to negotiate with foreign buyers with the view of selling American agricultural surplus products at the world market price and to accept in payment therefor silver coin or bullion at such value as may be agreed upon which shall not exceed 25 percent above the world market price of silver, and to authorize the Secretary of the Treasury to issue silver certificates based upon the agreed value of such silver bullion or coin in payment for the products sold, and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1978) to assure to persons within the jurisdiction of every State the equal protection of laws and to punish the crime of lynching was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S.J.Res. 7) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes was announced as next in order.

Mr. ROBINSON of Arkansas. Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

OLD-AGE PENSIONS

The Senate resumed consideration of the bill (S. 493) to protect labor in its old age, the amendments to which up to page 5 had heretofore been agreed to.

The next amendment of the Committee on Pensions was, on page 5, line 6, in section 10, after the word "State", to insert the words "or Territory"; in line 8, after the words "State-wide", to insert "or Territory-wide"; in line 9, after the word "State", to insert "or Territory"; in line 13, after the word "State", to insert "or Territory"; in line 14, after the word "State", to insert "or Territory"; in line 16, after the word "old", to strike out "or over" and insert in lieu thereof "except up to January 1, 1939, plans may be approved in which the age requirement is above 65 but no more than 70 years"; in line 23, after the word "State", to insert "or Territory"; and on page 6, line 10, after the word "State", to insert "or Territory", so as to make the section read:

CONTENTS OF PLAN

SEC. 10. The bureau shall not approve any plan submitted by the State or Territory authority which does not provide that—

(1) The plan shall be State-wide or Territory-wide, and if administered by subdivisions of the State or Territory shall be mandatory on such subdivisions.

(2) An old person entitled to relief under it:

(a) Is a citizen of the United States and a resident of the State or Territory for a period of years determined by the State or Territory law providing old-age assistance;

(b) Is 65 years old, except up to January 1, 1939, plans may be approved in which the age requirement is above 65 but no more than 70 years;

(c) Does not possess real and/or personal property of a value in excess of $5,000; and

(d) Has no child or other person responsible under the law of the State or Territory for his support and able to support him.

(3) There shall not be charged against the allotment made under this act more than one-third of the total sum paid to aged persons under the plan, except that payments made in excess of $1 a day to any such person and payments made to persons who are not citizens of the United States shall not be taken into account.

(4) So much of any sum paid as assistance, which shall be equivalent to the share paid from the allotment under this act, shall be a lien on the estate of the assisted person, and upon his death shall be collected by the State or Territory and reported to the bureau provided in this act.

The amendment was agreed to.

The next amendment of the Committee on Pensions was, in section 11, on page 6, line 13, after the word "State", to insert "or Territory", so as to make the section read:

SEC. 11. The State or Territory authority may at any time submit proposed changes in the plan to the bureau, which may approve such changes if they are in accord with the provisions of this act.

The amendment was agreed to.

The next amendment was, in section 12, on page 6, line 17, in the subtitle after the word "State", to insert the words "or Territory"; in line 18, after the word "State", to insert the words "or Territory"; in line 23, after the word "State", to insert the words "or Territory"; on page 7, line 2, after the word "State" to insert "or Territory"; and in line 6, after the word "State", to insert "or Territory", so as to make the section read:

REPORTS BY STATE OR TERRITORY AUTHORITY

SEC. 12. (1) The State or Territory authority shall annually, on or before the 1st day of May of each year, or as soon thereafter as possible, submit to the bureau a statement—

(a) Of the amount of the appropriation made by the State or Territory for the period of the ensuing fiscal year for the purpose of assistance without including any part of the expenses of administration;

(b) An estimate of the sum which must be contributed by any political subdivision of the State or Territory during such year for the purpose of assistance without including any part of the expenses of administration;

(c) A statement of the amount collected, if any, from the estate of any assisted person for which the State or Territory is accountable to the United States under section 10, subsection (4); and

(d) An estimate of the amount unexpended of any allotment made from appropriation under this act for the current year.

The amendment was agreed to.

The next amendment was, on page 7, line 13, after the word "State", to strike out "at one-half" and insert "or Territory at one-third"; and in line 15, after the word "such", to strike out "one-half" and insert "one-third", so as to make the paragraph read:

(2) (a) The bureau shall compute annually the amount of allotment to be given such State or Territory at one-third of the sum of (a) and (b) of subsection (1) of this section, after deducting from such one-third the sum of (d) and (c) of such subsection.

Mr. ROBINSON of Arkansas. Mr. President, this is a very important measure. I am in sympathy with the purposes of the proposed legislation. I think, however, that its provisions ought to be discussed, and I request the Senator from Washington [Mr. DILL] to explain the bill.

Mr. DILL. Mr. President, the bill was reported unanimously to the Senate at the last session of Congress, but we never had a chance to take it up for consideration. At this session the committee had further hearings, and the bill was further considered and again reported unanimously.

I invite attention to the fact that the President is authorized, for the purpose of carrying out the provisions of the measure, to take funds from the relief instead of the Treasury. There are 28 States which now have old-age pension laws, and this bill is for the purpose of assisting those States and others which may later adopt old-age pension laws.

Mr. ROBINSON of Arkansas. What is the arrangement for cooperation between the Federal Government and the States?

Mr. DILL. The Government will provide one-third of the money in those States which have old-age pension laws. As originally proposed, the bill provided for the Federal Government to contribute one-half, but the Secretary of Labor suggested it be made one-third, and the committee was glad to agree to the suggestion.

Mr. McKELLAR. Mr. President, what about those States which have no old-age pension laws?

Mr. DILL. They would not come under the provisions of the bill.

Mr. McKELLAR. Does it provide for them to come under the provisions of the bill in any way?

Mr. DILL. Yes; if they enact old-age pension laws in conformity with the provisions of the bill.

Mr. ROBINSON of Arkansas. What would be the total cost to the Government?

Mr. DILL. Not to exceed $10,000,000. If every State in the Union were to come under the terms of the bill, it is estimated it would cost not to exceed $35,000,000 or $40,000,000, which could be used if all the States should enact old-age pension laws. That will be some years in the future, of course.

Mr. ROBINSON of Arkansas. The total amount would be three times the amount contributed by the Federal Government?

Mr. DILL. Yes.

Mr. COSTIGAN. Mr. President, may I ask the Senator if the bill follows the precedent of State-aid acts?

Mr. DILL. It is designed to permit certain States to modify their acts within a certain period of time if they do not now conform to the terms of the bill.

Mr. COSTIGAN. Is it a bill proposing to extend aid to the States in granting old-age pensions rather than to have the Federal Government provide such pensions direct to individuals?

Mr. DILL. That is its purpose.

Mr. ROBINSON of Arkansas. Has the Senator information as to the States which have already enacted old-age pension laws?

Mr. DILL. We have only the information which was given in the hearings. In every State where such a law has been enacted it has been found so successful that the example has spread to adjoining States. After many years the cost of taking care of the aged poor is found to be about one-third less under this system than by the poorhouse system, and it is because of that fact that it has become so popular among the States.

Mr. BLACK. Mr. President, may I ask the Senator if it is not true that a number of States have enacted measures of this type recently and have voted overwhelmingly for them?

Mr. DILL. Oh, yes; overwhelmingly. The popular support of this kind of relief is amazing.

Mr. ROBINSON of Arkansas. Mr. President, I think legislation of this character is inevitable, and I shall make no objection to its consideration at this time.

Mr. DILL. I thank the Senator.

Mr. METCALF. Mr. President, I think the bill ought to go over. It is a very important bill, and we have not had time to study it.

The VICE PRESIDENT. Objection being made, the bill will be passed over.

BILL INDEFINITELY POSTPONED

The bill (S. 2439) for the relief of the Goldsmith Metal Lath Co., Price-Evans Foundry Corporation, and R. W. Felix was announced as next in order.

Mr. BULKLEY. Mr. President, the entire text of this bill was adopted by the Senate as an amendment to another bill which has since become law. This bill, therefore, should be indefinitely postponed.

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, the bill will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 1842) to amend sections 211, 245, and 312 of the Criminal Code, as amended, was announced as next in order.

Mr. McNARY. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

SALE OF REAL ESTATE UNDER COURT ORDER

The bill (H.R. 1567) amending section 1 of the act of March 3, 1893 (27 Stat.L. 751), providing for the method of selling real estate under an order or decree of any United States court was announced as next in order.

Mr. McKELLAR. Let that go over.

Mr. STEPHENS. Mr. President, will the Senator from Tennessee withhold the objection for the present?

Mr. McKELLAR. Yes; I will withhold it.

Mr. STEPHENS. When this bill was last called, I was asked whether or not the Attorney General had given his approval to it. I wrote him about the matter, and have a letter from him. After discussing it he says:

In my opinion, this is a desirable amendment.

Referring to the bill which we have before us. He suggests, however, that there should be an amendment, on page

2, line 6, after the words "*Provided further*, That", to insert "in the event of a private sale."

I stated the other day that the former Attorney General had approved the bill, and the present Attorney General has approved it, and I understand that this is now the law in many States. I hope the Senator will not object.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McKELLAR. I will say to the Senator that I have not examined the bill. The private sale of property in the hands of a chancery court or a court of equity is so foreign to what we have been accustomed to in our State that I think we ought to give the bill a little more consideration; and I ask that it go over for the day.

Mr. STEPHENS. Very well.

Mr. ROBINSON of Arkansas. Mr. President, on a former occasion when this bill was called on the calendar I objected to its consideration. I have made some study of it, and find that a sale shall not be confirmed if it shall have been made for less than two-thirds of the apprized value. The apprized value is to be ascertained by three disinterested persons appointed by the court. The court has entire control of the matter.

There probably are instances in which more would be realized from the sale of property under the arrangement contemplated in this bill than under the ordinary public sale. Personally, I have no objection to the consideration of the bill.

The PRESIDING OFFICER. The Senator from Tennessee asks that the bill go over. The clerk will state the next bill on the calendar.

SNARE & TRIEST CO.

The bill (S. 1760) for the relief of the Snare & Triest Co., now Frederick Snare Corporation was announced as next in order.

Mr. KING. Let that go over.

Mr. COPELAND. Mr. President, will the Senator withhold his objection to this bill?

Mr. KING. Yes.

Mr. COPELAND. I have a letter relative to this bill under date of the 24th of May from the Secretary of the Navy. I read one sentence from it:

> While it is clear from the decision of the court, as set forth in detail in the Navy Department's report of December 8, 1933, on said bill, which report is printed in Senate Report No. 836, the United States is not legally liable for the losses suffered by the contractor, the Navy Department believes that from the viewpoint of equity the granting of relief is justified by the circumstances existing in this case and it, therefore, recommends the enactment of the bill, S. 1760, as amended by the Committee on Claims.

Mr. KING. Mr. President, with one observation I shall withdraw the objection.

I think that where litigation follows the contention that the Government is indebted to the plaintiff, and the plaintiff, through inadvertence or negligence or otherwise, fails to present his case in full, and a period of time goes by, and the statute of limitations has run, it is a very bad precedent to open up such cases and permit reconsideration or a direct payment. I should not object so much to letting the matter go to the Court of Claims.

Mr. McKELLAR. I think it ought to go to the Court of Claims. Why should it not go there?

Mr. WHITE. Mr. President, if the Senator will yield, the facts in this case are somewhat complicated, but the issue which I think is presented to the Senate is very simple.

This case did go to the Court of Claims. The amount carried in the bill was the amount found by the Court of Claims to be occasioned by the delay complained of; but the Court of Claims held that it could not enter judgment against the United States, because the acts complained of arose out of the sovereign acts of the Government rather than out of its acts as a contractor. The simple question is, I think, whether an entirely innocent contractor shall suffer this loss or whether the Government shall pay the amount of damages which its court had found to be due because of its failure to provide the necessary funds as and when they were contemplated.

That is all there is in the case. The amount has been found by the Court of Claims, and it has been found to be due to 420 days of delay in fulfilling the contract, due entirely to the Government's own default.

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 Claims with an amendment to strike out all after the enacting clause and to insert:

> That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Snare & Triest Co., now Frederick Snare Corporation, the sum of $83,978.05, in full settlement of all claims against the Government of the United States, for damages for delay in carrying out its contract with the Navy Department, no. 3762, and agreements supplemental thereto for waterfront improvements, piers, and breakwater, at the submarine base, Key West, Fla., as reported January 13, 1925, by a board of which Rear Admiral H. H. Rousseau, Civil Engineer Corps, United States Navy, was senior member.

The amendment was agreed to.

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

Mr. COPELAND. Mr. President, I ask that the letter from the Secretary of the Navy, to which I have referred, be printed in connection with the bill.

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

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, May 24, 1934.

MY DEAR SENATOR COPELAND: Further reference is made to your letter of May 14, 1934, submitting a copy of the amended bill, S. 1760 (for the relief of the Snare & Triest Co., now Frederick Snare Corporation), together with a copy of Senate Report No. 836, Seventy-third Congress, second session, and requesting that you be advised "if the Department can see its way clear to concur in the view taken by the Committee on Claims that the bill should be passed, as amended, for the reasons stated in the report of the committee."

The bill as originally introduced, conferred jurisdiction on the Court of Claims to hear and adjudicate the claim of the corporation for damages alleged to have been sustained as the result of delays due to the Government or from other causes arising out of contract no. 3762, dated November 13, 1919, for the development and completion of a submarine base at Key West, Fla., for which the United States may be justly liable.

The amended bill accompanying your letter authorizes the direct payment to the claimant of $83,978.05 for the aforesaid delays "as reported January 13, 1925, by a board of which Rear Admiral H. H. Rousseau, Civil Engineer Corps, United States Navy, was senior member."

The amount proposed is the additional expense that was found by the aforesaid board and by the Court of Claims to have been incurred by the contractors by reason of 420 days' delay, in completing the work under contract no. 3762. This delay, the court found, was due to three causes: (1) Storms, bad weather, and break-downs of the dredging equipment, (2) changes made by the Government from time to time in the work, and (3) the delay of the Congress in making supplemental appropriations for the work; and while unable to determine just what part of the total delay was chargeable to the contractor and to the Government, respectively, the court stated that cause (1) "contributed in a substantial way to the slowing down of the progress of the work", and that "a greater portion" of the delay arose out of cause (2), but that "principally" the delay arose out of cause (3). The court expressed disapproval of the view taken by the board with respect to cause (1) that:

"The board does not understand that these delays, which, after all, are of comparatively minor character and are incidental to the execution of almost any public-work contract, and which ran concurrently with the delays caused by the Government, would modify or reduce the responsibility of the Government in case the Government is actually liable for damages arising out of the two major delays."

While it is clear from the decision of the court as set forth in detail in the Navy Department's report of December 8, 1933, on said bill, which report is printed in Senate Report No. 836, the United States is not legally liable for the losses suffered by the contractor, the Navy Department believes that from the viewpoint of equity the granting of relief is justified by the circumstances existing in this case, and it, therefore, recommends the enactment of the bill S. 1760 as amended by the Committee on Claims.

Sincerely yours,

CLAUDE A. SWANSON.

HON. ROYAL S. COPELAND,
United States Senate.

Mr. McKELLAR. Mr. President, does the letter recommend payment?

Mr. COPELAND. Yes; the Secretary recommends this amendment.

Mr. KING. I regret that there is nothing to indicate why the Navy was negligent in carrying out the contract, or, if it was in default, the reason for such default. It seems to me the Navy ought to be censured for its delay if it is at fault, as a result of which the Government is now compelled to pay $83,000.

BILL PASSED OVER

The bill (S. 2915) requiring national banks to obtain indemnity bonds from State-qualified bonding companies, was announced as next in order.

Mr. McNARY. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

LOANS TO CORPORATIONS ENGAGED IN FARMING AND FRUIT GROWING

The Senate proceeded to consider the bill (S. 1744) enabling certain farmers and fruit growers to receive the benefits of the Federal Farm Loan Act and amendments thereto, and the Emergency Farm Mortgage Act of 1933, which had been reported from the Committee on Banking and Currency with an amendment, on page 1, line 7, after the word "individuals", at the end of the bill, to insert a proviso, so as to make the bill read:

Be it enacted, etc., That corporations engaged solely in farming or in fruit growing shall be eligible for loans or for refinancing under the Federal Farm Loan Act and amendments thereto and under the Emergency Farm Mortgage Act of 1933 in the same manner and to the same extent as individuals: *Provided*, That no such loan shall be made unless the notes or evidences of indebtedness of the corporation are endorsed by the principal executive officers and the majority of the directors of such corporation.

The amendment was agreed to.

Mr. KING. Mr. President, I should like an explanation of this bill. I should like to know in what respect it modifies existing law or extends the provisions of any of the laws relating to loans to agriculture or industry.

Mr. McNARY. Mr. President, I suggest to the Senator that the Senator from Florida [Mr. FLETCHER] is in the rear of the Chamber.

Mr. KING. I should like to ask the Senator from Florida for a brief explanation of Senate bill 1744, enabling certain farmers and fruit growers to receive the benefits of the Federal Farm Loan Act and amendments thereto, and the Emergency Farm Mortgage Act of 1933.

Mr. FLETCHER. Mr. President, in some States corporations have been formed which actually operate farms—fruit groves and that sort of thing. The idea of this bill is to give such corporations the same benefit under the law that an individual farmer has. In Wyoming, for instance, I understand that most of the stock raising is done by corporations which at present are not eligible for loans. In the State of Florida there are a great many large groves, comprising thousands of acres, owned and operated by corporations. They are not eligible for loans under the Farm Loan Act.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator a question?

Mr. FLETCHER. Yes.

Mr. ROBINSON of Arkansas. When the Federal farm loan bill was under consideration it was, I believe, before a committee of which the Senator from Florida was a member, if he was not chairman of it. I am not certain as to that.

Mr. FLETCHER. Yes.

Mr. ROBINSON of Arkansas. I ask the Senator from Florida if this subject was not fully considered and discussed, and if it was not concluded by his committee and by the Senate at that time that the benefits of the bill should be made available only for individuals or natural persons who engage in farming. I ask him if it was not thought then that it was questionable policy to invite and encourage and assist corporations to engage in farming in competition with natural persons.

Mr. FLETCHER. I think that is quite true, and for that reason I think the committee recommended the amendment to this bill which obliges the officers of the corporation to assume the obligation.

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

Mr. FLETCHER. I yield.

Mr. VANDENBERG. In line with what the Senator has said, there are many orchardists in the State of Michigan who are incorporated. They are in effect individual farmers, but legally they are operating incorporated entities. The necessity for farm-loan credit is precisely as great in their instance as in any others; and I cordially agree with the Senator from Florida that equality of treatment requires some action of this character.

Mr. FLETCHER. I am inclined to think so. I do not see why people forming a corporation and actually engaging in agriculture and horticulture should not be eligible for loans under the farm-loan system.

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, read the third time, and passed.

EXTENSION OF TEMPORARY PLAN FOR DEPOSIT INSURANCE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3025) to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes.

Mr. FLETCHER. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FLETCHER, Mr. GLASS, Mr. BULKLEY, Mr. WALCOTT, and Mr. TOWNSEND conferees on the part of the Senate.

Mr. FLETCHER. I also move that the bill be printed showing the amendment of the House.

The motion was agreed to.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. SHIPSTEAD. Mr. President, I move that the Committee on Finance be discharged from the further consideration of the bill (H.R. 1) to provide for controlled expansion of the currency and the immediate payment to veterans of the face value of their adjusted-service certificates.

Mr. ROBINSON of Arkansas. I make the point of order that the motion is not in order.

The PRESIDING OFFICER. The Senator from Arkansas is correct. The Chair sustains the point of order.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 2980) to modify the effect of certain Chippewa Indian treaties on areas in Minnesota was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S.J.Res. 102) authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2426) to provide funds for cooperation with the public-school board at Wolf Point, Mont., in construction or improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont., was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3484) relating to the sale of cotton held for producers by the 1933 cotton producers' pool was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 8687) to amend the Tariff Act of 1930 was announced as next in order.

The PRESIDING OFFICER. This bill is the unfinished business, and will be passed over.

LOSSES OF COOPERATIVE MARKETING ASSOCIATIONS

The joint resolution (S.J.Res. 86) for adjustment and settlement of losses sustained by the cooperative-marketing associations was announced as next in order.

Mr. KING. Let that go over.

Mr. McKELLAR. Mr. President, I was about to ask that this measure go over, but the Senator from Utah has objected.

Mr. FRAZIER. Mr. President, I wish the Senator from Utah would withhold his objection for a moment.

Mr. KING. I withhold the objection.

Mr. FRAZIER. This joint resolution simply provides that there may be an investigation and an adjustment in behalf of both cotton and grain cooperative organizations which made contracts and cooperated with the Farm Board and the Stabilization Corporation in carrying out the provisions of the Farm Board Act. They held their grain and cotton off the market at the request of the Farm Board, they paid storage on it, they paid insurance, and when the market finally broke they lost money. I believe they are entitled to some consideration, and they cannot get it from the present set-up.

Mr. McKELLAR. Mr. President, how much would be involved in the settlement of these claims?

Mr. FRAZIER. Not a great amount. I think, perhaps, it would be some three or four hundred thousand dollars. It involves many cooperative organizations, both cotton and grain.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. FRAZIER. Certainly.

Mr. KING. My understanding is that some of the cooperatives of the South, organizations alleged to be cooperatives, which are scarcely entitled to that appellation, are making claims amounting to millions, notwithstanding the fact that a very large sum, tens of millions of dollars, was expended in their behalf, under the direction of and by some of the officials now controlling some of the activities of the Department of Agriculture.

Mr. FRAZIER. So far as I know, there is no claim that runs into any excessive amount at all. Of course, it would be up to the present set-up to conduct the investigation and make a report.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 8, after the word "grain", to insert the words "and/or cotton"; on page 2, line 6, after the word "grain", to insert the words "and/or cotton"; and on line 7, after the word "grain", to insert the words "and/or cotton", so as to make the joint resolution read:

Resolved, etc., That for the purpose of adjustment and settlement of losses sustained by the cooperative marketing associations dealing in grain during the stabilization operations of the Federal Farm Board in the years 1929 and 1930, when such cooperative marketing associations were induced and requested by the Federal Farm Board to withhold grain and/or cotton from the market and to make advances to their members in order to stabilize prices, the Federal Farm Credit Administration is hereby authorized and directed to make such adjustments and settlements in accordance with the understanding that such cooperative marketing associations had with the Federal Farm Board, and on the basis of a price or a sum equal to the amount directly loaned or advanced to such associations plus carrying charges and operation costs in connection with such grain and/or cotton from the date of the loans or advances to the date that such grain and/or cotton was finally taken over by the Federal Farm Board or delivered pursuant to its instructions.

The amendments were agreed to.

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

APPOINTMENT OF ASSISTANT UNITED STATES ATTORNEYS

The bill (S. 2082) to amend the first sentence of section 8 of the act of May 28, 1896, chapter 252, relative to the appointment of assistant United States attorneys was announced as next in order.

Mr. KING. Mr. President, let the bill be read.

The PRESIDING OFFICER. The clerk will read.

The bill was read, as follows:

Be it enacted, etc., That the first sentence of section 8 of the act making appropriations for the legislative, executive, and judicial expenses of the Government, approved May 28, 1896 (29 Stat. 181), as amended (U.S.C., title 28, sec. 483), be, and the same is hereby, amended to read as follows:

"That whenever, in the opinion of the district attorney of any district, evidenced by writing, the public interest requires it, one or more assistant district attorneys may be appointed by the Attorney General; but such opinion shall state to the Attorney General the facts as distinguished from conclusions, showing the necessity therefor."

Mr. KING. I should like to have an explanation of the bill from the Chairman of the Committee on the Judiciary. It seems to me we have made prior provisions for the appointment of assistant attorneys and district attorneys which have been very generous.

Mr. ASHURST. Mr. President, this bill was drafted by the Department of Justice. Under the present law, in certain cases, in order to appoint an assistant district attorney, an opinion of the district judge and of the district attorney is required. This bill simply eliminates the necessity for requiring the opinion of the judge. The Attorney General may, under this measure, not upon the opinion but upon a statement of the facts by the district attorney alone, appoint such assistant district attorney.

The district judges throughout the country take various views about the necessity for such appointments. Sometimes a district judge declines to make recommendations; others make recommendations. That has produced confusion, which has led to the belief that if the Attorney General were authorized to make such an appointment upon a statement of the facts by the district attorney alone the public interest would be served.

Mr. ROBINSON of Arkansas. Mr. President, the district attorney would be required to state in writing the facts making necessary the appointment of the assistant.

Mr. ASHURST. That is true. The bill expressly provides that he must state the facts.

Mr. McNARY. Mr. President, I am not familiar with the bill, other than from the statement of the able Chairman of the Committee on the Judiciary; but, from that statement, I believe the existing law is preferable to this measure. I wish to look into the matter, and for that reason I ask that the bill go over.

Mr. ASHURST. Certainly.

The PRESIDING OFFICER. The bill will be passed over.

LOANS TO INDUSTRY

The bill (S. 3520) authorizing the Reconstruction Finance Corporation to make loans to industry was announced as next in order.

Mr. BULKLEY. Mr. President, this bill was adopted as an amendment to the bill providing for loans by the Federal Reserve banks and should be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 3520 will be indefinitely postponed.

ADDITIONAL JUSTICE OF THE COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

The bill (S. 1777) providing for an additional justice of the Court of Appeals of the District of Columbia was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I ask for a statement of the reasons for this additional justice.

Mr. KING. Mr. President, I shall very gladly furnish a statement of such facts as are within my knowledge.

One of the present justices of the court of appeals, because of very long and protracted service and because of his ill health, it is felt should be relieved of the very heavy duties and responsibilities of the position. In order that

that may be accomplished the appointment of another justice is necessary. This proposed legislation is in line with similar legislation which has been passed with respect to districts where the judges have been infirm or incompetent to discharge their duties, and other judges have been named. Upon the death or incapacity or retirement of the one who is to be relieved, the new justice continues to serve, thus ultimately not increasing the number of justices.

Mr. ROBINSON of Arkansas. The Senator is satisfied that the appointment of this additional justice is essential to the proper administration of the law?

Mr. KING. I think so, Mr. President. I want to say to the Senator from Arkansas that the able Chairman of the Committee on the Judiciary, together with the members of the Judiciary Committee, have resolutely set their faces against increasing the number of Federal judges, at least for the present.

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 an amendment, on page 2, line 2, after the word "filled", to strike out the words "without further authorization of Congress", so as to make the bill read:

Be it enacted, etc., That the President is authorized to appoint, by and with the advice and consent of the Senate, an additional justice of the Court of Appeals of the District of Columbia, who shall possess the same powers, perform the same duties, and receive the same compensation and allowance as the present justices of said court.

SEC. 2. That whenever a vacancy shall occur in the office of justice of said court because of the death or retirement of Justice Charles H. Robb, such vacancy shall not be filled: *Provided*, That not more than five justices of said court shall sit at any one time, to be designated by the presiding justices of said court.

The amendment was agreed to.

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

Mr. AUSTIN subsequently said: Mr. President, I ask unanimous consent to recur to Calendar No. 977, being the bill (S. 1777) providing for an additional justice of the Court of Appeals of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont to recur to Order of Business 977, Senate bill 1777? The Chair hears none.

Mr. AUSTIN. Now, Mr. President, I ask unanimous consent that the vote by which that measure was passed be reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont to reconsider the vote by which Senate bill 1777 was passed?

Mr. McKELLAR. Mr. President, just a moment.

Mr. ROBINSON of Arkansas. Mr. President, that is the bill, is it not, providing for an additional justice of the Court of Appeals of the District of Columbia?

Mr. AUSTIN. It is; and the cause for the passage of the bill has ceased to exist. It seems that Mr. Justice Robb was alleged to have been very ill. Word has been received from Mr. Justice Robb that, while he was ill, he has recovered and that he is performing his duties as usual.

Mr. ROBINSON of Arkansas. Mr. President, I think the motion to reconsider should be agreed to. The statement was made by a Senator, at my request for information as to the necessity for the passage of this bill, that the justice referred to by the Senator from Vermont was ill and that the passage of the bill was necessary in order that justice might properly be administered.

Mr. McNARY. Mr. President, if I may be permitted to say so, I think the proper motion would be a reconsideration of the vote by which the bill was passed, and then the indefinite postponement of the measure.

Mr. McKELLAR. Mr. President, the Senator who has charge of the bill, and who made the statement regarding it, is out of the Chamber at the present moment. Let it go over for the day.

Mr. ROBINSON of Arkansas. I suggest that the motion to reconsider be entered in order that the Senator who made the statement to which I referred may have an opportunity of being present.

Mr. AUSTIN. I have charge of this bill; I introduced the bill and I reported the bill; but I am informing the Senator the cause for the passage of the bill has passed.

Mr. McKELLAR. The Senator from Utah [Mr. KING] made the explanation of the bill a while ago, upon the request of some Senator, and it seems to me that it would be better to wait until he shall return to the Chamber.

Mr. AUSTIN. Very well; but I should like to enter the motion to reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. The Senator from Vermont enters a motion to reconsider the vote by which the bill was passed.

RETIREMENT OF RICHMOND PEARSON HOBSON AS REAR ADMIRAL

The bill (S. 3380) providing for the appointment of Richmond Pearson Hobson, formerly a captain in the United States Navy, as a rear admiral in the Navy and his retirement in that grade, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to appoint Richmond Pearson Hobson, formerly a captain of the United States Navy, a rear admiral in the Navy, with the rank, pay, and allowances thereof, and upon his acceptance of such appointment and the issuance of the commission in pursuance thereof, he shall be retired by the President as from active service and be placed upon the retired list in the grade of rear admiral, as of 30 years' service, and with the pay of that grade.

MONONGAHELA RIVER BRIDGES, PENNSYLVANIA

The Senate proceeded to consider the bill (H.R. 8241) to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.

Mr. DAVIS. Mr. President, I ask the Senate to pass this bill, which was reported to the Senate on April 26, authorizing the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in Allegheny County, Pa. I have lived in this vicinity for many years and have been in a position to realize the need for this construction work. The bridges called for would facilitate interstate commerce, improve the postal service, and would safeguard the military interests of the Nation. The bill has the approval of the War and Agriculture Departments.

Application has been made by Allegheny County Authority, a public corporation created by the Legislature of Pennsylvania at its special session in November and December 1933, for a loan and grant from the Public Works Administration aggregating something over $31,000,000 to be used for the construction purposes listed in the pending bill.

There can be no question as to the need for these bridges. The bridge across the Monongahela River from Pittsburgh to Homestead is to replace what is known as "Brown's Bridge", a two-lane bridge long since obsolete and now condemned. The bridge across the Allegheny River from Pittsburgh to O'Hara Township is to replace the Highland Park Bridge, also a very old bridge, carrying two lanes of traffic only, long since obsolete, and for some years past condemned. Similar conditions apply to the other bridges listed in the bill.

The people in the vicinity of the proposed bridges are emphatically in favor of their construction. The necessity is recognized, and universal opinion is that the opportunity for constructing these bridges through Public Works funds should not be missed. The county and municipal governments lack the funds necessary for this work. However, it should be said that it is confidently anticipated that the revenues from tolls and so forth will liquidate the loan within 20 years, and that the act of assembly creating the Allegheny County Authority provides that as soon as the indebtedness shall be paid the Allegheny County Authority shall turn over to Allegheny County as free bridges all the bridges mentioned without cost to the county, and that the Allegheny County Authority, a public corporation, shall then cease to exist by limitation of law.

The approval of the engineers of the Public Works Administration, as well as Army engineers in the Rivers and Harbors Division familiar with the situation in Allegheny County, is anticipated. I earnestly urge Senate approval of the bill.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

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

PEE DEE RIVER BRIDGES, SOUTH CAROLINA

The bill (H.R. 8714) to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S.C., was considered, ordered to a third reading, read the third time, and passed.

WABASH RIVER BRIDGE, INDIANA

The bill (H.R. 8937) granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River, at or near Delphi, Ind., was considered, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE, ILLINOIS

The Senate proceeded to consider the bill (H.R. 8951) authorizing the city of Shawneetown, Ill., to construct, maintain, and operate a toll bridge across the Ohio River at or near a point between Washington Avenue and Monroe Street in said city of Shawneetown, and a point opposite thereto in the county of Union and State of Kentucky.

Mr. LEWIS. Mr. President, I wish to state that this bill merely provides that the town of Shawneetown, Ill., shall construct, maintain, and operate the proposed bridge at its own expense, and with no expense to the Government.

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

SUSQUEHANNA RIVER BRIDGE, PENNSYLVANIA

The bill (H.R. 9000) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Holtwood, Lancaster County, was considered, ordered to a third reading, read the third time, and passed.

CONNECTICUT RIVER BRIDGE, MASSACHUSETTS

The bill (H.R. 9065) granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts to construct, maintain, and operate a free highway bridge across the Connecticut River at Turners Falls, Mass., was considered, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PA.

The bill (H.R. 9257) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Bainbridge, Lancaster County, and Manchester, York County, was considered, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PA.

The bill (H.R. 9271) granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Millersburg, Dauphin County, Pa., was considered, ordered to a third reading, read the third time, and passed.

ST. CROIX ISLAND NATIONAL MONUMENT, MAINE

The Senate proceeded to consider the bill (S. 1947) to provide for the creation of the St. Croix Island National Monument located near the mouth of the St. Croix River in the State of Maine, and for other purposes, which had been reported from the Committee on Public Lands and Surveys, with amendments, on page 2, line 2, after the word "Croix", to insert the word "Island", and on the same page to strike out lines 22 to 25 and lines 1 to 2 on page 3, as follows:

SEC. 4. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $15,000 for the acquisition of land, $10,000 for the protection and maintenance of lands by the construction of breakwaters in order to prevent erosion, and $5,000 for beautification of said island.

So as to make the bill read:

Be it enacted, etc., That when title to all privately owned land on the St. Croix (Dochet) Island near the mouth of the St. Croix River in the State of Maine shall have been vested in the United States in fee simple, the President shall be, and is hereby, authorized by proclamation to set apart and establish said island as a national monument for the preservation of the historical remains thereon for the benefit and enjoyment of the people, and the same shall be known as the "St. Croix Island National Monument."

SEC. 2. That upon the issuance of said proclamation all the Government land comprising the lighthouse reservation on the north half of said island shall be transferred from the Department of Commerce to the administrative jurisdiction and control of the Secretary of the Interior for administration as a part of said national monument.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land and/or buildings, structures, and so forth, within the area of said monument as fixed hereunder and donations of funds for the purchase and/or maintenance thereof: *Provided*, That he may acquire on behalf of the United States by purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, such tracts of land within the said monument as may be necessary for the completion thereof: *Provided further*, That the title and evidence thereof, to all lands acquired for said national monument shall be satisfactory to the Secretary of the Interior.

SEC. 4. That the administration, protection, and development of the aforesaid national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended.

The amendments were agreed to.

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

JOHN T. GARITY

The Senate proceeded to consider the bill (S. 3096) for the relief of John T. Garity.

Mr. McKELLAR. Mr. President, will not the Senator from Georgia make some explanation of this bill?

Mr. RUSSELL. This is a bill to relieve a surety on a bond that was forfeited in the Federal court. The defendant was later apprehended after the surety had paid the sum of $2,500 on the forfeiture. The letter from the Attorney General states that that was more than sufficient to repay the Government for all expenses in court, and the Department of Justice recommends the passage of the bill.

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

Whereas John T. Garity, of Savannah, Ga., became surety upon the supersedeas bond of Wilson Jenkins in the sum of $15,000 to secure the appearance of the said Wilson Jenkins pending a decision on a writ of appeal from the Circuit Court of Appeals of the United States; and

Whereas said Wilson Jenkins failed to answer to the final judgment rendered in said case; and

Whereas the bond signed by the said John T. Garity as surety for the said Wilson Jenkins was forfeited and estreated; and

Whereas the said John T. Garity paid $2,500 in May 1933 on account of said forfeiture as part payment on said bond; and

Whereas the said Wilson Jenkins was apprehended on June 7, 1933, and then incarcerated in the Federal penitentiary in Atlanta, Ga., and is now in the custody and control of the prison authorities of the United States Government and is serving the sentence for which said bond signed by the said John T. Garity as surety was given for the appearance of said Wilson Jenkins; and

Whereas said $2,500 paid on said bond is more than sufficient to defray any expense incurred by the United States Government in connection with the apprehension of said Wilson Jenkins: Therefore

Be it enacted, etc., That John T. Garity be, and he is hereby, relieved from all further liability as surety on the supersedeas bond signed by said John T. Garity for the appearance of Wilson Jenkins pending a writ of error from the Circuit Court of Appeals for the Fifth Circuit to answer to a sentence and final judgment which had been imposed by the United States District Court for the Southern District of Georgia, Savannah division, said bond dated March 29, 1930, and which sentence he is now serving.

The preamble was agreed to.

E. CLARENCE ICE

The Senate proceeded to consider the bill (S. 2619) for the relief of E. Clarence Ice, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert in lieu thereof "$3,000", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to E. Clarence Ice, out of any money in the Treasury not otherwise appropriated, the sum of $3,000, in full settlement of all claims against the Government on account of the death of his son, Corp. Egbert J. Ice, who was killed August 15, 1933, while in the performance of his duties with the District of Columbia National Guard at Camp Albert C. Ritchie: *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 amendments were agreed to.

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

BERT MOORE

The Senate proceeded to consider the bill (S. 2272) for the relief of Bert Moore, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$5,000" and to insert in lieu thereof "$2,500", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Bert Moore, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 in full settlement of all claims for injuries sustained by reason of being shot and seriously wounded by a military guard at Fort Logan H. Roots on the night of April 23, 1925: *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 amendments were agreed to.

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

C. O. MEYER

The bill (S. 3366) for the relief of C. O. Meyer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. O. Meyer the sum of $297.68. Such sum represents the amount paid to C. O. Meyer as substitute carrier while he was postmaster at Meyers Mill, S.C., and which amount was charged by the Department to the account of C. O. Meyer.

JAMES B. CONNER

The bill (H.R. 3056) for the relief of James B. Conner, was considered, ordered to a third reading, read the third time, and passed.

ANNIE I. HISSEY

The bill (H.R. 1158) for the relief of Annie I. Hissey was considered, ordered to a third reading, read the third time, and passed.

PHILIP F. HAMBSCH

The bill (H.R. 1933) for the relief of Philip F. Hambsch was considered, ordered to a third reading, read the third time, and passed.

C. K. MORRIS

The bill (H.R. 2322) for the relief of C. K. Morris was considered, ordered to a third reading, read the third time, and passed.

RUBY F. VOILES

The bill (H.R. 2438) for the relief of Ruby F. Voiles was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 3161) for the relief of Henry Harrison Griffith was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from Kansas [Mr. CAPPER] explain that bill? Does the Department recommend it?

Mr. CAPPER. I will ask that the bill be passed over for the present.

The PRESIDING OFFICER. The bill will be passed over.

H. A. SODERBERG

The bill (H.R. 7289) for the relief of H. A. Soderberg was considered, ordered to a third reading, read the third time, and passed.

DAMAGE TO PROPERTY AT LEAVENWORTH, KANS.

The Senate proceeded to consider the bill (H.R. 2418) for the relief of certain claimants at Leavenworth, Kans., occasioned through damage to property inflicted by escaping prisoners, which had been reported from the Committee on Claims with an amendment, on page 1, line 10, after the word "appropriated", to insert "out of any money in the Treasury not otherwise appropriated", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Elizabeth Phillips, in the amount of $55; Joseph M. Kressin, in the amount of $63.30; Joseph Verlinde, in the amount of $4.95, all arising through damages to personal property occasioned by the escape of seven prisoners from the United States penitentiary at Leavenworth, Kans., on December 11, 1931. There is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of $123.75, or so much thereof as may be necessary, for the payment of these claims.

The amendment was agreed to.

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

The bill was read the third time, and passed.

EMERSON C. SALISBURY

The Senate proceeded to consider the bill (H.R. 2414) for the relief of Emerson C. Salisbury, which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the words "pay to", to insert "Frank Salisbury, executor of the estate of"; and on line 5, after the name "Salisbury", to insert the word "deceased", and to strike out the words "of Leavenworth, Kans."; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Frank Salisbury, executor of the estate of Emerson C. Salisbury, deceased, out of any money in the Treasury not otherwise appropriated, the sum of $1,500, as full compensation for damages to his property on December 11, 1931, when three Federal prisoners escaped from the United States penitentiary at Leavenworth, Kans., and barricaded themselves in the house which was bombarded by the posse seeking the escaped prisoners: *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. McKELLAR. Mr. President, I will be glad if the Senator from Kansas [Mr. CAPPER] will explain that bill.

Mr. CAPPER. It has to do with the escape of prisoners from Leavenworth Penitentiary. I read from the statement of facts:

In this case convicts escaped from the Leavenworth Penitentiary and, on December 11, 1931, barricaded themselves in the house of this claimant. While the claimant was in the house, the Leavenworth guards, sheriff, and soldiers lay siege to the house and filled it full of bullet holes. This continued for some hours. As a result, the roof of the house was riddled with bullet holes, the sides of the house were punctured with bullet holes in hundreds of places, the windows were broken, the plastering on the inside punctured and knocked off the walls, and other damage was done.

The case has been thoroughly investigated by Sanford Bates, and the report includes a favorable recommendation from Attorney General Mitchell, and also a favorable recommendation from Sanford Bates, who personally visited the property.

Mr. ROBINSON of Arkansas. Mr. President, as I understand the case, some escaped convicts entrenched themselves in the home of the claimant, or in the house he was in possession of or occupied. Is there anything to indicate that they did so with his consent or approval?

Mr. CAPPER. Oh, no; not at all. On page 2 of the report will be found a very complete and comprehensive statement. Sanford Bates, the Director of Prisons, who visited the property, recommends that the loss, amounting to $1,500, be paid. The original claim was for $1,868, as shown on page 3 of the report, but the bill reduces that to $1,500, as recommended by the Attorney General in the report of February 26, 1932.

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

The amendments were agreed to.

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

The bill was read the third time and passed.

The title was amended so as to read: "A bill for the relief of Frank Salisbury, executor of the estate of Emerson C. Salisbury, deceased."

R. A. HUNSINGER

The bill (H.R. 1977) for the relief of R. A. Hunsinger was considered, ordered to a third reading, read the third time, and passed.

WHITE B. MILLER

The bill (H.R. 3295) for the relief of the estate of White B. Miller was announced as next in order.

Mr. ROBINSON of Arkansas. I think there should be an explanation of this bill. The amount carried is $25,000.

Mr. WHITE. Mr. President, this is a bill to authorize the payment of that amount to the estate of White B. Miller, an attorney who was employed by the Government to represent it in most important tax litigation. I think, in the particular case, out of which this claim for a fee arose, the amount saved to the Government by the services of this attorney exceeded $1,000,000. The enactment of the proposed legislation is recommended by the Attorney General, and it seemed to the committee, in view of the high character of services rendered, in view of the large amount involved and the amount saved to the Government of the United States through the services rendered, and in view of the recommendation of the Attorney General himself, that the committee were justified in recommending the payment.

Mr. ROBINSON of Arkansas. Mr. President, may I inquire of the Senator from Maine whether the special attorney was appointed without authority of law?

Mr. WHITE. I think there was no inhibition in law against his appointment, because there had been similar employment in other cases. Whether there was a specific and direct authorization for the employment or not I cannot answer, but I am very sure there was no inhibition against the employment.

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

Mr. WHITE. I yield.

Mr. KING. The fact is that Mr. Miller was an assistant to the Attorney General.

Mr. WHITE. Yes.

Mr. KING. He was receiving a salary of $10,000 a year. While so employed, this case, as many other cases, came to the Department of Justice. He was assigned to this case as any other attorney in the Department might have been assigned. It was his duty as assistant to the Attorney General to take over any cases that were assigned to him. I grant that his services were important. It was not indispensable, however, that he should have been named, and I think the deduction that because he was appointed the case was won is unwarranted. I shall object to the bill.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBINSON of Arkansas. Mr. President, what I should like to know is whether an officer in the employ of the Government, who performs services for the Government, is to be compensated on the basis of recovery or success in the suits which he handles for the Government? If this man were a regular Assistant Attorney General, receiving a salary from the United States, I cannot understand, without some explanation, why he should not try the Government's law suits without charging large fees in addition to his salary.

The PRESIDING OFFICER. Does the Senator from Utah withhold his objection?

Mr. KING. I withhold it for the moment. May I read part of the letter of the Attorney General, Mr. Mitchell, contained in the report:

> At the time of his appointment in the Cannon cases Mr. Miller was already receiving $10,000 a year, the maximum allowed under the law, as special assistant to the Attorney General for conducting the Haar cases at Savannah, Ga. He undertook the conduct of the Cannon litigation upon the urgent request of the Assistant Attorney General.

But he was receiving $10,000 a year as a special assistant.

Mr. WHITE. I think the Department itself recognizes that the practice is unusual, but it felt that this special attorney had been besought to handle these cases, and it involved a very great additional burden of work far beyond his routine employment as an assistant to the Attorney General. It involved months of investigation, and there is no doubt of the fact that he was assured extra compensation, and, further, there is no doubt that his services were of so high a character that the Government saved substantially over a million dollars in these tax cases. I think I have stated the facts as they are.

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

Mr. WHITE. I yield.

Mr. McKELLAR. I wish to read further from the Attorney General's report:

> As a result of Mr. Miller's employment, the Government retained $1,081,027.26, which represented one-half of the moneys in controversy.

Mr. ROBINSON of Arkansas. Mr. President, that implies that a compromise was entered into. That there was a suit for $2,000,000 plus, and settlement made under which one-half the amount claimed in the suit by the Government was realized. The point I am making is that it is quite a questionable practice, it seems to me, to retain as a special attorney one who is already charged with the responsibility and duty of handling such lawsuits, and then in addition to a large salary pay him a very large fee.

Mr. McKELLAR. My recollection of the facts is—I may be mistaken about them, for this incident happened a number of years ago—that Mr. Miller whether or not he was employed as salaried man, certainly was employed here as Assistant Attorney General and was also employed in Chattanooga in some capacity. I knew Mr. Miller very well. He was a very able lawyer, one of the best we had. He had been a very successful lawyer and succeeded wonderfully well with this lawsuit. He has since died. My recollection is that the Senate has passed a bill similar to this once or twice already, after an argument about it, and it seems to me that his estate is definitely entitled to the amount recommended by the committee.

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

Mr. McKELLAR. Yes.

Mr. WHITE. I would not quarrel with the general proposition laid down by the Senator from Arkansas.

Mr. McKELLAR. Nor would I.

Mr. WHITE. It is sound as a general principle and rule, but I think it was felt by all who have given a study to this case that there were special circumstances. Certainly they were recognized by the Attorney General himself, who recommended the passage of the bill.

Mr. ROBINSON of Arkansas. Here is what the report says, in part:

> At the time of his appointment in the Cannon cases Mr. Miller was already receiving $10,000 a year, the maximum allowed under the law, as special assistant to the Attorney General for conducting the Haar cases at Savannah, Ga. He undertook the conduct of the Cannon litigation upon the urgent request of the Assistant Attorney General in charge of tax matters and upon the assurance that every effort would be made to secure for him adequate compensation for this extra service in addition to that which he was receiving in the Haar cases. The Cannon cases involved as one of the parties the then Commissioner of Internal Revenue, Mr. Blair.

And so forth. Then it says:

In October 1928 a payment of $3,000 on account of the Cannon cases was made to Mr. Miller. On March 25, 1929, he submitted a claim for $50,000 for his services in those cases, which, allowing for the $3,000 theretofore paid on account, left $47,000 balance claimed by him.

That was the situation when the matter first came to my attention. We cannot make a practice of involving this Department in moral obligations to pay to special assistants more than the maximum compensation fixed by law. Yet I found that Mr. Miller had been given assurances when taking on this additional work that he would receive additional compensation and that a breach of good faith would result if we did not carry out these assurances.

Now, it appears that when he entered upon these cases he was already being paid the maximum amount which the law provided.

Mr. President, what is the use, what is the sense of fixing in the statute maximum salaries if the provisions of law are to be ignored by administrative officers of the Government? Under this arrangement executive departments could commit the Government morally, as the former Attorney General said, to any amount they chose, and then insist that, notwithstanding Congress had limited the amount that should be paid, there should be no limitation except that imposed by the discretion of the administrative or executive officer.

Mr. KING. Mr. President, I insist on my objection.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

GEORGE B. BEAVER

The bill (H.R. 3300) for the relief of George B. Beaver was considered, ordered to a third reading, read the third time, and passed.

JOHN MERRILL

The Senate proceeded to consider the bill (H.R. 3302) for the relief of John Merrill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $2,500 to John Merrill on account of gunshot wound received in left leg by a shot from a Federal prohibition enforcement officer, in the act of destroying a seized still, on July 19, 1930, in Polk County, Tenn., said Merrill being a deputy sheriff at the time and on a raid near Ocoee, Polk County, Tenn.: *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. ROBINSON of Arkansas. Mr. President, may we have a justification for this proposal?

Mr. McKELLAR. The bill was reported from the committee by the Senator from Maine [Mr. WHITE].

Mr. WHITE. I will ask the Senator from Tennessee to make the explanation.

Mr. McKELLAR. Mr. President, I will take the facts from the report:

The Department of Justice interposes no objection to the enactment of this legislation.

The facts seem to be as follows:

The memorandum of February 27 states that "The files disclose that John Merrill was a deputy sheriff of Polk County, Tenn., and had no official connection with this Bureau or with the Government officers when he was injured." It is not disclosed whether the shot that wounded Merrill was fired by Bell or by another, and it is doubtful if that fact will ever be known.

The occurrence was investigated by Prohibition Agent J. O. Swafford, and his report is dated May 24, 1931. It describes the two parties, their approach to the still, etc., as shown in the memorandum of February 27, and also contains the following:

"Two of the party in which Mr. Merrill was opened fire on Agent Bell and his party, one bullet striking Deputy Copeland in the mouth, inflicting a slight wound, one bullet passing through Agent Bell's clothing between his left arm and body. Agent Bell and his party returned the fire, one bullet striking Mr. Merrill in the left leg near the knee and breaking his leg at the thigh * * *. Agent Bell and Deputy Copeland, being blinded by the flashlights of the other officers, returned the fire at the point where lights from the flash of guns appeared, Deputy Frazier firing from behind Mr. Merrill and he, being in the line of fire, received the wound."

This was a raiding party, and Mr. Merrill, it seems, who was a deputy sheriff, was shot through the leg and very seriously injured, and will be crippled, as stated in one affidavit, for life. He was fired on by a prohibition agent or some other member of the party who was making the raid. Under those circumstances it seems to me that the bill should properly be passed.

Mr. ROBINSON of Arkansas. Mr. President, is it customary to compensate raiding parties for shooting one another up?

Mr. McKELLAR. Oh, no.

Mr. ROBINSON of Arkansas. Is that one of the objects of Federal legislation?

Mr. McKELLAR. No.

Mr. ROBINSON of Arkansas. Then, are prohibition officers who raid stills and send out State officers and let them direct their fire at one another to be paid for it?

Mr. McKELLAR. That is what was done in this case.

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

Mr. McKELLAR. I yield.

Mr. WHITE. This officer, while he was a deputy sheriff of the State, was a part of the Federal group who were making the raid on this still. There were two groups.

Mr. McKELLAR. They were acting for the Government.

Mr. WHITE. Mr. Merrill was acting for the Government and was crippled for life in the service. I think there are many precedents for legislation of this kind.

Mr. McKELLAR. During the prohibition era a great many bills of this character were passed.

Mr. WHITE. A great many bills of this character have been passed where a man has been severely hurt, and I think in this case it is perfectly clear that the proposed beneficiary of the bill is crippled for the remainder of his life.

Mr. McKELLAR. The record so states.

Mr. WHITE. The bill was recommended by the prohibition officials, and it seemed to the committee that its passage was warranted by the facts and by the precedents.

Mr. McKELLAR. I hope the bill will be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

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

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. LONG. Mr. President, this morning I asked whether or not it would be in order for me to move to discharge the Committee on Finance from the further consideration of House bill 1, which is the soldiers' bonus bill, which has been passed by the House. I am informed that a majority of the Senate are in favor of passing soldiers' bonus legislation if a vote could be had on the measure at this time without any serious difficulty, and it would not take much of the time of the Senate.

The PRESIDING OFFICER. The Chair will state to the Senator from Louisiana that under clause 3 of rule VII nothing is in order on Monday morning except the call of the calendar. The rule so specifies and states that that business cannot be laid aside for any other business.

Mr. LONG. I was not making a point of order. The point I am making is this, that if our party would permit a motion to discharge the Committee on Finance this morning, we could have a straight out vote on the soldiers' bonus bill. We are going to have to put this bill onto something else, and I apprehend that our leaders will then say that this bill ought not to be put on some other bill; but the way to avoid that would be this morning for us to be allowed unanimous consent to move to discharge the committee and vote on the bonus bill outright; otherwise we are going to have——

Mr. ROBINSON of Arkansas. Mr. President, I will say to the Senator from Louisiana that such a motion was made by the Senator from Minnesota [Mr. SHIPSTEAD]; I myself

raised the point of order that that motion was not in order, and the point of order was sustained. If the effort were repeated, I should make the same point of order.

Mr. LONG. That means, and I am just announcing it now, that apparently our only means of getting action on the soldiers' bonus bill, which is favored by a majority of the Senate, will be to pick up the bill and tack it on to some other bill. Apparently that is going to be our only recourse and our only means of getting action at this session.

Mr. ROBINSON of Arkansas. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order is called for. The clerk will state the next bill on the calendar.

EULA K. LEE

The bill (H.R. 4690) for the relief of Eula K. Lee was considered, ordered to a third reading, read the third time, and passed.

GEORGE L. RULISON

The Senate proceeded to consider the bill (S. 3486) for the relief of George L. Rulison, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$909.07 as reimbursement" and insert in lieu thereof "$600, in full settlement of all claims against the Government", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George L. Rulison, out of any money in the Treasury not otherwise appropriated, the sum of $600, in full settlement of all claims against the Government, for expenditures made by said George L. Rulison between November 1, 1927, and July 1, 1928, for office rental and stenographic and other service in connection with the performance of his duties as United States attorney and as assistant United States attorney at South Bend, Ind.

Mr. ROBINSON of Arkansas. Mr. President, I inquire of the Senator from Indiana [Mr. ROBINSON], who introduced the bill, as to the justification for the measure. I note that the Senator from Maine [Mr. WHITE] reported the bill.

Mr. WHITE. Mr. President, the bill is in behalf of George L. Rulison. He was appointed United States district attorney in Indiana. He assumed the office and entered upon the performance of his duties. There was some delay on the part of the Government, as to the reason for which I am not advised, in providing him with the stenographic assistance and an office or other facilities for carrying on his duties as United States district attorney. For some substantial period of time he utilized his own law office, his own clerical force and stenographic force and all the other facilities of his own going office and of his partner in the performance of his duties as district attorney.

The bill seeks to reimburse him for that part of those expenses which are properly chargeable to his activities as United States district attorney. The bill is recommended by the Department. The claimant originally asked for something over $900. He indicated at one time he would be satisfied to take $600. The committee accepted that offer and inserted an amendment reducing the amount of the claim from something over $900 to $600.

Mr. ROBINSON of Arkansas. I have no objection.

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

The amendment was agreed to.

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

NELLIE LAMSON

The bill (H.R. 7168) for making compensation to the estate of Nellie Lamson was announced as next in order.

Mr. ROBINSON of Arkansas. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. ROBINSON of Arkansas subsequently said: Mr. President, a few moments ago, when House bill 7168 was called, it was passed over at my request. I ask unanimous consent to recur to it. Upon a reading of the report it appears that the claim is justified; and I have no objection to the consideration of the bill.

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

ANNA H. JONES

The bill (H.R. 2433) for the relief of Anna H. Jones was considered, ordered to a third reading, read the third time, and passed.

W. H. LE DUC

The Senate proceeded to the consideration of the bill (S. 3307) for the relief of W. H. Le Duc.

Mr. ROBINSON of Arkansas. Mr. President, what is the basis of the claim?

Mr. COUZENS. Mr. President, the report attached to the bill shows that $1,000 was improperly collected from a ship captain whose ship was taken to harbor without his consent. He was required to put up $1,000, which was afterward declared illegally collected. The bill merely provides for the return of the $1,000.

Mr. ROBINSON of Arkansas. The explanation is satisfactory to me.

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

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. H. Le Duc the sum of $1,000, with interest thereon at the rate of 6 percent per annum from the date of payment of fine or penalty, representing the amount deposited by him on account of a fine or penalty of $1,000 assessed against him and by him paid to the United States under protest at the port of Galveston on or about March 26, 1928, for alleged violation of the navigation laws: *Provided*, That such sum shall be in full settlement of all claims against the Government of the United States: *Provided further*, 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.

JOHN S. CATHCART

The bill (H.R. 2054) for the relief of John S. Cathcart was considered, ordered to a third reading, read the third time, and passed.

A. H. POWELL

The bill (H.R. 1943) for the relief of A. H. Powell was considered, ordered to a third reading, read the third time, and passed.

RED RIVER BRIDGE, MINNESOTA-NORTH DAKOTA

The bill (S. 3491) authorizing the State Highway Departments of the States of Minnesota and North Dakota to construct, maintain, and operate certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N.Dak., was announced as next in order.

Mr. SHIPSTEAD. Mr. President, there is on the calendar, an identical House bill, being order of business 1149. I move that the House bill be substituted for the Senate bill and put upon its passage.

The motion was agreed to, and the bill (H.R. 9502) authorizing the State Highway Departments of the States of Minnesota and North Dakota to construct, maintain, and operate certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N.Dak., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the Senate bill S. 3491 will be indefinitely postponed.

MISSISSIPPI RIVER BRIDGE, ST. LOUIS, MO.

The bill (S. 3493) to revive and reenact the act entitled "An act authorizing H. C. Brenner Realty and Finance Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.",

approved February 13, 1931, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act authorizing H. C. Brenner Realty and Finance Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.", approved on February 13, 1931, be, and the same is hereby, revived and reenacted: *Provided*, That the construction herein authorized be commenced within 1 year and completed within 3 years from the date of the approval of this act.

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

PROMOTION OF CHIEF CLERK, RAILWAY MAIL SERVICE

The bill (S. 2868) to remove inequities in the law governing eligibility for promotion to the position of chief clerk in the Railway Mail Service, was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, I should like to have the Senator from North Carolina [Mr. REYNOLDS], who introduced the bill, explain the changes that are proposed to be made by it in existing law.

Mr. REYNOLDS. Mr. President, the bill was referred to and considered by the Committee on Post Offices and Post Roads, inasmuch as it has to do entirely with those who have been in the Railway Mail Service for a number of years. Under the present law, before an individual employee may be promoted to chief clerk in charge, it is necessary that he shall serve for a period of 2 years continuously and without interruption.

For instance, an employee in the Railway Mail Service might have been in that service for a period, we will say, of 20 or 25 years, during which time from period to period he served as chief clerk for an aggregate or a total of 2 years; but regardless of the fact that he might have had the experience of 2 years of service as clerk in charge, he cannot under the law be promoted unless that service has been of a continuous nature and without interruption.

The only change the bill proposes to make in the present law is to change the continuous-service period from 2 years to 1 year.

Mr. SHEPPARD. Mr. President, what is the position of the Department on the bill?

Mr. REYNOLDS. They have no objection to it. It has been taken up with several individual officials of the Post Office Department.

Mr. LOGAN. Mr. President, the Post Office Department officials particularly interested in the measure came before our committee urging very strongly the passage of the bill. They very strongly endorsed it.

Mr. REYNOLDS. I thank the Senator from Kentucky.

Mr. ROBINSON of Arkansas. In my folder there is no report on the bill from the Senate committee.

Mr. REYNOLDS. The Senator from Arkansas is entirely correct. In view of the fact that a report has not been filed, I should like to ask the Senator from Kentucky to make explanation of the situation to the Senator from Arkansas, if necessary. However, if I correctly understood, the Senator from Kentucky has just advised us that some of the officials of the Post Office Department appeared before the Committee on Post Offices and Post Roads and not only recommended the passage of the bill, but, as a matter of fact, insisted upon its passage. Is not that correct?

Mr. LOGAN. That is correct.

There were a number of bills, probably 12 or 15, in which the Postmaster General himself and some of his assistants were interested. They came over and we checked the bills which they wanted passed, and this is one of the number they recommended. I am quite sure if the Senator from Tennessee [Mr. MCKELLAR] were present at the moment he would corroborate what I have said about it I have stated my distinct remembrance.

Mr. REYNOLDS. That was my understanding; and that is why, in answer to the inquiry of the Senator from Arkansas, I mentioned the fact that it was my understanding that the officials of the Department were in favor of the bill and its passage had been recommended.

I may add that the real desire for the enactment of the measure is that the Post Office officials are put in a somewhat embarrassing situation from time to time when they are desirous of promoting an individual in the interest of the Service, and they are not permitted to do so because the law requires that his service as clerk in charge be of a continuous nature. I may add, further, for the information of the Senator from Arkansas, that in many instances men who have been in the Service for years upon years, and are thoroughly and perfectly qualified for promotion, are not permitted to have that promotion because of the fact that their service as clerks in charge has not been of a continuous nature. The statute, as at present written, requires that the person shall serve as clerk in charge continuously for 2 years; and while in many instances these persons have served for 4 or 5 years, their service has not been of a continuous nature.

Mr. ROBINSON of Arkansas. I make no objection to the consideration of the bill.

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 was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That that part of section 7 of the act of August 24, 1912 (37 Stat. 556), which comprises section 626 of title 39 of the United States Code, be amended to read as follows:

"Clerks in the highest grade in their respective lines or other assignments shall be eligible for promotion to positions of clerks in charge in said lines or corresponding position in other assignments; and clerks assigned as assistant chief clerks and clerks in grade 6, or higher rank, in their respective divisions, shall, after 1 year of continuous service in such capacity, be eligible for promotion to positions of chief clerks in said division for satisfactory, efficient, and faithful service, under such regulations as the Postmaster General shall prescribe."

RATES OF POSTAGE ON PERIODICALS

The bill (H.R. 5477) to fix the rates of postage on certain periodicals exceeding 8 ounces in weight was announced as next in order.

Mr. MCNARY. I should like to have an explanation of that bill.

Mr. SHEPPARD. I suggest that the bill go over without prejudice until the Senator from Tennessee [Mr. MCKELLAR] returns.

Mr. MCNARY. Very well.

The PRESIDING OFFICER. Without objection, the bill will be passed over without prejudice.

Mr. MCKELLAR subsequently said: Mr. President, while I was absent from the Chamber a moment ago, Order of Business 1025, House bill 5477, to fix the rates of postage on certain periodicals exceeding 8 ounces in weight, I understand, was passed over temporarily.

The PRESIDING OFFICER. That is correct.

Mr. MCKELLAR. I ask that we may return to that order of business.

Mr. MCNARY. Mr. President, the reason why it was passed over was that I asked for a brief explanation.

Mr. MCKELLAR. I so understand.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

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

Mr. MCKELLAR. Mr. President, the facts about this bill are disclosed in a letter from the Post Office Department, as follows:

The purpose of this bill is to extend to periodical publications of the character described in the bill the flat rate of 1 cent for each 2 ounces or fraction thereof when weighing in excess of 8 ounces. Under existing law such publications exceeding 8 ounces in weight are subject to the fourth-class or parcel-post rates. These rates are in most instances prohibitive and prevent the publishers of periodicals of this kind preparing them so as to weigh more than 8 ounces, since no matter how slight the weight is in excess of 8 ounces under existing law postage must be paid for a full pound. The extension of the flat rate as proposed would enable these publishers to increase the weights of the copies of their publications and thus augment the postal revenues. Furthermore, it is believed that some publishers whose periodicals are entered as second-class matter will relinquish such entry and mail

their publications under the conditions set forth in bill H.R. 5477 in order to be free from the restrictions placed by law on second-class matter. Additional revenue would result from such changes.

The Postmaster General then speaks of having had a cost ascertainment and says there will be great savings to the Department by reason of this change. The proposed legislation is desired by both the Department and those who are interested in the publications. The Department recommends the passage of the bill. It is one of the various measures which the Department sent to the Congress and asked to have enacted, so as to bring about savings to the Government.

Mr. FESS. Was there any division in the committee at all?

Mr. McKELLAR. None at all.

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

BILL PASSED OVER

The bill (S. 3544) to extend further the operation of an act of Congress approved January 26, 1933 (47 Stat. 776), entitled "An act relating to the deferment and adjustment of construction charges for the years 1931 and 1932 on Indian irrigation projects" was announced as next in order.

Mr. ROBINSON of Arkansas. Mr. President, is the Senator from North Dakota [Mr. FRAZIER] familiar with this bill? I should like to know for what it provides.

Mr. FRAZIER. Mr. President, I shall have to admit that I do not remember the circumstances of the bill.

Mr. SHEPPARD. I suggest that the bill go over without prejudice until the Senator from Montana [Mr. WHEELER] returns.

The PRESIDING OFFICER. The bill will be passed over without prejudice.

LUCILE A. ABBEY

The Senate proceeded to consider the bill (S. 1786) for the relief of Lucile A. Abbey, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Lucile A. Abbey in the same manner and to the same extent as if said Lucile A. Abbey had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: *Provided*, That no benefits shall accrue prior to the approval of this act.

The amendment was agreed to.

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

UNITED STATES SUPREME COURT ROOM

The Senate proceeded to consider the resolution (S.Res. 193) authorizing that the room now occupied by the United States Supreme Court be preserved and kept open to the public, which had been reported from the Committee on Rules with amendments, on page 1, line 1, after the words "That the", to insert "court"; in line 2, after the words "in the", to strike out "Senate wing of the"; and in line 3, after the word "Court", to insert "and the space below it formerly a part of the court room"; so as to make the resolution read:

Resolved, That the court room now occupied by the United States Supreme Court in the Capitol, when vacated by the Court, and the space below it formerly a part of the court room, shall be preserved and kept open to the public under such rules and regulations as may be prescribed by the Architect of the Capitol with the approval of the Committee on Rules of the Senate.

The amendments were agreed to.

Mr. McNARY. Mr. President, I am warmly in accord with the resolution, but I am wondering if it is limited to the Supreme Court room.

Mr. ROBINSON of Arkansas. No, Mr. President. This resolution, at my suggestion, has been modified by the committee to include the rooms below the present Supreme Court room, which for a long time were occupied by the United States Supreme Court. The latter rooms, now used for law library and similar purposes, have historical associations of very great interest and value. I was induced to suggest the amendment by lawyers of great renown, who are familiar with the history of the rooms and their use. I refer particularly to Mr. Nicholas Murray Butler and Mr. Charles Warren, and to a number of other prominent lawyers. I think the amendment is very desirable. Some time recently I had printed in the RECORD historical data respecting these rooms supplied me by Mr. Warren.

Mr. McNARY. I am very happy to be advised of the enlargement of the scope of the resolution, and I am quite satisfied to have it agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

JENNIE WALTON

The Senate proceeded to consider the bill (S. 2617) for the relief of the estate of Jennie Walton, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 6, after the words "sum of", to strike out "$5,450" and insert "$4,000", and in line 8, after the word "damages", to strike out the remainder of the bill and insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Jennie Walton, late of Bantry, N.Dak., the sum of $4,000, in full satisfaction of its claim against the United States for damages from an automobile accident on highway no. 5, near Belcourt, N.Dak., within the Turtle Mountain Indian Reservation, on October 5, 1931.

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

Mr. FRAZIER. Mr. President, this was a case where an automobile with several people in it was driving by an Indian school. It was shortly after the school closed at night. The superintendent blew his whistle and signaled for the automobile to stop. The driver of the car claimed that he did not understand the signal. He was not driving at excessive speed; there were no children near the road, and he kept going on. The superintendent got in his car and drove 2 or 3 miles, caught up to the driver, ran by him, and the situation was such that the man driving the car was run into the ditch, the car tipped over, and the woman was killed. She was the sister-in-law of the man driving the car.

Mr. McKELLAR. Does the Department recommend the bill?

Mr. FRAZIER. The Department recommended favorable action on the bill. It recommended a slight amendment, cutting down the amount to $4,000. The bill is for the benefit of the estate. There were two or three children.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

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

MABEL S. PARKER

The bill (S. 2768) for the relief of Mabel S. Parker was announced as next in order.

Mr. McKELLAR. That seems to be a somewhat similar bill.

Mr. FRAZIER. No; this is a bill of the Senator from Minnesota [Mr. SHIPSTEAD]. It is simply to pay the transportation of an automobile and some other things on a transfer from Arizona to Minnesota.

Mr. SHIPSTEAD. And approved before shipment by the Commissioner of Indian Affairs and the Secretary of the Interior.

Mr. McKELLAR. I have no objection to the consideration of the bill.

The PRESIDING OFFICER. The Chair is advised that an exactly similar bill was passed on March 29, and is now on the House Calendar.

Mr. SHIPSTEAD. I ask that the bill be returned to the calendar until I can investigate.

The PRESIDING OFFICER. The Senator asks unanimous consent that the bill be temporarily passed over. Without objection, it is so ordered.

BILLS PASSED OVER

The bill (S. 3514) to provide for the enrollment of members of the Menominee Indian Tribe of the State of Wisconsin was announced as next in order.

Mr. McKELLAR. Mr. President, may we have a statement regarding that bill from the Senator from North Dakota? Were the two amendments suggested by the Department put in the bill?

Mr. FRAZIER. I understand that they were.

Mr. McKELLAR. The Department recommends two amendments; but, so far as I can find, they do not appear in the bill. It may be that they do. Let the bill go over for the day.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3515) to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin was announced as next in order.

Mr. McKELLAR. I think we should have some explanation of that bill. I do not see the Senator from Wisconsin [Mr. LA FOLLETTE] in the Chamber. Let it go over for the day.

The PRESIDING OFFICER. The bill will be passed over for the day.

RETIREMENT SYSTEM FOR RAILROAD EMPLOYEES

The bill (S. 3231) to provide a retirement system for railroad employees, to provide unemployment relief, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, personally, I have no objection to this bill; but I have been requested by two Members of the Senate, who are necessarily absent, to have it go over for the day.

Mr. McKELLAR. There does not seem to be a report on the bill, either.

Mr. DILL. Oh, yes; there is a very complete report.

Mr. WAGNER. Yes; there is a report.

Mr. McKELLAR. There does not seem to be one in my file.

Mr. O'MAHONEY. Mr. President, may I inquire of the Senator from Oregon [Mr. McNARY] if he is insisting upon his objection to Senate bill 3231?

Mr. McNARY. I desire again to advise the Senator that, personally, I have no objection to the bill. I favor the proposed legislation; but two Members of the Senate have asked me in their absence to have it passed over without prejudice, and I am doing so in their behalf.

Mr. HATFIELD. Mr. President, I am very much interested in this bill, as is the Senator from New York [Mr. WAGNER]. This is a general retirement pension bill for railway employees, and I trust that in the very near future we may have an opportunity to have the bill considered and passed.

Mr. McNARY. I wish to assure the Senator of my fairness in the matter. I shall not again object in behalf of any absentee Senator.

Mr. DILL. Mr. President, I desire to say that for several years this bill has been a bone of contention among the railroad employees. We finally have succeeded in getting all factions together. It will not cost the Government a single dollar. It is a most remarkable plan; and I am extremely anxious that at an early date the bill may be considered and passed.

Mr. HATFIELD. Mr. President, there is a concordance of opinion, and all railway employees throughout the land are supporting this legislation.

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

Mr. HATFIELD. I yield.

Mr. FESS. I have some objection. I am not sure whether or not it is to this particular bill, because nearly all of the large railroads have already entered upon this plan of retirement, but the opposition comes from the smaller roads, which cannot make the contributions necessary. Is this the bill to which that opposition is presented?

Mr. HATFIELD. I may say to the Senator from Ohio that this is the bill which was perfected from the original bill, and for the purposes of the bill it makes all railway groups one group.

Mr. FESS. I am in favor of the principle, but I wondered whether the opposition was to this bill or to some other bill.

Mr. HATFIELD. I do not know the attitude of the railway organizations at the present time, since the perfection of the bill, but there have been a great number of changes. In fact, some of the larger trunk railways of this country today are paying about the same amounts into a fund for the retirement of their aged employees that this bill would require.

Mr. FESS. I understood that 0.9 of them were doing it.

Mr. HATFIELD. I may say to the able Senator from Ohio I cannot say as to the exact percentage.

Mr. WAGNER. Mr. President, I think the Senator from Ohio is mistaken when he says that 0.9 of them have such a system, but even if it were so, it is a system which could be terminated at any time if the railway organizations decided to do so. There is no definite obligation on the railroads to continue the payment of the pensions.

I hope the bill will be acted upon at a very early date. I know of no opposition to it. All the different groups which had various opinions about the bill which the Senator from West Virginia and I originally introduced are now in accord in supporting the proposed legislation. I think that after a brief explanation it would be passed practically unanimously. So I join with the Senator in hoping that at a very early date we may act upon the bill in this body, so that it may pass both Houses in time to become a law. In view of the unanimity of opinion, it would be very unfortunate if, because of the congestion of the calendar, we were unable to reach the bill and have it enacted.

Mr. McNARY. Mr. President, I share the view of the eminent Senator from New York, but when a Senator is necessarily absent, and asks me to represent him and object, I must do so. It is a duty I must perform.

Mr. WAGNER. I am sure the Senator will cooperate with us in getting consideration of the bill at an early date.

The PRESIDING OFFICER. There being objection, the bill will be passed over.

COLUMBIA RIVER BRIDGE, OREGON

The bill (S. 3502) authorizing the Oregon-Washington Bridge Commission to construct, maintain, and operate a toll bridge across the Columbia River at or near Astoria, Oreg., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Oregon-Washington Bridge Commission (hereinafter created, and hereinafter referred to as the "commission") and its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Columbia River at or near the city of Astoria, Oreg., at a point suitable to the interests of navigation, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act. Such commission is further authorized and directed to acquire all the assets and liabilities of the Rivers Improvement Corporation, a corporation organized under the laws of the State of Oregon.

SEC. 2. There is hereby conferred upon the commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the States of Oregon and Washington as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said States, respectively.

SEC. 3. The commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge in accordance with the provisions of this act.

SEC. 4. The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches and the necessary lands, easements, and appurtenances thereto by an issue or issues of negotiable bonds of the commission, bearing interest at not more than 6 percent per annum, the principal and interest of which bonds and any

premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with this act. Such bonds may be registrable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine. The commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the commission prior to the issuance of the bonds. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect of the construction, maintenance, operation, repair, and insurance of the bridge, the conservation and application of all funds, the safeguarding of moneys on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law and also provisions for approval by the original purchasers of the bonds of the employment of consulting engineers and of the security given by the bridge contractors and by any bank or trust company in which the proceeds of bonds or of bridge tolls or other moneys of the commission shall be deposited, and may provide that no contract for construction shall be made without the approval of the consulting engineers. The bridge constructed under the authority of this act shall be deemed an instrumentality for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States. Said bonds shall be sold in such manner and at such time or times and at such price as the commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 6-percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge and its approaches, and the land, easements, and appurtenances used in connection therewith. The cost of the bridge shall be deemed to include interest during construction of the bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge and the acquisition of the necessary property, and incident to the financing thereof, including the cost of acquiring existing franchises, rights, plans, and works of and relating to the bridge, now owned by any person, firm, or corporation, and the cost of purchasing all or any part of the shares of stock of any such corporate owner if, in the judgment of the commission, such purchases should be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definitive bonds the commission may, under like restrictions, issue temporary bonds or interim certificates with or without coupons of any denomination whatsoever, exchangeable for definitive bonds when such bonds have been executed and are available for delivery.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge, the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity, as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating, and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the commission prior to the issuance of the bonds. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested. The commission shall classify in a reasonable way all traffic over the bridge, so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within any such reasonable class, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of the tolls so fixed and adjusted. No toll shall be charged officials or employees of the commission or of the Government of the United States or any State, county, or municipality in the United States while in the discharge of their duties.

SEC. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the commission shall deliver deeds or other suitable instruments of conveyance of the interest of the commission in and to the bridge, that part within Oregon to the State of Oregon or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Oregon interests") and that part within Washington to the State of Washington or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the "Washington interests"), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Oregon interests and the Washington interests, as may be agreed upon; but if either the Oregon interests or the Washington interests shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management, until such time as both the Oregon interests and the Washington interests shall be authorized to accept and shall accept such conveyance under such conditions.

SEC. 7. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Oregon-Washington Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with, sue and be sued, implead and be impleaded, complain, and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations and gifts of money or other property and apply same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The commission shall consist of Guy Boyington, A. W. Norblad, and M. R. Chessman, all of the city of Astoria, Oreg., and L. D. Williams and O. H. Roessler, of Pacific County, Wash. Such commission shall be a body corporate and politic. Each member of the commission shall qualify within 30 days after the approval of this act by filing in the office of the Secretary of the Interior an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall qualify in like manner within 30 days after his appointment. Any vacancy occurring in said commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of the Interior. Before the issuance of bonds as hereinabove provided, each member of the commission shall give such bond as may be fixed by the Secretary of the Interior, conditioned upon the faithful performance of all duties required by this act. The commission shall elect a chairman and a vice chairman from its members, and may establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 8. The commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the commission shall be entitled to a per diem compensation for their services of $10 for each day actually spent in the business of the commission, but the maximum compensation of the chairman in any year shall not exceed $2,500 and of each other member shall not exceed $500. The members of the commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the commission. The commission may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the commission paid or discharged or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Oregon interests and the Washington interests as herein provided, the commission shall be dissolved and shall cease to have further existence by an order of the Secretary of the Interior made upon his own initiative or upon application of the commission or any member or members thereof, but only after a public hearing in the city of Astoria, Oreg., notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the city of Astoria, Oreg., and a newspaper published in South Bend, Wash. At the time of such dissolution all moneys in the hands of or to the credit of the commission shall be divided into two equal parts, one of which shall be paid to said Oregon interests and the other to said Washington interests.

SEC. 9. Nothing herein contained shall be construed to authorize or permit the commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided by this act. No obligation created or liability incurred pursuant to this act shall be an obligation or liability of any member or members of the commission, but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 10. All provisions of this act may be enforced, or the violation thereof prevented, by mandamus, injunction, or other appropriate remedy brought by the attorney general for the State of Oregon, the attorney general for the State of Washington, or

the United States district attorney for any district in which the bridge may be located in part, in any court having competent jurisdiction of the subject matter and of the parties.

SEC. 11. The right to alter, amend, or repeal this act is hereby expressly reserved.

SEC. 12. Section 1 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States", approved June 10, 1930, as amended, is hereby repealed.

CHIPPEWA INDIAN TREATIES

Mr. SHIPSTEAD. Mr. President, I ask that the Senate return to Order of Business 917, the bill (S. 2980) to modify the effect of certain Chippewa Indian treaties on areas in Minnesota. The Senator from Tennessee tells me he has no objection to the bill.

The PRESIDING OFFICER. The Senator from Minnesota asks unanimous consent that the Senate return to the consideration of Order of Business 917. Is there objection? The Chair hears none.

Mr. SHIPSTEAD. Mr. President, I ask that the votes by which the bill was ordered to be engrossed for a third reading and passed be reconsidered, and that the vote by which the committee amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none; the votes are reconsidered, and the bill is before the Senate. The question is on agreeing to the committee amendment.

Mr. SHIPSTEAD. Mr. President, I submit an amendment to the committee amendment.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. It is proposed to amend the amendment of the committee, on page 2, line 1, after the word "treaties", by striking out "*Provided*, That the Indian liquor laws shall continue to be in force on all Indian reservations or other lands owned or hereafter acquired by Indian tribes, or by the United States Government for the use or benefit of Indians or for the administration of Indian affairs; on individual Indian allotments or other individual Indian-owned lands while the title to same is held in trust by the United States or while the same shall remain inalienable by the Indian without the consent of some governmental officer; and on all other lands within the exterior borders of Indian reservations: *Provided further*"; in line 11, before the word "That", to insert "*Provided*"; in the same line, after the word "That", to insert "in that portion in the said State of Minnesota affected by this act"; and in line 14, after the figures "1897", to insert a comma; and in the same line, after the figures "506" and the parenthesis, to insert "and to the manufacture or sale of liquors on individual Indian allotments or other individual Indian-owned lands while the title to same is held in trust by the United States or while the same shall remain inalienably by the Indian without the consent of some governmental officer", so as to make the bill read:

Be it enacted, etc., That on and after the passage of this act lands in Minnesota ceded to the United States by the treaty of September 30, 1854 (10 Stat.L. 1109), between the United States and the Chippewa Indians of Lake Superior and the Mississippi and by the treaty of February 22, 1855 (10 Stat.L. 1165), between the United States and the Mississippi Bands of Chippewa Indians, shall no longer be considered as "Indian country" for the purposes of article 7 of said treaties: *Provided*, That in that portion in the said State of Minnesota affected by this act the Indian liquor laws shall continue to apply to the sale, gift, barter, exchange, etc., of liquors to ward Indians of the classes set forth in the act of January 30, 1897 (29 Stat.L. 506), and to the manufacture or sale of liquors on individual Indian allotments or other individual Indian-owned lands while the title to same is held in trust by the United States or while the same shall remain inalienably by the Indian without the consent of some governmental officer.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

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

Mr. KING. Mr. President, I desired to ask the Senator whether this had the approval of the committee and the approval of Mr. Collier.

Mr. SHIPSTEAD. Yes.

LEASING OF COAL LANDS IN ALASKA

The Senate proceeded to consider the bill (H.R. 6179) to amend an act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes."

Mr. McKELLAR. Mr. President, may we have an explanation from the Senator from New York of this bill?

The PRESIDING OFFICER. The Senator from New York does not seem to be in the Chamber.

Mr. McKELLAR. I see by the report that the Department has recommended the bill, and I have no objection.

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

RANSOME COOYATE

The bill (S. 2906) for the relief of Ransome Cooyate was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 to Ransome Cooyate, of the Zuni Reservation in New Mexico, in full satisfaction of his claim for injuries received while a student at the Albuquerque Boarding School, New Mexico: *Provided*, That in the discretion of the Secretary of the Interior, the amount herein appropriated may be held as individual Indian money by the Superintendent of the Zuni Agency, N.Mex., and disbursed to the beneficiary at the rate of $30 a month.

COLLIER MANUFACTURING CO.

The bill (S. 2242) for the relief of the Collier Manufacturing Co., of Barnesville, Ga., was announced as next in order.

Mr. GEORGE. Mr. President, this bill covers a case, the facts of which are as follows: The Collier Manufacturing Co. was approached during the war and asked to manufacture certain knit underwear for use by the soldiers. An agreement was reached between the Government and the Collier Manufacturing Co., but when the first contract was about to be made, the contract was taken in the name of a firm of New York brokers, who were merely acting as the sales agents of the Collier Manufacturing Co. Other contracts were made under similar circumstances.

Subsequently the contract in question was terminated because the war was about to end. The items of damage and the specifications in the account, I believe, are clearly beyond dispute. The whole question is whether or not this bill should pass, because the contract was not made with the Collier Manufacturing Co., but was made through its sales agents, who already had given the bond required by the Government and were in position to proceed with the execution of the contract.

The claim was first presented to the Board of Contract Adjustment in the War Department, and was denied because the Collier Manufacturing Co. was not a party to the contract. The Secretary of War sustained that decision upon the same grounds; the case went to the court of appeals, and the court of appeals denied recovery upon the same ground.

The Collier Manufacturing Co. were not strangers to this contract. The contract provided that the particular knit underwear should be manufactured by the Collier Manufacturing Co. The Collier Manufacturing Co. did manufacture the knit underwear and deliveries were made directly to the quartermaster depot in Atlanta, Ga., the manufacturing plant of the Collier Manufacturing Co. being located in a nearby town.

It seems to the committee, and to me, after looking into the facts very carefully, that this is an entirely just claim, and should not be denied upon the purely technical ground that the Collier Manufacturing Co. were not parties to the contract.

Mr. McKELLAR. The court of appeals did not decide that it was not a just claim, but merely held that the com-

plainant did not have a right to maintain an action. Is that correct?

Mr. GEORGE. That there were no contractual relations between the Collier Manufacturing Co. and the Government; but they were the sole beneficiaries of the contract.

Mr. McKELLAR. Did the Government get the benefit of the goods? Were they delivered to the Government and used by the Government?

Mr. GEORGE. Portions of the goods were delivered to the Government, and the entire contract was made between the manufacturing company and representatives of the Government.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "$61,530.02" and to insert in lieu thereof "$48,719.70"; on line 7, after the word "appropriated", to strike out the words "the same being the actual", and to insert in lieu thereof the words "in full settlement of all claims against the Government for"; and on line 9, after the words "account of", to strike out the words "the cancelation of a contract for"; and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Collier Manufacturing Co., of Barnesville, Ga., the sum of $48,719.70, out of any money in the Treasury not otherwise appropriated, in full settlement of all claims against the Government for losses sustained by said Collier Manufacturing Co. on account of the manufacture of undershirts for the United States Army in the year 1918: *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 amendments were agreed to.

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

AMENDMENT OF SAN CARLOS ACT

The bill (S. 2928) to amend the act of Congress approved June 7, 1924, commonly called the "San Carlos Act" and acts supplementary thereto, was announced as next in order.

The PRESIDING OFFICER (Mr. POPE in the chair). This bill is identical with House bill 8938, Order of Business 1143.

Mr. HAYDEN. I ask that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Without objection, that order will be made.

The Senate proceeded to consider the bill (H.R. 8938) to amend the act of Congress approved June 7, 1924, commonly called the "San Carlos Act", and acts supplementary thereto, which was read as follows:

Be it enacted, etc., That the act of Congress approved June 7, 1924 (43 Stat.L. 475, 476), commonly called the "San Carlos Act", and acts supplementary thereto, including the act of Congress approved March 7, 1928 (45 Stat.L. 210–212), and acts supplementary thereto, be, and the same are hereby, amended so as to provide that the construction cost of the San Carlos project, including the cost of the power development at the Coolidge Dam and the transmission line or lines shall be repaid without interest, and that part thereof to be paid on account of the lands in public or private ownership shall be repaid in 40 equal annual installments beginning on December 1, 1935, the date fixed by the public notice heretofore issued by the Secretary of the Interior. The Secretary of the Interior, with the consent of the San Carlos Irrigation and Drainage District, is hereby authorized to modify the existing repayment contract in accordance herewith.

Mr. McKELLAR. Mr. President, I desire to ask a question with reference to the bill. What is the purpose of modifying these contracts in this way? We have existing contracts that evidently are favorable to the Indians. In what respect are they to be modified unfavorably to the Indians?

Mr. HAYDEN. Mr. President, the bill does not affect the Indians at all. This is a project of 100,000 acres, half Indian lands and half white lands. The white landowner is required under the existing contracts to pay 4 percent interest on the money invested in the project. That was provided at the time when cotton was worth 20 cents a pound and alfalfa hay was worth $16 a ton. Now, however, cotton has gone down and hay has gone down, and the landowners cannot pay this interest.

This is the only project in the United States where there is an interest charge. In order that the landowners may take advantage of the Federal Farm Loan Act the Department has recommended the enactment of this bill.

Mr. McKELLAR. What does the bill do?

Mr. HAYDEN. It removes the interest charge of 4 percent.

Mr. McKELLAR. All of it?

Mr. HAYDEN. Yes.

Mr. McKELLAR. The bill, however, requires the landowners to pay the principal?

Mr. HAYDEN. It requires them to pay the principal, just as on all other reclamation projects.

Mr. McKELLAR. I do not know much about these matters, Mr. President, but it seems to me the Government has already done a great deal in creating the reclamation projects, and it seems to me the landowners ought to pay some interest.

Mr. HAYDEN. This is the only project in the United States where an interest charge is made. This measure will put these landowners on a parity with all the others.

Mr. McKELLAR. Are the Indians put on a parity with the whites?

Mr. HAYDEN. The Indians do not pay anything at all until the land passes out of their ownership.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

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

The PRESIDING OFFICER. Without objection, Senate bill 2928 will be indefinitely postponed.

QUINAULT INDIAN RESERVATION

The bill (H.R. 8494) to authorize the Secretary of the Interior to modify the terms of existing contracts for the sale of timber of the Quinault Indian Reservation when it is in the interest of the Indians so to do was announced as next in order.

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

Mr. DILL. Mr. President, this bill as originally introduced in the House provided that the contracts might be modified. I was asked to introduce a similar bill in the Senate. I refused to do so. I took the position that the contracts should be open for competitive bidding. I found that the Bureau of Indian Affairs had approved legislation permitting a reduction of the price of stumpage to the Indians of the Klamath Reservation, in Oregon. I still did not believe that similar legislation should be passed as to any other reservation. I learned, however, that the company which wants to have its contract modified has a private railway running into this Indian timber reservation, and that it is willing to make that private railroad a common carrier, and thereby probably make it possible for the other bidders for Indian timber in the future, and others who want to use the road, to pay hereafter a larger amount to the Indians. The Indians themselves are quite anxious to have the bill enacted.

So the House bill includes a section, known as "section 4", which provides that the railroad that is now asking for this relief shall become a common carrier. To that extent the passage of the bill would benefit the entire community by opening the road to service, and make it quite possible that the Indians will receive a larger payment for timber they may sell in the future from the reservation.

For that reason I urged the committee to report this bill favorably.

Mr. KING. Mr. President, will the Senator yield to permit me to make an inquiry?

Mr. DILL. I yield.

Mr. KING. The Senator will recall that when we were first discussing Indian questions upon several occasions, the fact was developed that many of the contractors who had obtained permits and contracts to go upon the Indian reservations and cut down timber were postponing, in violation of the terms of the contracts, the cutting of the timber, and were seeking in every possible way to secure modification of the contracts, because they wanted to pay the Indians less than they were entitled to receive under the contracts. Many of the Indians complained to me of the wrong which would be perpetrated if that course were pursued. I desire to be assured by the Senator that under this bill no such wrong may be perpetrated with respect to the Indians who are involved.

Mr. DILL. I made a very close study of this situation. This particular railroad is paying about $5 a thousand for stumpage, as compared with $2 and $3 paid by the other contractors. In view of the fact that the railroad will be made a common carrier, and in view of the probable benefits that will result to the Indians from that, it seems to me that the bill may well be enacted.

Mr. KING. I shall not object; but if, after further investigation, upon the morrow I find that, in my judgment, this proposed legislation is improvident and unfair to the Indians, I shall ask for a reconsideration.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

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

CHIEF CLERK IN THE RAILWAY MAIL SERVICE

Mr. REYNOLDS. Mr. President, I have just learned that there is on the calendar for consideration today House bill 7343, Order of Business 1236, to remove inequities in the law governing eligibility for promotion to the position of Chief Clerk in the Railway Mail Service.

Mr. McKELLAR. Mr. President, we have not yet reached that.

Mr. REYNOLDS. No; so I understand, but I desire to bring the matter to the attention of the Senate. The House bill is identical with the bill I introduced, Senate bill 2868, which was passed earlier today. I desire to ask that House bill 7343 be substituted for Senate bill 2868, in view of the fact that the House bill has passed the House; and I ask unanimous consent that Senate bill 2868 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Let the bill be read, so we may know what it is.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read the bill (H.R. 7343) to remove inequities in the law governing eligibility for promotion to the position of Chief Clerk in the Railway Mail Service.

Mr. McKELLAR. What is the calendar number?

Mr. REYNOLDS. It is Order of Business No. 1236.

I may state, for the information of the Senator from Utah, that this matter was discussed this morning, at which time the Senator from Kentucky [Mr. LOGAN] explained to this body that representatives of the Post Office Department had appeared before the committee and recommended the passage of the bill. I am merely asking that the House bill be substituted for my bill, the House bill having already passed the House of Representatives.

Mr. KING. I was called out of the Chamber to go to the Supreme Court for a few moments, and during my absence this bill apparently was under consideration.

Mr. McKELLAR. The House bill has not yet been reached on the calendar; but I have no objection whatever to taking the course the Senator from North Carolina suggests.

Mr. REYNOLDS. I understand that the House bill has already passed the House.

Mr. FLETCHER. Yes; it has passed the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

There being no objection, the Senate proceeded to consider the bill (H.R. 7343) to remove inequities in the law governing eligibility for promotion to the position of Chief Clerk in the Railway Mail Service, which was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the vote by which Senate bill 2868 was ordered to be engrossed for a third reading and passed will be reconsidered, and the bill will be indefinitely postponed.

CROW INDIAN TRIBAL COUNCIL

The bill (S. 2888) to provide for expenses of the Crow Indian Tribal Council and authorized delegates of the tribe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to expend $5,000, or as much thereof as may be necessary, of the funds standing to the credit of the Crow Indians in the Treasury of the United States for expenses of the Crow Indian Tribal Council and authorized delegates of the tribe.

INDIANS OF FORT PECK RESERVATION, MONT.

The Senate proceeded to consider the bill (S. 2889) for the relief of certain Indians of the Fort Peck Reservation, Mont., which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named Indians of the Fort Peck Reservation the amounts herein set forth: James Black Dog, $185; Archie Red Elk, $25; Catherine Medicine Walk and Belle Medicine Walk, $25; James Garfield, $70; Nancy Titus, $35; and Carl W. Eagle, administrator of the estate of Charles Peterson, $25; the above sums representing funds collected for the Indians named but misapplied by a former employee of the Indian Service.

Mr. KING. Mr. President, I should like to ask whether the employee of the Government who embezzled the funds of the Indians was prosecuted or whether he was under bond, and, if not, why not. I shall not object to the consideration of the bill, but I may move to reconsider it upon further consideration.

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, read the third time, and passed.

N. LESTER TROAST

The bill (S. 2918) for the relief of N. Lester Troast was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $144.28 to N. Lester Troast, of Juneau, Alaska, in full settlement of expenses incurred by him under official orders in connection with the use of his personally owned automobile on official business at Wrangell, Alaska, while supervising the construction of an Indian boarding school at that place.

EXCHANGE OF SEMINOLE INDIAN LANDS

The Senate proceeded to consider the bill (S. 3286) authorizing the exchange of the lands reserved for the Seminole Indians in Florida for other lands, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby authorized, in his discretion, to exchange lands in the State of Florida reserved for the Seminole Indians by Executive order of June 28, 1911, or purchased for said Indians, or any part thereof, for lands owned by the State of Florida. Upon conveyance to the United States by the State of Florida of a sufficient title to the lands to be acquired for the use of the Seminole Indians, the Secretary of the Interior is authorized to issue a patent in fee or to make other proper conveyance to the State of Florida covering the lands granted in exchange.

Mr. McKELLAR. Mr. President, will the Senator from Florida [Mr. FLETCHER] tell us the purposes of the bill?

Mr. FLETCHER. This bill was suggested by the Indian Bureau, and covers a situation such as I shall describe.

The Seminoles had grants from the Federal Government of so many acres of land, and also from the State government. Instead of occupying those lands, they have gone

out and settled upon other lands adjacent to them. Without going to the trouble of compelling them to live on their own reservation, this bill authorizes the exchange of lands, which is for the real benefit of the Seminoles themselves.

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, read the third time, and passed.

ST. LAWRENCE RIVER BRIDGE, NEW YORK

Mr. COPELAND. Mr. President, I understand we are to stop considering bills on the calendar at 2 o'clock. I ask the Senate to bear with me to enable me to ask unanimous consent to call up Senate bill 3641, which is a bridge bill to permit an extension of time; and in this case time is the essence. I ask unanimous consent that the bill may be now considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 3641) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N.Y., which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N.Y., authorized to be built by the St. Lawrence Bridge Commission by an act of Congress approved June 14, 1933, are hereby extended 1 and 3 years, respectively, from June 14, 1934.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1757. An act to amend an act entitled "An act to incorporate the Mount Olivet Cemetery Co., in the District of Columbia";

S. 2580. An act to exempt from taxation certain property of the National Society, United States Daughters of 1812, in the District of Columbia; and

S. 3442. An act to dissolve the Ellen Wilson Memorial Home.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 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 message further announced that the House insisted upon its amendment to the bill (S. 3487) relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. GOLDSBOROUGH, Mr. PRALL, Mr. LUCE, and Mr. BEEDY were appointed managers on the part of the House at the conference.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

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

H.R. 2837. An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; and

H.J.Res. 347. Joint resolution to prohibit the sale of arms or munitions of war in the United States under certain conditions.

PROCESSING TAX ON PHILIPPINE COCONUT OIL (H.DOC. NO. 388)

The PRESIDING OFFICER (Mr. LEWIS in the chair) laid before the Senate a message from the President of the United States, which was read and ordered to be printed, as follows:

To the Congress of the United States:

Early in the present session of the Congress the Philippine Independence Act was passed. This act provided that after the inauguration of the new interim or commonwealth form of government of the Philippine Islands trade relations between the United States and the Philippine Islands shall be as now provided by law. Certain exceptions, however, were made. One of these exceptions required levying on all coconut oil coming into the United States from the Philippine Islands in any calendar year in excess of 448,000,000 pounds, the same rates of duty now collected by the United States on coconut oil imported from foreign countries.

It is, of course, wholly clear that the intent of the Congress by this provision was to exempt from import duty 448,000,000 pounds of coconut oil from the Philippines.

Later in the present session the Congress, in the revenue act, imposed a 3-cent-per-pound processing tax on coconut oil from the Philippines. This action was, of course, directly contrary to the intent of the provision in the independence act cited above.

During this same period the people of the Philippine Islands, through their legislature, accepted the provisions of the independence act on May 1, 1934.

There are three reasons why I request reconsideration by the Congress of the provision for a 3-cent-per-pound processing tax:

First. It is a withdrawal of an offer made by the Congress of the United States to the people of the Philippine Islands.

Second. Enforcement of this provision at this time will produce a serious condition among many thousands of families in the Philippine Islands.

Third. No effort has been made to work out some form of compromise which would be less unjust to the Philippine people and at the same time attain, even if more slowly, the object of helping the butter- and animal-fat industry in the United States.

I, therefore, request reconsideration of that provision of the revenue act which relates to coconut oil in order that the subject may be studied further between now and next January, and in order that the spirit and intent of the independence act be more closely followed.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *May 28, 1934.*

Mr. HARRISON. I ask that the message be referred to the Finance Committee.

The PRESIDING OFFICER. Without objection, the message will be so referred.

RECIPROCAL TARIFF AGREEMENTS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 8687) to amend the Tariff Act of 1930.

Mr. AUSTIN. Mr. President, while the Senate is organizing itself for the day, and there are still a fair number of Democrats present, I wish to introduce what I have to say by telling them that I enjoyed the hospitality last night of one of the high priests of the Democratic Party, and one of the fine things he did for me was to present to me as a little souvenir of that delightful entertainment a speech which he had found in a bookshop somewhere, entitled "Speech of Mr. Collamer, of Vermont." This speech was made about a hundred years ago in the House of Representatives, and that distinguished Vermonter introduced himself to the House in an interesting manner. I make no individious comparison in submitting his introductory statement to the Senate, but I read it for the purpose of showing that even so long ago as a century, the real resort for sanctuary against unconstitutional measures was the vote of the people of the United States.

Mr. Collamer was about to discuss the tariff. There was pending in the House a bill reported by the Committee on Ways and Means proposing to reduce the duties on imports, being under consideration in the Committee of the Whole House on the state of the Union.

Mr. Collamer said:

Mr. Chairman, I am sensible that speeches in this House, on the great subjects of national policy, are generally, for all the purposes of legitimate discussion, that is, to persuade and convince the hearer, of little or no use. I shall, therefore, not attempt to command attention by a forced elevation of voice, but so speak as that all may hear me who desire so to do, and I do not expect the attention of those who will not hear.

Mr. President, I oppose the bill (H.R. 8687) to amend the Tariff Act of 1930, and I will discuss briefly two grounds of opposition:

First. That the power proposed to be granted to the President is forbidden by the people.

Second. That the policy of the proposed act is unsound.

The powers to be granted by the proposed act must be considered to be as extensive as the authority expressed and implied.

In the main the bill would grant to the President authority to do things which the people of the United States have required Congress exclusively to do, namely, to legislate, to levy taxes, and to regulate international commerce.

It also proposes to authorize the President to make treaties without ratification by the Senate, which is an authority not granted by the sovereign power.

The stated primary use of the power to levy duties is for the purpose of regulating foreign trade and to neutralize discriminatory treatment of American commerce, but it also is aimed at "other acts or policies which in his—the President's—opinion tend to defeat the purposes set forth" in the bill.

The declared objective is the expansion of foreign markets for products of the United States.

The treaty-making power is contained in the clause:

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof.

The legislative power of taxation is contained in the provision:

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements as are required or appropriate to carry out any foreign-trade agreement that the President has entered into hereunder. * * *

This legislative power is amplified in clause (c) to include rate, form of import duty, and classification of articles, as well as limitations, prohibitions, charges, and exactions other than duties.

There is in the proposed law a limitation to the effect that—

No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists.

The authority is limited in time to 3 years for its exercise, and the duration of the treaties is not less than 3 years from the date on which they go into force. Due notice must be given for termination, which shall be not more than 6 months in advance. Therefore it is just a matter of mathematical calculation to determine that the proposed treaties must be of a duration of 3 years and 6 months at least.

The reciprocal clauses of the Tariff Act of 1930 providing for defense duties and exemptions are repealed, and the flexible feature of that act is inhibited from application to any article with respect to which a treaty has been concluded under the proposed act.

With this brief introductory explanation of the scope of the proposed act, I now proceed to a discussion of the first proposition, namely, that the power proposed to be granted to the President is forbidden by the people.

Mr. President, we are at the parting of the ways. On the right is the well-beaten path of the Constitution, the way of the law; on the left is that hard way of the transgressor, the way of unconstitutionality, the way of beating the law or breaking the law or evading the law; and when I speak of the law, I mean, of course, the fundamental law. We are at that split in the way, and we take our choice by our vote on this bill; we elect positively and absolutely which way we will follow.

First, the power proposed to be granted to the President is forbidden by the people. Under the proposed act the President has the power to answer the question, What change of rate of duty on any article imported from all countries ought to be made in consideration of a change by one nation, say, by Czechoslovakia, of rate of duty on any one article exported by us to Czechoslovakia?

The great markets of the United States—a continent—thereby would be opened to the whole world so far as that article is concerned, in consideration for what? For the market of a country which is not as large as one of several of our individual States.

Answering this question would be legislating. It would be making the law. It would not be applying the law. It would not be applying a rule such as the difference between the cost of production at home and abroad, as when the Tariff Commission acts and the President promulgates a rate on the findings of that Commission. No rule is laid down in the proposed act. The question has been asked of a proponent of this measure what there is in the proposed act that constitutes a rule, and an answer has been made, the subject of which I now discuss. The words which he pointed out were as follows:

* * * whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time.

The most casual reading of that clause results in the conviction that it establishes nothing more than a condition precedent to the beginning of his functions under the bill. It does not affect or guide the amount of the rate. It does not furnish a measure or yardstick by which to measure the rate.

No formula is provided for that other act of lawmaking, namely, classification, the writing of the phraseology which shall determine, for example, whether a stone imported here from Sweden is manufactured or unmanufactured. We know from experience that for years and years granite was imported into this country as unmanufactured, though there had been performed 40 cents' worth of labor per cubic foot on it, and it had been pointed, pitched, and lined, and was indeed a manufactured product.

The President, under the terms of the bill, whenever he finds this condition as a precedent to beginning the performance of his function, may write a formula by which a customs officer shall ascertain what is a manufactured and what is not a manufactured product. That is making the law. It is not executing the law. There is nothing in the bill which affords a guide or a formula for him to write the phraseology of the classification.

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

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

Mr. AUSTIN. I yield.

Mr. FESS. Another danger is as to the facts upon which the President is to base the exercise of the authority now to be granted. To his own satisfaction, without any limitation or guide being laid down, he is the judge as to whether the facts justify the act. What is the limit?

Mr. AUSTIN. I understand that the bill imposes no limit at all, but provides whenever he "finds as a fact." That is all there is.

Mr. FESS. Consequently there is no limit at all to his authority.

Mr. AUSTIN. That is empirical. There is no sky to it. There are no eastern or western bounds. There are no northern or southern bounds. The President may change his mind. He may have a different opinion the next moment after he has fixed the classification or established the rate, and put his new opinion or judgment into effect swiftly. That is the object of the bill, that things may be done swiftly. Speed! Speed! Change! A new deal! That is the object of the bill. All the considerations must go under and be suppressed if only we attain a new deal.

The proposed law would authorize treaties eliminating particular excessive duties or adding to particular inadequate duties, and it might involve negotiating world tariffs among 60 or 70 nations, every one of which would be different in respect to some article, rate, or form of import duty, or classification of articles or limitations, prohibitions, charges, or exactions other than duties imposed on importations, or imposed for the regulation of imports.

I ask Senators to consider the contrast in these forces and in these policies and in these treatments. On the one hand, as I have said, he may make these particular changes. On the other hand, the law also permits the negotiation of treaties affecting the whole of American tariffs and generally lowering or raising them, involving an entirely different policy and a different execution thereof.

In considering these two different and opposing policies we must review the ancient conflict between conditional most-favored-nation treatment, and unconditional most-favored-nation treatment. We must also recognize that whatever treaty may be made cannot be exclusive, but that the duties and restrictions proclaimed must apply to the same articles of all foreign countries without any quid pro quo from the other countries.

A typical most-favored-nation clause containing a quid pro quo is as follows, and I think this is from probably the finest source to which we can go for it, and that is to Prof. W. W. Wallace, who is Chief of the Division of Foreign Commerce in the Tariff Commission. I quote:

> The contracting parties desiring to live in peace and harmony with all the other nations of the earth, by means of a policy frank and equally friendly with all, engage mutually not to grant any particular favor to other nations in respect to commerce and navigation, which shall not immediately become common to the other party, who shall enjoy the same freely, if the concession was freely made, or on allowing the same compensation if the concession was conditional.

That is a typical most-favored-nation clause according to practice and theory in the United States. What does the bill provide?

On the other hand, the bill gives all the most-favored-nation benefits without the quid pro quo, thus:

> * * * The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly, * * *.

The proposed act is equivocal. It requires that the benefits of each separate treaty be extended to all foreign countries without our obtaining from any of them, save the single country which has allowed us compensation, the quid pro quo for our concession to the treaty country.

The authority to enter into the foreign-trade agreement for a quid pro quo with any particular country is granted by subsection (1) of section 350 (a), page 2, line 17:

> To enter into foreign trade agreements with foreign governments or instrumentalities thereof;

I am referring now to one particular policy, let it be understood. I am not referring to the policy as to the taxes or the policy of the regulating of commerce or the policy of making treaties without any ratification by the Senate. I am dealing with the determination of that preliminary and first question of whether the Government shall be committed by its President to specific changes with limited effect or whether there shall be treaties reducing generally and as a whole the entire standard or level of tariff duties. That is a great question which affects thousands of articles and items. It comprehends the entire book of international relationship between the United States and foreign countries.

Mr. VANDENBERG. Mr. President, will the Senator yield to me for a question?

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

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

Mr. VANDENBERG. What the Senator has been saying is a tremendous challenge; and if the Senate were in any mood to listen seriously to argument upon this subject, it would yield considerable attention to the point he is making. I desire to see if I understand it.

There is pending a so-called "Colombian trade agreement", which we have not been permitted to see, but which we are told involves certain advantages to Colombia in behalf of coffee in our market. Does the Senator say that, having granted a right in respect to coffee to Colombia in our market, we automatically extend precisely the same grant to Brazil, regardless of any payment by Brazil in return for the benefit thus extended?

Mr. AUSTIN. Mr. President, I do. The language of the bill is clear on that point.

In the first place, the definition of duties and other things which the President is empowered to proclaim is extended by section (c), on page 4 at line 7 of the bill, as follows:

> (c) As used in this section, the term "duties and other import restrictions", includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports.

That broadens out the definition; and then, when we read the phrase on line 3 of page 3, it is perfectly obvious that the effect of a treaty with Colombia dealing with any one of these factors in international relations extends, without any quid pro quo which we give or receive in the Colombian treaty, to all foreign countries. Thereby we do the strange act that instead of Colombia's being a most-favored nation, as she normally would be considered, she is the most ill-favored nation on earth, because she pays a consideration, whereas all the rest of the world pay nothing to us.

Mr. LONG. Will the Senator yield?

Mr. AUSTIN. Before yielding further, let me read this phrase of line 3, page 3:

> The proclaimed duties and other import restrictions—

Those are the orthodox words, "proclaimed duties and other import restrictions"; those are the words that are defined as I have pointed out—

> shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly.

There we have something that is wholly inconsistent with the most-favored-nation policy of this country, whether under the conditional or unconditional type of treatment, because by the enactment of such a provision and by its operation we create an absolutely clear discrimination against Colombia. It makes no difference what are the terms of the treaty with Colombia; if they favor Colombia more than any other nation on earth has been favored, more than any other nation is favored today, such nation and all other nations are entitled to the same treatment, without paying what Colombia pays to us for the treatment.

I now yield to the Senator from Louisiana.

Mr. LONG. The Senator has discovered something that I had not noticed in this bill, but it is very clear to me from the language.

The PRESIDING OFFICER. Does the Senator from Louisiana address the chair for the purpose of interrupting the Senator from Vermont?

Mr. LONG. I asked the Senator to yield, and he agreed to yield to me.

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

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

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. In other words, we will say that Cuba has very little oil, but we make a treaty with Cuba allowing oil to come in here at a certain rate, 50 percent less than the normal tariff; and ipso facto that schedule would apply to Colombia, to Venezuela, to Mexico.

Mr. AUSTIN. To every country on earth, if it is a treaty made under this bill.

Mr. LONG. And the only difference would be that while Cuba might be made to pay a little consideration, the rest would come along without having to do any such thing.

Mr. AUSTIN. That is correct.

Mr. STEIWER. Mr. President, will the Senator yield to me?

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

Mr. STEIWER. The Senator from Louisiana has noted the instance of Cuba; and, applying the statement already made by the Senator from Vermont, Cuba would become in that case the most ill-favored nation. Is the Senator perfectly clear that in that instance Cuba would be the most ill-favored nation, or, in the other illustration used earlier in the debate, that Colombia would be the most ill-favored nation? Would it not be true that the United States, having accepted a treaty consideration from one nation only, and then, in return for that, having extended the commercial privileges to all the world, would be the most ill-favored nation?

Mr. AUSTIN. Mr. President, I accept the amendment. I must admit that when I used the phrase "most ill-favored nation" I was thinking of all foreign nations and not of the United States. If we take into consideration the United States as well as its vis-à-vis in the treaty, as well as all the beneficiaries of this measure, then, of course, the United States is the most ill-favored nation of all, because she trades her markets for nothing to all the rest of the world save Cuba or Colombia, as the treaty nation may be.

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

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

Mr. LONG. I believe some people have decided that suicide is the way out of all trouble. It seems that the United States has decided that suicide is the way out of its troubles. [Laughter.]

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

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

Mr. VANDENBERG. Under the interpretation of the Senator from Vermont, using the Colombian Treaty as an example, we would then find ourselves in this situation, as I understand:

Colombia is a minor producer of coffee in export to this market. Brazil is a major producer of coffee, sending us something in excess of $100,000,000 worth of coffee a year. Having traded off our coffee market, then, to Colombia, the minor exporter into our market, we would virtually be cut off from hoping to negotiate any subsequent bargain with Brazil in respect to her enormous export of coffee into our market, because already she would have received her benefits under the Colombian Treaty.

Mr. AUSTIN. That is perfectly true, for a limited period. Our hands would be tied behind our backs for 3 years and 6 months at least. We could not change our situation, however urgent the necessity for it might be. I say "necessity" because we have all come to regard hard times as creating a necessity for desperate action here. However desperate the situation might be, we could not change it for at least 3 years and 6 months.

Mr. President, is it not clear that this question of policy is one of the gravest import to this country, and is a question of legislation? It is clear to me that that is true. I assert that the determination of this policy is a legislative question, and that we see it most clearly when we observe the differences between the two treatments and the two policies.

Under the conditional treaty—I am speaking in the past, Senators will understand—we gave favorable treatment, not once and for all and without qualification, but only to such an extent as we deemed a fair equivalent for what was conceded by the other party to the bargain—the other country. Under the unconditional treaty, however, we agreed completely and unqualifiedly to apply to the imports of the contracting country rates as low as are applied to those of any other country whatever.

These two different treatments have at different times prevailed in the United States. The present firmly established principle of tariff policy is uniform and equal treatment of all nations without preferences, concessions, or discriminations, save only as to Cuba.

The proposed act does not adhere to that treatment. It discriminates against the country which pays a consideration for our concession, and, as has been brought out by the Senator from Oregon, it creates a discrimination of greater severity against the United States of America.

To test the question of whether this is legislation or not in which we are handing over power to a coordinate and separate department of the Government which the people prohibited from legislating, I suggest that if the purpose of the proposed act is to make separate agreements for reciprocal reductions of duty, it is an exclusive province of Congress to determine that policy, and Congress cannot delegate it to the President.

If the purpose is to make agreements with all nations for a general raising or lowering of rates reciprocally, it is the province of Congress to determine that policy, and Congress cannot delegate it to the President.

We have most-favored-nation treaties or Executive agreements with 48 nations. We do not intend to abrogate, denounce, and cancel those treaties and agreements.

Nevertheless, if this amendment should be adopted, and the President should make a treaty with Germany, for instance, for the reduction by Germany of her duty on an article from the United States, in consideration for a reduction of duty by the United States on an article from Germany, every other foreign country would enjoy the benefit of the American reduction without paying anything for it. Germany is one of the countries with which we have a most-favored-nation treaty, which is unconditional. Do not Senators see that her status would be reversed by that act of the President of the United States, and she would be enjoying the treatment of the least favored nation on earth as to the article affected, and our treaty obligations would be violated and broken?

To me such a test is absolutely clear in its effect. It seems to me that that test alone is sufficient to show that we are dealing here with a legislative act, the making of the policy, the making of the law itself, and that we are asked to turn over to the President of the United States the power to say whether the United States shall actually denounce this general policy which she has held since 1922, of unconditional most-favored-nation treaties, and their effect and treatment thereunder, denounce them indirectly by implication through the powers given by the proposed act. That can be nothing less than a legislative determination turned over to the President of the United States to be evidenced by proclamation.

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

Mr. AUSTIN. I yield.

Mr. FESS. If I fully comprehend what the Senator has brought out as a legitimate conclusion, it is that this delegation of power to the President would enable him to exercise a function which would entirely nullify the existing treatment of nations under the most-favored-nation clause of the tariff law.

Mr. AUSTIN. I claim that that conclusion is irresistible. We have obligations today which are solemn and binding and effective with 48 nations under most-favored-nation treaties. They cannot be denounced by the President alone. It requires a legislative act to denounce them, and certain notice must be given as provided in the treaties.

Mr. FESS. In other words, by act of Congress we are asked to delegate to the President authority not only to undo what has been done under the direction of Congress, but to violate our relationship toward other nations in a discriminatory manner that will create ill feeling.

Mr. AUSTIN. Mr. President, there is no other conclusion possible. If the President should exercise the power vested in him by the proposed act, he would have to denounce our most-favored-nation treaties, if he dealt with any one of those nations which are vis-a-vis to us.

Mr. FESS. The Senator is rendering a real service, because that feature of the proposal had not previously come to my attention.

Mr. AUSTIN. Mr. President, I call attention to the fact that in the situation, which I have used as an illustration,

Germany would pay us for what we forbore to her or granted to her. Is not that clear? Germany would pay us a consideration for it. All the rest of the world would obtain it for nothing, because under the proposed act it would be free to all other foreign countries.

The illustration may be extended and multiplied by as many articles as may be involved in trade and by as many countries as now enjoy the most-favored-nation treatment from the United States.

The vastness of the effect is enough to cause Congress to pause before it turns over that extraordinary power of denouncing and canceling our obligations to the great treaty powers of the earth without any legislative performance in the denunciation.

The PRESIDING OFFICER. If the able Senator from Vermont and the able Senator from Ohio will permit the Chair to make so bold as to ask a question for information, do not the Senators understand that the words "favored nation" and "favored-nation clause" are intended to relate only to individual subjects of the countries in the matter of enjoyment of their liberties and in no wise bear any relation whatever to commerce or trade?

Mr. AUSTIN. Mr. President, I understand, on the contrary, that in 1922, under the leadership of Mr. Hughes, now Chief Justice, then Secretary of State, we entered upon an entirely new foreign policy. We then adopted a policy which has been continued and is in effect today a firmly established policy of agreeing in all these unconditional most-favored-nation treaties as follows—I read in order not to make an interpretation of my own, but I wish to follow the terms of a typical most-favored-nation-treaty clause:

> The contracting parties, desiring to live in peace and harmony with all the other nations of the earth, by means of a policy frank and equally friendly with all, engage mutually not to grant any particular favor to other nations in respect to commerce and navigation which shall not immediately become common to the other party, who shall enjoy the same freely if the concession was freely made, or on allowing the same compensation if the concession was conditional.

I believe, sir, that that proves conclusively that this policy or attitude of the nation relates to the attitude of foreign nations, and comprehends commerce and navigation between two countries, and does not generally refer to the acts of individuals, although I well recall certain engagements with a nation of the Orient which I myself had the honor to negotiate for certain American concerns; and I believe it is claimed by other oriental countries that their nationals are entitled to privileges equally as favorable as those granted to American nationals by those oriental governments. That is a special application of the most-favored-nation or the conditional most-favored-nation treatment. I am dealing, however, with treaties between nations, and not with contracts between individuals and nations. Does that answer the question of the Presiding Officer?

The PRESIDING OFFICER. The present occupant of the chair thanks the Senator for his consideration.

Mr. FESS. Mr. President——

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

Mr. AUSTIN. I yield.

Mr. FESS. The Senator has given the interpretation I had in mind. While all these treaties or trade agreements affect individuals or corporations, the delegation of authority and the agreement carried out under that delegation, of course, are diplomatic actions. The dealings are between government and government. What the Senator is talking about is the authority that will be granted by one government to another in the case of individual transactions; and, therefore, while individual items are dealt with, the real authority is diplomatic.

Mr. AUSTIN. Mr. President, I thank the Senator from Ohio for his learned and very clear statement.

Is it not clear that the determination of such a question as is presented by that particular aspect of the bill would be a legislative act? Is it not obvious that what the bill permits is something contrary to the established national policy? I refer to denunciations of treaties. Such a change of policy should not be made by implication, and should not be left to the determination of the Chief Executive in any event. Why? Because when the sovereign people charged the legislature with the duty of performing legislative functions, they prohibited, by virtue of their Federal system of government, the exercise of those powers by any other coordinate and independent department of government.

These observations could well be applied to the second ground of observation; namely, that the policy of the bill is unsound. I use them, however, as bearing upon the first proposition, that the power proposed to be granted to the President is forbidden by the people in the Constitution.

Assuming, however, that we crash through the barrier erected by the people in article I, section 1 of the Constitution, that—

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives—

Do we not then find ourselves on forbidden ground, namely, article I, section 8, clause 1:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, * * *

And article I, section 8, clause 3:

> The Congress shall have power * * * To regulate commerce with foreign nations, * * *.

In dealing with this question I try to express the attitude of the State of Vermont: Whatever authority we have to delegate to the President can rise to no higher degree than the powers expressly delegated by the people acting by States.

When the Federal Congress appears to be exceeding the powers expressly granted to it, when the Congress is considering the passage of a bill that threatens the liberties of the people, then the several States necessarily become the defenders of the Constitution.

The great reservoir of sovereignty rests with the people in the several States.

Vermont was never one of the original colonies. At the declaration of American independence Vermont was an independent State by revolution. For 13 years preceding the American Declaration of Independence, Vermonters conducted a revolution based upon their constitutional rights as Englishmen. They were conscious of the contest between King and Parliament which had prevailed from the Middle Ages to their own day and which had resulted in the Bill of Rights. They were keenly aware that the prerogatives of the King were limited by three constitutional principles so ancient that none could say when they began to exist:

First, the King could not legislate without the consent of Parliament.

Second, he could impose no tax without the consent of Parliament.

Third, he was bound to conduct the executive administration according to the laws of the land.

Vermonters knew these things, and Vermonters had to resort to these things in order to save their homes and their firesides.

Vermonters carved a State out of the royal Province of New Hampshire for the necessity of protecting their contracts, their property, and their business from arbitrary change.

As held by the master in the Boundary case between the State of Vermont and the State of New Hampshire:

> * * * The evidence shows that Vermont was an independent State by revolution. * * *. (Report, p. 99.)

And again:

> Congress recognized that Vermont claimed to be, and exercised the powers of an independent State * * *. (Report, p. 148.)

In the case of *Rhode Island* v. *Massachusetts* (9 Law Edition, 1260) the Supreme Court held:

> New Hampshire and New York contended for the territory which is now Vermont until the people of the latter assumed by their own power the possession of a State and settled the controversy by taking to themselves the disputed territory as a rightful sovereign thereof.

All of the sovereignty which had been represented by the Crown and Parliament devolved upon the several States, and not upon the United States, by the revolution.

This principle has been upheld by the Supreme Court many times.

In *Pawlet* v. *Clark et al.* (13 U.S. 289) it was held:

By the revolution the State of Vermont succeeded to all the rights of the Crown as to the unappropriated as well as appropriated glebes.

In the *Dartmouth College case* (4 Wheat. 651) it was held:

By the revolution the duties as well as the powers of governernment devolved on the people of New Hampshire. It is admitted that among the latter was comprehended the transcendent power of Parliament, as well as that of the executive department.

In *Mormon Church* v. *United States* (136 U.S. 57) Mr. Chief Justice Marshall quoted the foregoing from the Dartmouth College case.

In *McGill* v. *Brown* (Brightly, 346, 373) it was held:

The revolution devolved on the State all the transcendent power of Parliament and the prerogative of the Crown and gave their acts the same force and effect.

Mr. President, it gives me some comfort to record here that Vermonters are faithful to their President. After an election they freely, enthusiastically, and loyally support him, whether he be a Republican or a Democrat.

Notwthstanding their doubts about the new deal, Vermonters have tried to cooperate with the President in his earnest and sincere efforts for relief and recovery. Whenever men in important positions of trust and high office have committed acts that embarrassed the President they have regretted it.

Vermonters still desire to support the President so far as it can be done without violating the Constitution. Constitutional liberty and the free institutions necessary to maintain it cost Vermonters so much, and are regarded as so necessary, that an unconstitutional act proposed to be passed by Congress is opposed by them, notwithstanding their desire to support the President.

In discussing this bill there is no intention on my part to question the relative ability of one President as against that of another to exercise the powers proposed to be granted.

By bitter and costly experience, Vermonters have learned that the Federal system of distinct separation of National and State government, reserving to the State the police power over local affairs, and of a division of Federal authority and responsibility into three independent coordinated departments, is absolutely necessary to preserve the blessings of liberty and to keep government free.

I have not the time to go, nor would I try the patience of the Senate by undertaking to go, into that dramatic, that tragic experience of Vermont which led to her independence and to her position as a sovereign State, and to her becoming one of the contracting parties to the great compact known as the Constitution; but I do graphically point out that after 13 years of revolution, Vermonters encountered and overcame the bitter hostility of Congress—a feeble, almost an effete Congress—which endured for 14 years thereafter, and was expressed by an attempt on the part of Congress to exercise police powers in Vermont that nearly culminated in a war between the Green Mountain State and the United States. Remember, Vermont was not then a Colony or a State of the Union; she was an independent republic.

For 14 years longer, after Vermont's declaration of independence, after the Declaration of Independence of the United States, Vermont conducted an independent republic, founded upon a written constitution, backed by her own army. She had contributed to the common cause of liberty during the American Revolution an effective defense of the northern frontier, closing that great gateway into the Colonies by way of the St. Lawrence River and Lake Champlain. She had maintained her military forces without assistance from others, and had contributed food, hardware, and a regiment to the Continental troops.

Notwithstanding all this, her independence was denied by Congress; her right to join the Union was refused; and she was obliged to, and did, coin her own money, establish her own tariffs, conduct international negotiations, maintain her autonomy, and preserve her State sovereignty against great hazards and at much grievous sacrifice.

Do you wonder, Mr. President, after 27 years of fighting for liberty and constitutional government, that Vermonters resist every attack, not occasionally resist attacks, but resist every attack upon the Constitution of the United States and upon the Federal system of government? Vermonters having fought for 27 years to maintain State sovereignty resist every attempt by Federal power to rob the State of her sovereignty, in an irregular manner and without her consent. Vermonters feel that prosperity purchased at the cost of liberty would not be durable and is not desirable.

The proposed bill strikes at the fundamental law created in part by Vermonters when they ratified the Constitution on January 10, 1791.

On the 4th day of March 1791 Vermont was admitted into the Union as a "new and entire member of the United States of America" (Finding, p. 405). Not being carved out of any other States but as an independent republic, in all her dignity, in all power, and, I will add, in all her glory, she came into the Union under the terms of the Constitution, and when any men or any group or organization attack that relationship, Vermont comes to its defense.

She was the first State to come into the Union after the Original Thirteen States and from that time to this she has frequently recurred to fundamental principles, firmly adhered to the Bill of Rights, and as valiantly supported, as she is now supporting, the Constitution of the United States.

The pending bill contains great cause for fear. It concentrates in the Executive the power to make the law governing our relations, commercially, with our international neighbors, and it concentrates in the Executive the power to create duties, imposts, excises, and to promulgate restrictions, to decide treatment, to fix limitations, to set up prohibitions, to write the very phrases which shall define the classification of articles for import duties, to create the form of such duties. In fact, there is not one single characteristic of legislation relating to international commerce that is not centralized by this proposed bill in the Chief Executive.

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

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

Mr. LONG. Mr. President, the Senator is known as quite a constitutional scholar. I read in the remarks of some of my Democratic associates when this question was before the Senate the last time, logic to this effect, if taxing power of this character could, without any rule, be lodged in the Executive, there was no reason why the power could not be lodged in him to levy income taxes. Would the Senator feel, if the pending bill provided a valid grant to the President, that we could not authorize him to levy income taxes?

Mr. AUSTIN. Mr. President, I cannot follow anybody far enough to recognize that the powers attempted to be granted by this bill are constitutional; and certainly I could not follow the Senator from Louisiana in the suggestion, which I know he does not believe, that we could delegate the power of levying income taxes to the President.

Mr. LONG. I agree with the Senator; I am firmly of the opinion, as he is, that such a grant of power should not seriously be considered to be constitutional, but if this character of legislation is constitutional, which I do not for a moment admit, I see no reason why the President could not be empowered to levy domestic taxes, including income taxes; and if this international treaty power is valid, I can see no reason why we could not add another phrase to this bill authorizing the President to declare war and appropriate money.

I think when we give him the power over international treaties, the power over international agreements, power to make them and power to break them, that we could go one step further and have him be the judge as to when an act of war had been committed and when the national defense should be used for that purpose.

Mr. AUSTIN. The remarks of the Senator from Louisiana bring out in great relief the significance of this dangerous step which we are taking. They bring out the hard

way of the transgressor of the Constitution. We know not when we reach the end of that road, if once we start upon it; we may put the power of the purse in the hands of the Chief Executive now, and later put the power of the sword in his hands—and then where are we? We must foresee, if we are rational legislators, the possibilities. We must examine a proposed law, not solely with reference to its probabilities, but it is our duty, as defenders of the Constitution, under our oath and representing our people, the sovereigns who vested in us this duty, to test this bill and every other proposed act with reference to the possibility of abuse of the liberty of the people.

The bill permits the President to enforce a change of his mind, however suddenly made, by terminating treaties upon due notice, thus exposing our industrial workers, our dairymen, and other agriculturists of this country to the uncertainty and instability of one man's opinion.

The attempted delegation of the taxing power and the power to regulate commerce contained in the pending bill would tend to break up the Federal structure, and therefore menace our liberties.

Now, Mr. President, I wish to discuss the subject of the treaty-making power which is contained in this bill.

The feature of the proposed bill which empowers the President "to enter into foreign-trade agreements" without the approval of the Senate is in direct conflict with clause 2, section 2 of Article II of the Constitution, reading:

> He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; * * *

The use of the terminology "trade agreements" does not take the case out of the connotation of treaties.

In *Foster* v. *Neilson* (2 Peters, 253) the court held that a treaty is, in its nature, a contract, not a legislative act. It is equivalent to an act of the legislature whenever it operates without the aid of any legislative provision. There is a dictum that applies to this situation exactly. It becomes a legislative act whenever it operates without the aid of the Senate.

In *Geofroy* v. *Riggs* (133 U.S. 267) it is held that the treaty power of the United States extends to all proper subjects of negotiations between this Government and those of other nations.

It seems clear that foreign-trade agreements which include in their scope the rate, form of import duties, classification of articles, limitations, prohibitions, charges, and exactions other than duties imposed on importations, or imposed for the regulation of imports, constitute treaties.

Let us see how our forefathers, generation after generation, have looked upon such agreements, because practical construction by intelligent men who have dealt with these questions is the very best evidence of what they mean. The practical construction placed upon such agreements throughout our history has been in accordance with that idea.

There is internal evidence in the bill that the subject matter is treaties; namely, the provision extending the effect of the so-called "trade agreements." The measure provides, on page 3, line 3:

> The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries.

Is that a characteristic of a contract or of a trade agreement? Not at all. It is a characteristic of treaties. It is not a characteristic of simple contracts or agreements. The very language of the proposed act fits the orthodox definition of a treaty. Webster gives us one definition:

> An agreement made by negotiation or diplomacy; specifically, an agreement, league, or contract made between two or more states or sovereigns and solemnly ratified.

The practical construction of agreements relating to tariff throughout our history has been that they were treaties. The entire reciprocity record is uniform in such practical construction.

Agreements, though negotiated, which were not effective because they were not ratified, occurred as follows:

1854, with Germany. That was consummated between the contracting parties; and if it could have been in fact a trade agreement and not a treaty, it would have bound the country; but it never became effective. Why not? Because they put upon it the practical construction that it was a treaty, and because it was not ratified it never went into effect.

1883, with Mexico; 1884, with the Dominican Republic, both of which involved the same situation; 1898, the "Argol agreements" with France, Portugal, Germany, Italy, Switzerland, Spain, Bulgaria, United Kingdom, and the Netherlands. There was a great group of obligations which would have been binding upon the United States and her vis-à-vis if they could have been construed as trade agreements and not treaties. But were they? Ah, no! They were completely negotiated between the contracting parties, but they failed because they died in legislation. The Senate of the United States failed to ratify them. No better proof could be had that they were construed as treaties than the fact that they had no effect because they were not ratified.

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

The PRESIDING OFFICER (Mr. LONERGAN in the chair). Does the Senator from Vermont yield to the Senator from West Virginia?

Mr. AUSTIN. I yield.

Mr. HATFIELD. Does the Senator have the data showing why they failed?

Mr. AUSTIN. Not in that particular case. I know the story of how these treaties perished in the Committee on Foreign Relations of the United States Senate and never came out of that committee, but I do not know the reason why the Senate took no further action on them.

Mr. HATFIELD. Does the Senator take the position that the bill is unconstitutional?

Mr. AUSTIN. That is what I have been spending considerable time discussing, and I have not quite finished.

Mr. HATFIELD. I apologize. I was necessarily absent and did not hear the Senator's entire remarks.

Mr. AUSTIN. I am now making the point that it is unconstitutional because it violates the treaty-making power which is granted to the President only when and if the agreements are consented to and ratified by the Senate. That is the point of my discussion. I am pointing out that the words "trade agreement" are a mere device, that they really mean a treaty, and that they require just as much solemnity to give them effect as if the word "treaty" had been used instead of the words "trade agreement."

I am now pointing out that a great number of reciprocal trade treaties never went into effect for the sole reason that they were not ratified by the United States Senate, or by the parliaments of visa-à-vis countries, thus showing that, in practical construction as to how these reciprocity arrangements were treated, they were treaties requiring ratification and not trade agreements, although the subject matter was exactly and identically the same as the subject matter of the proposed act.

Mr. HATFIELD. As I understand, from a lay point of view, should the bill be enacted into law, as I presume it will be, giving the President the power to negotiate treaties or trade agreements, and should a succeeding Congress decide that it did not want the Chief Executive longer to have that power and the Chief Executive decided that he wished to keep the power, it would take a two-thirds vote of the Senate to pass any measure that had for its purpose the taking away of that authority from the President. Is that true?

Mr. AUSTIN. I do not understand that to be the case. I understand that should this bill be passed and should the President act under it and make any of the agreements, and they were held to be or were regarded in practical effect as valid without ratification by the Senate, then our hand would be palsied for at least 3 years and 6 months.

Mr. President, I now point to cases where ratification did occur, thus furnishing the highest type of proof that the practical construction placed upon these relationships is not that they are trade agreements but that they are treaties.

The following tariff-reciprocity agreements were ratified by the Senate:

1854, Great Britain for Canada.

1890, Great Britain for Newfoundland.

1903, Cuba.

This is proof, with no equivocation and no chance to construe it any differently, of their regard as treaties.

A list of many other treaties not specifically providing for reciprocal tariff but, nevertheless, affecting it by virtue of the most-favored-nation treatment clause is given in a table which I ask unanimous consent to have inserted in the RECORD following my remarks.

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

(See exhibit A.)

Mr. AUSTIN. These indicate the unvarying practice to ratify them as treaties.

Zy whatever name the relationship that would be created under the pending bill may be called, the character of it, and the effect of it upon the life of our people, is such that it amounts to a treaty relationship. It could upset every rate, every classification, every form of duty, and every tariff treatment comprehended in the Tariff Act of 1930. It could injuriously affect every citizen of the United States.

It is of sufficient gravity in effect to require obedience to the command of the Constitution that it be ratified by the Senate.

In conclusion of the first point:

Our forefathers adopted the Constitution of the United States in part as a reaction against economic chaos caused by the impotency of the Continental Congress under the Articles of Confederation, and because there was no satisfactory distribution of powers therein.

The Continental Congress was a mere debating society, a thing toward which we are trending when we delegate our duty and authority to the Chief Executive. That Congress was a mere convention of ambassadors from the several States, a thing toward which we are certainly headed by the type of legislation we have been passing and are now asked to pass. Out of commercial chaos, repudiation of debt, unsupported paper money, and political disorder threatening dissolution emerged the conventions to amend the Articles of Confederation, which resulted in the adoption of the Constitution of the United States, the greatest single achievement for stable government humanity has ever reached.

With such experience to warn us, and in the light of the most remarkable progress in civic, social, and economic development made under and by virtue of that Constitution, can we knowingly and willfully pass a measure so fraught with menace to American institutions and American liberty?

Our forefathers had the general welfare of the people before them in adopting the Constitution. It, with the Bill of Rights, contains the only protection of the people from their Government. If there were but one copy of it extant, it would be cherished and protected above any other possession of the people.

That great Vermonter, Calvin Coolidge, summoned us to the defense of it in the following eloquent words:

> The Constitution is not self-perpetuating. If it is to survive, it will be because it has public support. Such support is not a passive but an active operation. It means making adequate sacrifice to maintain what is of general benefit.
>
> The Constitution of the United States is the final refuge of every right that is enjoyed by any American citizen. So long as it is observed, those rights will be secure. Whenever it falls into disrespect or disrepute, the end of orderly organized government, as we have known it for more than 125 years, will be at hand.
>
> The Constitution represents a government of law. There is only one other form of authority, and that is a government of force. Americans must make their choice between these two. One signifies justice and liberty; the other tyranny and oppression. To live under the American Constitution is the greatest political privilege that was ever accorded to the human race.

Mr. President, in closing the first round of opposition to this measure, as I do, with this eloquent sounding of the trumpets by that great leader of people, I realize that it would make no difference whatever with what authority words such as these were spoken; it would make no difference with what fire they blazed; within these walls they would have no effect. But, thank God, we still live among people who have not lost their character, people who still have courage, who still have a sense of moral obligation, who will hear these words and who will react to these words; and that is why such effort as is made by me here today is made at all within these walls.

2. THE POLICY OF THE PROPOSED ACT IS UNSOUND

I now take the time, even at the discomfort of my colleagues here, to discuss the second reason why I oppose this measure; namely, that the policy of the proposed act is unsound.

The United States has tried out and discarded reciprocity-tariff treaties.

Those treaties were specific as to particular country, and specific as to articles involved on both sides. They were not general. They did not have the effect of a general lowering or raising of American tariffs in exchange or retaliation for a raising or lowering of tariffs elsewhere in the world.

They excited the unfavorable reaction of counterbargaining by other countries against us.

The most notable example of such treaties was the treaty with Canada. We had 11 years' experience with that treaty, beginning with 1855, when the Canadian Parliament ratified it, and ending in 1866.

Vermonters assumed leadership in the abrogation of that treaty, probably because they were at the gateway of the country on the north and most keenly realized the bad effects of the treaty.

In 1864 Representative Justin S. Morrill, of Vermont, offered an amendment to a bill which was designed to appoint a commission to negotiate a new treaty. This amendment was for complete abrogation of the treaty. It was defeated by a vote of 82 to 74. In the Senate, Senator Sumner, of Massachusetts, and Senator Collamer, of Vermont—to whom I have before referred, and to whom I hope to refer again—led the fight for abrogation on the ground of adverse trade balance and the need for more revenue.

In 1865 the Senate passed the Morrill joint resolution for abrogation by vote of 33 to 8, and President Lincoln gave the required year's notice to abrogate, and thus ended the only significant reciprocity treaty this country ever had.

The grounds for abrogation were the distadvantage to the United States in respect to adverse trade balance and diminution of revenue.

Other illustrations are the treaties in 1891 to 1892 with Brazil, Dominican Republic, Spain for Cuba and Puerto Rico, Salvador, Nicaragua, Honduras, Guatemala, and Austria-Hungary.

These treaties proved to be of disadvantage to the United States and were impossible to execute in view of the Democratic Tariff Act of 1894, which placed a duty on raw sugar.

Sugar, under those treaties, was one of the articles agreed by the United States to be admitted free of duty. Therefore those treaties were in effect abrogated by the Tariff Act of 1894. They lasted only 2 years, and they were formally abrogated in the same year, 1894.

After an experience of approximately 100 years with reciprocity treaties, the only reciprocity treaty which survives today is the treaty with Cuba.

Our experience has taught us to know that the competition between countries commercially is very keen, and that bargains in which mutual concessions are made between specific countries and us are a species of economic alliance. They provoke competing alliances among other groups in self-defense.

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

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

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

Mr. FESS. The Senator will remind the country that while in the abrogation of the treaty in 1894 the leadership in the House and Senate was Republican, the measure was signed by a distinguished Democratic President, Grover Cleveland.

Mr. AUSTIN. I thank the Senator from Ohio for his remarks; and I desire to say—I intended to say it before—that I think one of the best evidences of the civic virtue of our people is their ability to accept the verdict of the polls, and to get behind their President and to help him so long as he stays within the Constitution. I am reminded that my own people loved Grover Cleveland. They supported him 100 percent; and when he died, the Republican chairman of the State convention which was held the day following the death of Grover Cleveland opened his keynote speech with a eulogy of that great Democrat, and received a perfect ovation from a crowd that filled the great hall to overflowing.

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

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

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

Mr. LONG. The Senator from Vermont has made a very significant statement, that the people will accept the verdict at the polls. Has the Senator heard it denied yet that the verdict at the polls was a verdict of approval of the Democratic platform promising not to do the very thing we are now doing here?

Mr. AUSTIN. Mr. President, I think that is a justified comment. I have often thought that the program we have been following was not the Democratic program.

Mr. LEWIS. Mr. President——

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

Mr. AUSTIN. I do.

Mr. LEWIS. May I be pardoned if I interpolate at this moment that the eminent leader of the Republican side, the distinguished Senator from Louisiana [Mr. LONG] [laughter], has on several occasions disclosed his capacity to interpolate such appropriate observations as he has just made. What pleases me is to find the able constitutional lawyer from Vermont and the equally eminent constitutional advocate from Louisiana in complete harmony. [Laughter.]

Mr. LONG. Mr. President, if the Senator will pardon me a moment——

Mr. AUSTIN. I yield.

Mr. LONG. I helped write a platform for the Senator from Illinois. He had to stay in the Senate and mind our mutual business. I went over to Chicago to help write a platform; and we wrote a platform there declaring that we would not do what is proposed here, but that we would repeal what already had been done along this line. That was so in keeping with the ideas of my friend from Illinois that when I returned here he assisted me in many of my little party contests and in maintaining my dignity as a Senator in this body.

Mr. President, I have not yet heard from the Senator from Illinois; I do not know whether he still is in the Democratic Party or not; but assuming that he is, knowing that he understands the meaning of words, I can assure the Senator that he and I are both going to stand together in initiating the quondam Republicans into the Democratic Party. It is not often that a party is deserted en bloc. Down in the South American countries a whole army will be fighting on one side, and the first thing you know they will take the whole army and put them on the other side of the fence. Manifestly nobody knows just where the Democratic Party in the Senate has gone, but it has deserted the Democratic platform, it has deserted the promises of President Roosevelt, and if there is a Member on the Democratic side of the Chamber who will say that this bill is not a violation of the Democratic platform and of the promises of Roosevelt, I have not yet heard it said. It is a conspiracy of silence. It is the march of suicide. I do not recall the exact wording of that famous suicide verse, but it was somewhat as follows: "Come, Romeo, hold my hand, and I will reach as far as I can."

[Laughter.]

Mr. LEWIS. Mr. President, if I may be pardoned, will the Senator yield?

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

Mr. AUSTIN. I am very glad to yield.

Mr. LEWIS. It is true I was in the convention, and then had to leave it to return to duties here, but I left it in the hands of such flaming lights as the honorable Senator from Louisiana, whose trail of glory is still to be seen when one reflects upon the Democratic convention.

I answer him, that for myself, he may have no doubt I stay with the Democratic Party, because it is right and righteous. I remain with the Democratic Party because it is attempting to guide itself along the righteous path, and if it shall fall to me to undertake the task of bringing back any deserter, if there be such from the Democratic Party, into the Democratic Party, I would turn to the eminent Senator from Louisiana, with the desire of bringing him back to the faith of his fathers, and would welcome him as a brother under those conditions.

In the meantime, sitting, as he does, upon the side of the honorable opponents, he lends them the benefit of his guiding spirit, and I have no doubt they are much gratified in having a leadership so eminent and potent as that of the distinguished Senator from Louisiana. [Laughter.]

Mr. LONG. Mr. President, the Senator from Vermont has been very generous, but I should like to have him yield to me just to say one word in defense of the Democratic Party.

Mr. AUSTIN. I gladly yield to the Senator from Louisiana. I hope, however, that the gentlemen on the other side of the aisle have decided who has the opening and close of this delightful interlude.

Mr. LONG. As is well known, the Democratic Party in the last campaign stood on the assurance that it was telling the truth that time; in other words, we declared in the campaign document which we wrote in Chicago—and I assume the declaration would have been written in it had my friend remained in Chicago; in fact, I think it probably would have been couched in a little bit stronger language—that the party stood on its record for telling the truth, and that the party said to the people, "We want you to know what we are going to do now. We are going to repeal this power to break a tariff which has been lodged in the hands of the President." That is what the party said in effect, in almost those words.

If they had no idea as to what they were doing, all they had to do was to turn to the votes cast by myself and by the Senator from Mississippi and by the Senator from Illinois, who had voted just a few days before that to annul the flexible provision of the tariff law.

I say to my friend from Illinois, if he is to bring me back into the party, assuming I am out—so far as some things are concerned, I may be out—if we are to bring anyone back into the party, what are we to bring them back to?

Mr. AUSTIN. Mr. President, I am sorry to interrupt the Senator from Louisiana, and though I should like to help the Democratic Party to the full, I must go on with this speech in the interest of arriving at a vote.

Mr. LONG. I thank the Senator from Vermont.

Mr. AUSTIN. I was undertaking to point out that the history of a hundred years of experience with reciprocity agreements was replete with evidence of such agreements provoking other national groups to make like agreements that were opposed in interest to this country, and, therefore, we should not step out, in the light of such experience, and revert to an ancient policy and an ancient practice which always did us harm, and which we finally repudiated and turned away from entirely in 1922.

I have already pointed out, in discussing the unconstitutionality of the bill, that the policy of the bill is unsound, for the reason that it confuses our commercial relations under the most-favored-nation treatment policy which we have followed since 1922. In 1922, under the leadership of Mr. Justice Hughes, then Secretary of State, we assumed the attitude of unconditional most-favored-nation treatment, which is our present policy.

The confusing effect of a program of tariff bargaining is indicated in two tabulations, and an explanatory statement published in the monthly bulletin of the American Tariff League of May 1934, which I ask unanimous consent to have inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit B.)

Mr. AUSTIN. Mr. President, these tables show the extent to which concessions granted to principal European countries would be passed on to most-favored nations without any quid pro quo. They are evidence which show the unsoundness of the policy of this measure.

DEFENSE FROM DISCRIMINATION WITHDRAWN

I now come to something else. To me this is the most amazing unsoundness in the bill, and I have not heard it adverted to, perhaps because I have not been able to be in the Senate all the time and to hear all of the discussion. I refer to the subject of the withdrawal of defense from discrimination. Having adopted that great, altruistic policy of unconditional most-favored-nation treatment to all the nations of the earth, we have to have some defense against discrimination by foreign nations.

A serious injury which the proposed bill would do to the well-rounded-out and perfected tariff law of the United States would be the repeal by the proposed bill of all of those provisions in the tariff system in advance of negotiations for substitutes. With these provisions taken out of the 1930 law the United States will be entirely disarmed, and labor and capital of this country will be without any defense whatever from foreign discrimination.

These provisions in the law were put there because from experience we found that they were necessary in view of the special bargaining policies of Spain and France, and the intraimperial preference policy of Great Britain.

Our attitude of equal rates for all and special privileges for none must have some sort of sanction behind it. This was the sanction; that is to say, the power behind the most-favored-nation policy of this Government.

Mr. President, these provisos which I call to the Senate's attention will be expressly, wholly, completely repealed, whenever we pass the pending bill and it becomes a law.

Paragraph 369 (a) of the Tariff Act of 1930 covers automobile trucks, automobile-truck and motor-bus chassis, automobile-truck bodies, motor busses designed for carriage of more than 10 persons, and so forth. It is quite an item. We have this in the law as it exists today as the only defense, with other provisions, against discriminatory practices and treatment by foreign nations:

(d) If any country, dependency, province, or other subdivision of government imposes a duty on any article specified in this paragraph, when imported from the United States, in excess of the duty herein provided, there shall be imposed upon such article, when imported either directly or indirectly from such country, dependency, province, or other subdivision of government, a duty equal to that imposed by such country, dependency, province, or other subdivision of government on such article imported from the United States, but in no case shall such duty exceed 50 percent ad valorem.

Again, the bill proposes to repeal, right now, the proviso to paragraph 371, which relates to bicycles and parts thereof, not including tires, and it provides the same kind of a defense duty.

Then we turn to paragraph 401, and we discover there something that is very important to the people of Vermont:

Timber hewn, sided, or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber not specially provided for; all the foregoing if of fir, spruce, pine, hemlock, or larch—

And so forth.

Here is a concession that is repealed:

Provided, That there shall be exempted from such duty boards, planks, and deals of fir, spruce, pine, hemlock, or larch, in the rough or not further manufactured than planed or dressed on one side, when imported from a country contiguous to the continental United States, which country admits free of duty similar lumber imported from the United States.

That proviso would be repealed by the passage of this bill. Now, let us find another. This is a part of a proviso to paragraph 1402:

If any country, dependency—

And so on, charges a duty in excess of the duty therein provided, then a duty corresponding or equal thereto shall be charged by the United States. What does this apply to?

Paper board, wall board, and pulpboard, including cardboard, and leather board or compress leather, not plate finished, supercalendered or friction calendered, laminated by means of an adhesive substance, coated, surface stained or dyed, lined or vatlined, embossed, printed, decorated, or ornamented in any manner, nor cut into shapes for boxes or other articles and not specially provided for—

But that is not all. We are building up here quite a volume of articles, are we not, from which the defense is removed?

The next one is paragraph 1650.

Coal, anthracite, semianthracite, bituminous, semibituminous, culm, slack, and shale, coke; compositions used for fuel in which coal or coal dust is the component material of chief value, whether in briquets or other form.

What do we do to this? We take away the defense provision of the section which provides—

That if any country, dependency, province, or other subdivision of government imposes a duty on any article specified in this paragraph, when imported from the United States, an equal duty shall be imposed upon such article coming into the United States from such country, dependency, province, or other subdivision of government.

We are going to wipe that out, however.

Then turn over to paragraph 1687, and what have we there?

Gunpowder, sporting powder, and all other explosive substances, not specially provided for, and not wholly or in chief value of cellulose esters.

And the proviso which affords our Government the power to defend itself against discrimination in respect to those articles is to be wiped right out.

Then we turn over to the next one. Here is one which affects the State of Vermont very closely; namely, paragraph 1803.

Wood:

(1) Timber, hewn, sided or squared, otherwise than by sawing, and round timber used for spars or in building wharves; sawed lumber and timber, not further manufactured than planed, and tongued and grooved; all the foregoing not specially provided for.

There the defense provision of the statute is provided expressly to be repealed entirely, completely, without any condition attached to it.

What does that mean? These provisions are for defense by the United States against unfair practices and discriminatory duties by other countries.

The bill takes to pieces the Tariff Act of 1930. The assumption seems to be that the United States would be successful in negotiating treaties containing mutual concessions and bargained rates upon every article to which I have referred, and with every country that exports articles to which I have referred in these sections. This is a large order.

Will Rogers has said:

The United States never lost a war and never won a conference.

One does not have to be as pessimistic as this statement suggests to realize the danger of removing these defense duties from our tariff system in advance of negotiations for substitutes. With these provisions taken out of the 1930 law, the United States will be entirely disarmed and labor and capital of this country will be without any further defense whatever from foreign discrimination.

Like children, we tell our President to go to the world with a negotiation which was difficult enough, assuming that we had these defense duties in our law and had some sanction behind him; but we took it all away. We removed the only real strategic power that he has to use in negotiation.

These provisions in the law were put there because from experience we found that they were necessary in view of the

special bargaining policies of Spain and France, and the intraimperial preference policy of Great Britain. Our attitude of equal rates for all and special privileges for none must have some sort of sanction behind it. This was the sanction. There is no other.

Taking to pieces the Tariff Act of 1930 in this manner seems like a child taking his toy to pieces in the belief that he is mending it.

If our tariff bargaining should be conducted in the same manner in which Congress would be acting in this respect, the business of the United States would be ruined by this feature of the bill. Congress would remove in advance the most effective asset that the President might have for trade. If we must give the President the power to make rates, let us not cripple him in advance by repealing these sanctions.

If these defense duties should become unnecessary as a consequence of treaties made, then, and not until then, ought they to be repealed.

Apparently, the President will be forced to make treaties regardless of their effect after we have repealed these defense duties.

Is that not a smart position for us to put the negotiator of this country into? Any man who has had any experience at all in negotiating with foreign nationals and with foreign countries knows that he must have behind him all the power and sanction that he can possibly gain and keep, for they are not children in diplomacy and intrigue and all the devices and arts of arriving at an advantageous result in a conversation across the international table.

The bill is entirely unsound in this regard. That part of it should be struck out if the bill is to be passed.

Mr. President, I now proceed to a discussion of another point which, of course, bears upon my second proposition, that the bill is unsound, and that is that the bill is opposed to protection as a theory of tariff making. The proposed act is opposed to the American plan of protection. It will be noticed that I say "the American plan of protection." I suppose that if I took the political attitude alone, and laid the proper stress upon the political side of this question, I would say "the Republican plan", but I have always found in a lifetime of contest in my profession that the strongest position that can be taken in a contest in any forum is that one which is as near the truth as it can be arrived at, and I think the history of tariff making shows that the protective plan is an American plan. In States that have been Democratic, always protection for the products of such States which need protection is chosen as their pet plan. So I choose to discuss the question of the unsoundness of this measure on the basis that it is in conflict not with the Republican plan or the Democratic plan, but that it is in conflict with the American plan of protection.

The theory of the bill is to admit foreign goods and not to exclude them; it is to increase the quantity of foreign goods admitted and not to diminish the quantities thereof. It is to open our markets, which are the finest and greatest markets of the world, to foreign competition. It is to remove protection from labor; it is to introduce the products of foreign labor. All its immediate objectives are claimed in the bill to be for the purpose of promoting outlets in foreign markets for the products of our own labor, but we must pay, therefore, the price of increased competition. That is frankly admitted in the terms of the bill.

No basis of interchange is established by the bill. It invests the President with the power to legislate the basis in every case. He makes the law; he determines what shall be the basis of the exchange. All this is distinctly in opposition to the American doctrine that duties should be fixed with reference to the difference between the standard of living in the United States and that abroad and the difference in wages and other costs of production. This necessary protective basis is utterly ignored by the bill. The welfare of the American people is exposed to the hazard of tariffs fixed on the European basis or the Asiatic basis. Not a single treaty could ever be made without yielding to that foreign influence.

The well-known difference in our form of government from that of European governments, the historic difference in the attitude of the Government of the United States toward its people from that of rulers and the ruling classes of European governments toward their people, advises us of the unsoundness of the proposed change.

The effect of such an act on the people of Vermont would be so poignant, in view of their accessibility to foreign competition, that I use Vermont for illustration of the practical unsoundness of the measure.

Vermont is an agricultural State in which dairying is the principal activity. Three-fourths of the milk shipped into Boston every morning is produced in the State of Vermont. That great milkshed, the Province of Quebec, is readily accessible to the same market. The tariff is a great rock of protection in whose shadow Vermonters find the only safety they have ever had from competition in this one commodity.

Moreover, Vermont's place in industry is important. The State supplies about 60 percent of the monumental and statuary marble of the country and about 29 percent of the building marble. Vermont is truly the granite center of the world. The employees of this industry are highly paid specialists. Barre, Vt., is said to have the highest average wage scale of any city in the United States. From the Barre quarries alone in 1928 there were shipped 252,232 tons of granite—that is, granite in the rough—and approximately 1,514,000 cubic feet of granite were used in finished memorials.

There are 1,790 manufacturing establishments in Vermont; approximately 32 percent of the people there gain their livelihood from industry.

In the textile industry, the census figures for 1925, which are the latest available, show that in that year $14,327,688 worth of woolen and worsted goods were manufactured, and more than $3,000,000 worth of cotton goods.

A brief address of Gov. Stanley C. Wilson on Vermont's place in industry, broadcast from Station WBZ on November 28, 1931, gives a graphic picture of Vermont's activities. It is these activities that would be directly injured by the enactment of the proposed legislation. I ask, Mr. President, that the address by Governor Wilson may be inserted in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, permission is granted.

(The address referred to appears at the conclusion of Mr. AUSTIN's speech.)

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

Mr. AUSTIN. I yield.

Mr. VANDENBERG. I think the Senator is thoroughly justified in worrying about what may happen to the industries of his State under this contemplated prospectus. If the pending bill shall be administered by the Executive policy committee of the President, as seems probable, and if the committee shall be dominated by Professor Tugwell, as seems entirely probable, inasmuch as he is a member of the committee and usually dominates anything of which he is a member, I call the Senator's attention to the fact that Mr. Tugwell is the author of the following sentence, testifying before the House committee:

I think he—

Mr. Weaver—

believes that no industry is entitled to support by a tariff, and I may say personally that I agree with him.

I submit that to the Senator as a justification for his position.

Mr. AUSTIN. I appreciate having that statement in the RECORD in connection with my remarks.

Mr. LONG. Mr. President, if the Senator from Vermont will allow me, another Senator on this side in addition to myself would like to know when that statement was made and by whom?

Mr. VANDENBERG. It is a quotation from the eminent Dr. Tugwell, testifying before the House Committee, I think, on Agriculture at the present session.

Mr. WALSH. What was the date?

Mr. VANDENBERG. I am unable to give the date, but the quotation literally, as found at page 9580 of the CONGRESSIONAL RECORD, is as follows:

I think he—

Referring to Mr. Weaver, who had preceded him—

I think he believes that no industry is entitled to support by a tariff, and I may say personally that I agree with him.

Mr. LONG. Mr. President, if the Senator will yield——

Mr. AUSTIN. I yield.

Mr. LONG. The present President of the United States stated most specificially that, instead of there being any reduction in the tariff rates on agricultural commodities, they should be increased. I cannot understand how Mr. Tugwell is now coming here to take the position that he is going to wipe out our agricultural tariffs, when it was the promise of the Democratic Party and Mr. Roosevelt, both of them, that there ought not to be any reduction, and that it would be ridiculous to make a reduction in tariffs on agricultural commodities.

Mr. WALSH. That was before the election, though?

Mr. LONG. Yes; that was before the election.

Mr. VANDENBERG. That was also before he reduced the tariff on sugar.

Mr. AUSTIN. Mr. President, I feel that my remarks are illuminated by these interpolations, and I am very grateful to the learned Senators who have helped me out in this regard. However, I must hasten on, for I feel bound to finish my remarks tonight, in the interest of making progress toward a vote on this bill.

Important forest products, including the manufacture of organs, toys, screen windows and doors, spools and bobbins, plywood, shooks, clothespins, agricultural implement handles, veneer, furniture, penholders, brush handles, as well as manufacturers of portable ovens, gear shapers, and heavy machinery of many varities, would be exposed to the effect of negotiated tariffs determined in part by their competitors abroad and in part by the Chief Executive, and foreign competitors are not so far away, Mr. President; in 2 hours one can go from one industrial center of the United States to an industrial center of the Dominion of Canada.

A tariff affecting any one of the articles I have mentioned, created by means of negotiation between a representative of the United States and a representative of the Dominion of Canada, must necessarily be affected by the interests of both negotiators.

The principal sufferers would be the workmen employed in these industries.

Vermont has already experienced the injury which can come from tariff tinkering in the reduction of the rate on maple sugar from 8 cents per pound to 6 cents per pound, and on maple sirup from 5½ cents per pound to 4 cents per pound, and in the reduction of the rate on agricultural forks, hoes, rakes, and parts thereof, from 30 percent ad valorem to 15 percent ad valorem, and on bent-wood furniture from 47½ percent ad valorem to 42½ percent ad valorem.

But that is only a straw on the surface of the stream indicating the trend of the current. The great danger, the great menace, is the havoc with confidence which the bill would create.

Assuming that the rates of duty on timber, wood products, butter, milk, cream, hay, maple sugar, talc, marble, granite, slate, wheat, corn, rye, flour, textiles, ovens, gear shapers, and other heavy machinery, should not be lowered, nevertheless, the ghastly fear that in a day protection may be removed from any of them destroys confidence, curtails long-time planning, reduces protection, and increases unemployment.

We know that if this bill should pass, somebody must pay the price of reduced rates of duties.

Who will that be?

Every man in business is potentially that person. Therefore, every man in business is injured by the bill.

It is admitted that one man given the authority contained in this proposed law could make treaties more expeditiously, could change rates more speedily, could legislate forms of import duties, could write the phraseology and classifications of articles, could impose limitations and prohibitions, could promulgate charges and exactions other than duties, much more quickly than can Congress. But this is not a sound reason for enacting the proposed law. By the same token a complete change of our republican form of government to an absolute monarchy should be made, for an absolute monarchy can govern more expeditiously and speedily than a republic.

Our forefathers, thank God, chose a republic. They devised means of preventing haste in the administration of government in the interest of stability and security.

I oppose the bill because it creates instability, destroys confidence, provokes international retaliation; because it is in conflict with our fundamental law, is still another step away from free government, and because it is a futile attempt to purchase prosperity at the cost of liberty.

In conclusion, Mr. President, I make myself the mouthpiece for the great statesman Collamer, with whose remarks I opened my address. I read the closing paragraph of that great tariff speech made by him about 100 years ago, for the prophecy made by him therein came true. I believe that prophecy belongs to the situation of today and will come true in the future. I quote:

The sands of my hourglass are nearly run out, and I must close. I choose not to leave the impression that my hopes of my country's final destiny depend on this bill, though I doubt not, if this policy were adopted and persisted in, it would destroy our prosperity; but, sir, there is an elasticity and recuperative energy in the intelligence, enterprise, and resources of this people by which they will redeem themselves. If this is adopted, this people will, under it, suffer deeply; but when suffering they will seek relief, as they have heretofore done, by again abandoning the policy. And though this people may be again deeply convulsed, and though that convulsion may not be a death struggle, yet in the paroxysms of their agony they will crush the party and authors of their sufferings.

EXHIBIT A

Countries entitled to most-favored-nation treatment from the United States

UNCONDITIONAL

Country	Termination: Required notice or earliest date
Europe:	
Albania	No provision.
Austria	12 months.
Bulgaria	3 months.
Czechoslovakia	1 month.
Estonia	[1] May 1936.
Finland	1 month.
Germany	[1] October 1935.
Greece	1 month.
Hungary	[1] October 1936.
Latvia	[1] July 1938.
Lithuania	1 month.
Norway	[1] September 1935.
Poland	1 month.
Rumania	Do.
Spain	3 months.
Turkey	12 months.
Yugoslavia	Do.
America:	
Brazil	No provision.
Chile	15 days.
Cuba	6 months.
Dominican Republic	1 month.
El Salvador	[1] September 1940.
Guatemala	1 month.
Haiti	Do.
Honduras	[1] July 1938.
Nicaragua	1 month.
Asia:	
China	No provision.
Persia	1 month.
Siam	12 months.
Africa:	
Egypt	3 months.

CONDITIONAL

Europe:	
Belgium	12 months.
Denmark	Do.

[1] 12 months' notice.

Countries entitled to most-favored-nation treatment from the United States—Continued

CONDITIONAL—continued

Country	Termination: Required notice or earliest date
Europe—Continued.	
Italy	12 months.
Portugal	No provision.
United Kingdom	12 months.
America:	
Argentina	No provision.
Bolivia	12 months.
Colombia	Do.
Costa Rica	No provision.
Paraguay	12 months.
Asia:	
Borneo	No provision.
Japan	6 months.
Africa:	
Ethiopia	[a] September 1938.
Liberia	No provision.

Source: Tariff Bargaining Under Most-Favored-Nation Treaties, pt. IV of United States Tariff Commission report under Senate Resolution 325.

EXHIBIT B

Principal imports into the United States from leading European countries, 1929, together with a record of the percentage of each commodity coming from the given country and from countries with most-favored-nation agreements

(Commodities are arranged in order of importance in 1929. Items on the free list in the act of 1930 are excluded, but items free in 1929 and now dutiable are included. Percentages are based on physical quantity unless otherwise indicated.)

Country and commodity	From given country	From most-favored nations: Unconditional	From most-favored nations: Conditional	Principal country
BELGIUM				
13 items, 44 percent of total:	Percent	Percent	Percent	
Diamonds, cut but not set	48	1	2	United Kingdom.
Woven fabrics of flax	36	8	55	Do.
Structural shapes and building forms.	48	33	2	Germany.
Leather gloves, women's and children's.	11	39	18	Do.
Plate glass, unsilvered	70	16	2	Do.
Cotton tapestries, etc. (value)	28	20	20	Do.
Hydraulic cement	69	2	29	Denmark.
Window glass, plain	56	33	1	Czechoslovakia.
Linen damask and manufactures (value)	10	43	47	Germany.
Wood furniture, not reed (value)	12	21	39	United Kingdom.
Asbestos shingles and slates	84	2	[1]	Germany.
Firearms (value)	69	13	18	United Kingdom.
Calf and kip upper leather	4	45	27	Germany.
CZECHOSLOVAKIA				
15 items, 60 percent of total:				
Leather shoes	73	9	7	United Kingdom.
Beads (value)	60	11	20	Japan.
Linen damask and manufactures (value)	36	6	57	United Kingdom.
Jewelry (value)	41	23	9	Germany.
Cotton cloth, printed, etc.	20	6	47	United Kingdom.
Hat bodies of wool felt	7	5	77	Italy.
Leather gloves, women's	7	32	29	Germany.
Linen towels and napkins	40	9	51	United Kingdom.
Plain window glass	29	4	57	Belgium.
Glassware, cut or decorated (value)	23	17	19	Germany.
Calf and kip upper leather	5	40	30	Do.
China household tableware, decorated.	6	25	65	Japan.
Imitation precious stones (value)	68	24	2	Germany.
Fur-felt hats, women's	32	30	9	Austria.
Agate, horn, and glass buttons	42	41	8	Germany.
FRANCE				
15 items, 29 percent of total:				
Pearls, not strung or set (value)	57	1	39	United Kingdom.
Leather gloves, women's and children's.	32	39	29	Germany.
Silk wearing apparel (value)	68	6	25	Japan.
Broad fabrics, all silk, colored, etc.	38	12	39	Do.
Diamonds cut, but not set	5	[1]	50	Belgium.
Cigarette paper, books, etc.	98	1	1	United Kingdom.
Cotton laces, machine made (value)	70	18	10	Germany.
Walnuts, shelled	52	42	2	China.
Silk laces, embroideries, etc. (value)	68	9	20	United Kingdom.
Silk plushes, velvets, and chenilles	40	56	3	Germany.
Rayon yarns, threads, and filaments	22	34	24	Do.
Cheese	8	7	44	Italy.
Mushrooms	88	2	7	Japan.
Calfskins, wet salted	15	26	14	Germany.
Linen handkerchiefs	17	7	67	United Kingdom.

[1] Less than 1 percent.

[a] 12 months' notice.

Principal imports into the United States—Continued

Country and commodity	From given country	From most-favored nations: Unconditional	From most-favored nations: Conditional	Principal country
GERMANY				
5 items, 21 percent of total:	Percent	Percent	Percent	
Cotton gloves	97	1	1	Czecholslovakia.
Leather gloves, women's and children's.	32	7	29	Italy.
Coal tar colors, dyes, etc.	62	0	2	United Kingdom.
Calf and kip upper leather	38	7	30	Do.
Hosiery-knitting machines	99	0	1	Do.
Rayon yarns, threads, filaments	33	1	24	Italy.
Goat and kid upper leather	57	1	26	United Kingdom.
Silk plushes, velvets, chenilles	52	4	3	Italy.
China household tableware, decorated.	24	7	65	Japan.
Sensitized films, not exposed	34	[1]	1	Belgium.
Blown glassware (value)	64	22	6	Czechoslovakia.
Structural shapes and building forms.	33	[1]	50	Belgium.
Cotton hosiery	83	[1]	13	United Kingdom.
Leather bags, cases, etc. (value)	41	7	31	Do.
Iron and steel pipes and tubes	24	1	15	Do.
ITALY				
15 items, 54 percent of total:				
Olive oil, edible	74	18	[1]	Spain.
Cheese	43	7	2	Greece.
Tomatoes, canned	93	1	0	Spain.
Hat bodies of wool felt	74	14	1	Czechoslovakia.
Cigarette leaf tobacco	29	71	[1]	Greece.
Hats of straw, grass, etc.	25	10	15	Japan.
Cherries, natural	93	1	0	Yugoslavia.
Almonds, shelled	45	52	1	Spain.
Leather gloves, women's and children's.	17	39	12	Germany.
Rayon yarns, threads, and filaments	21	34	4	Do.
Lemons	98	[1]	1	United Kingdom.
Tomato paste	99	[1]	[1]	Spain.
Jute burlaps	2	4	9	United Kingdom.
Flax laces, embroideries, etc. (value)	23	45	5	China.
Silk fabrics, broad, except pile	6	12	63	Japan.
NETHERLANDS				
9 items, 54 percent of total:				
Diamonds, cut but not set	43	[1]	50	Belgium.
Tobacco leaf for cigar wrappers	99	1	0	Cuba.
Lily of the valley pips, lily, tulip, and narcissus bulbs.	79	12	8	Germany.
Rayon yarns, threads, and filaments	15	34	24	Do.
Calf and kip upper leather	12	45	30	Do.
Hyacinth bulbs	97	[1]	0	Do.
Calfskins	6	30	14	Do.
Starch	93	5	2	Do.
Milk, condensed and evaporated	62	[1]	1	Denmark.
SWEDEN				
7 items, 16 percent of total:				
Steel bars	39	15	33	Belgium.
Matches in boxes of not more than 100.	37	46	2	Finland.
Calfskins, wet salted	16	26	14	Germany.
Flat wire and steel strips	65	17	17	United Kingdom.
Wire rods	53	26	9	Germany.
Antifriction balls, rollers and bearings.	47	15	30	United Kingdom.
Cattle hides, wet salted	1	14	55	Argentina.
SWITZERLAND				
14 items, 72 percent of total:				
Watches and watch movements	99	[1]	[1]	Germany.
Cheese	25	7	44	Italy.
Coal-tar colors, dyes, stains, etc.	34	62	2	Germany.
Material for hats of straws, etc.	34	34	32	China.
Cotton cloth	24	15	56	United Kingdom.
Cases, dials, and parts of watches (value).	92	2	[1]	Germany.
Reptile upper leather	20	36	14	Do.
Silk broad fabrics, dyed, etc.	11	13	38	Japan.
Aluminum, metal, scrap, and alloy	11	24	7	Norway.
Leather boots and shoes	5	82	7	Czechoslovakia.
Cotton handkerchiefs and mufflers, lace trimmed or embroidered, etc.	83	11	2	China.
Jewels for watches, etc. (value)	92	[1]	4	Italy.
Artificial horsehair and manufactures (value).	91	6	2	Germany.
Rayon yarns, threads and filaments	4	34	24	Do.
UNITED KINGDOM				
15 items, 24 percent of total:				
Wool woven fabrics, heavyweight	76	13	3	Do.
Woven fabrics of flax (except table damask).	54	8	37	Belgium.
Jute burlaps	8	4	3	Germany.
Carpet wool (dutiable)	16	40	16	China.
Rough tanned leather	69	1	[1]	Germany.
Cotton cloth, printed, etc.	42	26	5	Czechoslovakia.
Combing wool	12	1	17	Argentina.
Cotton cloth, not bleached	83	10	[1]	Czechoslovakia.
Pearls, not strung or set (value)	37	1	2	Japan.
Wool rags, flocks, mungo	65	10	4	Germany.

[1] Less than 1 percent.

Principal imports into the United States—Continued

Country and commodity	From given country	From most-favored nations		
		Unconditional	Conditional	Principal country
UNITED KINGDOM—continued				
15 items, 24 percent of total—Contd.	Percent	Percent	Percent	
Wool noils	73	19	5	Germany.
Lining leather, calf and kip	95	4	(1)	Czechoslovakia.
Linen table damask (value)	46	43	10	Do.
Cotton yarns and warps	94	5	(1)	Germany.
Earthen and crockery tableware, etc.	32	25	34	Japan.

[1] Less than 1 percent.

EXHIBIT C

Address of Gov. Stanley C. Wilson, of Vermont, on Vermont's Place in Industry, broadcast from station WBZ, November 28, 1931:

VERMONT'S PLACE IN INDUSTRY

In my monthly talks to you this year about Vermont, I have devoted most of my time to problems and facts concerning agriculture and the recreational business. I do not want you to get the idea, however, that Vermont has no standing as a manufacturing State. In fact, although my State is properly classed as agricultural, our industries take creditable position when compared with those of other States. Just to show that this is true, let me tell you a few facts about our industries.

Vermont leads all States in the production of monumental granite, and has honorable position as to building granite. Excellent granite deposits cover large areas in the State and many of them are utilized. Barre, Vt., is truly called the granite center of the world. The employees in this industry are highly paid specialists. Barre is said to have the highest average wage scale of any city in the United States. From the Barre quarries alone in 1928 there were shipped 252,232 tons of granite and approximately 1,514,000 cubic feet were used in finished memorials.

Vermont leads all States in the production of marble. The State supplies about 60 percent of the monumental and statuary marble of the country and abou 29 percent of the building marble. Vermont marble is noted for its beauty. There are more than a hundred varieties, ranging in color from pure white to jet black. Many of the most beautiful buildings and statues in the country are made from this stone. It is to be noted that the great new Supreme Court Building in Washington is to have Vermont marble exterior.

Of slate, with the exception of one State, Vermont produces more than twice the stone quarried by all the other States in the country. The old-fashioned slates on which we used to do our sums when I was a boy in school have gone out of style, but slate is now used in its natural state or pulverized and manufactured for roofing, tiles, billiard-table tops, mantels, stair treads, and many other uses.

Most of us when we speak of talc think of the talcum powder that is so useful for the toilet of the society belle or the baby, but in fact the great uses are in the manufacture of paper, rubber goods, waterproof paint, gypsum, wall plasters, soaps, etc. In the production of talc Vermont holds second place among the States.

Vermont has great deposits of asbestos and is forging ahead in their development with but few sections in competition.

Other Vermont minerals now being successfully utilized include lime, gypsum, and clay. Vermont has extensive deposits of copper and at one time produced the highest grade copper ore in the world. We also have lead, iron, and arsenic deposits that have been utilized to some extent.

The extent of the use of granite, marble, and other stone and mineral deposits is shown by the 1925 census figures which give the value of these products in the State for that year as $20,062,824.

Even though not considered a manufacturing State, Vermont is well above the national average for percentage of populations actually engaged in manufacturing. According to the latest figures available, Vermont has 1,790 manufacturing establishments large enough to count.

Approximately 32 percent of the people of our State gain their livelihood from industry. The total value of manufactures according to the 1925 census was $138,269,861.

In St. Johnsbury, Vt., is the largest scales factory in the world; while in Rutland is the second largest. In Rutland, also, is located the largest company in the world making maple-sugar utensils, together with the largest concern manufacturing granite and marble-working machinery.

In Winooski is situated the largest screen factory in the world; while Burlington leads the world in the production of portable ovens, brush fiber, package dyes, and butter color. A plant at Weathersfield leads the world in the variety of its soapstone products. In Brattleboro is the largest pipe-organ factory in the United States. In Orleans is located 1 or 2 plants under the same management which manufacture the greater part of the sounding boards used in this country. In Bellows Falls is the second largest waxed-paper mill in the country.

Springfield, Vt., manufactures the bulk of the world's last lathes and turret lathes, leads in automatic gear-shaper machines, and has the largest shoddy mill in the world.

At Barnet is a factory which manufactures croquet sets and which supplies to a large extent the entire demands of the trade.

The State may well be considered the headquarters of the spring-clip clothespin industry, millions of clothespins being produced.

Throughout the State are located numerous factories having a wide range of products—all the way from the great automatic-machine tools and the mammoth machines used in the manufacture of granite and marble, down through the numerous wood-working factories producing furniture, baseball bats, box covers, wooden heels, and hundreds of other articles. The finest bowling pins and, I think, the greatest number produced in any State, are made in Vermont. A great many of our Vermont industries are built up for the use of the fine hardwood lumber which is seldom, if ever, found better than in this State. Many wood-working plants are located close to the Green Mountains, where an extensive supply of fine hard wood is now available.

While we do not ordinarily think of Vermont as a State greatly concerned with the textile industry, the census figures for 1925, which are the latest available, show that in that year $14,327,688 worth of woolen and worsted goods were manufactured in the State, and $3,195,418 worth of cotton goods, or, in other words, the textile industry was a close second to the marble and granite industries.

It may seem at first thought surprising that Vermont, situated away from tidewater, is able to make creditable showing in industry, and to lead the world in some industries. The answer comes partly from the fact that one of Vermont's chief industrial assets is her water power. She is one of the two States in the country in which water generates more power than steam.

According to the 1919 census, the primary horsepower developed was 185,095. While I have not the up-to-date figures, this total must be greatly exceeded at the present time, as several great hydroelectric developments have been completed since then in the State. One of these, at Whitingham, is one of the largest in the world, with an earthen storage dam, the dam at the time of its construction exceeding in size any other such dam in the world.

Several great hydroelectric developments are located on the Connecticut River, the largest of which, at Fifteen Miles Falls, is the greatest hydroelectric development in this country east of Niagara.

All over the State are found great natural water powers, of which most of the larger have been utilized for the development of electric energy.

It is easy to see the advantage that inures to Vermont manufacturing establishments from the great supply of cheap power produced almost at the door of the manufacturing plant.

Vermont has good shipping facilities. She has outlets for freight in all directions over trunk-line railroads or their immediate connections, and by water across Lake Champlain to the New York Barge Canal and the Hudson River.

There is another basic fact relating to Vermont which explains further why Vermont industries flourish. Vermont has no large cities. The cost of living is materially less than in the more populous sections of the country.

There is a spirit of loyalty born of long and continuous service surrounding many of the manufacturing plants of the State. The typical Vermont laborer in a typical Vermont industrial establishment takes a personal interest in his work, and the welfare of his employer means much to him.

Labor troubles seldom develop in Vermont. As a rule, there is a mutual regard by the employer and the employee each for the rights and the interests of the other.

To a surprising extent in our State, factory employees own their homes, with the result that the employees as well as the employers have a direct financial interest in the community and in the success and permanence of the business in which they are employed.

Moreover, most of the industries of the State are home owned, and the evils and dangers of distant corporate control are nonexistent. The tendency has been for some time in this country to build up great corporations to control industries, and as a result the personal element has been driven out by the cold-blooded rule of distant management. Vermont is fortunate that even in her largest industries the capital is largely provided by Vermont people, and so the business control is kept within the State, close to the towns where the business actually operates.

There is a tendency in the manufacturing world at the present time to get away from the idea of the great specialized manufacturing centers. The experience of some of the corporations that have tried to combine their plants has not been wholly satisfactory. Business men are now turning to the small-town idea of manufacturing operations. The experience of the past few decades seems to have established that with the exception of a few industries, the advantages of plant location in comparatively small cities or towns outweigh those of location in large industrial centers. This is true because of the lower cost of living, the smaller turn-over of labor, the greater loyalty and efficiency of the employees, and comparative freedom from the burden of high real-estate values.

It has been rather remarkable during this period of depression that the industries of Vermont have to a large extent continued in fairly active operation. They have stood the business depression better than have the industries of other States in the Union.

In these days when we are trying to reestablish industry under changed conditions and on a better basis, Vermont holds out splendid opportunities for the location of manufacturing estab-

lishments under conditions that ought to insure successful operation.

I believe no State in the Union presents a better field for operation of industrial plants under the decentralized plan. Certainly in no State can industry be assured of better governmental and community cooperation in proper growth and development. You may be assured of fair treatment to both capital and labor.

If you are interested in locating a manufacturing plant, or a business, in Vermont, or want any facts or detailed information with regard to conditions and opportunities for such location, write to the Vermont Publicity Department at Montpelier for information.

Additional industries to supplement our fine agriculture will receive a hearty welcome in the villages and small cities among the foothills and in the valleys of the Green Mountain State. Vermont invites you.

During the delivery of Mr. AUSTIN'S speech,

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

Mr. AUSTIN. I yield.

Mr. HARRISON. Would the Senator from Vermont object if I put into the RECORD immediately following his speech the list of items that are affected by either of these provisos that are repealed, with the amounts of the articles?

Mr. AUSTIN. Mr. President, I shall be glad to have it done.

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

The matter referred to is as follows:

Countries paying conditional duties under tariff provisions whose repeal is proposed under the reciprocal tariff bill (H.R. 8687)

[Calendar years 1931 and 1933]

Commodity and country	Conditional duty[1] 1931	1933
PAR. 369		
(a) Automobile truck bodies, valued at $250 or more each	$40	$22
Canada	40	22
(b) Automobiles (except trucks and motor busses)	24,341	7,223
Belgium	392	
France	4,949	70
Germany	597	319
Italy	384	228
United Kingdom	6,573	3,614
Canada	11,366	2,992
Mexico	60	
British South Africa (not including Union of South Africa)	20	
(b) Automobile chassis (except for trucks and motor busses)	66,275	36,325
France	421	
Germany	599	
United Kingdom	65,205	36,325
Canada	50	
(b) Automobile bodies (except for trucks and motor busses)	1,205	1,045
Belgium	193	
France	975	972
Germany		58
United Kingdom	22	
Canada	15	15
(b) Motorcycles	1,018	1,305
France	152	19
Germany	155	479
United Kingdom	711	731
Canada		76
(c) Automobile engines		31
Germany		31
(c) Spark plugs	10,618	4,719
Germany	10,002	4,557
United Kingdom	16	56
Canada		103
(c) Inner tubes		20
France		13
Canada		7
(c) Automobile parts, n.e.s.	10,795	2,587
France	527	106
Germany	5,687	1,336
Italy	76	91
Switzerland	67	
United Kingdom	2,052	455
Canada	2,381	599
Australia	5	

[1]Reported by Bureau of Foreign and Domestic Commerce.

Countries paying conditional duties under tariff provisions whose repeal is proposed under the reciprocal tariff bill (H.R. 8687)—Continued

Commodity and country	Conditional duty 1931	1933
PAR. 369—continued		
(c) Motorcycle parts (except tires and glass)	$100	$76
France		1
United Kingdom	100	75
PAR. 1402		
Pulpboard in rolls for wall board		77
Canada		77
Paper board, pulpboard, n.s.p.f., and cardboard, not plate finished, etc., nor cut into shapes	1,255	6,583
Czechoslovakia	70	
Finland	608	
France		127
Germany	49	125
Sweden	8	6,238
Canada	456	93
Newfoundland and Labrador	64	
Wallboard, not laminated	781	
Canada	781	
Leatherboard or compress leather	399	
Canada	399	
Sheathing and roofing paper, deadening, sheathing, and roofing felt	312	975
Italy	91	908
Canada	221	67
PAR. 371		
Bicycles and parts, except tires	2,866	6,717
France	7	25
Germany	2,829	5,775
Italy		26
United Kingdom	30	463
China		97
Japan		331
PAR. 401		
No transactions reported		
PAR. 1650		
Bituminous coal, etc., imported from countries imposing duty	118,073	102,843
Canada	117,423	102,707
Mexico	602	136
French Indo-China	48	
PAR. 1687		
No transactions reported		
PAR. 1803		
No transactions reported		

After the conclusion of Mr. AUSTIN'S speech,

PROMOTIONS AND APPOINTMENTS IN THE NAVY—CONFERENCE REPORT

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 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, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, and 3.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with amendments as follows:

On page 3, line 10, of the engrossed bill, strike out the following word "hereafter" and insert in lieu thereof the following words "in 1934 and hereafter."

On page 3, line 13, of the engrossed bill, before the word "may", insert the following: "and whether they have since been married or not."

On page 4, line 3, of the engrossed bill, after the word "who", insert the following: "in 1934 and."

And the Senate agree to the same.

DAVID I. WALSH,
FREDERICK HALE,
Managers on the part of the Senate.
CARL VINSON,
P. H. DREWRY,
FRED A. BRITTEN,
Managers on the part of the House.

Mr. WALSH. Mr. President, the conference report settles the differences between the House and the Senate on the bill that was passed last Saturday, being the so-called "naval personnel bill." There was only one important difference between the Senate and the House, and that was on the question of retirement. The House bill provided for the retirement of about 600 naval officers in order to remove the hump in certain grades and which was resulting in preventing the promotion of young and efficient officers to higher grades. The bill also provided for the commissioning of all the graduates from the Naval Academy for 1933, 1934, and in the future. If the bill remained as the Senate enacted it, it would result in an increased expenditure to the Government of about $12,000,000. The Budget and the administration are not willing that the increased expense should be incurred. By providing for the retirement of these officers, who are eliminated after selective examinations, and by the granting of commissions to the graduates at the Naval Academy, there will be a net saving of approximately $12,000,000 to the Government.

The Senate has withdrawn its objection to the provision in its bill in opposition to retirement at this time. Thus, if the conference report shall be accepted, there will be a net saving from the bill as passed by the House and from the bill as passed by the Senate of $12,000,000.

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

The report was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 6803. An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes; and

H.R. 9068. An act 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.

RECIPROCAL-TARIFF AGREEMENTS

The Senate resumed the consideration of the bill (H.R. 8687) to amend the Tariff Act of 1930.

Mr. STEIWER. Mr. President, I begin by expressing my appreciation to the Senator from Vermont [Mr. AUSTIN], for his very learned and lucid exposition of the pending bill. With his impressive argument that the bill transgresses the Constitution I am fully in accord. With his belief that the bill is so framed that it will operate definitely to the disadvantage of the people of the Nation I am also in accord.

I realize how futile it is, in these days of congressional subserviency to the White House, to obtain consideration for arguments earnestly and thoughtfully made in opposition to a legislative proposal of this kind. In the hope, however, that some faint echo of the words pronounced here may go beyond the walls of this Chamber and find lodgment in the minds of the people of the country, I feel it worth while to present my views upon the pending bill.

All Senators remember that following the enactment of the Tariff Act of 1930 a great hue and cry was raised for partisan purposes. The bill was denounced as infamous. Its critics were not content to call it the Smoot-Hawley Act, but in order to subject it to ridicule and criticism they dubbed it the Smoot-Hawley-Grundy Act. They said it was destructive of the business of the country.

Mr. President, the pending bill does not change any particular duty of the Smoot-Hawley Act. With some little exception, it makes no repeal or modification of that act. It is a bill to create a new part III, to be entitled "Protection of Foreign Commerce", and to add this part III to the Smoot-Hawley Act so that it will supplement that legislation. It is significant that the greatly controverted section 336 which conferred upon the President certain flexible powers is not repealed nor is it modified by this measure except in the provision found on page 4 to the effect that the provisions of section 336 shall not apply to any article concerning the importation of which a foreign trade agreement has been concluded.

In other words, Mr. President, if, pursuant to this measure, a foreign-trade agreement has been concluded, there will then be no further flexible power under section 336 which the President can exercise with respect to the duties specified by that agreement. Until such foreign trade agreement has been concluded, all the powers of section 336 which were so widely denounced by the partisan critics still abide with the President.

The conception, therefore, that this bill is a substitute for something in the Smoot-Hawley Act is substantially incorrect. The bill in terms and in effect is supplemental to the Smoot-Hawley Act, reserving in the President all the broad powers heretofore conferred upon him and granting him new powers heretofore unknown in our scheme of government.

The bill provides that for the purpose of expanding foreign markets for the products of the United States, and for certain other purposes, the President shall enjoy this new and unusual authority.

The authority is conditioned first upon his findings as a fact that any existing duties or other import restrictions of the United States or of foreign countries are unduly burdening and restricting the foreign trade of the United States. In the bill there is no definition of what is required in order to burden and restrict foreign trade; much less is there a definition of what constitutes the undue burdening or the undue restriction of the foreign trade of the United States.

So it has been well said, as it was stated by the Senator from Vermont [Mr. AUSTIN], that so far as this condition is concerned, it is a matter wholly of discretion or opinion in the President. There is no rule to restrain him; there is no rule to prompt him to go forward, except that he states his opinion that certain undue burdens or restraints operate upon our foreign trade.

I do not want to press this point at length. It could be elaborated, I know; but it is not the point that excites my greatest interest. It is not the feature of the bill upon which my more serious apprehensions are founded. I therefore desire to pass to the next phase of the bill, which to me seems to be of vastly greater importance.

When the President finds the facts that these vague and undefined undue burdens and restrictions operate against the foreign trade of this Nation, he may then do two separate acts. First, he may enter into a foreign trade agreement with a foreign government or with some instrumentality of that government. I pause long enough to say that the lack of definition which exists with respect to this condition precedent, to which I made reference a moment ago, exists with even greater force with respect to the first power delegated by the bill to the President.

There is no limitation upon the President in entering into the foreign-trade agreement save an indeterminate and unsatisfactory percentage limitation, to which I shall refer later. There is no control upon the President as to the

exact subject-matter of the agreement. The only requirement is that it be a foreign trade agreement and that it be made with a foreign government or with an instrumentality of a foreign government.

The second power delegated to the President, to my mind, is still more alarming than the first. It is here provided as a second power that the President shall be authorized—

To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder.

With respect to this matter, the authority of the President to proclaim modifications is not defined. It is not controlled by legislative formula. It is only vaguely related to any matter of policy, foreign or domestic. It is a carte blanche power in the President, in the case in which he has found, in his opinion, that our foreign trade has been unduly burdened or restricted, and where he has been able to make a foreign-trade agreement with some foreign nation to make such modifications as he may desire or as may be recommended to him by his advisers, whether they be protectionists, free-traders, Americans, foreigners, theorists, "brain trusters", or others.

I am fully mindful that there is a provision that no proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and the free list; but it has been pointed out earlier in the debate that the President retains his power under the present flexible provision of the tariff.

If he desires to reduce duties more than 50 percent, it is only required that he shall first obtain the acquiescence of the Tariff Commission. Its record, in my opinion, has been marred by the testimony of its chairman before the House Ways and Means Committee and the Senate Finance Committee in behalf of this bill. The necessary acquiescence, according to the chairman, will be readily given. The President can accomplish a 50-percent reduction under section 336 of the Tariff Act of 1930, and then he can enter into a trade agreement, and he can again make a reduction of 50 percent. The total reduction then would be 75 percent.

This statement does not take into account the fact that the President may change the classification or that he may change the form of the tariff, nor does it take into account that the limitation of 50 percent applies only to duties, and not to excise taxes upon imported articles.

I turn aside for the moment to develop that proposition, because I believe it was not referred to by the distinguished Senator from Vermont, and I am most anxious that the RECORD show just what the bill means with respect to the excise taxes of 1932.

It will be remembered that after the enactment of the tariff bill of 1930, Congress saw fit to provide excise taxes upon certain great natural-resource products, and they included in the bill of 1932 certain excise duties upon imported articles of copper, lumber, coal, and oil. Subsequently certain fish and whale oils were added to the category, and there are now five different commodities covered by excise taxes upon importations.

On page 2 of the pending bill, in subsection 2, to which I have already made reference, we find the second power of the President broad enough to cover modifications of "existing duties and other import restrictions." That phrase is most important, because in a subsequent part of the bill, namely, in subsection (c) the phrase is defined, and we find there these words:

As used in this section, the term "duties and other import restrictions" includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports.

The point I seek to make is that this phrase, "duties and other import restrictions", includes, by express definition, a requirement that limitations, prohibitions, charges, and exactions other than duties shall be regarded as "duties and other import restrictions."

Therefore, the President, under the second power, may reduce, under the phrase "duties and other import restrictions", charges, and exactions, other than duties, if they are imposed on importations.

I have heard no answer to this argument, I have heard no one controvert the contention that under this definition the excise taxes of 1932 are brought within the scope and purview of the bill.

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

Mr. STEIWER. I yield.

Mr. VANDENBERG. In the original days of the debate the Senator from Mississippi, in charge of the bill, specifically stated that the excise taxes, to which the Senator from Vermont adverts, were excluded from the terms of the bill. Therefore there is a difference of opinion on the subject, and I am very hopeful that before the consideration of the bill shall be concluded the Senator will test the good faith of the Senator from Mississippi, in charge of the bill, by permitting him to accept an amendment which will specifically exempt these elements from the bill.

Mr. STEIWER. Mr. President, I do not question the good faith of the Senator from Mississippi, and I regret that the Senator from Michigan suggests that I present this matter in terms of testing his good faith. I realize that there is a difference of opinion, as has just been pointed out by the Senator from Michigan.

I read in the RECORD the statement of the Senator from Mississippi that the excise taxes of 1932 are not intended to be included. I realize that that is his position, but I also realize that the literal language of the bill embraces these excise taxes, and I have heard no answer to the argument I am making with respect to the interpretation of the language, and no suggestion that I am in error in my contention, and no reason which would justify me in the conclusion that the excise taxes under the act of 1932 are not in fact included in the pending bill.

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

Mr. STEIWER. I yield.

Mr. VANDENBERG. I should not want my reference to good faith be misunderstood. What I undertook to indicate was that I have such complete confidence in the good faith of the Senator from Mississippi that I am perfectly sure that when he realizes that there is a definite challenge to his belief that these excise taxes are not excluded, he will be very glad to accept an amendment which does exclude them textually.

Mr. HARRISON. Mr. President, will the Senator yield to me?

Mr. STEIWER. I yield.

Mr. HARRISON. May I say to the Senator that I made the statement, in opening the debate on this question, that, so far as the excise taxes were concerned, we intended to exclude them. That was the intention of the proposal. Some of the taxes will expire at a certain time. So far as they are concerned, it was not the intention to modify them at all. The modification is in the rates, as previously stated in the proposal.

Whatever amendment is needed to remove any doubt from anyone's mind I shall offer. I have prepared an amendment that will remove even any doubt on that matter.

Mr. STEIWER. Mr. President, that is welcome news to me, and I am very happy to accept the assurance of the Senator from Mississippi, the Chairman of the Committee on Finance.

Mr. HARRISON. That was the intention, and all I care to do is to carry out the intention. May I say to the Senator, further, that when the Democratic conference was held on this matter, I stated, in a discussion in the conference, that that was what the bill contained. For that reason I expect to offer a clarifying amendment on that particular phase of the matter, so as to remove all doubt. However, I do not think there is any doubt now.

Mr. STEIWER. The assurance is doubly welcome, because, in the first place, I think that under the literal language of the bill such an amendment is necessary in order

to prevent those items from being caught in the dragnet of the bill, and for the further reason, which has been very alarming to me, that apparently the 50-percent limitation on reductions applies only to duties, and not to the exactions other than duties, so that if these items, which are embraced in the Revenue Act of 1932, were left in the bill, they not only would be subject to the power of the President to make modifications, but, in my own judgment, they might be completely wiped out if the President desired to take such action in connection with a foreign-trade agreement. I am very grateful to the Senator from Mississippi.

I might add that I also have prepared an amendment to exclude the excise taxes, which I sent to the desk today informally, so that it might be printed and lie on the table; but I shall very happily accept the amendment offered by the Senator from Mississippi in lieu of my own, if it effects the removal from this bill of that important category of items included in the Revenue Act of 1932.

Mr. President, I wish now to generalize with respect to the real purpose and the final net effect of this legislation.

I have said that the pending bill does not repeal the Tariff Act of 1930, that it does not repeal the flexible provision of that act, that it modifies it only in case a foreign-trade agreement has been made with respect to a particular commodity.

What, then, is to be accomplished by the bill? Obviously the purpose of the bill is to give to the President, without any substantial limitation on his power, or any substantial control, authority to negotiate trade treaties, to enter into those treaties whenever, in his opinion, our foreign trade is unduly burdened, and then, having entered into a treaty, to proclaim modification of duties.

I have wondered, as I have considered the bill, upon what theory the Congress expects the President to modify the duties. Is it to be done upon a theory of free trade, or upon a theory of protective tariffs? Is it to be done upon the understanding that the President will seek to ascertain the differences between the cost of production abroad and at home, and that he will thus seek to equalize an existing duty? Or is it to be done upon the theory that the President shall place first emphasis upon the expansion of the foreign trade and treat the making of duties chiefly as an exercise of power under the commerce clause of the Constitution? Or is it to be done wholly in the discretion or at the whim and caprice of the President?

I shall not discuss in detail the constitutional objections to the bill, save to affirm my belief that upon many grounds the enactment will be an invalid and unconstitutional delegation of power to the President. That argument has been made heretofore by the Senator from Idaho [Mr. BORAH]; it was made today by the Senator from Vermont [Mr. AUSTIN], and by others. I shall not reiterate it. But when the court shall be confronted with the necessity of passing upon the validity of this legislation, the one thing uppermost in the mind of the court will be the fact that after the condition precedent has been complied with, after the treaty is made, when the time comes for the President to modify the duty, there is no formula or rule of action written into this measure, and that the President will make the modification within his own judgment or discretion to meet whatever ideas he may privately entertain with respect to the expansion of foreign trade.

It is that total lack of legislative formula, that complete delegation of discretion to the President to make the law of the land, and to determine what the course of the United States shall be, that makes this bill so clearly and so wholly unconstitutional.

Why is it proposed that we adopt this vague and nebulous treatment of tariff matters? What is there in the existing situation that requires us to take such action. What are the arguments offered? What are the excuses?

It would seem that before we depart from the American policy of maintaining in this country a higher standard of wages and a higher standard of living than the rest of the world has ever known, before we tear down the wall of protection to which both political parties have subscribed in part, if not in entirety, there ought to be satisfactory reasons presented here by the sponsors of this legislation.

The Democratic Party has never been committed to this kind of boundless and unlimited discretion on the part of the President in the treatment of our foreign commerce and the making of our tariff rates. That party has had a policy. It has vacillated somewhat, it is true. We know what that policy has been. We know that the great Democratic Party at one time stood for free trade, and that later it maintained a policy of tariff for revenue only. We know that as the years went by the Democratic Party stood for what it called a competitive tariff. That was a protective tariff, designed to be a little less in amount than the Republican conception of a protective tariff, but a protective tariff nevertheless.

Now we are confronted with the fact, which I think no one can deny, that by the terms of this bill we delegate to the President power to make the policy, to say whether we shall have tariff for revenue only, or whether we shall have free trade; substantially, the power to say whether we shall maintain the present protective system or provide some other.

Why are we called upon to depart from the established policy of this country in order to delegate to the President these boundless and limitless powers?

Let me refer briefly to the attitude of the Democratic Party. Time and the lateness of the hour forbid the kind of presentation I should like to make; but I have here excerpts from numerous platform statements of the Democratic Party. They illustrate something of its policy, and of the tendency or drift which the party has undergone in dealing with the subject of tariff.

In 1872 the Democratic platform included, among other statements, these words:

> We demand a system of Federal taxation which shall not unnecessarily interfere with the industry of the people, and which shall provide the means necessary to pay the expenses of the Government, economically administered, the pensions, the interest on the public debt, and a moderate reduction annually of the principal thereof; and recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in their congressional districts, and to the decision of the Congress thereon, wholly free from Executive interference or dictation.

Mr. President, if I were attempting to make a speech political in nature, and to criticize the great party with which I am not identified, I might point out that in this particular declaration the Democratic Party did not take a definite stand. They avoided the question by remitting the question to the people of the districts, and saying that they would leave it to the Congress, when it met, to take action in accordance with the views of the people, without dictation or interference from the Executive.

In 1884 the platform was more explicit. Let me read one short sentence from it:

> The necessary reduction in taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.

I suggest, in connection with this language, that the Democratic Party was already committing itself in a qualified way to the theory of protection. It is true that it was known in the country as a free-trade party, but this platform, solemnly declared and published to the people, is inconsistent with that theory.

In 1888 the platform contained this language:

> On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations.

The Democratic Party was still leaning toward protection, but, up until that time, I think, had not dealt with the question of reciprocity.

In 1892 the party faced that question for the first time, and in the platform of that year we find this language:

Trade interchange on the basis of reciprocal advantages to the countries participating is a time-honored doctrine of the Democratic faith, but we denounce the sham reciprocity which juggles with the people's desire for enlarged foreign markets and freer exchanges, by pretending to establish closer trade relations for a country whose articles of export are almost exclusively agricultural products, with other countries that are also agricultural.

So, Mr. President, in the first expression of the Democratic Party upon the subject of reciprocity we find them far from cordial to the idea. We find, instead, an expression of criticism and condemnation. They obviously thought, as many of us think now, that no trade agreement could be made with nations which have for sale agricultural products of the same character as ours without doing disadvantage to our own people, and they criticised that kind of a trade as a sham.

In 1896 the Democratic platform contained this sentence:

We hold that tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the country, and not discriminate between class or section, and that taxation should be limited by the needs of the Government, honestly and economically administered.

This declaration is nearer to tariff for revenue only than any one that I have found in the history of the party in the years immediately preceding 1896.

In 1904 it is interesting to note that the platform contained this sentence:

We denounce protection as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically administered, and so levied as not to discriminate against any industry, class, or section, to the end that the burdens of taxation shall be distributed as equally as possible.

After the swing went in this direction it was not very long until there was a significant change in Democratic sentiment; and in 1908 there is noted a swing back toward protection again.

In 1912 we find this language:

The high Republican tariff is the principal cause of the unequal distribution of wealth. It is a system of taxation which makes the rich richer and the poor poorer. Under its operations the American farmer and laboring man are the chief sufferers. It raises the cost of the necessaries of life to them but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.

Mr. President, that is the last expression which to any degree touches free trade. In 1924 we find the straightforward declaration as follows:

We declare our party's position to be in favor of a tax on commodities entering the customhouses that will promote effective competition, protect against monopoly, and at the same time produce a fair revenue to support the Government.

Then in 1928 the declaration was still more pronounced. In the platform adopted at the time the Governor of New York, Mr. Smith, was nominated as the Democratic standard bearer we find, among other declarations, the following:

The Democratic tariff legislation will be based on the following policy:

(a) The maintenance of legitimate business and a high standard of wages for American labor.

(b) Increasing the purchasing power of wages and income by the reduction of those monopolistic and extortionate tariff rates bestowed in payment of political debts.

(c) Abolition of logrolling and restoration of the Wilson conception of a fact-finding tariff commission, quasi-judicial and free from the Executive domination which has destroyed the usefulness of the present Commission.

(d) Duties that will permit effective competition, insure against monopoly, and at the same time produce a fair revenue for the support of Government. Actual difference between the cost of production at home and abroad, with adequate safeguard for the wage of American labor, must be the extreme measure of every tariff rate.

There, in the last sentence quoted, is the declaration for protection almost identical in language with a number of Republican platforms. There is adherence to the proposition that there should be a duty equal to the difference in the cost of production at home and abroad.

If there be any doubt about the real purpose of those who controlled the destinies of the Democratic Party in 1928, let me invite attention to one incident which happened during the campaign. Governor Smith delivered an address at Louisville, Ky. In that address, among other things, he said:

In other words, I say to the American workingman that the Democratic Party will not do a single thing that will take from his weekly pay envelop a 5-cent piece; to the American farmer, I say that the Democratic Party will do everything in its power to put back in his pockets all that belongs there; and we further say that nothing shall be done that will embarrass or interfere in any way with the legitimate progress of business, big or small.

Subsequently the nominee made a further statement in an address delivered in Philadelphia. At that time he made some reference to his speech at Louisville, and stated that he had sent wires to the Democrats in the Senate of the United States and the House of Representatives in order to ascertain from them whether they would support him in the declaration which he had made at Louisville for the protection of American labor and American industry. In this subsequent speech he described the answers as follows:

"We stand solidly beside and behind Governor Smith in his Louisville speech when he says: 'I definitely pledge that the only change I will consider in the tariff will be specific revisions in specific schedules, each considered on its own merits, on the basis of investigation by an impartial Tariff Commission and a careful hearing before Congress of all concerned; that no revision of any specific schedule will have the approval of the Democratic Party which in any way interferes with the American standard of living and the American standard of wages. In other words, I say to the American workingman that the Democratic Party will not do a single thing that will take from his weekly pay envelop a 5-cent piece; to the American farmer I say that the Democratic Party will do everything in its power to put back in his pockets all that belongs there; and we further say that nothing will be done that will embarrass or interfere in any way with the legitimate progress of business, big or small. With this prescription honestly put forth, with a clear-cut and definite promise to make it effective, I say with confidence that neither labor nor industry nor agriculture nor business has anything to fear from Democratic success at the polls in November, and we hereby pledge our cooperation in carrying out the principles and policies therein set forth.'"

Now, just let that definitely and finally put to sleep all the fears that Governor Hughes or any other Republican spokesmen may have about the Democratic attitude to the tariff; and there is no reason why they should themselves, by their utterances, disturb business by predicting calamity in the event of Democratic victory.

I have here the names of certain gentlemen which were published in the newspapers at that time as having answered affirmatively the wire sent to them by Governor Smith. They were the ones who assured him they would support him in his declaration which he made in his Louisville address.

Among other distinguished names appearing in the published list are the following: Henry F. Ashurst, Alben W. Barkley, Edward S. Broussard, T. H. Caraway, Royal S. Copeland, C. C. Dill, Duncan U. Fletcher, Walter F. George, Carl Hayden, Pat Harrison, Harry B. Hawes, William J. Harris, William H. King, Lee S. Overman, Key Pittman, Joseph E. Ransdell, Joseph T. Robinson, H. D. Stephens, Morris Sheppard, Millard E. Tydings, T. J. Walsh, Burton K. Wheeler, David I. Walsh, Robert F. Wagner.

I submit that when a political party makes a declaration such as was made in the Democratic platform of 1928, and when its standard bearer makes the statement which Governor Smith made at Louisville in the campaign, and when the most distinguished Members on the Democratic side of the aisle in the Senate of the United States permit themselves to be quoted as supporting the nominee in the declaration which he had made, then by every rule of reason such declarations constitute the policy of that party. In that campaign and in the campaign of 1932 there is abundant evidence that the Democratic Party is no longer a party of free trade, but that to some degree it is a party of protection.

The Democratic Party, moreover, have stood against flexibility. They have insisted that duties in tariff laws ought to be made by the Congress, and they have declared themselves upon that issue time and time again.

Now, I ask, Upon what theory do they justify the abandonment of that policy? How do they excuse taking out of the Congress the power to levy the tariff duties? Upon what argument are they to delegate those great powers to the President of the United States? Upon what basis is the Democratic Party to say, "We have abandoned the theory of protection, even the partial theory that we espoused. We abandon even a tariff for revenue. We abandon every established theory, every conception, and we turn all tariff power over to the President. We leave its administration entirely to his discretion and for his determination."

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. STEIWER. I yield.

Mr. O'MAHONEY. I always listen to the Senator to learn. Upon what does he base the statement that the policy contained in this bill involves a complete abandonment of the various declarations which he has just read?

Mr. STEIWER. I have already developed this point at some length and do not desire to reiterate it in further detail, but, in a sentence or two, let me say that inasmuch as this bill writes no formula for the President, places no boundaries upon him, creates no limitation save an indeterminate percentage limitation, it leaves to the President——

Mr. O'MAHONEY. That is a limitation.

Mr. STEIWER. It may be a limitation. It may not be a limitation. As to the excise items in the act of 1932, I think it is now admitted that it is not a limitation. As to certain other items, it is a limitation of 50 percent after the flexible provision of 50 percent has first been applied, and after the change in form and the change of classification shall have been made. It is a little difficult for those of us who are not tariff experts to define just what that tariff limitation is; but if it is a limitation, it is a limitation in amount. It is a mathematical limitation only; and there is no formula with respect to policy, with respect to the kind of a tariff duty, nor with respect to the purpose of the tariff duty. There is no restraint upon the President upon those important scores; and it is for that reason that I say that this bill takes away from the Congress and delegates to the President the authority to make the determination, and now I submit that he has already made it in advance.

I shall develop later what I mean by that. He has made it in advance, and he has made it in a way that is inconsistent with the quoted declarations of the Democratic Party. By his message to this body he says, in effect, that he proposes to depart from the traditional stand and the established policy not only of the Democratic Party, but of the American Nation, in the exercise of the powers conferred upon him by this bill; and I ask again, What is there in the situation to justify a complete reversal and a complete abandonment? What has been assigned here?

It has been said by the sponsors of this bill in effect that the United States has helped bring on the chaos, and business collapse, under which the whole world is suffering; that we have done it by trade restrictions, and that we must confer upon the President a bargaining power so that he may relieve this Nation, and other nations, of these trade restrictions. I quote from one sentence which summarizes the argument. It is found on page 8987 of the RECORD. It is as follows:

> The United States has been one of the most serious offenders in this commercial warfare.

That, Mr. President, is offered as an argument in justification for this legislation. Let us examine the statement, and let us examine the record to see whether or not there is any validity in the argument, or any truth in the statement. I deal with it only as an abstraction. I want it understood that I am not criticizing those who make the statement or who offer the argument; but, as an abstraction, I contend against it because I think it is untrue. I think, moreover, it is unfortunate; that it will be used against our country in foreign councils by those who would very dearly love to hold the United States accountable for bringing on the depression.

Let me quote that sentence again:

> The United States has been one of the most serious offenders in this commercial warfare.

Mr. President, prior to the Tariff Act of 1928 there had been no tariff act in this country since 1922. We have not disturbed a rate; so far as I know, we had done practically nothing with respect to the administrative provisions of our laws; and yet there is written at large in the record the actions of other governments with respect to tariff increases. I shall not detain the Senate to deal with them in detail; but I hold in my hand Senate Document No. 33 of the first session of the Seventy-first Congress. It is entitled "Tariff Increases in Various Countries, 1922 to 1928, Inclusive."

It is a partial summary of a manuscript entitled "Tariff Increases Throughout the World, 1919 to 1928", and that summary was an official statement by the accredited officers of our Government.

This document discloses that between 1922 and 1928 practically every other nation in the world was engaged in the operation of increasing its tariff duties. It discloses that the general duties were raised almost as much as once a year by some governments. It discloses, moreover, that special duties were increased almost as often as every year by other nations.

Austria, for instance, increased her duties in 1923, 1924, 1925, 1926, and 1927. Those were general acts; and by special acts on special items they made increases in 1922, 1924, 1925, and 1926.

Poland offers another good example.

They made general increases in a great number of rates in 1924, 1925, 1926, 1927, and 1928. They increased special rates on one or more particular items in 1926, 1927, and 1928. At a time when we were standing still with respect to tariff increases the people of the continental European area and other parts of the world were increasing their duties almost annually in a great trade war among themselves, reflecting, I believe, to some extent the antipathies which grew out of the World War, and the desire to make themselves self-sufficient and independent. Those people were adding item upon item, and duty upon duty, almost every year.

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

Mr. STEIWER. I yield.

Mr. FESS. While in each of the tariff bills there were increases on individual articles above the rates that then existed, is the Senator aware that, taking the average of the increases, the successive bills have contained lower rates than the preceding bills?

Mr. STEIWER. In America I think that is true.

Mr. FESS. That is what I mean.

Mr. STEIWER. Oh, yes; in America I think that is true, but it is not at all true as to most of the great foreign nations.

Mr. FESS. Oh, no; but in the case of our country, as to the duties that are being complained of, it is true that on some items they have been increased; but on the average there has been a decrease.

Mr. STEIWER. I think that is true, Mr. President.

In furtherance of what I am saying, let me point out that according to a recent compilation based upon the 1933 year book of foreign commerce published by the United States Department of Commerce, the customs revenue per capita in the United States was $2.24. Now, let us make a comparison with some of the other countries that are running these competitive races in the matter of duties and trade restrictions and the commercial warfare in which the world has been engaged. While our per capita customs revenue was $2.24, that of Great Britain and Northern Ireland was $17.70; in Canada, $9.33; in Austria, $13.48; in New Zealand, $19.67; and in various other countries, including the continental European countries, we find per capita customs revenues varying from $12.95 down to, in some exceptional cases, a very small amount.

In this list we find that the United States is lower than the other countries of the world, with a very limited number of exceptions, including the Asiatic countries, and including Peru, Mexico, Bolivia, and I think one or two others. Outside of those relatively minor countries, the United States was collecting at the customhouse less per capita revenue by many multiples than the great competing commercial nations of the world.

Mr. President, that is not all. At the same time we were refraining from tariff increases, we were refraining from the enactment of those restrictions which operate more effectually than tariffs to prevent foreign trade. I am talking about devices like quota restrictions, import permits, restrictions on foreign-exchange transactions, and things of that kind.

I read now for a moment from a book, entitled "Regulation of Tariffs in Foreign Countries by Administrative Action," compiled by the United States Tariff Commission, under date of March 1934.

> Quotas or import permits are generally established and regulated by the Executive, either under special legislative authorization or under general executive powers. These permits may be used to control trade balances or to apply retaliatory measures, and the apportionment of imports under quotas may also be used to conclude and enforce reciprocal trade arrangements. Among the countries where import quotas are used for one purpose or another are:
>
> Austria, Belgium, Chile, Czechoslovakia, Estonia, France, Germany, Greece, Hungary, Italy, Latvia, Netherlands, Poland, Rumania, Spain, Switzerland, Turkey, and the United Kingdom.

I quote further:

> Restrictions on foreign-exchange transactions are applied in many countries, almost necessarily by the Executive. In several European and Latin American countries control of foreign-exchange transactions is officially exercised through the central banking system. Among the countries applying restrictions for control of foreign exchange are:
>
> Argentina, Austria, Bolivia, Brazil, Bulgaria, Chile, Colombia, Costa Rica, Czechoslovakia, Denmark, Ecuador, Estonia, Greece, Germany, Hungary, Italy, Latvia, Norway, Paraguay, Spain, Turkey, Uruguay, Yugoslavia.

Without reading further from the summary, the fact appears that almost all the nations of the earth have offended against the free movement of foreign trade and the interchange of commodities in trade by resorting to various quota and exchange restrictions—almost every country in the world save one, and that is the country which did not increase its tariff duties from 1922 to 1928.

In this summary is the outline of the various actions taken by several countries of the world in establishing this superstructure of extraordinary restrictive requirements, which have had something to do with the break-down of international trade.

I shall not take time to read further from this compilation. I have noted 16 different nations, including some of the leading nations of the world. It is fair to say that the material set forth in this report, and which I will omit reading, shows that in practically every year from 1923 up to 1933 these countries were applying progressively, more and more, various kind of barriers upon trade, more and more were they subjecting international trade not only to the necessity of paying duties at the customhouse, but they were applying these artificial, absolute barriers, amounting in many cases to embargoes, under which, by governmental action, they limited that which the other nations might bring within their borders.

Mr. President, an interesting thing is the effort of some of the nations to relieve themselves from the enormous burden of these restrictions.

Mr. WALSH. Mr. President, what the Senator has just cited is one of the principal arguments urged in favor of the pending bill.

Mr. STEIWER. That is quite correct, it is an argument advanced in behalf of the bill, but, as will presently appear, the United States has never resorted to this kind of barrier against imports. We have not set up these restrictions. We have dealt only in duties, and we maintained our duty level from 1922 to 1928, and again from 1928 until 1932, except for a very little application, as the Senator knows, of the flexible provision, and except for the excise taxes of 1932.

I was saying that a very interesting chapter is the effort of foreign nations to relieve themselves from these restrictive influences. I have in my hand a summary of a number of the trade treaties entered into by foreign governments. Let us see what one or two of them show.

Take, for instance, the arrangement between France and Spain. In the arrangement France granted specified quotas on imports from Spain of certain livestock, certain fruits, fresh vegetables, canned tomatoes, certain hides, certain frozen, dried, and conserved fish, wines, and a few other products.

Spain granted specified import quotas on a list of products from France, including charcoal, certain internal-combustion engines, toilet soaps, motorcycles, salted codfish, and fresh eggs.

In addition, Spain granted reduced rates of duty for specified quotas of a list of products of French origin, including telephone line insulators, saws, oak and chestnut extracts.

We find that the German Nation, by German Government decree of March 4, 1934, in its effort to conciliate other nations and to tear down these barriers, had entered orders affecting numerous items, and I read them because of their importance:

> Item 28. Raw or cleaned cotton, flax, hemp, ramie, jute, manila hemp, and other vegetable textile materials; items 438 to 443, worked cotton and cotton yarns; items 144 to 146, sheep's wool, raw or washed, horsehair and other animal hair; items 413 to 425, wool and other animal hair, worked, including yarns thereof; items 470 to 482, other vegetable textile materials, worked, including yarns thereof; and item 453, unbleached cotton fabrics, weighing 80 grams or more per square meter.

In this great story of the reciprocal-trade arrangements made between nations, and their efforts, by concessions and mutual agreements, to break down the barriers erected against them and against their trade, we find almost the complete category of items which are covered in international commerce. We find so complete a list of items that it is substantially correct to say that it is the whole category, it is the whole list, with some little exception, of all the goods that nations sell to and buy from each other.

Mr. President, when we think in terms of restrictions, and when we are talking about the part the United States has played in restrictions upon international trade, I think it well worth while to read from what was said by the Tariff Commission in response to Senate Resolution 325. I quote as follows:

> Accordingly, and because the United States has had in effect no reciprocity treaty which caused serious discriminations against European countries, those countries (except France) have generally been content to accord to the United States all their lowest rates of duty, even when not under treaty obligation to do so.

But that is not all, Mr. President. I find in a recent report from the Tariff Commission this language attributed to the French Foreign Office:

> In consideration of the fact that on the one hand the American Government has not instituted any special measure in restriction of imports, and considering on the other hand, in a spirit of particular amity toward the United States, that there is reason for not altering Franco-American commercial relations at a time when the American Government is itself occupied in solving serious economic problems, the French Government has decided not to denounce the arrangement of May 31, 1932.

And thus, Mr. President, the Tariff Commission, by its report, acquits the United States of the charge of having erected tariff barriers against the importation of goods from foreign nations. The French Foreign Office acquits the United States of responsibility on that score. There is not any room for argument about it. Of all the nations in the world the one that has offended the least is our own country of America.

The one, Mr. President, that has abstained from excesses with respect to the creation of tariff walls and with respect to these so-called "restrictions", like exchange quotas and limitations on imports, by license or otherwise—the Nation that above all others has dealt fairly with her neighbors is the United States of America.

I call attention to this record because, as I say, one of the arguments offered in behalf of this bill is that the trade of

the world has been destroyed by the trade restrictions, and I quote again the argument that "the United States has been one of the most serious offenders in this commercial warfare." It simply is not true. It is a defamatory statement against the great name of our great country. This statement would have surprised had it been made by a representative or high official of a foreign nation. It is doubly surprising when this statement is written into the RECORD of the Congress of the United States by an outstanding, responsible Member of this body.

A little while ago I was asked by the Senator from Wyoming what there was in the situation that indicated that the Democratic Party was renouncing its own traditions, abandoning its own position, that it is faithless to its own policy, and that it is turning this important subject over to the President to be handled in a way different from the declarations made in the various platforms and by the great leaders of the Democratic Party. One source of information concerning this bill and its purpose is found in the message of the President of the United States when the bill was transmitted to us for our consideration. The President said:

> The exercise of the authority which I propose must be carefully weighed in the light of the latest information, so as to give assurance that no sound and important American interest will be injuriously disturbed.

I invite attention to that language. Inasmuch as there is no formula governing the conduct of the President under the authority delegated by this bill, who is to determine what constitutes a sound interest in America? What is to determine that save the judgment of the President himself? Who is to determine what constitutes an important interest in America, and what is to determine that save the opinion of the President himself?

Mr. President, in my mind the statement just read implies that the President has in mind, in order to work out his planned economy or some new scheme of social reform, that there will be modifications of tariff duties which will be injurious to some of the elements of our society. It is obviously implied that the President in explaining the injury to result from the application of the proposed treaties is trying to assure us that the injury will not fall upon those industries which he regards as sound, nor upon those interests which he regards as important.

I am mindful in this regard of what was said by the President upon another occasion. In his message of May 10, when he transmitted the economy bill to the Congress, he included this assuring statement. I read:

> When a great danger threatens our basic security it is my duty to advise the Congress of the way to preserve it. In so doing I must be fair not only to the few but to the many. It is in this spirit that I appeal to you. If the Congress chooses to vest me with this responsibility, it will be exercised in the spirit of justice to all, of sympathy to those who are in need and of maintaining inviolate the basic welfare of the United States.

Mr. President, it would be distasteful to me to characterize unpleasantly the President or his conduct under the authority of the bill that he obtained by the language which I have just read. I shall not, therefore, characterize it, but I will say that before 3 months passed this Congress passed Public, No. 78, which changed some of the rules that the President had made under the Economy Act, and declared that to that extent the Congress did not regard those rules as sympathetic or as reflecting a spirit of justice to all. And within a year or a little over a year, two-thirds of both bodies of Congress, by another act, made another solemn declaration that they were dissatisfied with the President's administration of the great powers that had been delegated to him by the Economy Act.

And so, Mr. President, we ought to have been warned when the President said to us, "In so doing I must be fair not only to the few but to the many"; we ought to have been warned that the President had in mind to make drastic cuts and to apply the kind of treatment that we might not approve in order to serve what he regarded as the welfare of the great body of our people; and we ought now, by the same token, to be warned here, because now the President says to us:

> The exercise of the authority which I propose must be carefully weighed in the light of the latest information so as to give assurance that no sound and important American interest will be injuriously disturbed.

Thus we have presented a proposal under which the President very frankly tells the Congress that in order to expand our foreign trade he will take steps that will not injuriously disturb sound investment or important elements of our society; but the inevitable implication is that the acts which he will perform will disturb the unimportant and the unsound, and we write no formula to determine what the President shall do in playing with a great toy which is built and painted and delivered to him under this bill.

Mr. President, I have said the Democratic Party is delegating an authority which will permit departure from its traditional historical position; that it will permit every theory of tariff that has ever been maintained by that party to be violated either by the President or by someone acting for him. Who will advise the President in this regard? One body that will advise him, no doubt, is the Tariff Commission, and the amiable Mr. O'Brien, who has intimated that he will do whatever the President wants him to do with respect to tariff matters. Another adviser will be the Secretary of Agriculture. Another adviser, no doubt, will be Dr. Tugwell.

Earlier in the afternoon there was a statement read, attributed to Dr. Tugwell, in which he announced that he was against protection in its entirety.

Let us see about Secretary Wallace, one of the other advisers of the President, who is helping to formulate the program, and to lead America into its new theory—he is helping also to lead the Democratic Party away from its traditions, and helping to commit that party to a new venture and to a new experiment as a part of the new deal. Mr. Wallace, in his book, America Must Choose, said this:

> A truly practical readjustment of our own tariff policy would involve the careful examination of every product produced in the United States or imported, and the determination of just which of our monopolistic or inefficient industries we are willing to expose to real foreign competition. This problem should be approached from the point of view of a long-time national plan which we are willing to follow for at least 20 or 30 years, even if some of our friends get hurt, and howl continuously to high heaven.

Those are deliberate words; words deliberately chosen by one of those who is to be an adviser of the President of the United States in making the new program in carrying forward the new experiment under the new power to be delegated by the pending bill.

In the same book, at page 18, Mr. Wallace said, and I quote further:

> Traditionally the Democratic Party is the party of low tariffs. Actually Democratic administrations have never made changes in the tariff structure great enough to increase foreign purchasing power to the extent demanded by the present world dilemma. If we are going to increase foreign purchasing power enough to sell abroad our normal surpluses of cotton, wheat, and tobacco at a decent price, we shall have to accept nearly a billion dollars more goods from abroad than we did in 1929. We shall have to get that much more in order to service the debts that are coming to us from abroad and have enough left over to pay us a fair price for what we send abroad.

Mr. President, at this point I observe that when Mr. Wallace estimated that we must import $1,000,000,000 more than in a certain year, he took the year 1929, which, of course, is the peak year of importation in the whole history of the Republic. He would have us go back to that basis of importation. Then he would have us add $1,000,000,000 to it in order to benefit somebody else and to enable foreigners to buy some of our goods.

I quote further:

> This will involve a radical reduction in tariffs. That might seriously hurt certain industries, and a few kinds of agricultural businesses, such as sugar-beet growing and flax growing. It might also cause pain for a while to woolgrowers, and to farmers who supply material for various edible oils. I think we ought to face that fact. If we are going to lower tariffs radically, there may have to be some definite planning whereby certain industries or

businesses will have to be retired. The Government might have to help furnish means for the orderly retirement of such businesses, and even select those which are thus to be retired.

When Mr. Wallace refers to certain farmers who supply materials for various edible oils he obviously is referring to farmers engaged in the great dairying industry.

In March of this year Mr. Wallace was quoted in the New York Times. I read from a statement appearing March 6, 1934, in that paper, as follows:

Similarly, Mr. Wallace pointed out, lower tariffs and the removal of artificial trade barriers would leave some weak and inefficiently managed American industries at the mercy of foreign competition. Agreeing that this might lead to added unemployment, especially in the Massachusetts mill towns, he said this increase would not exceed 10 percent.

Think of it, Mr. President. A responsible officer of our Government talking brazenly about a course of procedure that will bring injury to our business, that will curtail our employment, saying it is not so bad because the increase in unemployment will not exceed 10 percent. I do not know what he would call a serious blow to the American Nation and to the laborers of the country under the conditions which obtain in this year of our Lord 1934. I am glad he has made no proposal here that he would call an important reduction in employment or a substantial increase of unemployment.

Mr. President, in the message of the President with respect to the pending legislation there is another argument offered in behalf of the bill. It is as follows:

If the American Government is not in a position to make fair offers for fair opportunities, its trade will be superseded. If it is not in a position at a given moment rapidly to alter the terms on which it is willing to deal with other countries, it cannot adequately protect its trade against discrimination and against bargains injurious to its interests. Furthermore, a promise to which prompt effect cannot be given is not an inducement which can pass current at par in commercial negotiations.

This argument, Mr. President, might be summarized as an argument of expedition. In effect it amounts to this, that it is impossible for the President or the representatives of our Government to act successfully in behalf of American industry unless they can act with dispatch. The argument is offered that they must proceed expeditiously, the President suggesting that he must have an unrestrained power, to make their foreign-trade agreements.

The purpose, of course, is to get away from necessity of ratification by the Senate. The argument of expedition is an argument to sustain the idea that the President should have the power, free and unrestrained, to do whatever he may please to do in furtherance of his own judgment and in accordance with his own opinion as to what should be done in promoting the foreign trade of the United States.

It is not a fair or valid argument to say, under present conditions and in this administration, that there is any lack of dispatch or expedition in getting congressional support for the important measures which the President submits.

If we can cooperate with the Executive in matters of gravest import, involving the fundamental existence of the Nation, and trenching upon the basic constitutional powers of Congress; in matters that pertain to the happiness and welfare of all the people of the land; if, with respect to that kind of legislation, we can act within a month or two, how easily, how readily we would be able to deal with a mere trade agreement made by the President if there were no valid or substantial objection to it.

The history of trade agreements in this country has not disclosed so much that the Senate was not expeditious in its action as it has disclosed that the Senate, reflecting the will of the people, in very many instances refused outright to give approval to the treaty. The thing involved in this controversy is not expedition; it is the question of whether or not approval is going to be had at all.

I read from the letter of the Chairman of the United States Tariff Commission in response to Senate Resolution 325, in which he refers to the history of reciprocity treaties. From pages 11 and 12 I read as follows:

It appears therefore that in a period of some 60 years, 10 reciprocity treaties were negotiated under the general treaty powers which did not become effective. Out of the 10, two were rejected by the foreign country, two were negotiated by one President but not accepted by his successor, and the other six were suppressed by congressional action or inaction—four were rejected by the Senate, one failed for lack of the necessary legislation, and one because amendment by the Senate had made it unacceptable to the other country.

On the same page, at another place, I quote as follows:

It may be seen that it has been a matter of some difficulty and delicacy to obtain reciprocity treaties which would satisfy both parties to the treaty. During the last century with three exceptions, all attempts on the part of the United States to complete reciprocity treaties have been abortive. The scattered successes have been with near neighbors and have been enacted perhaps as much for political as for economic reasons. Out of 21 abortive treaties, 16 failed because of opposition in the Senate—a two-thirds majority being required for ratification—being either rejected or allowed to die without a vote.

Thus, Mr. President, I conclude my remarks in connection with this argument of expedition. In my judgment, it is no sounder than the conception entertained by foreign interests, and by internationalists in this country, and by some of the sponsors of this bill, that America is one of the most serious offenders in the matter of the erection of trade barriers.

Now let us look at the third argument.

In the House report, which is one of the most authoritative statements made in behalf of this bill, we find the contention that world trade has shrunk 30 percent in volume from the 1929 level, and the further statement that one of the primary causes for this great shrink in volume is the almost universal existence of high trade barriers. First, Mr. President, they wrongfully blame the United States for the existence of the high trade barriers. Having done that, they contend that the high trade barriers are one of the primary causes of this shrink.

We know something of the causes of the shrink in trade. We know what happened in the year 1929 and the years following that year. We know the great chaotic condition that developed in the world. We know, moreover, that the peak of foreign trade in 1929 had been attained under these same very severe trade restrictions. It had surmounted the difficulties of the so-called "trade barriers"; and then in 1929, without a substantial change in the trade barriers, all at once we found ourselves headed for chaos. Some of the economists assign one reason and some another.

I shall not attempt at this late hour to analyze the reasons for the world depression. Undoubtedly the excessive expansion of credit, the assumption of debts that could not be paid, the load of interest, excessive speculation, and all the other causes, including monetary disorders and dislocation of exchanges, were factors. The mechanization of industry, antipathies between nations, the ill feeling following the Treaty of Versailles, the desire of all the nations to make themselves independent and to abstain from trade—these and a dozen other forces were the great factors that brought about the chaotic condition during and following the year 1929.

I shall not deny that the trade barriers were a factor. I have no doubt they contributed to some extent. I wish the European nations had not engaged in the competitive race in which they did engage to establish the excessively high tariffs and the trade barriers that I discussed earlier in these remarks. I am happy to concede, for the sake of the argument, that those barriers were a factor operating against the free exchange of commerce in the trade between the nations; but to say that they are the primary cause is to overstate the case, and to present a misleading argument in behalf of this bill. I should rather regard them as effects. They flow from antipathies between peoples, from the desire to remain independent and self-sufficient. They are an effect more than a cause; but as a cause they are a secondary and not a primary cause, and they are not the dominant reason why the great depression came upon the world in the year 1929.

I have in my hand a statement by the Secretary of State made in April of this year, and made, I believe, as a press release in behalf of the enactment of this measure. In that statement the Secretary of State, among other things, is quoted as follows:

When the processes of exchange and distribution collapsed in 1929, a world-wide decline of commodity prices and of values rapidly resulted in some localities and gradually in others. International trade collapsed, while production in our own country precipitately declined 45 percent and domestic trade substantially over 50 percent.

There, Mr. President, is the answer to the argument that the trade barriers were the primary cause of the collapse in world trade. Not even the Secretary of State believes that the argument is sound; and he points out that there was a collapse of practically 50 percent in the domestic trade of our own country, where there were no trade barriers in the commerce among the several States. So it is obvious that that contention, like others, is a misdirected effort and a misleading argument in behalf of the bill.

Mr. President, Mr. Wallace, in his book, America Must Choose, made this statement:

The failure to adopt any nationally approved plan during the post-war years has, of course, been disastrous for all of our major producing groups, but it has been most disastrous in its effect on agriculture. The loss of billions of dollars of agricultural income can be charged directly to this cause. The foreign loans we made to sustain our expanded productive capacity after the war, merely concealed the true nature of our situation. When the loans ended—as they were sure to, since we refused to accept sufficient goods in payment—our artificial market for the surplus disappeared overnight.

Here is one statement made by the Secretary of Agriculture which has my cordial approval. The fact of the entire matter was that we were extending excessive credit to the nations of the world in the years prior to 1929. By that extension of credit, we built up a great international trade, to the peak of 1929, and when we withdrew the credit, naturally our trade levels subsided. Who, therefore, in the face of the record, would be justified in saying that the great disaster which came upon our country came because of the trade barriers, which, after all, existed chiefly in the foreign countries operating one against the other, and only to a very slight degree operated against us in our trade with those countries.

It would be interesting, if time permitted, to analyze our trade loss. It has been argued in the House report and the argument was made here by the Senator from Mississippi that we lost more than our share; that is to say, that we have not retained our proportionate share of the diminishing world market. That statement is found, I think, on page 3 of the House committee report.

Without analyzing that contention in detail, let us deal with it in a few sentences. American international trade, greater than that of any other nation in the world, consists of trade in crude commodities. It is disclosed by examination of figures as to the loss of trade that there has been a greater loss in the crude commodities than in manufactured commodities in value. Therefore, our trade, which showed a very high percentage of crude commodities, or raw materials, in the very nature of things was to suffer more than the trade of some other nations.

Moreover, we were injuriously affected by the adverse exchange rate, because until the fall of 1933 we had taken no steps to correct the inequalities in exchange rates, and, of all the nations in the world, our adherence to the gold standard and to our monetary value made us the greatest sufferers. For that reason we were seriously affected in our attempt to compete in world trade by the fact that other nations, with their depreciated currencies, were able to undersell us, to take our markets, and to destroy our trade.

I submit that this factor of international exchange, and this other factor of the withdrawal of credit, and other factors, economic or monetary in nature, were the causes which reduced our proportionate share of the trade of the world, and that it was not due to import restrictions on our trade, nor was it due to certain trade restrictions which operated against us in other quarters of the world.

Further, we find a certain degree of error in the statement contained in the House report. Even if it be admitted that trade restrictions were responsible, and that our tariff policy brought about a greater proportion of loss in the diminishing trade of the world, a comparison of the share of world trade held by the leading countries of the world for the years 1913 and 1932 is very revealing.

Let us leave out the abnormal year 1929; let us lay aside for a moment the great peak year, during which we had increased our foreign trade far above normal by our lending policy. Let us go back to the long-time period, and compare the fairly normal year 1913 with the year 1932.

We find, in amount of change as between the years 1913 and 1932, that the United States had suffered a loss of 0.23 of 1 percent of its share of the world trade, the United Kingdom had lost 1.85 percent of its share of the world trade, and Germany, in the same period, due, I have no doubt, to the influence of the war, had suffered a loss of 3.83 percent of its share of the world trade. So, if we take a normal comparison between the year 1913 and the year 1932, we find that the loss of world trade as suffered by the United States was not disproportionate; that, in fact, it was less than the loss of Germany, of the United Kingdom, and of the other great industrial nations of the world.

An additional argument is made that the world trade can be regained only by taking away the trade restrictions, and that becomes the excuse or apology for the pending bill. I want to analyze briefly the proposition as to whether the difficulty can be overcome by the means prescribed in the bill.

We have had one recent experience in the matter of administering quotas. We attempted, when the prohibition law was repealed, to put the importation of foreign liquors on a quota basis and to expand our foreign trade by means of a quota system with respect to liquor.

I wish to read from the New York Times of March 10 in order to disclose something of the results of that limited experiment.

Mr. President, it is needless to add that, compared with the possibilities under the pending bill, this experiment with the liquor quotas was a primitive, simple experiment, and it was undertaken in a very limited way.

I read from the paper referred to:

The set-up by which the quotas were granted and questions in connection with them were settled was apparently to complicated and led to unreasonable delays.

The State Department was visited by streams of disgruntled diplomats almost daily seeking to know why their countries had not received larger quotas, why their quotas were being delayed, and so on.

At least one country, Germany, seriously raised the question of violation of the most-favored-nation clause in its trade treaty signed by this country in 1925.

Originally adopted in the belief that handsome trade concessions could be obtained by bargaining liquor quotas against import allowances for American products the system has been a disappointment from that point of view.

Outside of an increased quota on apples and pears into France and American tobacco into Spain, hardly any concessions of importance have been obtained in the 4 months the liquor system has been in effect.

And we all know that the system was discontinued.

Mr. President, I am not qualified to speak in connection with our sales of tobacco into Spain, but I happen to know something about our efforts to increase our apple sales abroad by the use of the liquor quota. I have in my hand a letter written by a responsible officer of the International Apple Association. The letter was written to me, because it concerns some of the apple products in the Pacific Northwest. I read briefly from the letter:

While the French Ambassador gave written assurance to our Department of State that the import quota of 200,000 quintals would be effective, it is difficult to see how those assurances can be enforced.

Right now time is the essence of the apple and pear deals. The quarter January 1 to April 1 is of vital importance.

The negotiations as concluded have paralyzed the deal both in France and the United States so far as exports to France are concerned.

If the French assurances are thrown into the field of diplomatic negotiations to persuade the French Government to make the 200,000 quintals effective, the exporting season will be over.

The way the matter now stands the apple and pear industries are apparently worse off than before the negotiations.

I am advised, Mr. President, in connection with this subject, that large cargoes of apples and pears that were admitted into France under the quotas were nevertheless not

purchased by the consumers, and they rotted at the docks and the warehouses, and the American shippers suffered very great losses in this experiment to offset agricultural allowances against liquor import quotas.

On this point we must bear in mind one fact that has never been denied, namely, that the great industrial nations do not sell always one to the other. In the highest sense they are competitive. They are manufacturing and selling the same thing.

Whether we take machinery, automobiles, cotton manufactures, woolen manufactures, or a half a dozen others of the leading products of the great nations of the world, we find that we are not shipping one to the other. We are manufacturing these articles and exporting them abroad, but we are all engaged in selling in a common competitive territory to people of other nations.

This argument, I think, has not been developed in these debates, but it appears very clearly from the records which have been accumulated by our Bureau of Foreign and Domestic Commerce and by the Federal Tariff Commission and by other agencies of our Government.

Because we are competitively engaged with the other industrial and agricultural nations of the world, we and they have nothing to trade. America and the United Kingdom are still competitively selling in common territories to the peoples of other nations the same article, of much the same character, at a competitive price. If we were selling to each other, we might bargain our markets into a better position by making a deal with the United Kingdom that they take a certain proportion of our product in return for our taking a certain proportion of theirs, or if they make a certain concession with respect to their tariffs in return for our making a concession with respect to ours. But where we are engaged in a competitive enterprise under which we both try to sell in a common territory to other peoples, how can we hope to gain by concessions between ourselves and the United Kingdom. We might by agreement get Britain to withdraw from the other markets. We might get them to abstain from competition.

But we would have to go that far—no less—before we could hope to obtain any trade agreements dealing with competitive enterprises in which we are all engaged. Unfortunately, the great nations of the world with which we compete produce and sell the bulk of the world's goods. They supply the bulk of the world's consumption. They leave very little in the field fairly within the operations of foreign-trade agreements. It will be found that a great portion of all the production of the world is clear outside the possibility of negotiating trade agreements with other competing nations.

I shall not detain the Senate with the development of that argument, but I wish to say with very complete confidence that the record of our trade and the trade of Germany, France, Japan, and England sustains the statement, and will convince any person willing to consider the subject that there is a very limited field in which the proposed agreements could operate.

One final argument made in behalf of the bill is that the executive branch of virtually all the other important trading countries has the power under the existing law to make these trade agreements, and therefore that we, in order to compete with the other countries, must give to our executive branch the same flexible and completely dominant authority. I answer that by making just one reference. I turn to the report on this bill as made by the House Committee on Ways and Means, and at page 5 of that report we find that argument developed. The statement is as follows:

> In most European countries agreements can be made by the executive and put into force at once. In some countries no parliamentary ratification of any kind is necessary. In the majority of countries parliamentary ratification is necessary, but the agreements can be made operative at once and parliamentary ratification is largely a matter of form.

In connection with this subject Mr. Sayre, of the State Department, appeared before the committee, and in the record of the hearings he indulged in a statement, to which I call attention because to me it completely refutes the whole argument and shows that with the exception of three countries the statement upon which the argument is advanced is unsound in fact and unsound in effect. He said among other things, as follows:

> Practically all of the countries of continental Europe, as well as England and the major dominions and a few of the countries of Latin America, have authority vested in the executive branch of the Government for negotiating duties below those in the general or maximum tariff schedules, in the course of reciprocal negotiations with other countries.
>
> In a few cases (notably France, Spain, Portugal, Canada, and South Africa), the Parliament has actually established in advance the minimum scale of duties, part or all of which may be granted to other countries by agreements, although in practice rates below the so-called "minimum" have sometimes been granted by France and Spain. The more common practice is to start with a general tariff and authorize the executive branch of the Government to grant reductions in the course of negotiations, without prescribing in advance the amount of the reductions, such rates established by treaty then constituting the second or conventional column of the country's tariff.
>
> In a limited number of countries the Executive has the authority to make definitely effective the reductions granted in the course of reciprocal negotiations, without requiring the approval of the Parliament. (This is the case principally in Canada, British India, with Hungary requiring simple notification to the Parliament. * * *)

This, Mr. President, is an answer to the argument. After all is said to the effect that the other nations are practicing a system something equivalent to that set up in this bill, we find upon examination of the facts that of all the nations in the world there are only three in which the executive enjoys the unbounded power given to the President in this bill.

Either there is a legislative definition or a limit upon what may be done, or else there is a requirement for ratification by the legislative branch of the Government. So I say that argument also falls along with the rest.

Now to summarize: The various arguments presented with some rather minor exceptions, are the only arguments that have been advanced; they are the only arguments that appear in the House report or the Senate report, in the statement of the Senator from Mississippi [Mr. HARRISON], and other authoritative statements in behalf of the bill. All combined do not begin to justify the enactment of this legislation.

Nor is the legislation necessary. We can in other ways solve our trade problems if we have the will to do so. We can proceed under the Constitution and under existing law. Our President can negotiate all the agreements that will be of any substantial benefit to the people of the United States, and ratification can be had by the Senate. It is not necessary to resort to the expedients which are created in the proposed statute. It is not necessary to rely upon arguments of doubtful validity, committing us to a doubtful course, sending us out upon an uncharted sea, involving us in commitments of a nature which we cannot know or evaluate in advance.

Mr. President, I submit that it is wholly unnecessary to create in this country the uncertainty and the doubt that would come to the business minds of the people of America if the President were clothed with these extraordinary and unlimited powers. It is unnecessary and unwise to leave our charted course for this new and novel experiment.

I said in the beginning that I knew my remarks would have no influence upon the action to be taken here, and I expressed the hope that some faint echo of my utterances might be heard by people elsewhere. Let me say now, in conclusion, that if the American people will give the subject the attention which its importance deserves, they will come to the conclusion very promptly that in this legislation there is a threat against their welfare and against their security.

I prophesy the day will come when they, in the assertion of their rights as free citizens, will demand of the Congress that we recall the extraordinary powers which we are delegating to others, and that we thus restore to the people's representatives the functions of government which are rightfully performed by the Congress. Compliance with that demand will bring us back to the Constitution under which our country has grown so great.

NATIONAL ARCHIVES COMMISSION

Mr. McKELLAR. Mr. President, today the Committee on the Library ordered reported a bill establishing a commission for the new Department of Archives. The House had previously passed a bill and the Senate passed a substitute bill relating to the same subject. I think it is one of the most important matters that has been before the Senate for some time. For the convenience of Senators, the matter being of such great importance, I ask unanimous consent that the two bills may be printed in parallel columns in the RECORD.

Mr. WALSH. The Senator is not asking for action on the bill at this time?

Mr. McKELLAR. Oh, no.

There being no objection, the bills were ordered to be printed in the RECORD in parallel columns, as follows:

HOUSE BILL 8910 AS PASSED THE HOUSE

[H.R. 8910]

An act to establish a National Archives of the United States Government, and for other purposes

Be it enacted, etc., That there is hereby established a commission to be known as the "National Archives Commission", to be composed of the Secretaries of each of the executive departments of the Government (or an alternate from each department to be named by the Secretary thereof), the Chairman of each of the Senate and House Committees on the Library, the Librarian of Congress, the Secretary of the Smithsonian Institution, and the Archivist of the United States.

SEC. 2. There is hereby created and established the National Archives, which is hereafter to be known as the "National Archives of the United States", for the purpose of receiving, preserving, and supervising the use of certain Government papers and records as set out in sections 3 and 4 of this act. The head of the National Archives shall be known as the "Archivist of the United States", who shall be appointed by the President of the United States, by and with the advice and consent of the Senate. The archivist is authorized to appoint, solely on their fitness and aptitude for their duties, such assistants, officers, and other employees as he may deem necessary.

SEC. 3. The source of material to be transferred to the National Archives of the United States (hereinafter referred to as the "National Archives") shall consist of records, documents, and manuscripts now in the custody of or having their origin in the executive departments, independent offices, and any and all other agencies of the Federal Government.

SEC. 4. The National Archives Commission (hereinafter referred to as the "commission") shall define the classes of material which may be transferred to the National Archives and establish rules and regulations governing such transfer. The executive departments, independent offices, and other governmental agencies shall, in all cases, submit in advance to the archivist descriptive lists, or inventories, of the records to be transferred to the National Archives.

SEC. 5. All materials and records within the definition of

HOUSE BILL 8910 AS REPORTED TO THE SENATE

[H.R. 8910]

An act to establish a National Archives of the United States Government, and for other purposes

Be it enacted, etc., That there is hereby created the Office of Archivist of the United States, the archivist to be appointed by the President of the United States, by and with the advice and consent of the Senate.

SEC. 2. The salary of the archivist shall be $8,000 annually. All persons to be employed in the National Archives Establishment shall be appointed by the archivist solely with reference to their fitness for their particular duties and without regard to civil service law; and the archivist shall make rules and regulations for the government of the National Archives; but any official or employee with salary of $5,000 or over shall be appointed by the President, by and with the advice and consent of the Senate.

SEC. 3. All archives or records belonging to the Government of the United States (legislative, executive, judicial, and other) shall be under the charge and superintendence of the archivist to this extent: He shall have full power to inspect personally or by deputy the records of any agency of the United States Government whatsoever and wheresoever located, to secure the full cooperation of any and all persons in charge of such records in such inspections and in the execution of such measures as may be deemed necessary for the better preservation of the material, and to requisition for transfer to the National Archives Establishment such archives, or records as the National Archives Commission, hereafter provided shall approve for such transfer, and he shall have authority to make regulations for the arrangement, custody, use, and withdrawal of material deposited in the National Archives Building.

SEC. 4. The immediate custody and control of the National Archives Building and such other buildings, grounds, and equipment as may from time to time become a part of the National Archives Establishment (except as the same is vested by law in the Director of National Buildings, Parks, and Reservations) and their contents shall be vested in the Archivist of the United States.

HOUSE BILL 8910 AS PASSED THE HOUSE—continued

the commission may, subject to the approval of the departments, offices, and agencies from which it is to be drawn, be transferred at any time and without regard to the date of such material and records, on requisition of the archivist: *Provided*, That after 5 years from the beginning of this commission the approval of the departments, offices, and agencies from which such material is to be drawn shall not be necessary, except in the case of material bearing dates within 50 years prior to the then dates, and thereafter within 50 years prior to the date of requisition.

SEC. 6. (a) The archivist shall store, classify, arrange, list, index, or catalog all matter received by him, repair and bind the same when needed, and perform all other activities judged needful for the proper administration of his office and the preservation and service of the record property in his custody. In consultation with the commission, the archivist shall prescribe rules and regulations governing examination and consultation of the record property in his custody as he may deem wise: *Provided*, That any head of an executive department, independent office, or other agency of the Government may, for limited periods, not exceeding in duration his tenure of that office, exempt from examination and consultation by officials, private individuals, or any other persons such confidential matter transferred from his department or office, as he may deem wise.

(b) The National Archives may also accept, store, and preserve motion-picture films and sound recordings pertaining to and illustrative of historical activities of the United States and in connection therewith maintain a projecting room for showing such films and reproducing such sound recordings for historical purposes and study.

SEC. 7. (a) The commission is hereby authorized to appoint a committee to advise on publishing historical material, such committee to be known as the "Committee on National Historical Publications." The membership of this committee shall consist of the Archivist of the United States (who shall be chairman); the Historical Adviser of the Department of State; the Chief of the Historical Section of the War Department, General Staff; the Superintendent of Naval Records in the Navy Department; the Chief of the Division of Manuscripts in the Library of Congress; the Curator, Division of History, of the Smithsonian Institution; the president of the American Historical Association; and, in addition thereto, two other members, selected from among persons recognized as of high attainment in American history, to serve for a period of 4 years.

(b) The functions of the Committee on National Historical Publications (hereinafter referred to as the "committee") shall be to examine material in the custody of the National

HOUSE BILL 8910 AS REPORTED TO THE SENATE—continued

SEC. 5. That there is hereby created also a National Historical Publications Commission which shall make plans, estimates, and recommendations for such historical works and collections of sources as seem appropriate for publication at the public expense, said commission to consist of the Archivist of the United States, who shall be its chairman; the historical adviser of the Department of State; the chief of the historical section of the War Department, General Staff; the superintendent of naval records in the Navy Department; the Chief of the Division of Manuscripts in the Library of Congress; and two members of the American Historical Association appointed by the president thereof from among those persons who are or have been members of the executive council of the said association: *Provided*, That the preparation and publication of annual and special reports on the archives and records of the Government, guides, inventory lists, catalogs, and other instruments facilitating the use of the collections shall have precedence over detailed calendars and textual reproductions. This commission shall meet at least once a year, and the members shall serve without compensation except repayment of expenses actually incurred in attending meetings of the commission.

SEC. 6. That there is hereby further created a National Archives Council composed of the Secretaries of each of the executive departments of the Government (or an alternate from each department to be named by the Secretary thereof), the Chairman of the Senate Committee on the Library, the Chairman of the House Committee on the Library, the Librarian of Congress, the Secretary of the Smithsonian Institution, and the Archivist of the United States. The said Council shall define the classes of material which shall be transferred to the National Archives Building and establish regulations governing such transfer; and shall have power to advise the archivist in respect to regulations governing the disposition and use of the archives and records transferred to his custody.

SEC. 7. That the National Archives shall have an official seal which will be judicially noticed.

SEC. 8. That the archivist shall make to Congress, at the beginning of each regular session, a report for the preceding fiscal year as to the national archives, the said report including a detailed statement of all accessions and of all receipts and expenditures on account of the said establishment. He shall also transmit to Congress the recommendations of the Commission on National Historical Publications, and, on January 1 of each year, with the approval of the council, a list or description of the papers, documents, etc. (among the archives and records of the Government), which appear to have no permanent value or historical inter-

HOUSE BILL 8910 AS PASSED THE HOUSE—continued

Archives, advise on the propriety and need for its publication, and submit plans and costs governing such publications as it may deem necessary.

(c) The committee shall also examine available historical material, governmental in origin and character, suitable for motion pictures, for radio broadcast, for sound recording, for lecture, or for any other method of disseminating information, and advise as to plans and costs of preparing such material for the end sought.

(d) The committee shall report to the archivist, who is authorized, with the consent of the commission, to prepare, print, publish, and/or record such material: *Provided*, That the annual expenditures for such purposes shall not exceed the sum of $20,000.

SEC. 8. The archivist shall receive a salary of $10,000 a year. The members of the commission and members of the committee shall receive no salary, but their transportation expenses and expenses incident to not more than two meetings of not more than 6 days' duration each in any 1 year shall be paid out of such funds as are available.

SEC. 9. The National Archives shall have an official seal which shall be judicially noticed.

SEC. 10. There is hereby authorized such appropriations as may be necessary for the purpose of carrying out the provisions of this act.

SEC. 11. The archivist shall submit annually to Congress a report for the preceding fiscal year covering accessions, publications, and recordings, and a detailed statement covering all receipts and expenditures.

SEC. 12. All acts or parts of acts relating to the custody, preservation, and disposition of official papers and documents of executive departments and other governmental agencies inconsistent with the provisions of this act are hereby repealed.

HOUSE BILL 8910 AS REPORTED TO THE SENATE—continued

est, and which, with the concurrence of the Government agency concerned, and subject to the approval of Congress, shall be destroyed or otherwise effectively disposed of.

SEC. 9. That there are hereby authorized such appropriations as may be necessary for the maintenance of the National Archives Building and the administration of the collections, the expenses, and work of the Commission on National Historical Publications, the supply of necessary equipment and expenses incidental to the operations aforesaid, including transfer of records to the Archives Building; printing and binding; personal services in the District of Columbia and elsewhere; travel and subsistence and per diem in lieu of subsistence, notwithstanding the provisions of any other acts; stenographic services by contract or otherwise as may be deemed necessary; purchases and exchange of books and maps; purchase, exchange, and operation of motor vehicles; and all absolutely necessary contingent expenses, all to be expended under the direction of the archivist, who shall annually submit to Congress estimates therefor in the manner prescribed by law.

SEC. 10. All acts or parts of acts relating to the charge and superintendency, custody, preservation, and disposition of official papers and documents of executive departments and other governmental agencies inconsistent with the provisions of this act are hereby repealed.

THE N.R.A.

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent to have printed in the RECORD an interview published in the New York Times of May 27, attributed to Mr. William R. Hearst; also a statement appearing in the New York Times under date of May 28 entitled "Give the N.R.A. a Chance", signed by the United States Plywood Co., Inc.; and another article appearing in the same paper having relationship to the regulation of the service industries and the code labor rule.

There being no objection the articles were ordered to be printed in the RECORD as follows:

[From the New York Times, May 27, 1934]

HEARST, SAILING, SHIFTS TO THE N.R.A.—PUBLISHER, URGING SUPPORT OF PRESIDENT, NOTES RISE IN NATION'S BUSINESS—CITES ADVERTISING GAIN—BELIEVES IN NEW DEAL SO LONG AS "YOU ARE NOT TOLD TO DO SOMETHING YOU CAN'T DO"

William Randolph Hearst, publisher, sailed yesterday on the Italian liner *Rex*, expressing optimism about conditions in the country and the progress of recovery.

In a virtual reversal of his former attitude, the publisher said he felt that everyone should support the N.R.A. and recovery measures so long as the measures did not "tell you to do something you can't do." He said he was in sympathy with President Roosevelt.

With Mr. Hearst were his three sons, William R., Jr., John, and George, the wives of his sons and 11 of his friends.

The publisher said he believed the United States was well on the way to recovery, citing increases in newspaper advertising as a reliable barometer of conditions throughout the Nation.

HE NOTES GAIN IN TRADE

When asked for his views on the Recovery Act, Mr. Hearst, who talked in Chicago recently with General Johnson, head of the N.R.A., and visited the President in Washington, said:

"It is much better than it was. General Johnson seemed to have a very judicious and admirable attitude. He said that the codes were satisfactory to many industries, which preferred to have them rather than not."

Speaking of his visit to Washington, he said:

"I have sympathy for the National Recovery Act, and all is right with it so long as they don't tell you to do something you can't do. I think we are going to get along, and all should help as much as they can. I am entirely in sympathy with the President."

[From the New York Times, May 28, 1934]

GIVE THE N.R.A. A CHANCE

Unless the citizens of our beloved country support our President and the Congress no plan—social or economic—can succeed.

In other countries, notably England and Russia, the people have sustained their governments during the crisis with an enthusiasm amounting to religious fervor. Both of these countries are well on their way toward complete recovery.

We lay claim to no knowledge of political or social economics qualifying us to judge the wisdom of the plan of our Government, but we subscribe to the opinion that no plan can succeed without the unselfish and intelligent support of the whole people—that any plan, capable of modification by experience, can succeed if honestly and intelligently supported.

The N.R.A. has revivified the lumber industry in all of its complex phases. It has raised the wages of workmen from as little as nothing, save rude board and keep, to a minimum of 42½ cents an hour. It has benefited the "little man" by protecting him against the dumping of overproduction in his markets; by teaching him the cost of doing business and by stabilizing his market with due consideration to his activities.

Even in this industry the chiselers are at work undermining, for selfish reasons of temporary gain, the structure which has saved them from destruction.

Give the N.R.A. a chance to succeed by giving it your wholehearted, patriotic support. Do not be a traitor to your own interests, for it inevitably means a return to the chaos of 1933 or the lash of the dictator. Your Government has made mistakes, but it has set us on the road to recovery, and has passed many laws to prevent abuses of the past.

The man who will not support his Government in this crisis is beneath contempt.

UNITED STATES PLYWOOD CO., INC.,
LAWRENCE OTTINGER, *President*.

[From the New York Times, May 28, 1934]

ROOSEVELT ENDS REGULATION OF THE SERVICE INDUSTRIES BUT KEEPS CODE LABOR RULE—N.R.A. DRASTICALLY REVISED—BUT LOCAL FAIR-PRACTICE PACTS ARE AUTHORIZED IN EXECUTIVE ORDER—85 PERCENT MUST AGREE—OTHERWISE BLUE EAGLE IS PERMITTED IF FOUR BASIC RULES OF THE LAW ARE MET—PRICE CONTROL WAS SNAG—STATEMENT BY PRESIDENT CITES HANDICAPS TO NATIONAL CODES FOR SALE OF SERVICES

WASHINGTON, May 27.—President Roosevelt, in an Executive order today, authorized the exemption of the service industries from some of the fair-trade practices of N.R.A. codes.

The exemption does not apply to minimum wages and maximum working hours, child labor, and collective bargaining.

The Executive order empowers Recovery Administrator Johnson to cease attempting to enforce open-price systems, price fixing, and other devices on hundreds of thousands of cleaners, dyers, and pressers, barber shops, beauty shops, and the like.

In a statement, the President defined service industries as those "engaged in the sale of services rather than goods."

The statement said that "a trial period of some months has shown that while most industries after organization for this work and a little experience with it can secure uniform national results, there are others in which a greater degree of autonomous local self-government is desirable."

Among these are "some but not all" of the service industries, the statement added.

MUCH DIFFICULTY IN FIELD

This latest step toward a changed N.R.A. was taken after General Johnson and his aides had found mounting difficulty in the service-industries field.

The cleaners and dyers code accounted for more than half the Blue Eagles removed. Under the code, a complicated system of minimum prices was set up for various areas in the country.

Wide-spread violation prompted General Johnson to say that he never should have attempted to write fair-trade practice provisions into the pact.

Under the Executive order of today, however, fair-trade practice provisions for a service industry in a given area may be provided when 85 percent of the industry in the area agrees to them and they are approved by the N.R.A.

No member of any service industry may fly the Blue Eagle unless he is living up to the present code provisions governing child labor, maximum hours, minimum wages, and collective bargaining. In areas where a local code has been promulgated, the members of the industry, to fly the Blue Eagle, must, in addition, live up to the local code.

SIGNING DELAYED BY PRESIDENT

The decision on whether an industry is eligible for exemption is left to General Johnson and his aides.

While the step was forecast by General Johnson 3 weeks ago, it is known that the Executive order, presumably drafted by the N.R.A., had been unsigned on the President's desk for almost a week. Some N.R.A. officials had doubted whether he would sign it at all, involving as it does a major change in N.R.A. policy.

Forecasting of the order by General Johnson brought a storm of protest from cleaners and dyers throughout the country.

Since the basic principle of the N.R.A. contemplates meeting the increased production costs of higher wages and shorter working hours with savings by elimination of destructive price cutting and of other practices, much interest in how the new policy would work out was expressed in N.R.A. circles.

N.R.A. officials have for some time recognized a grave problem in handling such codes as come within the scope of today's Executive order. They feel there is little that a code can offer in this field in return for the higher production costs under the N.R.A.

LIST OF GROUPS AFFECTED NOT READY

WASHINGTON, May 27.—The Recovery Administration was not prepared tonight to announce the industries to come under the new order.

Virtually the only service industry operating under a national price schedule is that of cleaning and dyeing.

The hotel code has been suspended for perfection by the code authority. The restaurant group is operating under a national code based mainly on wage and hour provisions.

The laundry and barber-shop groups are operating under codes with fair-trade practice provisions.

THE PRESIDENT'S STATEMENT

WASHINGTON, May 27.—Following are the texts of the President's statement announcing changes in the N.R.A. as it affects service industries and of the Executive order promulgating the changes:

"Most industries have a national community of economic interests, even though the operation of some of their units is local. There are others which, notwithstanding their having national trade associations, do not actually integrate themselves nationally. Whether an industry can govern and police itself under the fair-trade provisions of a national code depends on its degree of actual economic integration on a national scale and on the organization and solidarity within the whole industry.

"A trial period of some months has shown that while most industries, after organization for this work and a little experience with it, can secure uniform national results, there are others to whom a greater degree of autonomous local self-government is desirable. Among these are some, but not all, of the so-called "service industries"—that is, industries engaged in the sale of services rather than of goods.

"No industry would give up the gains we have made in the elimination of child labor and in the establishment of minimum wages and maximum hours of labor and, of course, under the law, we cannot give up collective bargaining and the right of the President to cancel or modify codes, orders, and agreements.

I am signing an order today which carries these principles into effect as to some of the so-called "service industries."

To put it simply: No matter where he is located, no member of any such service industry, as shall have previously been designated by the Administrator, may fly the Blue Eagle unless he is living up to the present code provisions governing child labor, maximum hours, minimum wages, and collective bargaining.

But trade practices shall be required as a condition of flying the Blue Eagle in these designated service industries only in particular localities in which at least 85 percent of the members there have proposed as a local code of fair-trade practice a schedule of such practices in respect of which they all seek to agree with me to comply with their own proposal.

If the Administrator approves any such proposed local code, then no member in that locality may fly the Blue Eagle unless, in addition to complying with the code provisions governing child labor, maximum hours, maximum wages, and collective bargaining, he also is complying with this local compact on trade practices.

The display of the Blue Eagle by any employer is notice to the people of the United States that he is dealing fairly with his workers in accordance with the letter and spirit of the recovery program, that he is not taking advantage of child labor and that he is living up to the prescribed high responsibility to the public and to his competitors.

The absence of a Blue Eagle indicates that the employer has omitted or refused to adopt some of these standards and to cooperate with the Government and his economic and actual neighbors in trying to bring about a better day.

TEXT OF EXECUTIVE ORDER

The Executive order follows:

Pursuant to authority vested in me by title I of the National Industrial Recovery Act, I, Franklin D. Roosevelt, President of the United States, do hereby direct that all provisions in codes of such service trades or industries as shall hereafter be designated by the Administrator for National Recovery be hereby suspended until further orders, except provisions governing child labor, maximum hours of work and minimum rates of pay and the mandatory provisions of sections 7 (a) and 10 (b).

Each member of any such trade or industry, so designated, shall be entitled to display the appropriate insignia of the National Recovery Administration so long, and only so long, as he is complying with the aforesaid nonsuspended provisions; provided, however, that in any locality in which 85 percent of the members of any such designated trade or industry shall propose to agree with the President to abide by any local code of fair-trade practices suggested by them for that locality, which schedule shall have been approved by the Administrator, the Administrator is authorized to make such agreement and thereafter no member of such industry in such locality shall be entitled to display the appropriate insignia of the National Recovery Administration unless, in addition to the aforesaid nonsuspended provisions of the code, he is complying with all terms of such agreement.

The Administrator may supplement this order by such rules, regulations, exceptions, modifications, conditions, and determinations as, in his opinion, shall effectuate the purposes of this order and of said act.

RECEIVERS IN BANKRUPTCY

Mr. WAGNER. Mr. President, I present a supplemental petition of the special committee of the New York County Lawyers Association in the matter of rules XIV, XXXIX, and XLVI of the General Orders in Bankruptcy and of bankruptcy rules XXVII, XXII, VIII, and XXX of the southern district of New York, relative to the matter of bankruptcy receiverships, together with an exhibit, being House Report No. 1104, Seventy-third Congress, second session, entitled "Receivers in Bankruptcy", which I ask may be printed in the RECORD.

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

IN THE SUPREME COURT OF THE UNITED STATES

IN THE MATTER OF RULES XIV, XXXIX, AND XLVI OF THE GENERAL ORDERS IN BANKRUPTCY AND OF BANKRUPTCY RULES XXVII, XXII, VIII, AND XXX OF THE SOUTHERN DISTRICT OF NEW YORK. ON PETITION OF THE SPECIAL COMMITTEE OF THE NEW YORK COUNTY LAWYERS' ASSOCIATION

To the honorable the CHIEF JUSTICE AND ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

On May 24, 1933, the special committee of the New York County Lawyers' Association, appointed by resolution dated January 12, 1933, thereto annexed, filed a petition herein praying for a change in the present practice of appointing a sole standing receiver, as receiver in bankruptcy, and in a multiplicity of equity cases, for a change of rules and orders of this Court respecting the same, and for other relief as therein set forth. Since then many things have happened which further strengthen the said petition and show that equity and sound public policy dictate that there should be such change and that the petitioner is entitled to relief.

RESOLUTION OF THE BAR ASSOCIATIONS

The following bar associations, represented at a joint meeting held on January 22, 1934, in the building of the Downtown Athletic Club, in the city of New York, passed a resolution disapproving the selection of a standing receiver in the southern district of New York, the appointment of a trust company as a sole standing receiver, the solicitation of claims and powers of attorney by referees in bankruptcy for the election of the standing receiver as trustee in bankruptcy, to wit, New York County Lawyers Association, Federal Bar Association of the State of New York, New Jersey, and Connecticut, Bronx County Bar Association, Nassau County Bar Association, Brooklyn Bar Association, Queens County Bar Association, Yonkers Bar Association, Westchester County Bar Association, Richmond County Bar Association, Kings County Lawyers Association, Kings County Criminal Bar Association, Suffolk County Bar Association, Middletown Bar Association, Harlem Lawyers Association, and Women's Bronx County Bar Association.

The resolution is as follows:

"*Be it resolved*, That we, as representatives of the bar associations here assembled, unqualifiedly oppose the appointment by the United States District Court, Southern District of New York, of a corporate standing receiver or any standing receiver in bankruptcy, and the solicitation of powers of attorney by Federal referees for the election of the Irving Trust Co. as trustee, for the following reasons:

"First. That the court's appointment of such standing receiver creates a dangerous monopoly over all classes of business and is inimical to the best interests of the country and the administration of justice.

"Second. A standing receiver or trustee with unlimited discretion in the appointment of counsel and distribution of legal business, acquires and exercises insidious and sinister power to dominate the bar and distribute its legal business to small groups of its favorites, distribute patronage, as it were, and subvert freedom of the bar.

"Third. A free, independent, and untrammeled bar is just as essential to public welfare as a free press.

"Fourth. The investigation by a congressional committee of the Irving Trust Co. receiverships—even though limited, due to lack

of funds—clearly establishes that the Irving Trust Co. was not more efficient than individual receivers, that certain charges made by the Irving Trust Co. for services as receiver or trustee were contrary to law, and that it greatly profited by the deposits of the funds of bankrupt estates with itself.

"And be it further

"*Resolved*, That we respectively urge the United States Supreme Court to act favorably on the petition of the New York County Lawyers Association to abolish the practice of appointing a standing receiver in bankruptcy, and of soliciting powers of attorney by the referees for the election of the Irving Trust Co. as trustee in bankruptcy."

In addition to the joint resolution of said 15 bar associations, attached to and made a part of this supplemental petition, and the resolution passed by the New York County Lawyers Association (under which our original petition was presented, and which was made a part thereof), we respectfully refer to the following certified copy of the resolution of the New York State Bar Association, which is as follows:

"At a meeting of the New York State Bar Association held in the rooms of the Association of the Bar of the City of New York on the 16th and 17th of January 1931, among other matters, the following resolution was passed:

"'*Resolved*, That the United States judges sitting in the District Court of the United States for the Southern District of New York be respectfully requested to resume the practice of the appointing of individual receivers.'"

NEW YORK STATE BAR ASSOCIATION,
CHARLES W. WALTON, *Secretary*.

A true copy, March 21, 1934.

The Legislature of the State of New York at its present session of 1934, by a vote of 120 to 17 in the assembly and 43 to 3 in the senate, voted for laws intended to make impossible corporation receiverships.

In spite of the Governor's veto specifically stated by him as made not on the merits of the bill, but because he held it was a Federal question, the State senate thereafter, on April 18, 1934, resolved to amend the civil practice act to the same effect by a vote of 45 to 3.

The congressional Bankruptcy Investigating Committee, sitting in New York and hearing voluminous testimony, though representing in its personnel all sections and both major political parties, and after hearing counsel for the said trust company standing receiver, unanimously condemned its continuance as such corporation receiver, and monopoly.

CONGRESSIONAL INVESTIGATION ON RECEIVERS IN BANKRUPTCY—REPORT OF COMMITTEE

In the fall of 1933 the subcommittee of the congressional Committee on the Judiciary, conducted an investigation of the conditions relating to bankruptcy and equity receiverships and the selection of trustee, in the southern district of New York. Although hampered by limited funds to conduct a more thorough investigation, 1,364 pages of testimony were taken, in which are included numerous exhibits. Various witnesses, including the officials of the Irving Trust Co. and Hon. John C. Knox, senior United States district judge, testified. The committee made its report on the said investigation on March 29, 1934, to the House of Representatives, which is attached as exhibit A. We quote from same:

"The district judges of the southern district of New York some time ago adopted a rule setting up the Irving Trust Co., of the city of New York, as a standing receiver in all cases, and since that order, said Irving Trust Co. has supplanted the legal profession in the administration of receiverships in bankruptcy."

A few years ago there had occurred some scandals in the city of New York concerning the appointment of receivers. The United States judges of the southern district of New York, however, were not without blame, since they had in some cases themselves appointed incompetent and dishonest officials. Of course, it must be stated that considering the tremendous amount of work the judges must perform, to pass accurately in all cases upon the competency and honesty of their appointees is ofttimes difficult, if not impossible. Yet, as a result of the order of the judges, setting up the Irving Trust Co. as a standing receiver, there has been set up a monopoly in the Irving Trust Co. with power to appoint attorneys for the receiver, the appraisers, custodians, auctioneers, etc. Referees are also instructed by the judges in notices to creditors, in as persuasive and forceful language as possible, to suggest voting the Irving Trust Co. as trustee. This is contrary to the spirit of the Bankruptcy Act, which provides for creditor control over bankrupt estates. In almost every instance where the Irving Trust Co. has been appointed receiver it has been elected trustee.

Conflict of interest has often arisen. One bankruptcy estate often has claims against another estate. Since the Trust Co. is receiver or trustee in all cases, it has found itself making claims against itself. There are cases in the southern district of New York entitled "Irving Trust Co. as receiver against Irving Trust Co. as receiver."

In justification of their attitude, in setting up the bank as standing receiver, some of the judges had explained that formerly they were importuned at their homes, upon streets, and at public gatherings by those who sought to be appointed as receivers in bankruptcy cases. They claim they now have great peace of mind because they are no longer bothered with these insistent demands for appointments. It must be remembered, however, that the bankruptcy statute was not enacted for the convenience of judges or their peace of mind. Judges must be able to steel themselves against the improper importunities of friends. They must render themselves impervious to such demands and requests. If the judges complained of such political patronage in the appointment of receivers, it must be remembered that there has been set up another kind of patronage, namely, the Irving Trust Co. Doubtlessly, the one who confers the most favors and brings the most business to the Irving Trust Co. will in the long run receive lucrative appointments. The appointment of lawyers may not be exclusively upon merit or efficiency. Certainly, officials of the bank are just as human as the judges. They are subject to the same demands and importunities.

Furthermore, upon the suggestion of the judges of the southern district of New York, the Supreme Court adopted a rule permitting the Irving Trust Co. to deposit with itself bankrupt estate funds. This is most unusual. Nowhere else do we have a situation where a receiver or trustee can keep his or its own funds in his or its possession.

A subcommittee of the Judiciary Committee investigating conditions concerning the Irving Trust Co. brought out the fact that last summer there was $19,000,000 that the Irving Trust Co. held on deposit in the form of bankrupt estate funds.

Senior Circuit Judge Martin T. Manton, of the Circuit Court of Appeals embracing the southern district of New York, has this to say on the subject:

"All integrity, honesty, and understanding have not left the bar just because of the so-called 'bankruptcy scandal.' Lawyers give to bankruptcy cases their individual, personal attention—their humane consideration. They are efficient and competent, and I believe can handle the exigencies of bankruptcy situations more satisfactorily than a banking corporation."

The appointment of the Irving Trust Co. as a standing receiver was opposed by the New York State Bar Association, the Brooklyn Bar Association, the New York County Lawyers Bar Association, the Nassau County Bar Association, the Queens County Bar Association, the Richmond County Bar Association, the Bronx County Bar Association, and the Federal Bar Association of New York, New Jersey, and Connecticut. The Irving Trust Co. was receiver, for example, in the following cases: United Cigars, Lerner Dress, Owl Drug, Whelan Drug Stores, Wallack Bros. (haberdashery), Savoy Plaza Hotel, Hotel Pierre, McCory Stores, etc. It has under its control all manner and kinds of business and industries, retail, wholesale, manufacturing. It runs railroads, restaurants, trolley lines, hotels, and supervises the operation of 60 match corporations in Denmark, Finland, Guatemala, Yugoslavia, Norway, the Philippine Islands, Poland, Turkey, Austria, Czechoslovakia, Estonia, Hungary, Latvia, and Italy, and the United States. By the appointment of itself as ancillary receiver of many chain-store bankrupts, it functions in scores of congressional districts.

In the beginning, it set up its own collection agency, called the "Estate Collection Service", and in addition to its own fees as receiver, said Irving Trust Co. charged collecting fees. It took court proceedings to preclude the Irving Trust Co. from indulging in this practice.

The Irving Trust Co. issued a report to its stockholders January 17, 1934. It contains certain information as to the profitable operation of its bankruptcy-receivership department. There is a statement in the report to the effect that $100,000 a year is estimated as its profit as the trustee of bankruptcy funds. If such profit had been made by an individual trustee and not the Irving Trust Co., it would belong to the creditors who share in the dividends. This is not the case, however, with the Irving Trust Co.

The Irving Trust Co. and its defenders, including numerous trade associations, maintain that creditors have received more dividends and are far better off under the old system of appointing individual attorneys and entities as receivers. There is considerable dispute as to this.

The Federal Bar Association of New York, New Jersey, and Connecticut, however, says as follows:

"A careful examination and analysis of one of the reports filed by the Irving Trust Co. shows this bank to be of no practical advantage to the creditors over the administration by the creditors themselves under the bankruptcy law and no improvement for the public interest."

The representative of the Brooklyn Bar Association stated that his investigation demonstrated (1) that the Irving Trust Co. administration is not more economical, and (2) that the creditors are not receiving a larger percentage of the dividends by reason of the Irving Trust Co. acting as administrator.

The Irving Trust Co. has seen fit to appoint as its attorneys in various receiverships, a coterie of favorite attorneys. The fees received by these attorneys are staggering in amount. In the investigation conducted by the special committee of the Judiciary Committee at New York, it was disclosed that four law firms, out of 84 bankruptcy cases distributed among them, had received in fees a total, up to the time of the investigation in October 1933, of $1,043,584, and that there were numerous cases still pending in those offices for which no compensation had yet been paid. The stupendous fees paid to several of these law firms under the Irving Trust Co. arrangement is shocking. One firm, in particular, will have earned doubtlessly upward of three-quarters of a million dollars when the pending cases are concluded.

The continuing of the Irving Trust Co. as receiver will tend toward a monopoly that will give this corporation tyrannical control over the bar, because the amount of legal work it passes out is incalculable.

The New York State Legislature last year and the New York State Legislature recently passed what is known as the "McNaboe

bill", which intended to prevent the Irving Trust Co. from exercising a virtual monopoly in receiverships. Although the measure did not mention that corporation by name, it provided that no corporation could act, directly or indirectly, as receiver or trustee in bankruptcy or as receiver in equity. The bill recently and the bill last year went through both houses of the legislature by wide margin. Governor Lehman last year and on March 24 of this year vetoed the bill, and said:

"The veto of this bill is not to be construed as an approval of the system existing in that district. The fact is, however, that the judges of the Federal court of the southern district, pursuant to the power vested in them, adopted the rule centering receiverships and trusteeships in bankruptcy in the hands of one corporation.

"If a change is desired, the judges of that court may make the change, or the change may be made by action of the Congress. It is not for this State to change by indirect means a rule made by a Federal court for the discharge of bankruptcy cases coming before it.

"As I said in my veto message of last year, interference by the State would not only be an unwarranted intrusion into what is primarily a judicial function, but it would carry that intrusion into Federal courts which are in no sense subject to State legislative control and into the field of bankruptcy which by the Constitution of the United States is vested in the Federal Government.

"We thus have an overwhelming expression of sentiment on the part of the New York State Legislature, representing the sentiment of the people of the State of New York, that it does not wish the continuance of the Irving Trust Co. as monopoly receiver in the Federal courts. The Governor of the State of New York says that it is not within the province of the State to act."

BANKRUPTCY AND EQUITY RECEIVERSHIP

Funds carried by bank at one-half percent interest since June 1931. Originally rate paid was 2 percent.

1930: February $653,146.49. From that amount the fund progressively rose to $8,378,293.97, during that year.

1931: January $10,740,410.55, and was in December $12,530,-616.69.

1932: January $11,940,693.72, and was in December $13,617,-862.95.

1933: January $17,866,416.46, February $20,930,159.52, March $21,130,815.95, April $21,758,509.49, May $21,758,509.49, June $22,158,273.23, July $22,410,260.34, August $21,107,658.80.

At the time of the investigation this fund was approximately $23,000,000.

Mr. Ward, the president of the Irving Trust Co., testified that before accepting the receivership he emphasized as a condition that the trust company should be given the right to carry all the funds on deposit with itself and that he considered that as an element of profit.

In a report issued by the Irving Trust Co. to stockholders in January 1934, it was stated that the trust company made an annual profit of $100,000 on those funds. Such profits should properly go to creditors and not to the bank.

The Irving Trust deposited with the court from time to time Liberty bonds paying 4½-percent interest to equal the funds on hand, that is of about $21,000,000. This would be tantamount to using the funds for the purchase of the Liberty bonds and drawing the interest at 4¼ percent which would go to the trust company.

The annual interest on $21,000,000 at 4 percent would amount to $840,000 net to the bank.

AS TO SOLICITATION OF CLAIMS AND POWERS OF ATTORNEY

In re *Mayflower Hat Co., Inc.* (65 Fed. (2d) 330) the Second Circuit Court of Appeals held that it is proper for laymen to solicit claims against a bankrupt, unless solicitation is done in the interest of bankrupt or to enable someone other than a general creditor to control trustee's election, and that an agent of bankrupt's creditor may obtain a power of attorney by solicitation and vote for himself as trustee.

Irresponsible collection agencies or trade associations may so solicit such claims. Referees in bankruptcy may solicit powers of attorney for the election of the Irving Trust Co. as trustee. But lawyers are prohibited from soliciting claims and powers of attorney, and may not be retained by the receiver or trustee, if they acted as attorneys for petitioning creditors.

The supplemental report of the Irving Trust Co. shows that during the whole period of their administration their payment of dividends were 0.71 of 1 percent less than bankruptcy proceedings administered by others in this district, and the payment of dividends would be still less, were it not for the fact that many of the old bankruptcy cases are being wound up.

A trust company of the dimensions of the Irving Trust Co. has great interests on its own account, many of which must necessarily be conflicting. Such a monopolistic fiduciary must frequently be required to serve two masters. In our original petition we illustrated how the bankrupt trusteeships of the standing receiver and trustee conflicted in specific cases. This is confirmed by the congressional report.

Rule XIV of the General Orders in Bankruptcy reads as follows:

"XIV. NO OFFICIAL OR GENERAL TRUSTEE

"No official trustee shall be appointed by the court nor any general trustee act in classes of cases."

If there should be no standing or official trustee, for the same reasons, there should be no standing or official receiver. In addition, the solicited powers of attorney by referees in practice makes official trustees.

"The judges of the southern district of New York in enacting a rule appointing the Irving Trust Co. as standing receiver went directly against the spirit of the bankruptcy rules of the Supreme Court as existing from the beginning of the law. It is the intent of that rule that there should be an absolute right in creditors to choose the trustee in each case; and it is contrary to the spirit, if not the letter, of the Bankruptcy Act to have the Irving Trust Co. imposed upon the creditors as trustee in bankruptcy by the solicitation of the claims and powers of attorney by the referees to elect the Irving Trust Co. as such trustee. Whether directly or indirectly, the present practice in the southern district of New York in effect takes away the right of creditor control in the selection of a trustee."

A banking corporation, or trust company, as a part of the conscience of the Court is to us inconceivable.

The fact that a corporation, particularly a banking corporation, including the Irving Trust Co., is controlled by various stock interests, and stock ownership can shift and change from time to time, as the stock is publicly owned and bought and sold on the stock exchange (and the bank's officers and employees may be changed); and stock ownership is subject to transfer without the knowledge of anyone, including the judges, placing the domination of the officers of the corporation under such new ownership control, makes it improper that a corporation should be an officer of a court.

We submit to your honors that the local rules in bankruptcy for the southern district of New York, nos. 22 and 8 violate a fundamental canon of a judicial officer. The referee in bankruptcy is a judicial officer, and is the nisi prius court. He should be impartial. He should not be the proxy in an election upon the validity of which he himself, as such judicial officer, must pass judgment.

Reaffirming, therefore, our original petition and its recommendations, and continuing to voice our objection to any return to the old method of the frequent appointment of receivers from lists of names provided by political leaders, and to aid such creditor control, we suggest the following additional paragraph to the last part of our recommendation no. 14 (A of local rule 27 (see pp. 17 and 18 of original petition)) to wit—

"And for the purpose of aiding the court in estimating such majority of the creditors, the bankrupt shall, or any interested party may, file in court, within 2 days after the filing of a bankruptcy petition, or within such other period of time as the court may designate, a list of the names and addresses of all said bankrupt's creditors so far as the same are known to him. And the court may require such notice to them as it may deem reasonable by mail, telegram, or otherwise, unless such creditor has waived notice in writing."

We respectfully therefore request and pray this honorable court to amend its general orders in bankruptcy in accordance with our petitions.

And for such other and further relief as to this honorable court may seem just and proper.

Respectfully submitted.

NEW YORK COUNTY LAWYERS ASSOCIATION.

JOINING IN PETITION

Federal Bar Associations of the States of New York, New Jersey, and Connecticut, Harold Remington, chairman; Bronx County Bar Association, Meyer Levy, president; Nassau County Bar Association, B. Elliot Burston, chairman; Brooklyn Bar Association, Nicholas H. Pinto, chairman; Queens County Bar Association, Julius F. Newman, chairman; Yonkers Bar Association, Alexander K. Perlman, chairman; Westchester County Bar Association, Frank J. Lamb, chairman; Richmond County Bar Association, Daniel G. McGrath, president; Kings County Lawyers Association, Harrison C. Glore, president; Kings County Criminal Bar Association, Joseph A. Solovei, president; Suffolk County Bar Association, Ralph J. Hawkins, president; Middletown Bar Association, Charles E. Taylor, president; Harlem Lawyers Association, Alan L. Dingle, president; Women's Bronx County Bar Association, Agnes Craig, chairman; New York County Lawyers Association, Henry Ward Beer (chairman), Hugh Gordon Miller, Nathan Burkan, Samuel C. Duberstein, Charles H. Hyde, Samuel Leavitt, Harold Remington, I. Maurice Wormser, Harry Weinberger; Hugh Gordon Miller, chairman subcommittees of special and joint committee, Harry Weinberger, secretary; Eugene Garey, chairman joint committee of supporting bar associations, Samuel Leavitt, secretary.

EXHIBIT A

(H.Rept. No. 1104, 73d Cong., 2d sess.)

RECEIVERS IN BANKRUPTCY

MARCH 29, 1934.—REFERRED TO THE HOUSE CALENDAR AND ORDERED TO BE PRINTED

Mr. CELLER, from the Committee on the Judiciary, submitted the following report (to accompany H.R. 8832):

The Committee on the Judiciary, to whom was referred the bill (H.R. 8832), 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, after consideration, report the same favorably to the House with the recommendation that the bill do pass.

This bill provides that Federal courts shall make according to their discretion such an equitable distribution of appointments as receiver in bankruptcy as will prevent any persons, firms, or

corporations from having a monopoly of such appointments in any district.

The district judges of the southern district of New York some time ago adopted a rule setting up the Irving Trust Co. of the city of New York as a standing receiver in all cases, and since that order, said Irving Trust Co. has supplanted the legal profession in the administration of receiverships in bankruptcy.

A few years ago there had occurred some scandals in the city of New York concerning the appointment of receivers. The United States judges of the southern district of New York, however, were not without blame, since they had in some cases themselves appointed incompetent and dishonest officials. Of course, it must be stated that considering the tremendous amount of work the judges must perform to pass accurately in all cases upon the competency and honesty of their appointees is ofttimes difficult, if not impossible. Yet, as a result of the order of the judges, setting up the Irving Trust Co. as a standing receiver, there has been set up a monopoly in the Irving Trust Co. with power to appoint attorneys for the receiver, the appraisers, custodians, auctioneers, etc. Referees are also instructed by the judges in notices to creditors, in as persuasive and forceful language as possible, to suggest voting the Irving Trust Co. as trustee. This is contrary to the spirit of the Bankruptcy Act, which provides for creditor control over bankrupt estates. In almost every instance where the Irving Trust Co. has been appointed receiver it has been elected trustee.

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In justification of their attitude, in setting up the bank as standing receiver, some of the judges had explained that formerly they were importuned at their homes, upon the streets, and at public gatherings by those who sought to be appointed as receivers in bankruptcy cases. They claim they now have great peace of mind because they are no longer bothered with these insistent demands for appointments. It must be remembered, however, that the bankruptcy statute was not enacted for the convenience of judges or their peace of mind. Judges must be able to steel themselves against the improper importunities of friends. They must render themselves impervious to such demands and requests. If the judges complained of such political patronage in the appointment of receivers, it must be remembered that there has been set up another kind of patronage, namely, the Irving Trust Co. Doubtlessly the one who confers the most favors and brings the most business to the Irving Trust Co. will in the long run receive lucrative appointments. The appointment of lawyers may not be exclusively upon merit or efficiency. Certainly officials of the bank are just as human as the judges. They are subject to the same demands and importunities.

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"The veto of this bill is not to be construed as an approval of the system existing in that district. The fact is, however, that the judges of the Federal court of the southern district, pursuant to the power vested in them, adopted the rule centering receiverships and trusteeships in bankruptcy in the hands of one corporation.

"If a change is desired, the judges of that court may make the change, or the change may be made by action of the Congress. It is not for this State to change by indirect means a rule made by a Federal court for the discharge of bankruptcy cases coming before it.

"As I said in my veto message of last year, interference by the State would not only be an unwarranted intrusion into what is primarily a judicial function but it would carry that intrusion into Federal courts which are in no sense subject to State legislative control and into the field of bankruptcy, which by the Constitution of the United States is vested in the Federal Government.

"We thus have an overwhelming expression of sentiment on the part of the New York State Legislature, representing the sentiment of the people of the State of New York, that it does not wish the continuance of the Irving Trust Co. as monopoly receiver in the Federal courts. The Governor of the State of New York says that it is not within the province of the State to act. It is the duty of Congress to act."

In compliance with clause 2a of rule XIII, there follows in roman section 74 of the Bankruptcy Act, with the new matter added by H.R. 8832 in italics:

"SEC. 74. Compositions and extensions: (a) Any person excepting a corporation may file a petition, or, in an involuntary proceeding before adjudication, an answer within the time limited by section 18 (b) of this act, accompanied in either case, unless further time is granted, by his schedules, stating that he is insolvent or unable to meet his debts as they mature, and that he desires to effect a composition or an extension of time to pay his debts. The term 'debt' for the purposes of an extension proposal under this section shall include all claims of whatever character against the debtor or his property, including a claim for future rent, whether or not such claims would otherwise constitute provable claims under this act. Upon the filing of such a petition or answer the judge shall enter an order either approving it as properly filed under this section, if satisfied that such petition or answer complies with this section and has been filed in good faith, or dismissing it. If such petition or answer is approved, an order of adjudication shall not be entered except as provided in subdivision (1) of this section: *Provided, however,* That in staying the action for adjudication in an involuntary proceeding the court shall make such stay conditional upon such terms for the protection and indemnity against loss by the estate as may be proper, and that in any other proceeding under this section the court may, as the creditors at the first meeting may direct, impose

similar terms as a condition of delaying the appointment of a trustee and the liquidation of the estate. Any person by or against whom a petition is filed shall be referred to in the proceedings under this section as 'debtor.' The term 'creditor' shall include for the purposes of an extension proposal under this section all holders of claims of whatever character against the debtor or his property, including a claim for future rent, whether or not such claims would otherwise constitute provable claims under this act. A claim for future rent shall constitute a provable debt and shall be liquidated under section 63 (b) of this act.

"(b) After the filing of such petition or answer, the court may upon reasonable notice to creditors and attorneys of record appoint a custodian or receiver, who shall inventory the debtor's estate and exercise such supervision and control over the conduct of the debtor's business as the creditors at any meeting or the court shall direct.

"(c) The custodian or receiver, or if none has been appointed, the court shall promptly call the first meeting of creditors, stating in the notice that the debtor proposes to offer terms of composition or extension, and enclosing with the notice a summary of the inventory, a brief statement of the debtor's indebtedness as shown by the schedules, and a list of the names and addresses of the secured creditors and the 15 largest unsecured creditors, with the amounts owing to each as shown by the schedules. Any creditor may appear at or before the first meeting and controvert the facts alleged in the petition. In such case the court shall determine as soon as may be the issues presented, without the intervention of a jury, and unless the material allegations are sustained by the proofs shall dismiss the petition.

"(d) At the first meeting (1) the debtor may be examined; (2) the creditors may nominate a trustee, who shall thereafter be appointed by the court in case it becomes necessary to liquidate the estate as provided in subdivision (1) of this section; and (3) the court shall, after hearing the parties in interest, fix a reasonable time within which application for confirmation shall be made. The court may later extend such time for cause shown, and may require, as a condition of such extension, additional terms for the protection of and indemnity against loss by the estate as may be proper.

"(e) An application for the confirmation of a composition or extension proposal may be filed in the court of bankruptcy after, but not before, it has been accepted in writing by a majority in number of all creditors whose claims if unsecured have been allowed, or if secured are proposed to be affected by an extension proposal, which number must represent a majority in amount of such claims; and the money or security necessary to pay all debts which have priority unless waived and the costs of the proceedings, and in case of a composition the consideration to be paid by the debtor to his creditors, have been deposited in such place as shall be designated by and subject to the order of the court.

"(f) A date and place, with reference to the convenience of the parties in interest, shall be fixed for a hearing upon each application for the confirmation of the composition or extension proposal, and such objections as may be made to its confirmation.

"(g) The court shall confirm the proposal, if satisfied that (1) it includes an equitable and feasible method of liquidation for secured creditors whose claims are affected and of financial rehabilitation for the debtor; (2) it is for the best interests of all creditors; (3) that the debtor has not been guilty of any of the acts, or failed to perform any of the duties, which would be a ground for denying his discharge; and (4) the offer and its acceptance are in good faith, and have not been made or procured except as herein provided, or by any means, promises, or acts herein forbidden. In application for extensions, the court shall require proof from each creditor filing a claim that such claim is free from usury as defined by the laws of the place where the debt is contracted.

"(h) The terms of an extension proposal may extend the time of payment of either or both unsecured debts and secured debts the security for which is in the actual or constructive possession of the debtor or of the custodian or receiver, and may provide for priority of payments to be made during the period of extension as between secured and unsecured creditors. It may also include specific undertakings by the debtor during the period of the extension, including provisions for payments on account, and may provide for supervisory or other control over the debtor's business or affairs during such period by a creditors' committee or otherwise, and for the termination of such period under certain specified conditions: *Provided*, That the provisions of this section shall not affect the allowances and exemptions to debtors as are provided for bankrupts under title 11, chapter 3, section 24, of the United States Code, and such allowances and exemptions shall be set aside for the use of the debtor in the manner provided for bankrupts.

"(i). Upon its confirmation an extension proposal shall be binding upon the debtor and his unsecured and secured creditors affected thereby: *Provided, however*, That such extension or composition shall not reduce the amount of or impair the lien of any secured creditor, but shall affect only the time and method of its liquidation.

"(j) Upon the confirmation of a composition the consideration shall be distributed as the court shall direct, and the case dismissed: *Provided*, That the debts having priority of payment under title 11, chapter 7, section 104, of the United States Code, for bankrupt estates, shall have priority of payment in the same order as set forth in said section 104 under the provisions of this section in any distribution, assignment, composition, or settlement herein provided for. Upon the confirmation of an extension proposal the court may dismiss the proceeding or retain jurisdiction of the debtor and his property during the period of the extension in order to protect and preserve the estate and enforce the terms of the extension proposal.

"(k) The judge may, upon the application of the parties in interest, filed at any time within 6 months after the composition or extension proposal has been confirmed, set the same aside and reinstate the case, if it shall be made to appear upon a trial that fraud was practiced in the procuring of such composition or extension, and that knowledge thereof has come to the petitioners since the confirmation thereof.

"(l) If (1) the debtor shall fail to comply with any of the terms required of him for the protection of and indemnity against loss by the estate; or (2) the debtor has failed to make the required deposit in case of a composition; or (3) the debtor's proposal has not been accepted by the creditors; or (4) confirmation has been denied; or (5) without sufficient reason the debtor defaults in any payment required to be made under the terms of an extension proposal when the court has retained jurisdiction of the debtor or his property, the court may appoint the trustee nominated by the creditors at the first meeting, and if the creditors shall have failed to so nominate, may appoint any other qualified person as trustee to liquidate the estate. The court shall in addition adjudge the debtor a bankrupt if satisfied that he commenced or prolonged the proceeding for the purpose of delaying creditors and avoiding an adjudication in bankruptcy, or if the confirmation of his proposal has been denied. No order of liquidation or adjudication shall be entered in any proceeding under this section instituted by or against a wage earner or a person engaged chiefly in farming or the tillage of the soil unless the wage earner or a person engaged chiefly in farming or the tillage of the soil consents.

"(m) The filing of a debtor's petition or answer seeking relief under this section shall subject the debtor and his property, wherever located, to the exclusive jurisdiction of the court in which the order approving the petition or answer as provided in subdivision (a) is filed. In proceedings under this section, except as otherwise provided therein, the jurisdiction and powers of the court, the title, powers, and duties of its officers and, subject to the approval of the court, their fees, the duties of the debtor, and the rights and liabilities of creditors, and of all persons with respect to the property of the debtor, and the jurisdiction of appellate courts shall be the same as if a voluntary petition for adjudication had been filed and a decree of adjudication had been entered on the day when the debtor's petition or answer was filed and any decree of adjudication thereafter entered shall have the same effect as if it had been entered on that day.

"(n) In addition to the provisions of section 11 of this act for the staying of pending suits, the court, on such notice and on such terms, if any, as it deems fair and equitable, may enjoin secured creditors who may be affected by the extension proposal from proceeding in any court for the enforcement of their claims until the extension has been confirmed or denied by the court.

"(o) The judges of the courts of bankruptcy shall appoint sufficient referees to sit in convenient places to expedite the proceedings under this section.

"(p) Involuntary proceedings under this section shall not be taken against a wage earner.

"(q) In the administration of the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, as amended, the district court or any judge thereof shall make in its or his discretion such an equitable distribution of appointments as receiver as will prevent any persons, firms, or corporations from having a monopoly of such appointments within such district."

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.

EXECUTIVE REPORTS OF COMMITTEES

Mr. VAN NUYS, from the Committee on the Judiciary, reported adversely the nomination of Frank S. Bergin, of Connecticut, to be United States attorney, district of Connecticut, to succeed John Buckley, term expired.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Leo J. Hickey, of New York, to be United States attorney, eastern district of New York, to succeed Howard W. Ameli, term expired.

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Augustine V. Long, of Florida, to be United States district judge, northern district of Florida, to succeed William B. Sheppard, deceased.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy and Marine Corps.

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

The PRESIDING OFFICER (Mr. BONE in the chair). The reports will be placed on the calendar.

INTERNATIONAL COPYRIGHT CONVENTION

On motion of Mr. DUFFY, the injunction of secrecy was removed from Executive E, Seventy-third Congress, second session, being the International Convention of the Copyright Union as revised and signed at Rome on June 2, 1928.

The convention was made public, as follows:

[Senate, Executive E, 73d Cong., 2d sess.]

INTERNATIONAL COPYRIGHT CONVENTION

ARTICLE 1

The Countries to which the present Convention applies shall be constituted into a Union for the protection of the rights of authors in their literary and artistic works.

ARTICLE 2

(1) The term "literary and artistic works" shall include all productions in the literary, scientific, and artistic domain, whatever the mode or form of expression, such as: books, pamphlets, and other writings; lectures, addresses, sermons and other works of like nature; dramatic or dramatico-musical works; choreographic works and pantomimes, the staging (mise en scène) of which is fixed in writing or otherwise; musical compositions with or without words; drawings, paintings; works of architecture and sculpture; engravings and lithographs; illustrations; geographical charts; plans, sketches, and plastic works relating to geography, topography, architecture, or the sciences.

(2) Translations, adaptations, arrangements of music and other reproductions transformed from a literary or artistic work, as well as compilations from different works, shall be protected as original works without prejudice to the rights of the author of the original work.

(3) The countries of the Union shall be bound to secure protection in the case of the works mentioned above.

(4) Works of art applied to industry shall be protected so far as the domestic legislation of each country allows.

ARTICLE 2 BIS

(1) The authority is reserved to the domestic legislation of each country of the Union to exclude, partially or wholly, from the protection provided by the preceding Article political discourses or discourses pronounced in judicial debates.

(2) There is also reserved to the domestic legislation of each country of the Union authority to enact the conditions under which such lectures, addresses, sermons and other works of like nature may be reproduced by the press. Nevertheless, the author alone shall have the right to bring such works together in a compilation.

ARTICLE 3

The present convention shall apply to photographic works and to works obtained by any process analogous to photography. The countries of the Union shall be bound to guarantee protection to such works.

ARTICLE 4

(1) Authors within the jurisdiction of one of the countries of the Union shall enjoy for their works, whether unpublished or published for the first time in one of the countries of the Union, such rights, in the countries other than the country of origin of the work, as the respective laws now accord or shall hereafter accord to nationals, as well as the rights specially accorded by the present Convention.

(2) The enjoyment and the exercise of such rights shall not be subject to any formality; such enjoyment and such exercise are independent of the existence of protection in the country of origin of the work. Consequently, apart from the stipulations of the present Convention, the extent of the protection, as well as the means of redress guaranteed to the author to safeguard his rights, shall be regulated exclusively according to the legislation of the country where the protection is claimed.

(3) The following shall be considered as the country of origin of the work: for unpublished works, the country to which the author belongs; for published works, the country of first publication, and for works published simultaneously in several countries of the Union, the country among them whose legislation grants the shortest term of protection. For works published simultaneously in a country outside of the Union and in a country within the Union, it is the latter country which shall be exclusively considered as the country of origin.

(4) By "published works" (oeuvres publiées) must be understood, according to the present Convention, works which have been issued (oeuvres éditées). The representation of a dramatic or dramatico-musical work, the performance of a musical work, the exhibition of a work of art and the construction of a work of architecture shall not constitute publication.

ARTICLE 5

Authors within the jurisdiction of one of the countries of the Union who publish their works for the first time in another country of the Union, shall have in this latter country the same rights as national authors.

ARTICLE 6

(1) Authors not within the jurisdiction of any one of the countries of the Union, who publish their works for the first time in one of the Union countries, shall enjoy in such Union country the same rights as national authors, and in the other countries of the Union the rights accorded by the present Convention.

(2) Nevertheless, when a country outside of the Union does not protect in an adequate manner the works of authors within the jurisdiction of one of the countries of the Union, this latter Union country may restrict the protection for the works of authors who are, at the time of the first publication of such works, within the jurisdiction of the non-Union country and are not actually domiciled in one of the countries of the Union.

(3) Any restriction, established by virtue of the preceding paragraph, shall not prejudice the rights which an author may have acquired in a work published in one of the countries of the Union before the putting into effect of this restriction.

(4) The countries of the Union which, by virtue of the present article, restrict the protection of the rights of authors, shall notify the fact to the Government of the Swiss Confederation by a written declaration indicating the countries in whose case protection is restricted, and indicating also the restrictions to which the rights of authors within the jurisdiction of such country are subjected. The Government of the Swiss Confederation shall immediately communicate this fact to all the countries of the Union.

ARTICLE 6 BIS

(1) Independently of the author's copyright, and even after assignment of the said copyright, the author shall retain the right to claim authorship of the work, as well as the right to object to every deformation, mutilation or other modification of the said work, which may be prejudicial to his honor or to his reputation.

(2) It is left to the national legislation of each of the countries of the Union to establish the conditions for the exercise of these rights. The means for safeguarding them shall be regulated by the legislation of the country where protection is claimed.

ARTICLE 7

(1) The duration of the protection granted by the present Convention shall comprise the life of the author and fifty years after his death.

(2) In case this period of protection, however, should not be adopted uniformly by all the countries of the Union, its duration shall be regulated by the law of the country where protection is claimed, and it can not exceed the term fixed in the country of origin of the work. The countries of the Union will consequently not be required to apply the provision of the preceding paragraph beyond the extent to which it agrees with their domestic law.

(3) For photographic works and works obtained by a process analogous to photography; for posthumous works; for anonymous or pseudonymous works, the term of protection shall be regulated by the law of the country where protec-

tion is claimed, but this term shall not exceed the term fixed in the country of origin of the work.

ARTICLE 7 BIS

(1) The term of copyright protection belonging in common to collaborators in a work shall be calculated according to the date of the death of the last survivor of the collaborators.

(2) Persons within the jurisdiction of countries which grant a shorter period of protection than that provided in paragraph 1 can not claim in the other countries of the Union a protection of longer duration.

(3) In any case the term of protection shall not expire before the death of the last survivor of the collaborators.

ARTICLE 8

Authors of unpublished works within the jurisdiction of one of the countries of the Union, and authors of works published for the first time in one of these countries, shall enjoy in the other countries of the Union during the whole term of the right in the original work the exclusive right to make or to authorize the translation of their works.

ARTICLE 9

(1) Serial stories, tales and all other works, whether literary, scientific, or artistic, whatever may be their subject, published in newspapers or periodicals of one of the countries of the Union, may not be reproduced in the other countries without the consent of the authors.

(2) Articles of current economic, political, or religious discussion may be reproduced by the press if their reproduction is not expressly reserved. But the source must always be clearly indicated; the sanction of this obligation shall be determined by the legislation of the country where the protection is claimed.

(3) The protection of the present Convention shall not apply to news of the day or to miscellaneous news having the character merely of press information.

ARTICLE 10

As concerns the right of borrowing lawfully from literary or artistic works for use in publications intended for instruction or having a scientific character, or for chrestomathies, the provisions of the legislation of the countries of the Union and of the special treaties existing or to be concluded between them shall govern.

ARTICLE 11

(1) The stipulations of the present Convention shall apply to the public representation of dramatic or dramatico-musical works and to the public performance of musical works, whether these works are published or not.

(2) Authors of dramatic or dramatico-musical works shall be protected, during the term of their copyright in the original work, against the unauthorized public representation of a translation of their works.

(3) In order to enjoy the protection of this article, authors in publishing their works shall not be obliged to prohibit the public representation or public performance of them.

ARTICLE 11 BIS

(1) The authors of literary and artistic works shall enjoy the exclusive right to authorize the communication of their works to the public by broadcasting.

(2) It belongs to the national legislatures of the countries of the Union to regulate the conditions for the exercise of the right declared in the preceding paragraph, but such conditions shall have an effect strictly limited to the country which establishes them. They can not in any case adversely affect the moral right of the author, nor the right which belongs to the author of obtaining an equitable remuneration fixed, in default of an amicable agreement, by competent authority.

ARTICLE 12

Among the unlawful reproductions to which the present Convention applies shall be specially included indirect, unauthorized appropriations of a literary or artistic work, such as adaptations, arrangements of music, transformations of a romance or novel or of a poem into a theatrical piece and vice-versa, etc., when they are only the reproduction of such work in the same form or in another form with non-essential changes, additions or abridgements and without presenting the character of a new, original work.

ARTICLE 13

(1) Authors of musical works shall have the exclusive right to authorize: (1) the adaptation of these works to instruments serving to reproduce them mechanically; (2) the public performance of the same works by means of these instruments.

(2) The limitations and conditions relative to the application of this article shall be determined by the domestic legislation of each country in its own case; but all limitations and conditions of this nature shall have an effect strictly limited to the country which shall have adopted them.

(3) The provisions of paragraph 1 shall have no retroactive effect, and therefore shall not be applicable in a country of the Union to works which, in that country, shall have been lawfully adapted to mechanical instruments before the going into force of the Convention signed at Berlin, November 13, 1908; and, in the case of a country which has acceded to the Union since that date, or shall accede to it in the future, then when the works have been adapted to mechanical instruments before the date of its accession.

(4) Adaptations made by virtue of paragraphs 2 and 3 of this article and imported, without the authorization of the parties interested, into a country where they would not be lawful, shall be liable to seizure there.

ARTICLE 14

(1) Authors of literary, scientific or artistic works shall have the exclusive right to authorize the reproduction, adaptation, and public representation of their works by means of the cinematograph.

(2) Cinematographic productions shall be protected as literary or artistic works when the author shall have given to the work an original character. If this character is lacking, the cinematographic production shall enjoy the same protection as photographic works.

(3) Without prejudice to the rights of the author of the work reproduced or adapted, the cinematographic work shall be protected as an original work.

(4) The preceding provisions apply to the reproduction or production obtained by any other process analogous to cinematography.

ARTICLE 15

(1) In order that the authors of the works protected by the present Convention may be considered as such, until proof to the contrary, and be admitted consequently before the courts of the various countries of the Union to proceed against infringers, it shall suffice that the author's name be indicated upon the work in the usual manner.

(2) For anonymous or pseudonymous works, the publisher whose name is indicated upon the work shall be entitled to protect the rights of the author. He shall, without other proof, be considered the legal representative of the anonymous or pseudonymous author.

ARTICLE 16

(1) All infringing works may be seized by the competent authorities of the countries of the Union where the original work has a right to legal protection.

(2) Seizure may also be made in these countries of reproductions which come from a country where the copyright on the work has terminated, or where the work has not been protected.

(3) The seizure shall take place in conformity with the domestic legislation of each country.

ARTICLE 17

The provisions of the present Convention may not prejudice in any way the right which belongs to the Government of each of the countries of the Union to permit, to supervise, or to forbid, by means of legislation or of domestic police, the circulation, the representation or the exhibition of every work or production in regard to which competent authority may have to exercise this right.

ARTICLE 18

(1) The present Convention shall apply to all works which, at the time it goes into effect, have not fallen into the public domain of their country of origin because of the expiration of the term of protection.

(2) But if a work by reason of the expiration of the term of protection which was previously secured for it has fallen into the public domain of the country where protection is claimed, such work shall not be protected anew.

(3) This principle shall be applied in accordance with the stipulations to that effect contained in the special Conventions either existing or to be concluded between countries of the Union, and in default of such stipulations, its application shall be regulated by each country in its own case.

(4) The preceding provisions shall apply equally in the case of new accessions to the Union and where the protection would be extended by the application of Article 7 or by the abandonment of reservations.

ARTICLE 19

The provisions of the present Convention shall not prevent a claim for the application of more favorable provisions which may be enacted by the legislation of a country of the Union in favor of foreigners in general.

ARTICLE 20

The governments of the countries of the Union reserve the right to make between themselves special treaties, when these treaties would confer upon authors more extended rights than those accorded by the Union, or when they contain other stipulations not conflicting with the present Convention. The provisions of existing treaties which answer the aforesaid conditions shall remain in force.

ARTICLE 21

(1) The international office instituted under the name of "Bureau of the International Union for the Protection of Literary and Artistic Works" ("Bureau de l'Union internationale pour la protection des oeuvres littéraires et artistiques") shall be maintained.

(2) This Bureau is placed under the high authority of the Government of the Swiss Confederation, which controls its organization and supervises its working.

(3) The official language of the Bureau shall be French.

ARTICLE 22

(1) The International Bureau shall bring together, arrange and publish information of every kind relating to the protection of the rights of authors in their literary and artistic works. It shall study questions of mutual utility interesting to the Union, and edit, with the aid of documents placed at its disposal by the various administrations, a periodical in the French language, treating questions concerning the purpose of the Union. The governments of the countries of the Union reserve the right to authorize the Bureau by common accord to publish an edition in one or more other languages, in case experience demonstrates the need.

(2) The International Bureau must hold itself at all times at the disposal of members of the Union to furnish them, in relation to questions concerning the protection of literary and artistic works, the special information of which they have need.

(3) The Director of the International Bureau shall make an annual report on his administration, which shall be communicated to all the members of the Union.

ARTICLE 23

(1) The expenses of the Bureau of the International Union shall be shared in common by the countries of the Union. Until a new decision, they may not exceed one hundred and twenty thousand Swiss francs per year. This sum may be increased when needful by the unanimous decision of one of the Conferences provided for in Article 24.

(2) To determine the part of this sum total of expenses to be paid by each of the countries, the countries of the Union and those which later adhere to the Union shall be divided into six classes each contributing in proportion to a certain number of units to wit:

	Units
1st class	25
2nd class	20
3rd class	15
4th class	10
5th class	5
6th class	3

(3) These coefficients are multiplied by the number of countries of each class, and the sum of the products thus obtained furnishes the number of units by which the total expense is to be divided. The quotient gives the amount of the unit of expense.

(4) Each country shall declare, at the time of its accession, in which of the above-mentioned classes it demands to be placed, but it may always ultimately declare that it intends to be placed in another class.

(5) The Swiss Administration shall prepare the budget of the Bureau and superintend its expenditures, make necessary advances and draw up the annual account, which shall be communicated to all the other administrations.

ARTICLE 24

(1) The present Convention may be subjected to revision with a view to the introduction of amendments calculated to perfect the system of the Union.

(2) Questions of this nature, as well as those which from other points of view pertain to the development of the Union, shall be considered in the Conferences which will take place successively in the countries of the Union between the delegates of the said countries. The administration of the country where a Conference is to be held shall, with the cooperation of the International Bureau, prepare the agenda of the same. The Director of the Bureau shall attend the meetings of the Conferences and take part in the discussions without a deliberative voice.

(3) No change in the present Convention shall be valid for the Union except by the unanimous consent of the countries which compose it.

ARTICLE 25

(1) The countries outside of the Union which assure legal protection of the rights which are the object of the present Convention, may accede to it upon their request.

(2) Such accession shall be communicated in writing to the Government of the Swiss Confederation and by the latter to all the others.

3. The full right of adhesion to all the clauses and admission to all the advantages stipulated in the present Convention shall be implied by such accession and it shall go into effect one month after the sending of the notification by the Government of the Swiss Confederation to the other countries of the Union, unless a later date has been indicated by the adhering country. Nevertheless, such accession may contain an indication that the adhering country intends to substitute, provisionally at least, for Article 8 concerning translations, the provisions of Article 5 of the Convention of the Union of 1886, revised at Paris in 1896, it being of course understood that these provisions relate only to translations into the language or languages of the country.

ARTICLE 26

(1) Each of the countries of the Union may, at any time, notify in writing the Government of the Swiss Confederation that the present Convention shall be applicable to all or to part of its colonies, protectorates, territories under mandate or all other territories subject to its sovereignty or to its authority, or all territories under suzerainty, and the Convention shall then apply to all the territories designated in the notification. In default of such notification, the Convention shall not apply to such territories.

(2) Each of the countries of the Union may, at any time, notify in writing the Government of the Swiss Confederation that the present Convention shall cease to be applicable to all or to part of the territories which were the object of the notification provided for by the preceding paragraph, and the Convention shall cease to apply in the territories designated in such notification twelve months after receipt of the notification addressed to the Government of the Swiss Confederation

(3) All the notifications made to the Government of the Swiss Confederation, under the provisions of paragraphs 1 and 2 of this article, shall be communicated by that Government to all the countries of the Union

ARTICLE 27

(1) The present Convention shall replace in the relations between the countries of the Union the Convention of Berne of September 9, 1886 and the acts by which it has been successively revised. The acts previously in effect shall remain applicable in the relations with the countries which shall not have ratified the present Convention.

(2) The countries in whose name the present Convention is signed may still retain the benefit of the reservations which they have previously formulated on condition that they make such a declaration at the time of the deposit of the ratifications.

(3) Countries which are at present parties to the Union, but in whose name the present Convention has not been signed, may at any time adhere to it. They may in such case benefit by the provisions of the preceding paragraph.

ARTICLE 28

(1) The present Convention shall be ratified, and the ratifications shall be deposited at Rome not later than July 1, 1931.

(2) It shall go into effect between the countries of the Union which have ratified it one month after that date. However, if, before that date, it has been ratified by at least six countries of the Union it shall go into effect as between those countries of the Union one month after the deposit of the sixth ratification has been notified to them by the Government of the Swiss Confederation and, for the countries of the Union which shall later ratify, one month after the notification of each such ratification.

(3) Countries that are not within the Union may, until August 1, 1931, enter the Union, by means of adhesion, either to the Convention signed at Berlin November 13, 1908, or to the present Convention. After August 1, 1931, they can adhere only to the present Convention.

ARTICLE 29

(1) The present Convention shall remain in effect for an indeterminate time, until the expiration of one year from the day when denunciation of it shall have been made.

(2) This denunciation shall be addressed to the Government of the Swiss Confederation. It shall be effective only as regards the country which shall have made it, the Convention remaining in force for the other countries of the Union.

ARTICLE 30

(1) The countries which introduce into their legislation the term of protection of fifty years provided for by Article 7, paragraph 1, of the present Convention, shall make it known to the Government of the Swiss Confederation by a written notification which shall be communicated at once by that Government to all the other countries of the Union.

(2) It shall be the same for such countries as shall renounce any reservations made or maintained by them by virtue of Articles 25 and 27.

In faith whereof, the respective Plenipotentiaries have signed the present Convention.

Done at Rome, the second of June, one thousand nine hundred and twenty-eight, in a single copy, which shall be deposited in the archives of the Royal Italian Government. One copy, properly certified, shall be sent through diplomatic channels to each of the countries of the Union.

For Germany:
C. von Neurath.
Georg Klauer.
Wilhelm Mackeben.
Eberhard Neugebauer.
Maximilian Mintz.
Max von Schillings.

For Austria:
Dr. August Hesse.

For Belgium:
Cte. della Faille de Leverghem.
Wauwermans.

For the United States of Brazil:
F. Pessoa de Queiroz.
J. S. da Fonseca Hermes Jr.

For Bulgaria:
G. Radeff.

For Denmark:
I. C. W. Kruse.
F. Graae.

For the Free City of Danzig:
Stefan Sieczkowski.

For Spain:
Francisco Alvarez-Ossorio.

For Estonia:
K. Tofer.

For Finland:
Emile Setälä.
Rolf Thesleff.
George Winckelmann.

For France:
Beaumarchais.
Marcel Plaisant.
P. Grunebaum-Ballin.
Cn. Drouets.
Georges Maillard.
André Rivoire.
Romain Coolus.
A. Messager.

For Great Britain and Northern Ireland:
S. J. Chapman.
W. S. Jarratt.
A. J. Martin.

For Canada:
Philippe Roy.

For Australia:
W. Harrison Moore.

For New Zealand:
S. G. Raymond.

For the Irish Free State:
[No signature.]

For India:
G. Graham Dixon.

For the Hellenic Republic:
N. Mavroudis.

For Hungary:
Andre de Hory.

For Italy:
Vittorio Scialoja.
E. Piola Caselli.
Vicenzo Morello.
Amedeo Giannini.
Domenico Barone.
Emilio Venezian.
A. Jannoni Sebastianini.
Mario Ghiron.

For Japan:
M. Matsuda.
T. Akagi.

For Luxemburg:
Bruck.

For Morocco:
Beaumarchais.

For Monaco:
R. Sauvage.

For Norway:
Arnold Raestad.

For The Netherlands:
A. van der Gols.

For Poland:
Stefan Sieczkowski.
Frédéric Zoll.

For Portugal:
Enrique Trindade Coelho.

For Rumania:
Theodore Solacolo.

For Sweden:
E. Marks von Würtemberg.
Erik Lidforss.
For Switzerland:
Wagnière.
W. Kraft.
A. Streuli.
For Syria and Great Lebanon:
Beaumarchais.
For Czechoslovakia:
Dr. V. Mastny.
Prof. Karel Hermann-Otavsky.
For Tunis:
Beaumarchais.
A true copy
For The Minister of Foreign Affairs of Italy
Fani

FRANK S. BERGIN

Mr. LONERGAN. Mr. President, I ask unanimous consent that the Senate take action at this time on the unfavorable report from the Judiciary Committee of the nomination of Frank S. Bergin to be United States attorney, District of Connecticut, and I hope the Senate will vote to reject the nomination.

The PRESIDING OFFICER (Mr. BONE in the chair). The clerk will state the nomination.

The legislative clerk read the nomination of Frank S. Bergin of Connecticut to be United States attorney, District of Connecticut, reported adversely from the Committee on the Judiciary.

Mr. ROBINSON of Arkansas. Mr. President, may I ask the Senator from Connecticut if the report of the committee was unanimous?

Mr. LONERGAN. It is a unanimous report of all members of the committee present.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none. The question is, Will the Senate advise and consent to the nomination?

The nomination was rejected.

The PRESIDING OFFICER. The calendar is in order.

NOMINATION OF JOHN WARD STUDEBAKER—RECOMMITTED

The legislative clerk read the nomination of John Ward Studebaker, of Iowa, to be Commissioner of Education.

Mr. WALSH. Mr. President, I ask unanimous consent that the nomination be recommitted to the Committee on Education and Labor for further consideration.

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

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters be confirmed en bloc.

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

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that nominations in the Army be confirmed en bloc.

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

RECESS

The Senate resumed legislative session.

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 27 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, May 29, 1934, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28, 1934

APPOINTMENT IN THE REGULAR ARMY

ASSISTANT TO THE CHIEF OF THE AIR CORPS

Lt. Col. James Eugene Chaney to be assistant to the Chief of the Air Corps, with the rank of brigadier general.

PROMOTIONS IN THE REGULAR ARMY

Ployer Peter Hill to be captain, Air Corps.

Robert James Dwyer, to be first lieutenant, Air Corps.

John Honeycutt Hinrichs to be first lieutenant, Field Artillery.

Frederick Lewis Anderson, Jr., to be first lieutenant, Air Corps.

John Berwick Anderson to be lieutenant colonel, Medical Corps.

Walter Paul Davenport to be lieutenant colonel, Medical Corps.

Austin James Canning to be lieutenant colonel, Medical Corps.

Lanphear Wesley Webb, Jr., to be lieutenant colonel, Medical Corps.

Leigh Cole Fairbank to be lieutenant colonel, Dental Corps.

Terry P. Bull to be lieutenant colonel, Dental Corps.

Frank Marion Lee to be major, Veterinary Corps.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

TO BE MAJOR GENERALS

David Prescott Barrows
Albert Hazen Blanding
Erland Frederick Fish
William Nafew Haskell
Benson Walker Hough
John Augustus Hulen
Roy Dee Keehn
Charles Irving Martin
Morris Benham Payne
Milton Atchison Reckord
Henry Dozier Russell
Edward Caswell Shannon
Mathew Adrian Tinley
Alexander MacKenzie Tuthill
Robert Henry Tyndall
George Ared White
Guy Merrill Wilson

TO BE BRIGADIER GENERALS

Samuel Garrison Barnard
Claude Vivian Birkhead
Robert Morris Brookfield
Harold Montfort Bush
John James Byrne
Edgar Hugh Campbell
Ellerbe Winn Carter
Paul Bernard Clemens
Ludwig Shaner Conelly
Herbert Reynolds Dean
Henry Herman Denhardt
Daniel Wray DePrez
Arthur William Desmond
Nathaniel Hillyer Egleston
Park Alfonso Findley
Irving Andrews Fish
Albert Greenlaw
Louis Francis Guerre
William Ernest Guthner
James Ambrose Haggerty
Thomas Stevens Hammond
Alvin Horace Hankins
Dudley Jackson Hard
Frank David Henderson
William Shaffer Key
James Craig McLanahan
William Swan McLean, Jr.
Charles E. McPherren
Trelawney Eston Marchant
Edward Martin
Wallace Ashton Mason
John Van Bokkelen Metts
Daniel Needham
John Cecil Persons
John James Phelan
William Richard Pooley
Winfield Scott Price
George Perry Rains
Frank Elisha Reed
Thomas Edward Rilea
David St. Clair Ritchie
Oscar Edwin Roberts
Lloyd Denison Ross
William Frederick Schohl
Frank Rudolph Schwengel
Edmund Justin Slate
Edward James Stackpole, Jr.
Edward Moses Stayton
Walter Perry Story
Amos Thomas
John Sylvester Thompson
Robert Jesse Travis
Samuel Gardner Waller
George Henderson Wark
William Gray Williams
Jacob Franklin Wolters
John Henry Agnew
Joseph Homer Ballew
Carlos Emerson Black
Lindley Wayland Camp
Vivian Bramble Collins
Ebenezer L. Compere
Raymond Hartwell Fleming
Charles Harry Grahl
James Walter Hanson
William Aloysius Higgins
Seth Edwin Howard
Ralph Maxwell Immell
William Ferson Ladd
Milton Robbins McLean
Maurice Thompson
Franklin Wilmer Ward

POSTMASTERS

ARKANSAS

William I. Fish, Dumas.
Byron P. Jarnagin, Waldo.

CALIFORNIA

Harry A. Hall, Bigpine.
John G. Carroll, Calexico.
Lula G. Watson, Canoga Park.
Frank Emerson, Corona.
George W. Richards, Culver City.
Ralph W. Dunham, Greenfield.
Josephine M. Costar, Greenville.
Marvin S. Wick, Hermosa Beach.
Lewis J. Renshaw, Hilmar.
Otto G. Simon, Lancaster.
Anthony F. Sonka, Lemongrove.
Miriam I. Paine, Mariposa.
Joseph T. McInerny, Merced.
Julia M. Ruschin, Newark.
Lindsey L. Burke, Norwalk.
James B. Stone, Redlands.
James R. Wilson, Sacramento.

DELAWARE

Oliver G. Melvin, Frederica.
Florence H. Carey, Milton.

HAWAII

Harry K. Ching, Ewa.
John M. Fernandez, Hana.
Robert E. Lee, Olaa.

ILLINOIS

Roy L. Campbell, Athens.
James E. Muckian, Calumet City.
William S. Westermann, Carlyle.
Thomas O'Donnell, Grafton.
Anna E. Sullivan, Grand Tower.
Porter Campbell, Hardin.
Charles H. Knodel, Hull.
Charles M. McCoy, Hutsonville.
William H. Woodard, North Chicago.
William A. Reeds, Oakland.
Michael E. Sullivan, Park Ridge.
Thomas J. Cody, Peoria.
William C. Dufrenne, Prairie du Rocher.
Samuel T. Duncan, Tamaroa.
Curtis E. Veach, Valier.

MARYLAND

William A. Strohm, Annapolis.
Herbert L. Diamond, Gaithersburg.
John M. Pearce, Monkton.

MICHIGAN

Henry I. Bourns, Adrian.
Arthur Little, Cass City.
John G. Watson, Colon.
T. Theodore Hurja, Crystal Falls.
William De Kuiper, Fremont.
Edward J. Talbot, Manistee.
Edwin C. Kraft, Nashville.
Hallie C. Bunting, Port Hope.
William M. Zeitler, Republic.
Mildred E. Walsh, St. Charles.
Floyd H. Leach, Scotts.
Gordon W. Huffman, Tustin.
Leo M. Neubecker, Weidman.

MISSISSIPPI

Rex R. Ray, Canton.
Beula P. Herrington, Mount Olive.

NEBRASKA

Walter O. Troxel, Elsie.
David S. Simms, Hastings.
Dorothy A. Crawford, Maxwell.

NEVADA

Mary C. McNamara, Elko.
Pauline H. Hjul, Eureka.
Juanita M. Johnson, Gardnerville.
Karl C. Berg, Round Mountain.
Edward D. Gladding, Virginia City.

NEW YORK

Edward J. Seagert, Attica.
Luke E. Burns, Black River.
Mae Nolan, Clark Mills.
Charles Bruno, East Williamson.
Jennie W. Jewell, Fishkill.
George S. Hart, Freeville.
Flora A. M. Humes, Great Bend.
Fred S. Tripp, Guilford.
Katherine A. Colligan, Halesite.
George Eaton Dean, Highland.
Joseph N. Peck, Honeoye Falls.
Frederick B. Pulling, Lagrangeville.
John W. Clark, Mahopac.
Frank J. Baltzel, Newark.
Henry H. Gaff, Niagara University.
William F. McNichol, Nyack.
Joseph J. Cruse, Poland.
Olivia L. McGowan, Roosevelt.
Claude A. Bierman, St. Johnsville.
John F. Maher, Woodridge.

NORTH CAROLINA

Wythe M. Peyton, Asheville.
William E. Hooks, Ayden.
William C. Stockton, Ellenboro.
John F. Lynch, Erwin.
Harry L. Ward, Gatesville.

RHODE ISLAND

Fred Beauchaine, Warren.

TENNESSEE

Cyril W. Jones, Athens.
Thomas D. Walker, Kerrville.
Raymond C. Townsend, Parsons.

TEXAS

Nat Shick, Big Spring.
Earnest N. Sowell, Elgin.
Milton L. Burleson, El Paso.
Robert W. Klingelhoefer, Fredericksburg.
John M. Sharpe, Georgetown.
Swanee E. Willis, Monahans.
Walter E. Shannon, North Zulch.
John W. Waide, Paint Rock.
Oran W. Cliett, San Marcos.
Willie R. Goodwin, Stinnett.
Hugh D. Burleson, Streetman.
Paul E. Jette, Wink.

VIRGINIA

Kathryn C. Ross, Accomac.
John H. Bowdoin, Bloxom.
Hugh H. Adair, Bristol.
Norma H. Fulton, Drakes Branch.
James H. Shiner, Front Royal.
Charles B. Hogan, Heathsville.
Andrew W. Cameron, Hot Springs.
Richard S. Jackson, Ivanhoe.
Thomas E. Simmerman, Jr., Max Meadows.
Robert P. Holt, Newport News.
Kemp Plummer, Portsmouth.
Samuel F. Atwill, Sr., Reedville.
John E. Pace, Ridgeway.
Wallace P. Ashburn, Virginia Beach.

WISCONSIN

Albert Hess, Arcadia.
Andrew J. Osborne, Barron.
Edward R. Kranzfelder, Bloomer.
Carl Whitaker, Chetek.

William L. Lee, Drummond.
Carl J. Mueller, Jefferson.
Louis O. Mueller, Portage.
Helen T. Donalds, St. Croix Falls.
Bethel W. Robinson, Superior.
Thomas J. Kelley, Tomahawk.
Edward A. Peters, Waterloo.

WYOMING

William Thomas Scott, Gebo.

REJECTION

Executive nomination rejected by the Senate May 28, 1934

UNITED STATES ATTORNEY

Frank S. Bergin to be United States attorney, district of Connecticut.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 28, 1934

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

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

God, be merciful unto us and bless us; and cause His face to shine upon us; that Thy way be known upon the earth, Thy saving health among all nations. Let the people praise Thee, O God; let all the people praise Thee. O let the nations be glad and sing for joy, for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God; let all the people praise Thee. Then shall the earth yield her increase, and God, even our God, shall bless us. God shall bless us and all the ends of the earth shall fear Him. We pray in the name of our Savior. Amen.

The Journal of the proceedings of Thursday, May 24, 1934, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1158. An act for the relief of Annie I. Hissey;
H.R. 1933. An act for the relief of Philip F. Hambsch;
H.R. 1943. An act for the relief of A. H. Powell;
H.R. 1977. An act for the relief of R. A. Hunsinger;
H.R. 2054. An act for the relief of John S. Cathcart;
H.R. 2322. An act for the relief of C. K. Morris;
H.R. 2433. An act for the relief of Anna H. Jones;
H.R. 2438. An act for the relief of Ruby F. Voiles;
H.R. 2837. An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes;
H.R. 3056. An act for the relief of James B. Conner;
H.R. 3300. An act for the relief of George B. Beaver;
H.R. 3302. An act for the relief of John Merrill;
H.R. 4690. An act for the relief of Eula K. Lee;
H.R. 5477. An act to fix the rates of postage on certain periodicals exceeding 8 ounces in weight;
H.R. 6179. An act to amend an act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes";
H.R. 6803. An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes;
H.R. 7168. An act for making compensation to the estate of Nellie Lamson;
H.R. 7289. An act for the relief of H. A. Soderberg;
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. 8241. An act to authorize the construction and operation of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;
H.R. 8494. An act to authorize the Secretary of the Interior to modify the terms of existing contracts for the sale of timber on the Quinault Indian Reservation when it is in the interest of the Indians so to do;
H.R. 8714. An act to extend the times for commencing and completing the construction of a bridge across the Pee Dee River and a bridge across the Waccamaw River, both at or near Georgetown, S.C.;
H.R. 8937. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River, at or near Delphi, Ind.;
H.R. 8938. An act to amend the act of Congress approved June 7, 1924, commonly called the "San Carlos Act", and acts supplementary thereto;
H.R. 8951. An act authorizing the city of Shawneetown, Ill., to construct, maintain, and operate a toll bridge across the Ohio River at or near a point between Washington Avenue and Monroe Street in said city of Shawneetown and a point opposite thereto in the county of Union and State of Kentucky;
H.R. 9000. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Holtwood, Lancaster County;
H.R. 9065. An act granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts to construct, maintain, and operate a free highway bridge across the Connecticut River at Turners Falls, Mass.;
H.R. 9257. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Bainbridge, Lancaster County, and Manchester, York County;
H.R. 9271. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a toll bridge across the Susquehanna River at or near Millersburg, Dauphin County, Pa.; and
H.R. 9502. An act authorizing the State Highway Departments of the States of Minnesota and North Dakota to construct, maintain and operate certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N.Dak.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3487) relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GLASS, Mr. WAGNER, Mr. BARKLEY, Mr. WALCOTT, and Mr. TOWNSEND to be conferees on the part of the Senate.

The measure also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, 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; insists upon its amendments, and requests a conference with the House thereon, and appoints Mr. WALSH, Mr. TYDINGS, and Mr. HALE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3025) to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FLETCHER, Mr. GLASS, Mr. BULKLEY, Mr. WALCOTT, and Mr. TOWNSEND to be the conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta,